



PORT STEPHENS
COUNCIL

ANNUAL REPORT
2015-2016
VOLUME 1





The Annual Report of Port Stephens Council for the year 2015-2016 has been prepared in accordance with Section 428 of the *Local Government Act 1993* and Regulation 217. It comprises three volumes:

- **Volume 1** reports on Council's operations for the year together with performance measures;
- **Volume 2** contains the audited financial accounts for the year;
- **Volume 3** reports on the state of the environment as required under Section 428A of the *Local Government Act 1993*.

Acknowledgement

Port Stephens Council acknowledges the Worimi people as the traditional custodians of this land.

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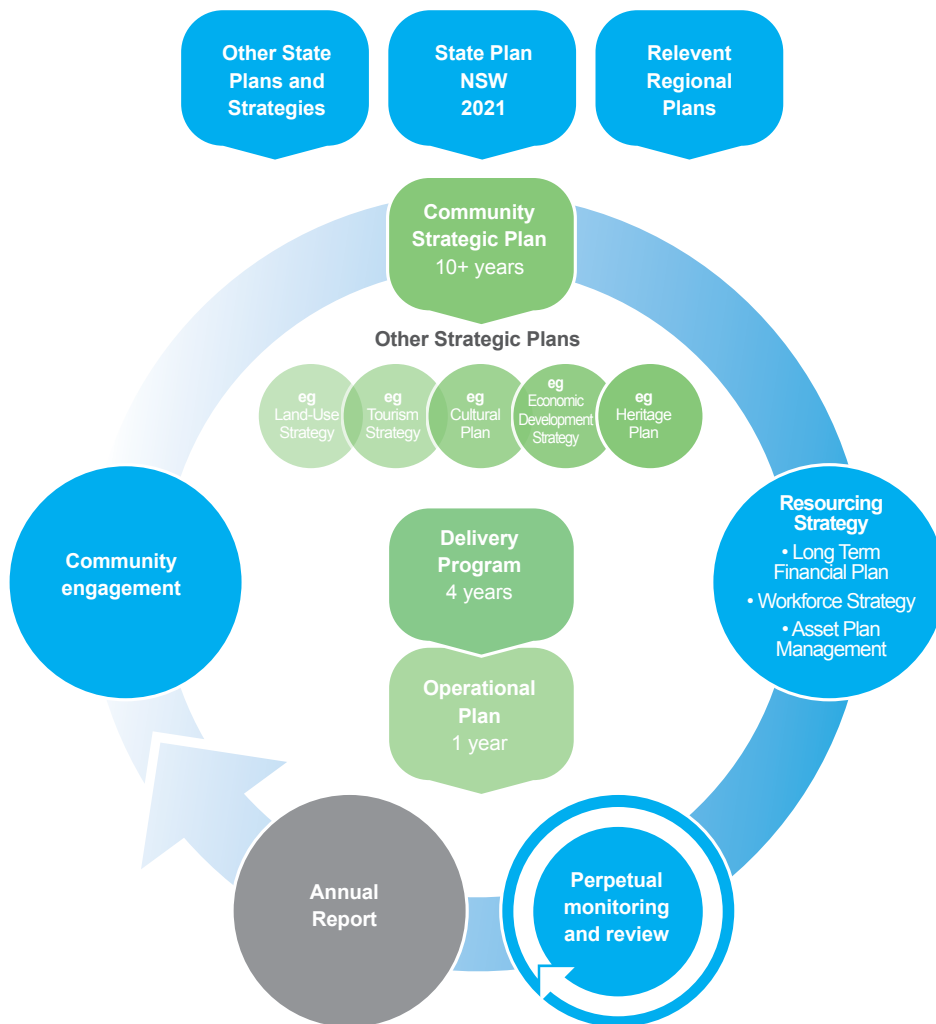
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INTEGRATED PLANNING AND REPORTING FRAMEWORK

Accountability, good practice and our legislation require Port Stephens Council to assess and regularly report on our progress towards implementing the actions in our four year Delivery Program and one year Operational Plan. We use the integrated planning and reporting framework that is contained in the *Local Government Act 1993*.



SIX MONTHLY REPORTS

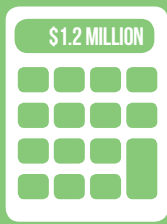
The Six Monthly Report to Council provides an assessment of progress against the set of criteria that the Council deems necessary for the General Manager to meet the performance objectives of the Delivery Program.

ANNUAL REPORT

The Annual Report provides the community, Councillors and staff with a report of work completed by Council during the year, providing a transparent insight into our operations and decision-making processes.



2015-2016 HIGHLIGHTS AND ACHIEVEMENTS



FINANCIAL PERFORMANCE
\$1.2 MILLION
SURPLUS

UP 7.5%

86.5%
COMMUNITY SATISFACTION

70%

STAFF ENGAGEMENT



**OPERATIONAL
PLAN DELIVERY**

97%+



UP 7%



SAFETY

107% OF SAFETY OBSERVATIONS COMPLETED, LEADING TO A REDUCED WORKERS COMPENSATION PREMIUM OF \$663,467



Corporate Services



Winner, Operational & Management Effectiveness category, 2015 NSW Local Government Excellence Awards – Human Resources Information System.

Winner, Best Workplace Health & Safety Management System (Public Sector/Not for Profit), 2015 SafeWork NSW Awards.



Implementation of online timesheet system, creating annual saving of more than \$100,000. Also good for environment through reduced paper use.



ICT infrastructure: Disaster Recovery Plan complete, ensuring service continuity in outage situations.

\$2.2 m

Tarrant Road, Salamander Bay residential subdivision - 33 lots sold, \$2.2 million profit achieved.

Facilities & Services

Soldiers Point

Aboriginal Place declaration.

Capital works program



\$20.3 million spent on infrastructure.



Contracts

Waste: \$5 million p.a. over 10 years

Swimming pool \$2.6 million p.a. guaranteed subsidy for first 3 years of 5+5 years contract

Surf Life Saving New 5+5 year contract



Emergency Management

Creation of coordinating role dedicated to emergency planning – not just response.



Funding

\$112,000 won for Library technology; \$120,000 annual Family Day Care operating subsidy retained.

Development Services



DA E-Lodgement: 89% of DAs now lodged electronically.



Launch of new Council website.



550 hectares of high value bushland regenerated across the LGA.



Launch of best practice Environmental Management System.

PSConverse

Podcast: <https://soundcloud.com/pscouncil>

ABOUT PORT STEPHENS

The Port Stephens local government area (LGA) is the land of the Worimi nation, and Council values the unique status of Aboriginal people as the original owners and custodians of lands and waters, including those of the Port Stephens LGA. Port Stephens was named for Sir Philip Stephens, First Secretary of the Admiralty in the late 1700s and later a Lord Commissioner of the British Admiralty between 1795 and 1806.

Coordinates: 32° 45' S, 151° 55'E
Region: Hunter/Mid North Coast, NSW
Area: 858.5 square kilometres
Waterways: More than 100 square kilometres
Population: 68,935 – estimated to rise to more than 80,000 by 2031
Median age: 42.7
Population density: 80.3/square kilometres
Labour force: 28,377
Unemployment: 6.2%
Number of Businesses: 4,313 (ABS, 2013)
Main Employing Industry: Retail trade (ABS, 2011)
Other Employing Industries: Health care and social assistance; public administration and safety; manufacturing
Climate: Mean minimum temperature 10.3 - 13.7 C; Mean maximum temperature: 23.0 C
Mean Rainfall: Range 1125.6mm – 1348.9mm
National Parks, Nature Reserves, Other Protected Areas: 19.3 square kilometres
Major Population Centres: Tomaree Peninsula, Tilligerry Peninsula, Medowie, Raymond Terrace







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A MESSAGE FROM THE MAYOR

It is with a great sense of pride that I reflect back on a very successful, and immensely challenging, 2015-2016 financial year for Port Stephens Council.

It was a year in which we achieved many things, delivering new and improved infrastructure and services, contributing deeply to community organisations and initiatives, and ensuring the ongoing improvement of our business. It was a year in which we once again posted a healthy financial result, including a \$1.2 million underlying surplus, which is more evidence of the prudent stewardship this Council has provided for many years on behalf of its ratepayers. And we again delivered our services to the community's satisfaction, recording a 7.5% increase in our annual community satisfaction survey, finishing with an exceptionally strong 86.5% satisfaction rating at the end of the year.

That all this was achieved under the cloud of impending amalgamation is a matter of great pride and satisfaction. 18 December, 2015 will go down as a dark day in the history of the NSW Government and for local government across the state, as well as here in Port Stephens. The government's announcement on that day to recommend merging Port Stephens Council with Newcastle City Council was and remains one of the most perplexing political decisions that I can recall in over four decades of public life.

The government's oft-repeated claim that these decisions were based on four years of consultation and independent analysis ignored the fact that Port Stephens had been judged Fit for the Future by the Independent Pricing and Regulatory Tribunal, a finding supported by previous work by NSW Treasury Corporation and the Independent Local Government Review Panel. This overwhelming evidence was disregarded in what can only be described as an eleventh hour decision to reverse previous direction to amalgamate Newcastle and Lake Macquarie City Council – a much more sensible fit to this day.

Our dedicated Council staff took up the challenge set for them by elected Council to mount a comprehensive public information campaign into the proposed merger. This campaign used fact and evidence to illustrate what the implications a merger with Newcastle would be – loss of local representation and identity, financial and social impacts, and the many unknown risks relating to the centralisation of power over regional areas in the state's second largest city. Using this evidence as a starting point, the community responded in astounding numbers. Thousands attended public rallies held at Nelson Bay and Raymond Terrace. Over 18,000 people signed petitions in opposition. Hundreds spoke at public inquiries or made written submissions, or both. And over 93% of surveyed community members rejected the merger outright.

In spite of this overwhelming show of public defiance, Delegate Ian Reynolds still saw fit to recommend the merger go ahead. It was only the Council's move to recommend an alternative – and as was widely accepted by all, a more sensible – merger with Dungog Shire that prevented the merger with Newcastle City going ahead when 19 other mergers across the state were proclaimed on 12 May 2016. The Dungog-Port Stephens Regional Council proposal was far more popular with the community than the Newcastle option and was also supported comprehensively by the residents of Dungog Shire.

History may mark this as the final full year of operations for Port Stephens Council as it has been known since it was formed in 1937, when Port Stephens Shire Council and Raymond Terrace Municipal Council became one.

Looking back on the 2015-2016 financial year, Port Stephens



Council had to overcome a number of challenges. Once again, we faced natural emergencies in the shape of a storm and flood that inundated Raymond Terrace and surrounds back in January 2016. While not as severe as the record breaking April 2015 emergency, nonetheless our response capabilities were extremely tested by this event.

Once again our Council staff came to the fore. Thanks in no small part to the lessons learned over previous emergency events, Council's response to this flood was seamless with all possible eventualities covered ahead of time. The creation in 2015-2016 of a new Coordinator position dedicated to emergency management, combined with the enormous amount of experience our on the ground staff have at dealing with emergencies, road closures and generally working with those agencies with front line responsibility for dealing with emergencies, meant that we were incredibly well placed to manage the response this time around. Well done to all those involved, and thank you.

Thank you too to the dedicated and highly professional members of all those combat agencies tasked with leading the emergency response. For a long time now Council has enjoyed very robust relationships with NSW Police, the NSW State Emergency Service, the NSW Rural Fire Service and Fire and Rescue NSW at a local level, and this was certainly the case in January's event. As we often say here at Council, our role during an emergency is to do all those background jobs which allow the front line services to get on with the business of helping the community. I was personally very proud of and thankful for the job done by the Police, SES, RFS and Fire and Rescue during the emergency response and it is only right that I thank them once again in these pages.

In light of the NSW Government's push to reform the local government sector, I am very proud to once again report that Port Stephens Council was in 2015-2016 a financially sustainable organisation with a very positive outlook for the future. While that future may not be stand alone is a source of much disappointment and frustration, we can at the very least look back on this past financial year and the entire 2012-2016 term of Council with a great deal of satisfaction about the financially prudent way we ran our business. Rest assured, Port Stephens Council has well and truly lived within its means over this past term of Council and has delivered great infrastructure and service outcomes while doing so. Port Stephens is rightly considered one of the benchmarks in this respect and while it may not fit the state government's narrative to say so, recognition of our performance in delivering surplus after surplus is deserved.

There is much that I am proud of from my time as the first and only popularly elected Mayor of Port Stephens. We have once again set the standard for development assessment in the Hunter if not the state with 89% of development applications (DA) now being accepted electronically, either via email or on USB drive. This is a remarkable step forward and it has delivered improved outcomes in terms of determination times, which have consistently hovered around a net median of 24 days. For mum and dad applicants, the time taken to determine a DA is often much less than that. This means there is less bureaucracy and more getting on and doing, both for the applicant, and for our staff.

In the infrastructure realm, we have delivered an enormous amount of capital works over the last 12 months via a program worth in excess of \$20.3 million across roads, community infrastructure, and work done on behalf of Roads and Maritime Services. Some of the highlights from the 2015-2016 financial year included the sealing of another two kilometres of East Seaham Road, the ongoing delivery of Shoal Bay foreshore, work on Nelson Bay and Lemon Tree Passage Roads and smaller jobs across the length and breadth of the local government area.

In addition, we as a Council gave funding totaling nearly \$1 million to community organisations and groups over the course of the year via the numerous projects funds and community infrastructure grants programs Council operates. In total, \$660,000 of this funding came from ward funding generated from profits of land sales at Salamander Bay, which Council delivered during 2015-2016. This is yet another example of Council putting back into the community via proceeds generated from non-rate revenue sources, and was a fantastic result.

The end of the financial year saw the resolution of 35 years' worth of effort from the Worimi indigenous community, with the declaration of Soldiers Point as a recognised Aboriginal Place by the NSW Government. Soldiers Point is an enormously significant area for the Worimi people and I commend the Worimi Local Aboriginal Land Council and staff from Council's Facilities and Services Group in delivering this result. It is a fine achievement which helps to make Port Stephens such a unique and significant area for Australia's original inhabitants, with the Soldiers Point Aboriginal Place joining that of Birubi Point on the list of Aboriginal Place declarations within the LGA.

Aside from mergers, we faced our share of other challenges during the year just past. The challenges being faced by the people of Williamtown and Salt Ash, and those who fish the waters of Fullerton Cove and Tilligerry Creek, are significant and ongoing as a result of the investigation into water contamination emanating from RAAF Base Williamtown. An enormous amount of personal and financial stress has been placed on the residents of the area and I sympathise with their plight. This

situation does not appear to be going away anytime soon and I call upon all levels of government to work together to find an equitable solution for those affected residents and business people.

Once again, Council benefited greatly from the hard work of over 700 community volunteers during the past 12 months. These wonderful people perform a wide range of tasks, from keeping our parks and gardens in check, managing hall bookings, to providing useful tips to the international tourists that come through our Visitor Information Centre. I would like to thank each and every one of them for their efforts this year and over many years.

I would also like to pay tribute to our annual community award winners, including our Citizen of the Year, Karuah's Hope Simpson. Hope was honoured for her three decades worth of service to the Karuah community, where she was instrumental in Clean-Up Australia Day and Keep Australia Beautiful initiatives as well as securing grant funding for a range of community projects in the area. I also formally recognise our other award winners, including Bart Richardson OAM (Freeman of Port Stephens), Tabatha Tyne (Young Citizen of the Year), Kelly O'Brien (Sportsperson of the Year), and our three Port Stephens Medal recipients, Bev Lee, Kim and Sue Jolly.

In closing, I would like to thank Council leadership for how they have guided our organisation over the past 12 months. Our General Manager, Wayne Wallis, is truly a standout in his field and the work he has done to lead the organisation through the uncertainty of the merger proposal period was second to none. Wayne's Executive Team of Mike McIntosh (Development Services), Carmel Foster (Corporate Services) and Jason Linnane, Steve Bernasconi and Greg Kable (Facilities and Services) have also done a fantastic job leading their respective groups, delivering 97% of our operational plan and generally being one of the most cohesive and high performing leadership teams in the more than four decades I have served on Port Stephens Council.

Finally, I wish to thank my fellow Councillors for their service over the past 12 months as well as over the four year term. The role of a Councillor is never as straightforward as it seems from the outside, and while we have had our share of disagreements over our time, I know that many of you will look back on the work you have done for our community with a sense of pride and accomplishment. I thank you all for your service over this year, this term, and for your respective times on Council. Your efforts deserve due recognition and acknowledgement.

Bruce MacKenzie
MAYOR

"LOOKING BACK ON THE 2015-2016 FINANCIAL YEAR, PORT STEPHENS COUNCIL HAD TO OVERCOME A NUMBER OF CHALLENGES."
MAYOR BRUCE MACKENZIE



A MESSAGE FROM THE GENERAL MANAGER

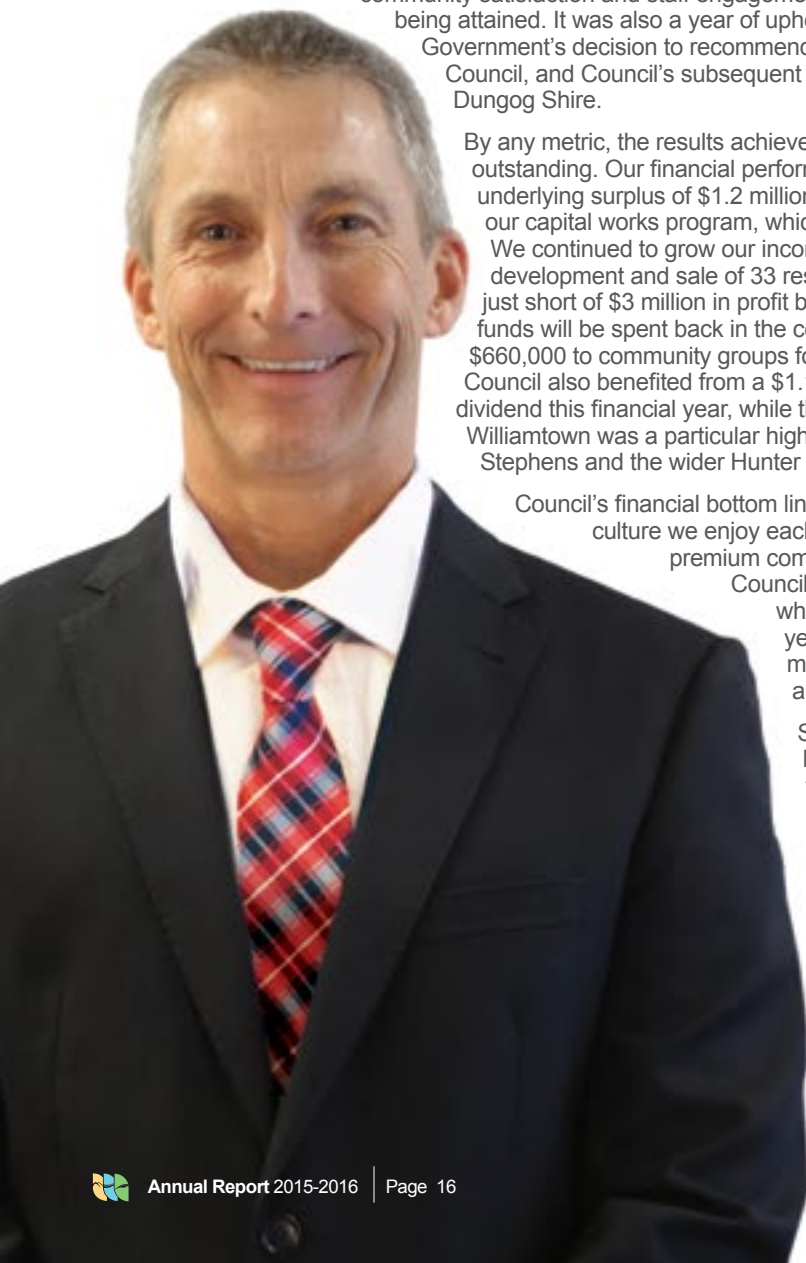
2015-2016 could be best described as a bittersweet year in the life of Port Stephens Council.

It was a year which saw outstanding achievement, with financial sustainability, increases in community satisfaction and staff engagement, and awards at state and national level all being attained. It was also a year of upheaval and uncertainty, thanks to the Baird Government's decision to recommend Council for amalgamation with Newcastle City Council, and Council's subsequent decision to propose an alternative merger with Dungog Shire.

By any metric, the results achieved in 2015-2016 were nothing short of outstanding. Our financial performance was once again strong, with an underlying surplus of \$1.2 million being achieved, coupled with an increase in our capital works program, which reached \$20.3 million in this financial year. We continued to grow our income from non-rate revenue sources, with the development and sale of 33 residential lots at Salamander Bay returning just short of \$3 million in profit back to Council. A significant portion of these funds will be spent back in the community with our Councillors awarding some \$660,000 to community groups for infrastructure and programs via ward funding. Council also benefited from a \$1.1 million Newcastle Airport Pty Ltd (NAPL) dividend this financial year, while the opening of a new \$15 million terminal at Williamstown was a particular highlight, one which will benefit the people of Port Stephens and the wider Hunter region for many years to come.

Council's financial bottom line was also bolstered yet again from the safety culture we enjoy each day, with our year-end worker's compensation premium coming in at \$663,467. For an organisation of Council's size, this is another excellent result and, while a slight increase on the performance of a year ago, it is still significantly less than the \$1.8 million per annum it was costing the Council just a few short years ago.

Sending our staff home healthy also makes for a better place to come to work and I am pleased to report our staff engagement score increased once again in 2015-2016, rising 7% to finish at 70% for the year. At the start of this term of Council, less than half of our staff qualified as engaged which makes this result all the more satisfying. Of course, engaged staff are far more likely to go above and beyond in their roles which is a key driver of community satisfaction, which increased by 7.5% to 86.5% - our second best performance for the Council term 2012-2016.



Council's performance over the past 12 months was not just endorsed by the Port Stephens community. It also received vast recognition from our peers in the local government industry and beyond, with Council taking out a swag of prestigious awards over the course of the year. Our approach to people management, career development, and health and safety were recognised on multiple occasions, while our holiday parks once again were a leader in their field, winning a range of commendations from industry. In all, we claimed the following wins and placings over the past 12 months:

- Winner, 2016 Employer of the Year – Career Development Association Australia Awards;
- Winner, Operational and Management Effectiveness Award (for our Human Resource Information System Improvement Project) – 2016 NSW Local Government Excellence Awards;
- Winner, Best Workplace Health & Safety Management System (Public Sector/Not for Profit) – SafeWork NSW Awards;
- Winner, 2015 StateCover WHS Award – Safety Observations Program;
- Winner, 2015 Affiliated FM Client Risk Management Scholarship;
- Finalist, 2015 Australian HR Awards – Employer of Choice (Public Sector and NFP);
- Finalist, 2015 Australian HR Awards – Best Workplace Flexibility Program;
- Silver Award, Halifax Holiday Park – 2015 NSW Tourism Awards; and
- Commendation – 2015 Statewide Mutual Risk Management Excellence Awards – Contractor Management System.

These and other commendations, including numerous certificates of excellence for our holiday parks from the likes of TripAdvisor and Trivago, are certainly pleasing and are yet another indicator of the health of our business.

Overall, Council once again delivered 97% of its operational plan for the year which is immensely pleasing, particularly when you consider some of the challenges faced, particularly during the second half of the financial year. In particular, the NSW Government's local government reforms had a direct and unexpected impact on Port Stephens Council, which was flagged for merger with Newcastle City Council in the announcements of 18 December 2015.

To say the announcement of the planned merger with Newcastle blindsided us would be an understatement. Council did not head into the local government reform process with blinkers on – indeed, we had been a willing and active participant in all previous reviews, including those conducted by the Independent Local Government Review Panel (ILGRP), NSW Treasury Corporation (TCorp), and the Independent Pricing and Regulatory Tribunal (IPART). All of these prior reviews confirmed what we at Council already knew – that Port Stephens Council was financially sustainable and was therefore fit to stand alone, with the scale and capacity to continue to deliver into the future. We stand by this rating and Council's adopted position that its first preference was to remain a stand-alone entity.

The public response to the proposed merger with Newcastle City Council was nothing short of remarkable. The community rallied in favour of retaining Port Stephens Council's stand-alone status and, in turn, rejecting the proposed merger. The statistics of the response have been well reported – 93% of the community opposed the merger; over 18,000 petition signatures were gathered, leading to debate on the floor of state parliament; residents in their thousands turned out at public rallies in opposition. It was an outstanding response, which tapped into the passion that the people of Port Stephens have for the area. The strongest possible message was sent to the government.

**“BY ANY METRIC, THE RESULTS ACHIEVED IN 2015-2016
WERE NOTHING SHORT OF OUTSTANDING”**
GENERAL MANAGER WAYNE WALLIS

The announcement of the proposed merger with Newcastle resulted in a significant increase in workload for Council leadership and staff, a number of whom were required to almost immediately commence work on planning for an eventual merger on top of the execution of their normal duties. Many staff members were required to juggle complex and opposing tasks, and the way in which they did this while ensuring they continued to deliver for the people of Port Stephens is to be admired.

Council’s alternative proposal, to merge with Dungog Shire, was put out for public comment in March 2016 and it also underwent a rigorous public inquiry process which continued until the end of the 2015-2016 financial year and ultimately beyond. Council decided to pursue this alternative option in response to the community’s outright rejection of the Newcastle merger, in addition to Council’s belief that Dungog Shire and Port Stephens would represent a better partnership in a merged entity – sharing similar community focus, demographics and land use patterns, not to mention a focus on tourism and many communities of interest.

As always, development across the local government area was facilitated by our Development Assessment and Compliance team with 846 development applications approved during the financial year, which generated an estimated \$206 million in economic input for the Port Stephens economy. We worked to involve our community in the decision making process via our community engagement function, and we delivered plans for our ageing population and also for the ongoing strategic management of our assets. We continued to run outstanding libraries and child care services, swimming pools and community halls. We secured state funding for our award winning illegal dumping program. We worked for the future with approval of a much needed community facility for Medowie. We delivered vital infrastructure improvements, both large and small, all of which combined makes Port Stephens a great place to live, work and play.

We also saw our community face significant environmental challenges, caused by both nature and by man. Council’s direct response to the flood emergency of January 2016 is detailed throughout this report, while our indirect role in assisting the residential and business community of Williamtown and surrounds continues as the federal Department of

Defence and the NSW Environmental Protection Authority work through their response to the water contamination investigation around RAAF Base Williamstown. There appears to be no quick fix for the people affected by the water contamination issue, however Council will continue to work with the community and the state and federal governments to ensure the needs of the residents continue to be heard as the response progresses.

I take great pride and satisfaction in the job we have done for the people of Port Stephens over the last 12 months. I wholeheartedly thank my Executive Management team and staff for all their hard work and support over what has been a very challenging year. I would like to thank the Mayor and Councillors for their role in delivering the results detailed in this report. We are not perfect, nor do we claim to be. However, the professionalism and dedication that has been seen in 2015-2016 means we have met our organisational vision and purpose. We have engaged people, working together, delivering valued services. We have delivered services that are valued by our community in the best possible way.

Wayne Wallis

GENERAL MANAGER



Scot MacDonald MLC, Parliamentary
Secretary for the Hunter & Central Coast;
Mayor MacKenzie and General Manager
Wayne Wallis

East Ward



Councillor
John Nell



Councillor
Sally Dover



Councillor
John Morello



Bruce MacKenzie
Mayor

Central Ward



Councillor
Geoff Dingle



Councillor
Steve Tucker



Councillor
Chris Doohan

West Ward



Councillor
Ken Jordan



Councillor
Peter Kafer



Councillor
Paul Le Mottee

PORT STEPHENS COUNCIL

Port Stephens Council is constituted under the *Local Government Act 1993*. The elected Council consists of a popularly-elected Mayor and nine Councillors (three per ward) and must act in accordance with the Act and the associated state and federal legislation. Its role is to make policies on the directions for the LGA, funding, expenditure, investment, borrowing, finance, strategic development and growth.

The elected Council weighs up the issues facing our growing LGA and ensures that ratepayers' money is allocated to priority areas and spent in the most effective way. This means balancing the needs of the community against the needs of individuals and taking into account the long and short term implications of decisions.

Together, the Councillors, as 'Council', form the governing body of the Port Stephens LGA, a public statutory body constituted under the *Local Government Act 1993*. Day-to-day operations are delegated to the General Manager; corporate performance is monitored through six-monthly reports to Council and the community, and this Annual Report.

Mayor	Bruce MacKenzie (first elected 1968)
East Ward	Councillor John Nell (first elected 1983)
	Councillor Sally Dover (first elected 2004)
	Councillor John Morello (first elected 2012)
Central Ward	Councillor Geoff Dingle (first elected 2004)
	Councillor Steve Tucker (first elected 2004)
	Councillor Chris Doohan (first elected 2012)
West Ward	Councillor Ken Jordan (first elected 2004)
	Councillor Peter Kafer (first elected 2008)
	Councillor Paul Le Mottee (first elected 2012)

Council Committees

Port Stephens Councillors serve on many committees established by Council under s355 of the *Local Government Act 1993*. These committees – usually comprising volunteers – exercise functions of Council, for example managing facilities (halls, sporting venues) and act in an advisory capacity such as the Aboriginal Strategic Committee.

In addition, Councillors serve on Sports Council committees and represent the community on regional committees. Please refer to Attachment 1 which provides a full list of all Councillors' service on various committees.

Community's Vision

A great lifestyle in a treasured environment.

Council's Vision

Engaged people, working together, delivering valued services.

Council's Purpose

To deliver services valued by our community in the best possible way.

Values

R	Respect Creating a unique, open and trusting environment in which each individual is valued and heard.
I	Integrity Being honest and inspiring trust by being consistent, matching behaviours to words and taking responsibility for our actions.
T	Teamwork Working together as one Council, supporting each other to achieve better results for everyone.
E	Excellence Improving the way we work, to meet the challenges of the future.
S	Safety Providing a safety focused workplace culture to ensure the wellbeing of staff, their families and the community.

Council Meetings

The ordinary meeting is held on the second and fourth Tuesday of every month commencing at 5.30pm at the Administration Building in Raymond Terrace. The public is welcome to attend the open session of Council.

The role of the ordinary meeting is to consider and make determination on reports before Council along with the General Manager's Report, Mayoral Minutes, Notices of Motion, Rescission Motions and Confidential Items.

The General Manager and Group Managers attend to advise Councillors where necessary.

Minutes of Council meetings are available the day after each meeting of the Council. A full hard copy of the minutes is held and available for public viewing at the Council Administration Building, with inspections available by appointment.

Public Access

Public access provides a forum for members of the public to speak directly to the Mayor and Councillors about local or Council issues. It is held on the second and fourth Tuesday of each month, prior to the ordinary meeting of Council. Public access sessions are restricted to a total of twelve speakers per month with five minutes allowed per speaker. A limit of two speakers for and two speakers against any issue is applied.

Any member of the public may make an application to speak at a public access session. The Mayor has delegated authority to approve or refuse applications.

Delegating Decision Making

As provided for in the *Local Government Act 1993*, the Council can delegate some of its decision making authority to the General Manager, thereby allowing a more efficient operation in several areas such as enforcement of Council regulations and finalising or negotiating various matters within parameters set by Council.

Code of Conduct

Councillors, staff and volunteers are bound by a Code of Conduct, which sets a high standard for ethical behaviour and decision-making. The code states Councillors' and staff roles and responsibilities and outlines the steps to be followed when making and investigating allegations of breaches of the code. Details of Code of Conduct matters for 2015-2016 are in the Statutory Statements section later in this report.

Councillors' Fees and Expenses

The Local Government Remuneration Tribunal is constituted under s239 and s241 of the *Local Government Act 1993* and is responsible for categorising councils, county councils and mayoral offices to determine the amounts of fees to be paid to councillors, members of county councils and mayors in each category.

The Mayor and Councillors receive an annual fee established by Council and set within the range approved by the Local Government Remuneration Tribunal. The Mayor and Councillors also receive reimbursement of expenses relating to their roles as detailed in the approved Payment of Expenses and Provision of Facilities to Mayor-Councillors Policy. Information relating to these expenses in 2015-2016 can be found in the Statutory Statements section of this report.

Having Your Say

Port Stephens Council is committed to engaging its residents, stakeholders and Council staff in the development of policies, plans and the delivery of services for the community. Council's Community Engagement Policy recognises that community information sharing, consultation and participation are vital for effective decision-making.

There are many ways you can have your say on the governing of the Port Stephens local government area. You can:

- Vote for Councillors every four years through the local government election for Port Stephens Council;
- Arrange to speak at a public access meeting;
- Write to or telephone elected members of the Council;
- Get social and connect with us on our social media channels, including Facebook, Twitter and Instagram;
- Make a submission on Council's four year Delivery Program including the one year Operational Plan when on exhibition each year or on its 10 year Community Strategic Plan when reviewed every four years;
- Participate in the annual Customer Satisfaction Survey in April/May each year;
- Make submissions on other major projects or notified consents that are consulted or advertised throughout the year.

Councillors' Attendance

COUNCILLOR ATTENDANCE 1 July 2015 – 30 June 2016

	Ordinary Meeting	Extra Ordinary Meeting	All Meetings Combined	2 Way Conversations*
Number of Meetings	20	2	22	44
Councillor Dingle	19	1	20	23
Councillor Doohan	12	2	14	29
Councillor Dover	20	2	22	39
Councillor Jordan	18	2	20	16
Councillor Kafer	15	2	17	14
Councillor Le Mottee	18	2	20	33
Mayor MacKenzie	20	2	22	39
Councillor Morello	16	0	16	18
Councillor Nell	15	2	17	36
Councillor Tucker	19	2	21	29

*2 Way conversations are informal meetings held between the Mayor, Councillors and staff with specific subjects that the Mayor/Councillors wish to discuss.

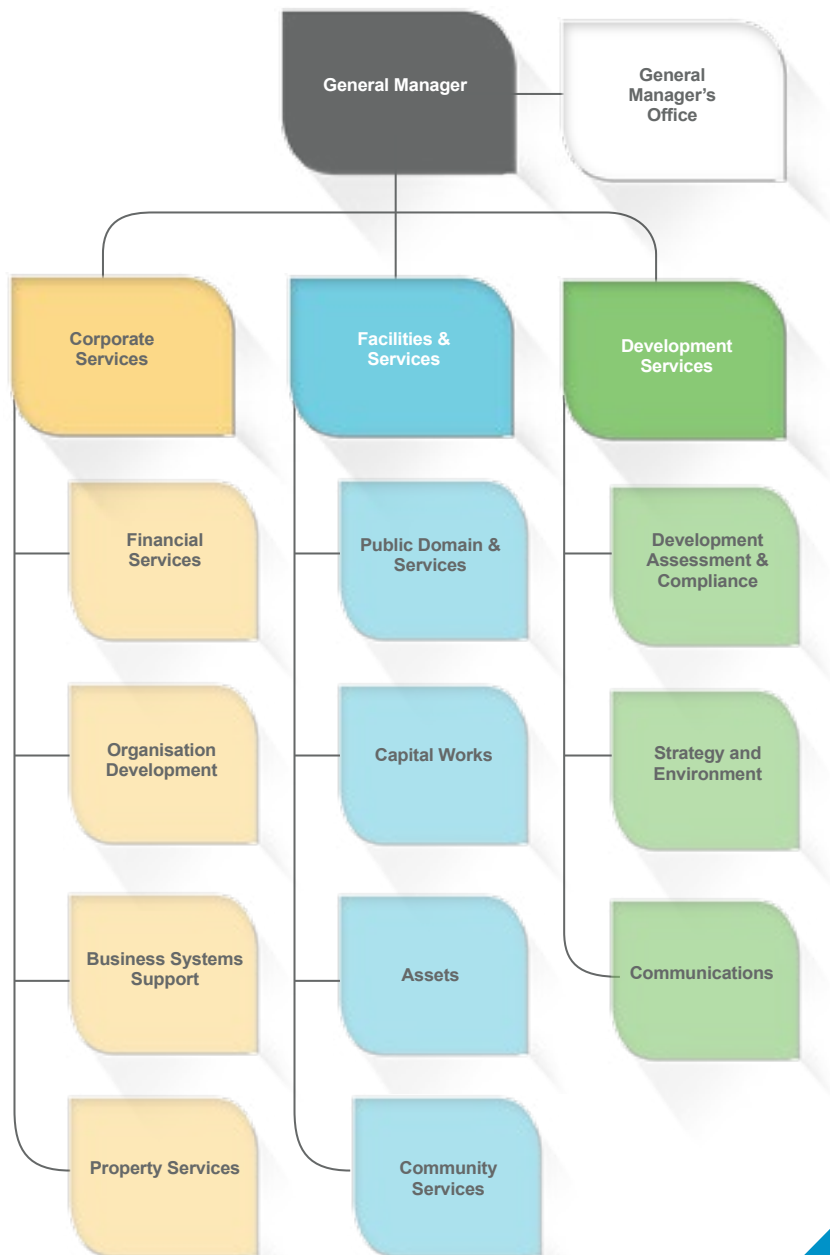
Organisational Leadership

Port Stephens Council's Executive Team is led by the General Manager and comprises four groups:

- Facilities & Services
- Development Services
- Corporate Services
- Office of the General Manager

Our organisation has many skilled and professional people who are passionate about Port Stephens and its future and about delivering better value services.

There are 11 service units that deliver services and projects across these four groups. Port Stephens Council has a total of 477.3 full time equivalent (FTE) staff. It is also supported by more than 700 volunteers and community representatives on a number of community committees and working groups.



AWARDS AND RECOGNITION

In 2015-2016, Port Stephens Council once again received a number of state and national excellence awards across a wide section of its operations.

The peak award received by Port Stephens Council over the financial year came in the area of career development, receiving the **Employer of the Year award at the annual Career Development Association of Australia awards** held in Melbourne.

The title went to Port Stephens Council for its unique career development program, which has been rolled out across the organisation since 2015. The program, an integral part of Council's Talent Management Strategy, provides staff with access to a range of assessment tools designed to establish and support career directions. It also supports Council in meeting current and future workforce requirements, ensuring it achieves its aim of having the right people in the right roles to maximise overall performance.

The career development program creates an environment where continuous learning is valued. Council's ability to attract, engage, develop and retain key staff is critical to its ongoing success, and the program is designed to empower staff to take ownership of their career development, helping them to identify their aspirations, recognise their strengths and develop plans to enable better performance and growth.

In April 2016, Council took out the **Operational and Management Effectiveness category at the NSW Local Government Excellence Awards**, which celebrate outstanding achievement in local government with a focus on innovation and excellence. Port Stephens was recognised for its Human Resource Information System improvement project, which has identified software options to deliver better services and data reporting for the total employee lifecycle in an efficient, integrated and effective way, resulting in ongoing savings of \$275,000 per annum.

Port Stephens Council also cemented its reputation as a leader in workplace health and safety by taking out the **2015 SafeWork NSW Award for the best workplace health and safety management system (public sector/not for profit)**.

Halifax Holiday Park won a **Silver Award at the NSW Tourism Awards**. This result reflects the dedication and professionalism of the management and staff in consistently making the visitors' experiences at the Park memorable.



Community Awards

Each year, Port Stephens Council recognises those who have made an outstanding contribution to their community. Seven Port Stephens residents were honoured with Community Awards at the 2016 Australia Day celebrations in Port Stephens.

Citizen of the Year: Hope Simpson

Hope Simpson has selflessly given her time to numerous committees and volunteering activities in the Karuah area for over 30 years, highlighting her commitment and passion for the local community. She has been instrumental in Clean Up Australia Day and Keep Australia Beautiful initiatives as well as securing grant funding for a range of community projects in the area.

Freeman of Port Stephens: Bart Richardson OAM

At 95, Bart Richardson is an icon within Port Stephens, making significant contributions to many projects throughout the community. A Rotarian for 52 years, the founder of Probus Nelson Bay and an advocate for Legacy, Bart also finds time regularly volunteer at Shoal Bay Public School.

Young Citizen of the Year: Tabatha Tyne

Tabatha Tyne is a mentor for the YWCA Youth Frontiers Program, a member of the Port Stephens Council Youth Advisory Panel and of the Headspace Maitland Youth Reference Group. She also regularly volunteers for the Raymond Terrace Junior Rugby League Club.

Sportsperson of the Year: Kelly O'Brien

A two-time world taekwondo champion, Medowie's Kelly O'Brien is also a coach and mentor for young people and athletes through her business, Imugi Taekwondo. She continually strives for excellence in teaching and mentoring her students, with many achieving great success at a national level.

Port Stephens Medal: Bev Lee

Bev Lee is the founding member of three community groups – the Walking for Pleasure Group, the Soldiers Point New Vogue Dance Group and the Port Stephens Friendship Group. She has worked tirelessly to bring the community together in a positive way over many years, brightening the lives of countless Port Stephens residents.

Port Stephens Medal: Kim and Sue Jolly

For over 35 years Kim and Sue Jolly have opened their hearts and their homes as foster parents to over 40 Aboriginal children. Currently taking care of three young children, they continue to be committed to supporting the local Indigenous community.



 PORT STEPHENS
COUNCIL

THE YEAR IN REVIEW 2015-2016

Key Result Areas: A Snapshot

The table below is a snapshot of Council's performance against a set of measures agreed between the Council and the General Manager to be significant priorities for 2015-2016. Details are provided in the report which follows this table.

- Legend:**
- Target exceeded
 - Target achieved or on track to be achieved
 - Target not achieved

	Key Result Area	Status
1.	Business Improvement Program	●
2.	Community Strategic Plan/Operational Plan Delivery	●
3.	Capital Works Delivery	●
4.	Financial Sustainability Program	●
5.	Workforce Strategy Implementation	●
6.	Infrastructure Planning	●
7.	Technology Improvement Program	●
8.	Land Use Strategy Development	●
9.	Flood and Drainage Study Implementation	●
10.	Integrated Risk Management Program	●
11.	Community Engagement and Customer Focus Initiatives	●

1. Business Improvement Program

The Business Improvement Program of work is made up of 16 major projects, all of which are aimed at increasing organisational efficiencies through improved use of technology. In addition the Business Improvement team supports organisation-wide process reviews using the PDSA (Plan, Do, Study, Act) methodology. During the last six months of this financial year there have been some significant improvements to how we use SharePoint to automate our processes. This includes ensuring integration of our corporate systems to provide seamless use of data.

Council has a scheduled program of service reviews to ensure that every service:

- delivers what our customers require;
- is delivered at a level that customers need and are happy to pay for; and
- is delivered in the most effective way.

We have a four year program that results in all 52 service packages being reviewed thoroughly. As of June 2016, the previous four year program of work was completed and Council has finalised the program for 2016-2019.

2. Community Strategic Plan/Operational Plan Delivery

Council's annual target is to complete greater than 90% of the actions identified for completion during the year. This target was achieved and exceeded, with Council delivering 97.84% of actions by 30 June 2016.

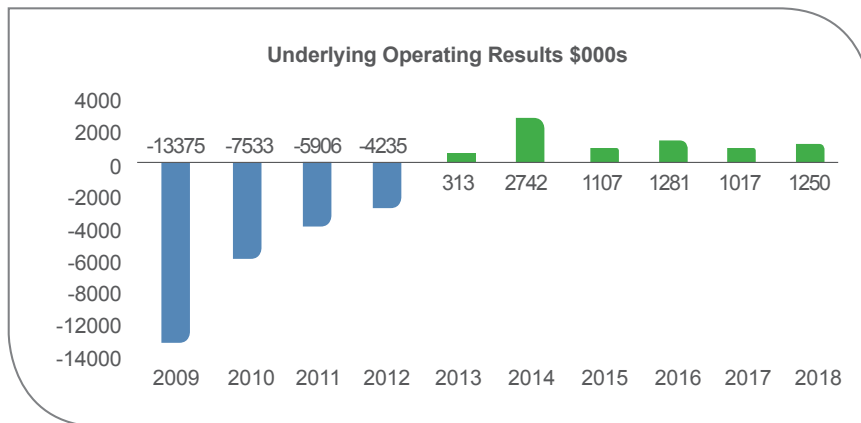
3. Capital Works Delivery

Council completed capital works projects valued at \$20.3 million across both civil and community and recreation assets as well as fleet/plant. A list of projects completed is recorded in Attachment 2.

Projects valued at \$7,093,633 were commenced and will be completed in 2016-2017.

4. Financial Sustainability Program

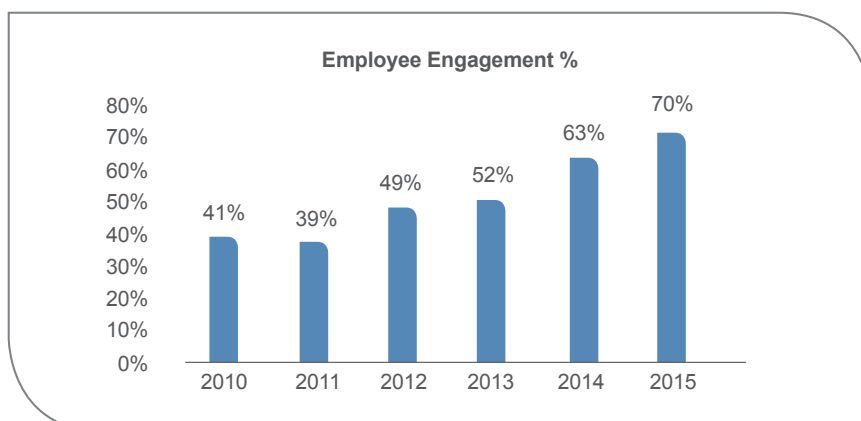
Council has maintained a healthy underlying surplus that derives from its diverse revenue portfolio, controlled and targeted expenditure and its sustainability review process that continues to generate efficiency gains.



5. Workforce Strategy Implementation

Staff engagement target was equal to or greater than 65%. Actual in August 2015 was 70%. As at 30 June 2016, Council had the equivalent of 477.3 full time staff.

Voluntary turnover was 10.98%.



6. Infrastructure Planning

A detailed Strategic Asset Management Plan was developed to include long term infrastructure planning. This improvement aligns the community's future growth, demographic changes and future town development to the management and creation of assets. The infrastructure plan links the organisation's long term financial plan and sets out how future proposed works will be funded. This improvement increases the organisation's maturity across the suite of Integrated Planning documents. This plan was adopted by Council at its meeting on 24 May 2016.

7. Technology Improvement Program

The Information Communication Technology (ICT) program of work is made up of 14 projects and associated tasks aimed at improving the security, accessibility, connectivity and asset management of our ICT systems, hardware and infrastructure. These projects have all been completed. This includes the asset management requirements now being included in the organisation's Strategic Asset Management Plan, a security strategy has been implemented, Council's ICT systems have been tested during a number of planned and unplanned outages and have proved stable; and all ICT processes have been mapped.

The Records Management program of work is aimed at improving the way Council manages its records. It is made up of a number of key improvement projects and tasks. This includes a significant body of work to reduce and manage physical records as well as a number of activities to improve electronic records management. Processes are also being reviewed and updated accordingly. In recent months Council has upgraded its records management system to Records Manager 8.2. This provides a much stronger platform for integration of records management with core corporate systems.

Holiday Parks sites were upgraded to a fully responsive mobile website which adjusts the view and website content depending on the specific mobile device being used making it easy for customers of the parks to use.

8. Land Use Strategy Development

Council has continued to progress with review and development of a range of land use strategies across the LGA:

- The Raymond Terrace Heatherbrae Strategy was completed;
- The Draft Medowie Strategy exhibition period was completed in April 2016. The finalised strategy will be completed by late 2016;
- The Draft Rural Residential Strategy was endorsed by Council and the public exhibition completed. The finalised strategy will be completed by late 2016;
- Williamtown Land Use Strategy: since presenting the draft structure plan to the project control group consisting of key stakeholders including NSW Department of Planning and Environment, Department of Defence, Hunter Water Corporation, NSW Department of Trade and Investment, Office of Environment and Heritage, Newcastle Airport and the Hunter Business Chamber in December 2014, further detailed work has been completed in relation to drainage within the RAAF Base Williamtown water contamination investigation area. In addition, issues relating to the use of drainage lines within this area are being further investigated as part of the completion of this study;

- Development in Flood Prone Land: in response to Council's resolution on this matter, the policy relating to the consideration of development applications on flood prone land has been developed and included as part of the Comprehensive Development Control Plan adopted by Council on 14 July 2015. The Draft Port Stephens Floodplain Risk Management Policy and flood hazard maps have been prepared and were publicly exhibited from 4 November 2015 to 29 January 2016; and
- Comprehensive Development Control Plan: The Port Stephens Development Control Plan 2014 (the DCP) was adopted by Port Stephens Council on 14 July 2015 and became effective on 6 August 2015. The second amendment came into effect on 10 December 2015. This amendment relates to D1 – Heatherbrae and D9 – Raymond Terrace Town Centre and enacts Council's resolution of 24 November 2015. This plan provides further guidance to the Port Stephens Local Environmental Plan 2013.

9. Flood and Drainage Study Implementation

The drainage and flood studies for the Paterson River and Nelson Bay, and Port Stephens Flood Risk Management Study are in progress. The Paterson River study is being managed by Maitland Council and is progressing. The Nelson Bay and Port Stephens Risk Management Study is managed by MidCoast Council, though funding has been withdrawn with other priorities taking its place.

Council's Assets section was tasked with providing drainage/flooding investigation, planning and design services for the capital works program. The 2016-2017 works program is now documented and shows all proposed future works and studies for drainage and flooding. Given the January 2016 storms and newly identified problem areas, the volume of works has grown. While most of these works are being undertaken under general maintenance/minor works, the capital works projects have also grown substantially.

10. Integrated Risk Management Program



Risk Maturity Score ² Target: >65%. Actual = 74%.

Implementation of our Integrated Risk Management Framework has resulted in a significant decrease in the level of risk across Council. In 2015-2016, there were no risks assessed as extreme due to the implementation of a number of controls. This indicates a higher level of attention is being given to implementing controls by the due date. The Corporate Risk Register and all group risk registers are reviewed on a quarterly basis.

² Risk Maturity Score is self-assessed by an internal panel which includes independent representation against AS/NZS ISO 31000:2009 Risk Management.

11. Community Engagement and Customer Focus Initiatives

Council has reworked the Community Engagement framework with a new policy and guidelines approved by Council in July 2015. The introduction of the new framework has refreshed, revitalised and strengthened Council's community engagement processes. A pilot training program was also undertaken in December 2015. Other major work included the rebadging of the Residents Panel as PSConverse which has included a call for new members and a significant database overhaul.

Council has continued to work closely with young people and has strongly supported the ongoing delivery of outcomes raised through the Mental Health Forum in June 2015. Some of these outcomes are designed to raise the profile of young people's mental health and the advocacy role of the Youth Advisory Panel included:

- a two-way conversation with Councillors in September 2015;
- workshops with local schools and education providers; and
- the funding of two projects through the Cultural Projects Fund.

Council has continued to implement operational objectives through convening regular meetings of the Port Stephens Community Interagency, Cultural Interagency, Education and Employment Interagency and the Strategic Arts 355c Committee.

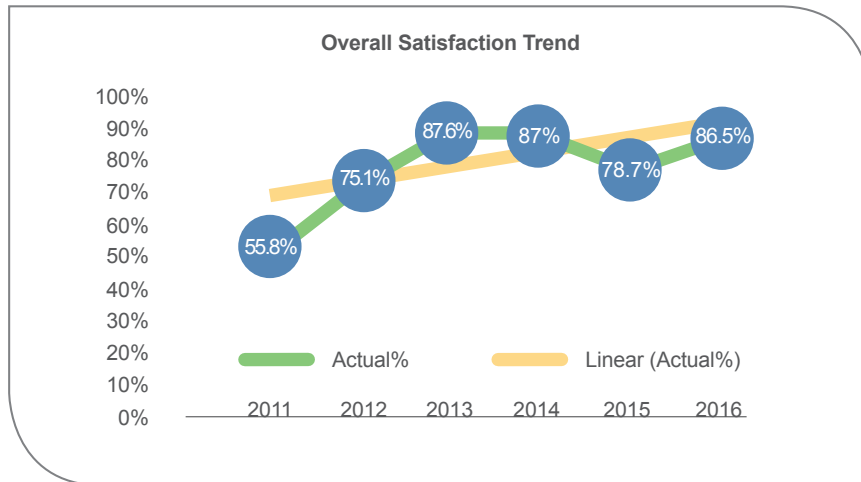
Council has continued to improve relationships with local Aboriginal people. Key activities included:

- assisting in NAIDOC week celebrations;
- convening the Aboriginal Strategic Committee meetings including the annual dinner with a guest speaker;
- providing information sessions for staff; and
- funding nine projects from the Aboriginal Projects Fund totalling \$35,000.

A new initiative was a special joint end-of-calendar year meeting between the three advisory panels of Council, Strategic Arts Committee, Aboriginal Strategic Committee and the Heritage Advisory Committee in December 2015 to further promote relationships between Council's committee members.

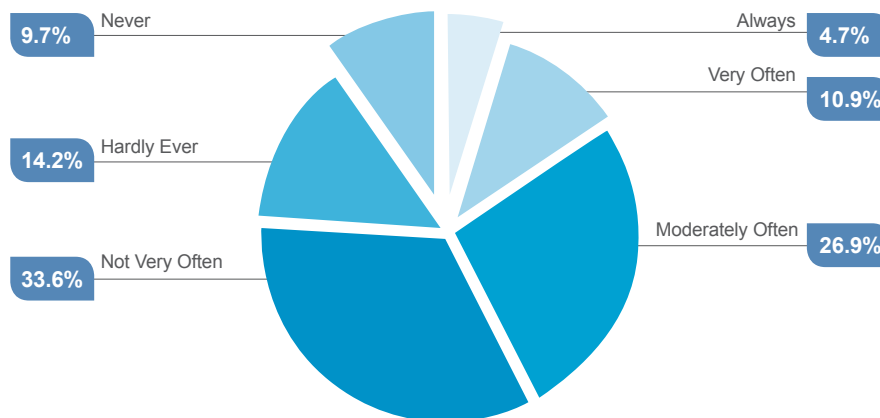
A large part of the engagement and customer focus has been delivered through the Communications section's coordination of Council's response to the NSW Government's local government reforms and Port Stephens' status as the proposed merger partner with Newcastle and subsequently Dungog. Since 18 December 2015, the section has organised petitions, surveys and public rallies; and internally all staff emails, posters and intranet posts. The community of Port Stephens overwhelmingly rejected the proposed Newcastle merger (93% against) and more than 18,000 people signed a petition to the state parliament reflecting the community's views against the merger.

In April and May 2016, Council conducted its annual customer satisfaction survey, and a report was provided to the Council's 9 August 2016 meeting. The satisfaction level was recorded at 86.5% – a very high figure for a local government entity and above the target of 75% satisfaction.

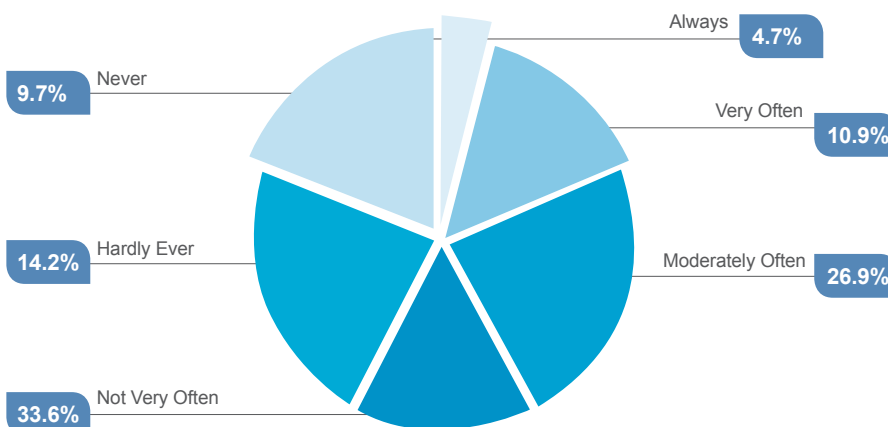


As part of the survey, feedback was sought from the community about its perception of input into decision-making at Council. The result showed a marked improvement in engagement over 2015 as measured by the question:

Do you feel you have opportunities to have genuine input to Council's decision-making?



The survey also showed an improvement in responsiveness to customers' questions and issues:



Particularly pleasing from a customer focus perspective was the performance of Council's holiday parks:

- Trip Advisor excellence certificate for 2016 awarded to Treescape, Fingal Bay, Shoal Bay and Halifax Holiday Parks for receiving consistently great guest reviews;
- Port Stephens Beachside Holiday Parks (PSBHPs) far exceeded customer satisfaction targets achieving 95-100% ratings in the post stay customer surveys for key questions: satisfied/very satisfied with stay; likely to return, and would recommend to others;
- Fingal Bay Holiday Park was listed on the gold list for NSW caravan and holiday parks as a top 10 property in the state by Star Ratings Australia for exceeding guest expectations; and
- Strong growth across the holiday parks for return guest and word of mouth bookings, which now comprise between 56-63% of total bookings across all properties.



PORT STEPHENS COUNCIL – PRINCIPAL ACTIVITIES 2015-2016

Section 428(1) of the Local Government Act 1993 provides:

Within 5 months after the end of each year, a council must prepare a report (its “annual report”) for that year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed.

What we said we'd do	What we did
General Manager's Office	
Convene the Local Emergency Management Committee.	<p>The General Manager has responsibility to convene the Local Emergency Management Committee (LEMC). The Group Manager Facilities & Services as the Local Emergency Management Officer (LEMO) provides secretariat support to the General Manager for the conduct of the LEMC. These are generally held on the 1st Thursday in February and August. The main focus for the year was the drafting of a new Emergency Management Plan for the Port Stephens local government area. This plan was prepared and was scheduled for review by the LEMC at the August 2016 meeting.</p> <p>LEMC meetings were held on 6 August 2015 and 21 April 2016. The February meeting was postponed due to operational matters.</p> <p>Council sponsored the Lower Hunter Emergency Management Committee meetings during the 2015 calendar year. This Committee comprises Maitland, Dungog, Cessnock and Port Stephens Councils and there are two meetings held each year. Port Stephens Council sponsored the meeting held on 20 November 2015 while Cessnock Council hosted the 1 July 2016 meeting as the new committee sponsor.</p>



Work with Newcastle Airport partnership (NAPL) to grow shareholder value through the effective governance, operation and development of Newcastle Airport.

Operations:

2015-2016 saw extension of the airport's network through additional services for local residents and businesses. The commencement of services by new airline FlyPelican added:

- Up to three times daily services to Canberra, providing a convenient schedule for business travellers wanting to make day trips to the nation's capital;
- Up to twice daily flights to Sydney; and
- Up to twice daily flights to Ballina/Byron Bay, which commenced in December 2015.

Virgin Australia announced that it would be overnighing aircraft at Newcastle Airport from February 2016 which added almost 20,000 seats annually to its Newcastle/Brisbane route.

During summer, the airport recorded passenger growth of 7.5% compared with the previous year.

In June 2016, Newcastle Airport also implemented a new car parking strategy designed to ensure there is a range of parking and pricing options available to suit specific needs.

Following advice from Hunter Water, the airport has moved to ensure that its waste water is safe for the community in the wake of the Williamstown contamination investigation. The Airport immediately moved to carry out its own testing and has completed extensive pipe integrity examination with additional regular testing scheduled.

Development:

Growth in passenger throughput continues up 3% on the previous year: 1,179,630 people used the airport in 2015-2016. This continued growth augurs well for future increases in services if the growth trajectory is maintained with the support of the public.

In August 2015 the airport's \$14.5 million terminal redevelopment was officially opened by Parliamentary Secretary for the Hunter and Central Coast, Scot MacDonald. The NSW Government's Hunter Infrastructure and Investment Fund provided \$11.1 million towards the cost of the new terminal. The completed works included:

- the extension of the terminal building by 50%;
- a brand new departure lounge and arrivals hall;
- dedicated space for customs, immigration and quarantine to facilitate international services; and
- six new food and beverage outlets.

Newcastle Airport sets the benchmark for regional aviation in terms of design, build and customer service and will facilitate connecting the region to the rest of Australia and beyond. This position has been further strengthened by the provision in December 2015 of \$855,000 from the NSW Government's Regional Tourism and Investment Fund to support the fit out of the international processing areas of the new terminal.

The investment in Newcastle Airport is also an investment in regional jobs and improved services for residents and businesses in the region.

<p>Work with Newcastle Airport partnership (NAPL) to grow shareholder value through the effective governance, operation and development of Newcastle Airport (cont.)</p>	<p>The General Manager is a director of NAPL. Board meetings are held bi-monthly. In 2015-2016 Newcastle Airport returned to Council a dividend of \$1,078,839.</p> <p>Governance:</p> <p>Two new directors were appointed to the Board: Jude Munro AO and Kirby Clark. Both have extensive executive and board experience in airport governance.</p> <p>Following from the resignation of Paul Hughes, the Board appointed Dr Peter Cock as Chief Executive Officer. Peter has extensive experience at Perth Airport and brings substantial aviation experience and leadership to the role.</p> <p>In April 2016, Andrew Gill was appointed Executive Manager Corporate Services and Chief Financial Officer. Andrew has extensive experience nationally and internationally across a number of industries including private equity, manufacturing and telecommunication services.</p> <p>In December 2015, Matthew Findlay was appointed the role of Executive Manager Commercial and Aviation Business Development. Matthew has two decades' experience in aviation in the United Kingdom and New Zealand, most recently at Christchurch and Auckland Airports.</p> <p>December 2015 also saw the appointment of Marcus Lancaster as Executive Manager Operational Delivery. Marcus joined Newcastle Airport in 2005 and has had senior roles in the organisation, including as Security Manager. His main focus is the 'on-the-day' operations of the Airport as well as the strategic development of a revised Master Plan for Newcastle Airport.</p> <p>During the year, Newcastle Airport signed a landmark agreement with Department of Defence which extends Newcastle Airport's Head Lease agreement for 60 years with three options of 10 years. The signing of this agreement cements Newcastle Airport's position as the region's airport.</p> <p>The airport also finalised an operating agreement with the Department of Defence. This covers such things as air traffic control and fire management services.</p> <p>A number of significant natural events during the year impacted operations at the airport. Fires threatened the operation of both the airport and the RAAF Base in December 2015 which resulted in the temporary evacuation of the airport terminal. Super storms and significant rain events in January and April 2016 also impacted airport operations.</p> <p>During the year, Newcastle Airport also finalised its commercial contract with Jetstar Airways Pty Limited.</p>
<p>Provide a career coaching program that empowers staff to take charge and build their careers.</p>	<p>During this period, there has been a strong focus on building a resilient workforce. 54 staff have undertaken career development to identify future career directions required with ongoing workplace change. Career development was also a component of Council's Corporate Champions Project with a focus on continuing to learn and develop skills for the future. Career development was included in the Be Future Fit Expo to provide awareness to staff on support and opportunities to explore future career direction.</p> <p>A total of 75 staff attended the expo at Raymond Terrace and Nelson Bay during June 2016.</p>

Deliver Stages two to four of the Fees and Charges Register Project.	<p>Stage two of the project – the coding of individual fees – was completed in October 2015. Stage three will incorporate the General Ledger fields and stage four will involve training in the use of the modelling facilities of this software for yield projections. Stages three and four will be completed in 2017.</p> <p>The Fees and Charges Register has provided a single database of all fees and charges and provided for individual updating, an audit trail and automation of many previously manual functions.</p>
Review the Strategic Asset Management Plan.	<p>The Strategic Asset Management Plan (SAMP) has been reviewed and redrafted to incorporate the Long Term Infrastructure Plan. The draft was placed on public exhibition in April 2016 and was adopted by Council on 24 May 2016. It may be accessed on Council's website. This document also contains the projected capital works for the next 10 years and provides a summary of each asset class with asset condition rating and replacement costs.</p>
Facilitate development of Council's Delivery Program 2013-2017 and annual Operational Plans 2016-2020.	<p>Operational Plans for 2016-2020 were adopted by Council on 24 May 2016. The Council formulated these under the current Delivery Program as Integrated Planning and Reporting was deferred pending the decision related to proposed mergers. This is because a new entity would develop a community strategic plan from which a delivery program derives.</p>
Facilitate development of the Community Strategic Plan 2017-2027.	<p>The development of the Community Strategic Plan was deferred pending the decision related to proposed mergers. This deferment was made for time and cost considerations relating to the extensive community consultation inherent in the development of such plans; and the fact this consultation would need to be re-done post-amalgamation.</p>
Provide professional development opportunities for Councillors.	<p>Councillors have been provided with the opportunity to attend various conferences, seminars and training sessions. Such opportunities provide Councillors with access to information about issues of significant interest and importance to the Port Stephens local government area and the state of NSW.</p> <p>Some of the conferences where Council was represented are:</p> <ul style="list-style-type: none"> • LGNSW Tourism Conference; • Local Government Professional Conference and Tourism Expo; • IPWEA Local Government NSW Roads & Transport Congress; • LGNSW Annual Conference; • Sisters Cities Conference; and • Coastal Conference.
Report to Council and the community on the progress of the Delivery Program; Operational Plans and associated Resource Strategy.	<p>The Annual Report 2014-2015 in two volumes was adopted by Council in November 2015.</p> <p>The Six-Monthly Report July-December 2015 was adopted by Council in February 2015.</p> <p>In accordance with the legislation a Six-Monthly Report January-June 2016 was adopted by Council in August 2016.</p> <p>All reports are available on Council's website.</p>

Manage access to information and privacy processes.	All process and requirements of the <i>Government Information (Public Access) Act 2009</i> and <i>Privacy and Personal Information Protection Act 1998</i> have been met. Please refer to the details in the Statutory Statements at the end of this report.
Coordinate and deliver governance and legal services.	All governance and legal services were provided within Council processes and agreed timeframes. Please refer to the Statutory Statements later in this report for details of legal matters during 2015-2016.
Conduct an internal audit program.	The 2016 Internal Audit Plan has been endorsed and audits have commenced. All audits are on track in accordance with the Audit Plan. The following internal audits were conducted by PKF Lawler during 2015-2016: <ul style="list-style-type: none"> • IT governance; • Development application compliance; • Complaints handling; • Code of Conduct; • Customer request management; • Private swimming pool compliance; • Records and data management; • Environmental management; • Section 94; and • Flex time.
Complete the End of Term Report 2012-2016 against the Community Strategic Plan.	The End of Term Report 2012-2016 was completed for tabling at Council in July 2016 and is Attachment 3 of this volume of the Annual Report. At the adoption of this Annual Report it will be placed on Council's website as an adopted record.
Facilitate review of the Operational Plans.	The Operational Plans were reviewed initially by the Combined Leadership Team in October 2015 and a revised document was prepared for consideration by Council in March 2016. Council determined to place the Operational Plans on public exhibition. No submissions were received specific to the Operational Plans which Council adopted on 24 May 2016.
Coordinate Council's responses to state government discussion papers.	<p>Council's efforts during this year have focused on the Fit for the Future program and responses to state government papers either directly or through the Independent Pricing and Regulatory Tribunal and through Delegates appointed to hold inquiries into merger proposals, or to the Office of Local Government. Details of this work are below.</p> <p>Council made a formal proposal for a merger with Dungog Shire Council and this was considered by a Delegate appointed by the Chief Executive Officer of the Office of Local Government in June 2016. Submissions to the Public Inquiry closed on 26 June 2016.</p> <p>Council made a formal response to the Minister's proposal for a merger between it and Newcastle City Council, and proposed an alternative merger between Port Stephens and Dungog Shire Councils.</p> <p>Council's formal response to the assessment of Council's Improvement Proposal by the Independent Pricing and Regulatory Tribunal (IPART) was provided to IPART on 18 November 2015.</p> <p>Council provided a submission to IPART on its discussion paper on regulatory burdens.</p> <p>Council also provided a submission on 16 October 2015 to the Office of Local Government on the Emerging Directions regarding proposed Joint Organisations.</p>

Conduct a customer satisfaction survey.	<p>The Customer Satisfaction Survey for 2015 was due to be conducted in April 2015 but was deferred to July due to the April storms. Council continued to experience high levels of customer satisfaction with facilities and services, with an overall satisfaction rating of 79%, as reported to Council in August 2015.</p> <p>Subsequently a survey was conducted as scheduled in April/May 2016 and achieved improvement across categories of operations and an overall satisfaction rating of 86.5%. A report was made to Council in August 2016 and the reports are located on Council's website.</p>
Administer Code of Conduct processes.	All Code of Conduct complaints have been processed in accordance with the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW. Please see the details in the Statutory Statements section of this report.
Report annually to the community and the Council on performance against the Delivery Program.	<p>The Annual Report (2 volumes) 2014-2015 was adopted by Council at its meeting on 24 November 2015. This report will be adopted before 30 November 2016 as required by Section 428 of the <i>Local Government Act 1993</i>.</p> <p>Overall, as noted above in the key results summary, 97.8% of actions in the Operational Plan (year three of the Delivery Program of this Council) were completed on or before time.</p>
Incorporate the Fit for the Future criteria in the new performance management software Interplan to track performance.	All the criteria have been loaded into the Operational Plan area of Interplan for 2016-2017 and from this source performance will be reported in the Annual Report for that financial year.
Review the Integrated Plans.	The Integrated Plans were reviewed in the process of preparation of the Operational Plans and Council considered these together with the Resource Strategy in March 2016. Documents were placed on public exhibition for the period 1 to 30 April 2016. Submissions received related to capital works and to fees and charges - six in total which Council considered in the process of adoption of these instruments.
Implement a new Privacy Management Plan.	The new Privacy Management Plan has been adopted and implementation has commenced with training to be held during 2016-2017.
Conduct the Governance Health Check.	<p>In 2016, Council continued with its biennial Governance Health Check (GHC) and for the first year the GHC was able to be rated out of 100% using a program developed by LG Professionals NSW. This allows Council to work with a set of 324 questions and to provide a rating for each question contributing to an overall rating. The GHC covers a range of areas such as Ethics, Information Management, Risk Management and Reporting.</p> <p>Council achieved a rating of 94.59% at the completion of the GHC. Council has developed an action plan for continuous improvement.</p>
Conduct citizenship ceremonies.	<p>During the year Council conducted four citizenship ceremonies on behalf of the Commonwealth Department of Immigration and Border Protection:</p> <p>17 September 2015 = 36 conferees</p> <p>26 January 2016 = 33 conferees</p> <p>16 April 2016 = 18 conferees</p> <p>31 May 2016 = 25 conferees</p>

DEVELOPMENT SERVICES GROUP

<p>Conduct the building fire safety program.</p>	<p>The program is showing a steady increase in the number of buildings covered over time and has met projected outcomes. The fire safety program is a great example of fulfilling our legislative responsibilities, keeping our community safe and presenting a cost positive program to Council and the community. The program consistently returns \$40,000 per quarter to Council's budget with continued growth at 10% annually. There are currently 927 buildings on the program.</p>
<p>Conduct the swimming pool safety program.</p>	<p>Swimming pool certificates are now required by legislation at point of sale or lease. This has seen an increase in certificates being applied for, however to date we have been able to accommodate this new service within existing staff levels.</p>
<p>Provide building and planning advice to a range of customers through the Development Assessment Panel, the duty counter, and major projects.</p>	<p>Our duty planning and building service is well patronised and we receive up to 20 face to face enquiries daily. Many councils only provide a phone or limited access duty service, for example between the hours of 9 am and 12 noon. At Port Stephens Council anyone can walk into the office at any time and is able to talk to a planner or building surveyor.</p>
<p>Conduct food and commercial premises surveillance.</p>	<p>There has been an increase in the percentage of compliant food businesses, with approximately 90% being satisfactory on their first inspection. 522 inspections on food shops were carried out in the last year. Those that did not pass the first inspection were provided with the statutory advices/notices and/or re-inspected to ensure compliance.</p>
<p>Conduct on-site sewage management surveillance.</p>	<p>The program is currently on target with 745 inspections being completed. Of those 95% of inspections had a satisfactory result. Of those that did not pass initially Council worked with the property owners to provide advice and education and then conducted re-inspections.</p>
<p>Coordinate the illegal waste compliance program and strategy.</p>	<p>The program continues to provide an excellent service to the community and Port Stephens Council. The key focus of the program is to protect the environment and reduce the financial, asset, people and reputational risk to Council. In the last quarter, a total of 53 illegal dumping investigations were carried out with 90% being successful. (Successful is defined as the offender being identified and held accountable and waste being cleaned up and disposed of at no cost to Council.)</p> <p>Customer satisfaction with management of illegal waste dumping has risen by 14% since 2014.</p>

Provide Ranger services including parking surveillance and animal management.

Parking

The purpose of this program is to protect the safety of the community, in particular vulnerable groups such as school children and people with disabilities.

At the request of local businesses, Ranger services were more active with parking surveillance at certain locations at certain times of the year. Whilst this received some negative feedback (as is often the case with parking surveillance) a large amount of positive feedback was received from business houses for Council assisting with the free flow of vehicles and allowing trade to continue. It is important to note that Council does not just conduct compliance programs. The intent is education and genuine behaviour change, hence education programs and information campaigns commence before more formal legislative/punitive approaches.

Animal management

The purpose of this program is to protect the safety and amenity of the community and the welfare of its animals. A number of education campaigns have been undertaken.

- Registrations: 1,185
- Destroyed: cats 72, dogs 125
- Dog attacks: 54
 - 43 resulted in enforcement (PINs) – when multiple dogs were involved, a pin is issued for each animal
 - 24 resolved with warnings or found to be unsubstantiated due to lack of evidence.

Customer satisfaction with Ranger services averaged 61.5% across all services.

Manage the development assessment process.	<p>Median (net) assessment days were approximately 28 days for development applications (DAs) – this includes both planning and building DAs – with building DAs typically approved in less than 20 days. This approval timeframe is on the basis that quality is not compromised. 28 days is considered comparable with industry leaders and below the statutory 40 and 60 days deemed refusal periods. We routinely survey our customers (applicants and objectors) in relation to DAs and satisfaction is typically around 90%.</p>
Manage the development compliance process.	<p>The purpose of the program is to prevent and respond to unlawful development, environmental pollution and to ensure that an approved development is carried out in accordance with the development consent.</p> <p>Over the last 12 months, 242 development compliance requests for investigations were received with 202 investigated and completed. The remaining investigations are still ongoing. Given the nature of development compliance and the need for procedural fairness/natural justice, investigations can be protracted.</p> <p>81.4% of residents indicated that they were satisfied with the built environment of the Port Stephens local government area.</p>
Manage Council's customer services and monitor performance across Council.	<p>Customer services were delivered face-to-face, by telephone, email, mail and online.</p> <p>Key improvements delivered in 2015-2016 included the implementation of monthly executive customer request management reports, online lodgement of DAs, and the implementation of online service delivery via the Council website together with the acceptance of customer requests via social media.</p> <p>The 2016 Customer Satisfaction Survey results showed that Council's customer responsiveness continues to improve.</p>
Manage Council's employer brand.	<p>In partnership with Organisation Development, Communications continued to build Council's employer brand in 2015-2016, highlighting real staff doing real work, particularly on print advertisements for positions vacant and on Council's website.</p> <p>The employer brand was also highlighted in a series of video productions, particularly focusing on trainees at Council.</p> <p>A number of industry awards in the human resources field helped to reinforce Council's ever-growing reputation as an employer of choice. See the Awards section at the beginning of this volume of the Annual Report.</p>
Manage Council's corporate brand.	<p>Management of Council's corporate brand saw a continuation of the roll out of the new branding elements, including on Council's Annual Report for the first time in the new livery; and a range of new digital communications including e-newsletters such as Informe, multimedia content and Council's new online community engagement tool, Engagement HQ.</p> <p>The first review of the Brand Identity Style Guide was also completed, which incorporated changes to better cater to people with colour blindness or colour deficiency in Council's graphic communication, in particular a new section relating to Council's style and formatting for graphs with emphasis on colour schemes.</p>

<p>Manage Council's external communications.</p>	<p>Port Stephens Council continued to enjoy a positive working relationship with local media, in particular the Port Stephens Examiner. Port Stephens Council was referenced in 30% of news stories in the Examiner in 2015-2016, and the overall perception was neutral. 127 press releases were distributed.</p> <p>Council also embarked on new initiatives to communicate with the community, such as a weekly radio program on 100.9 Port Stephens FM, and its own communications through the Informe digital newsletter. Since a centralised database was introduced, distribution of Informe increased from almost 300 subscribers to almost 500 with an open rate of 40% to 50%.</p> <p>In the survey of residents the majority felt that Council's communication was well done or very well done, especially in the print media, website and via customer service staff.</p>
<p>Manage Council's internal communications.</p>	<p>Communications surrounding the finalisation of the Enterprise Agreement and the Employee Engagement Survey were major components of the internal communications program for 2015-2016. However, the biggest call for internal communications has been the state government's local government reforms and Port Stephens' status as the proposed merger partner with Newcastle.</p> <p>Since 18 December 2015, communications have included emails to all staff, posters and intranet posts. Two editions of internal staff magazine The Portal were produced, while monthly General Manager's addresses were coordinated by the Public Relations and Marketing unit including the uploading of video recording of the address to the intranet for outdoor staff to view off-site.</p>
<p>Manage and communicate the performance of the Customer Request Management system.</p>	<p>Remediation of the Customer Request Management (CRM) system continued with the implementation of monthly executive reporting during this financial year. Overall system health improved with the number of overdue CRMs in the system reduced from 32% in September 2015 to 13% by the end of financial year. This result represents 170 overdue CRMs which is the best performance since the implementation of the CRM system in 1999.</p>
<p>Implement Council's Customer Service Framework.</p>	<p>The Customer Service Framework project was endorsed in principle by the Executive Leadership Team prior to it being placed on hold due to work by the Communications section (which includes Customer Relations) associated with the merger proposal.</p>
<p>Manage Council's website and intranet.</p>	<p>The website improvement project was completed in November 2015 with the launch of Council's new corporate website. Since launch, traffic to the website has increased by 18% while the number of pages viewed by individual users has increased by 36%.</p> <p>The website was developed with community input in working groups and, once completed it was again tested with members of the community before going live.</p> <p>Council's website is now optimised for mobile and tablets, has greater functionality and promotional capacity and offers limited online customer service for the first time.</p>

Manage Council's social media.	<p>Audience numbers on Council's main social media platforms (Facebook, Twitter) increased by 28.14%, to 6,644, in 2015-2016.</p> <p>Customer requests are being accepted via social media for the first time, totalling 30 per week on average with peaks evidenced during adverse weather events and emergency situations.</p>
Convene and support the Port Stephens Youth Interagency.	<p>Four youth sector workshops were delivered, including consultations delivered by NSW Advocate for Children and Young People, Andrew Johnson.</p> <p>The focus of the workshops was formulating specific actions in the Youth Strategy related to youth leadership, advocacy and partnerships between community sector agencies.</p> <p>Staff also participated in three Port Stephens Youth Interagency forums presenting on Council-related youth business.</p>
Review and update Council's Youth Strategy.	<p>Council's Youth Strategy was the focus of four youth sector workshops and was discussed at quarterly meetings of the Port Stephens Youth Advisory Panel. Key deliverables include development of the Youth Advisory Panel; delivery of a successful Youth Week 2016 program; capacity building in the youth sector; and development of community based programs driven by community partners including The Deck Youth Venue and Port Stephens PCYC.</p>
Convene the Port Stephens Interagency Network.	<p>Council supported interagency meetings through the year for community services, cultural and employment and education. This is a valuable service that supports the community in understanding the full breadth of activities occurring in our region.</p> <p>The interagencies are supported by a comprehensive community directory, accessible through Council's website, and an email distribution list, MyLink.</p>
Coordinate Council's Aboriginal Projects Fund.	<p>The 2015-2016 Aboriginal Projects Fund (\$35,000 available and allocated) supported eight community projects that enhanced Indigenous activities in the region.</p> <p>Council's Aboriginal Strategic Committee considers all applications, with applicants required to make presentations to the committee into the benefits of their projects. The fund supports local Aboriginal community projects, with support in 2015-2016 including to the Mission Chew Café at Karuah for barista and food harvesting training, support of the Ngarralbaa Outdoor Learning Centre at Hunter River High School, and team jerseys for the Worimi Warriors Under 17 Rugby League Club.</p>
Implement Council's Cultural Plan.	<p>The Cultural Plan was adopted by Council early in 2015 and is being implemented in consultation with the Strategic Arts Committee.</p> <p>Highlights have included adoption of the Public Art Policy and Guidelines, adoption of Heritage Signs and Trails Policy and guidelines (which supported the development of the Mariners Walk Heritage Trail), and the emergence of the Smart Arts Port Stephens program, which has seen the local creative industry sector aligned more strategically with the local economy and visitor economy initiatives.</p> <p>The 2015-2016 Cultural Projects Fund (\$60,000 available) included nineteen applications (totalling \$51,450) from a diverse group of cultural enterprises and community groups offering program activities across the arts spectrum including performance, music, visual arts and localised cultural events. The balance of unexpended grant funds (\$8,550) was allocated to projects that delivered specific actions in the Port Stephens Cultural Plan 2015-2018.</p>

<p>Convene the Education and Training Interagency.</p>	<p>This interagency met regularly through 2015-2016 and provided an interim report to Council in February 2016. It is identifying issues concerning education and employment opportunities in accordance with its terms of reference. The interagency is exploring ways to improve access and equity to learning opportunities in the LGA. An initial finding is the need to better promote local programs and learning facilities available in Port Stephens.</p>
<p>Deliver Council's key civic events.</p>	<p>Council assisted the community in running three Australia Day events in the LGA, at Raymond Terrace, Nelson Bay and the Tilligerry Peninsula. As part of these celebrations, Council also awarded its annual Community Awards to members of the community who have contributed to a variety of activities around the area. Please refer to the Awards section at the beginning of this report.</p> <p>Council places a high priority on its relationship with local Aboriginal communities, particularly with the Worimi Local Aboriginal Land Council and the Karuah Local Aboriginal Land Council. Hosting a flag-raising and morning tea as part of NAIDOC Week is an important way in which Council acknowledges and celebrates this relationship.</p> <p>As part of Local Government Week, a number of Council staff displayed their artistic talent in the Raymond Terrace Library Art Space, which was an opportunity to show a human side to Council.</p>
<p>Oversee the process for engagement with the community across Council.</p>	<p>The Community Development and Engagement unit of the Communications Section has undertaken the roll out of the Community Engagement Framework which includes the policy and guidelines approved by Council on 14 July 2015. The policy can be accessed on Council's website.</p> <p>This rollout has consisted of a training program and individual training sessions with staff regarding primarily the use of the Community Engagement and Communications plan. The plan and the associated processes are being continually improved through use. It also has provided a way to capture actions and history associated with those projects that involve community inputs. This has proved invaluable in terms of record keeping and report generation.</p>
<p>Implement a community engagement strategy for the Community Strategic Plan 2017-2027.</p>	<p>Initial project scoping and project planning were undertaken with the project manager, however the community engagement strategy could not be implemented until the outcome of proposed Council amalgamations. This is because it is not known the extent of consultation required and across which communities.</p>
<p>Convene the Port Stephens Council Residents' Panel.</p>	<p>The Residents' Panel has been replaced by a suite of tools including an online engagement tool, Engagement HQ, a new community database made up of 1,800 members, the production of PSConverse and community newsletters including Informe, MyLink and information alerts. In 2015-2016, Council experienced a 35% increase in community satisfaction with engagement.</p>

<p>Conduct noxious and environmental weed control on Council-owned and controlled reserves.</p>	<p>All planned and scheduled treatments on Council owned and controlled reserves were undertaken. These have exceeded our 2015-2016 target of 400.</p> <p>Council has used contractors to undertake more than 550 ha of weed management work over 1,051 ha of Council-owned land including bushland, creeks and rivers, foreshores, beaches and estuaries, as well as wetlands.</p>
<p>Regulate noxious weed control on private land in accordance with the state funding agreement.</p>	<p>More than 300 inspections were undertaken, exceeding the Regional Weed Action Plan target of 125.</p> <p>Of particular concern is the invasive Chinese Violet. Imported to Port Stephens from abroad, Chinese Violet is strongly competitive and is a recognised threat to agricultural production and biodiversity throughout tropical and sub-tropical Australia. Declared noxious in NSW in 2006, and included as a Key Threatening Process by the NSW scientific committee in the same year, its behaviour in countries to Australia's north led to its inclusion in the third edition of the Northern Australia Quarantine Strategy in 2008.</p> <p>Council's Invasive Species team worked in the Seaham weir pool and beyond to control aquatic weeds as part of a regional collaboration involving Port Stephens Council, Dungog Council, Maitland Council and Upper Hunter County Council. Funded partly by each organisation as well as Crown Lands and NSW Department of Primary Industries, the regionally significant Aquatic Weed Pathway Remediation Project each year treats hundreds of kilometres of riparian zones of the Hunter, Williams, and Paterson Rivers, reducing the spread and impact of noxious aquatic weeds.</p>
<p>Manage habitat regeneration across the Local Government Area.</p>	<p>Habitat regeneration works have been undertaken in conjunction with community groups. More than 550 ha of bushland has been worked on exceeding the annual target of 440 ha.</p> <p>Habitat regeneration works have been undertaken by external contractors as well as in conjunction with s355 community groups.</p> <p>Environmental Trust projects (Benapi, Tilligerry, Glen Oak and Tomaree koala) have progressed as scheduled.</p> <p>Green Army participants engaged by Port Stephens Council, with materials funded through Crown Lands, worked in April this year on the northern tip of Stockton Beach to regenerate hind-dune vegetation in an attempt to slow sand movement through the area. Three Green Army projects, the Living in Harmony - Koala Corridor Restoration project and two Natural Disaster Recovery projects were undertaken.</p>
<p>Provide environmental education programs to the community.</p>	<p>37 targeted education programs have been undertaken with 1,218 participants, exceeding the target of 904 participants.</p> <p>Workshops were held with schools to develop upcoming events including koala feed tree planting days, bushland management days and spotlighting tours.</p> <p>A field day addressing weed management was held at Irrawang High School in September 2015.</p>
<p>Provide arboriculture services.</p>	<p>Tree removal applications were processed with an average processing time under the 21 day target.</p> <p>The tree management chapter of the Development Control Plan (DCP) was amended and is in force.</p>

Provide environmental management services for Council operations.	<p>In addition to reviewing environmental impact assessments and assisting Council with tree management procedures, the Natural Resources team provided diverse ecological and environmental impact assessment technical advice, including:</p> <ul style="list-style-type: none"> • over 50 referrals relating to development applications; • over 30 referrals relating to planning proposals; • over 30 referrals relating to vegetation management; and • over 100 referrals relating to environmental assessments for Council activities. <p>80% of residents indicated that they were satisfied with management of the environment in the Port Stephens local government area.</p>
Prepare a project plan to redefine the civic precinct of Raymond Terrace.	<p>This project was included in the Raymond Terrace and Heatherbrae Strategy endorsed by Council in November 2015.</p> <p>This strategy may be accessed on Council's website.</p>
Provide funds, operational and strategic support to Destination Port Stephens.	<p>Destination Port Stephens (DPS) continues to grow awareness of Port Stephens in key domestic and international tourism markets. This year DPS was successful in securing a grant of \$197,000 for the Port Stephens winter marketing campaign and \$70,000 for two cooperative marketing campaigns with Newcastle City Council and Newcastle Airport promoting short breaks from Melbourne and international visitors from South-East Asia.</p> <p>With a total of 320 members as at June 2016, the organisation continues to grow and resonate strongly with industry. This was supported through the Industry Development Program with 131 members attending training and business development programs during the year, aimed at increasing the quality of product and experiences across Port Stephens.</p>
Manage Council's event approval process.	<p>Council's integrated event approval process issued licences during the year. Support was also provided to major events across the LGA via Council's Event Advisory Group, which offers professional advice and guidance to major event organisers to assist in all elements of compliance.</p>
Manage the Nelson Bay Visitor Information Centre.	<p>The Visitor Information Centre (VIC) welcomed an average of 9,000 visitors per month, generating \$903,414 in over the counter accommodation and tour sales and \$474,873 in online tour and accommodation sales on behalf of Port Stephens businesses. New retail space in the centre has been designed to promote quality, locally made products. Additional digital interpretative information will be developed during 2016-2017 as part of a strategy to deliver a world class visitor experience in Port Stephens.</p>
Sponsor major events that deliver economic benefit to the Port Stephens community.	<p>Council's event sponsorship program provided funding of \$110,240 to a total of 17 events which provided an economic impact of more than \$7 million. These events were primarily held during low and shoulder season and provided a valuable boost to the local economy, flattening seasonal fluctuations through increased visitation and visitor spend. Sponsored events this year included the PCYC Nations of Origin, Sail Port Stephens, Peter Wilson Cup, NSW IRB Championships, Blue Water Country Music Festival, Naturefest, NSW Pennant Bowls, Karuah Bluegrass Music Festival and Women Who Sail Conference.</p>

Provide programs for businesses to assist in development.	<p>Council hosted a Business Leaders Luncheon in February 2016 at the Hotel Mercure, Newcastle Airport, which attracted over 70 attendees. Keynote speaker Ian Scott from NBNC spoke about the rollout of the National Broadband Network in Port Stephens and the benefits for business.</p> <p>A Business Leaders Luncheon in June 2016 held at Broughton's at the Bay, Nelson Bay attracted 63 attendees. Keynote speaker and Principal Economist Teresa Bullock-Smith from Remplan discussed key economic data and activity in Port Stephens including industry sectors, drivers of employment, output, supply chains and imports and exports.</p> <p>Council awarded ten Mayoral Academic Scholarships on 22 February 2016. Each recipient received \$2,000 towards their tertiary studies in 2016 with awards presented by the Mayor and sponsors. Award winners and sponsors for 2016 were:</p>
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Name	Sponsor	Degree
Alannah Newell	Weathertex	Charles Sturt University – Bachelor of Criminal Justice
Madeline Meagher	Weathertex	University of New South Wales – Bachelor of Law
Eliza Cummings	The Wests Group	University of Newcastle – Bachelor of Social Science
Kaitlyn Edmunds	The Wests Group	University of New England – Bachelor of Nursing
Melanie Wightman	Raymond Terrace Bowling Club	Charles Sturt University – Bachelor of Communications, Journalism
Kate Slowey	Newcastle Airport	University of Newcastle – Bachelor of Arts, Bachelor of Law
Gaia Ewing	Hunter Land	Australian National University – Bachelor of Law, Bachelor of Philosophy, Politics and Economics
Brent Lilley	Macka's Sand and Soil Supplies	University of Newcastle – Bachelor of Teaching
Taylor Kelly	Salamander Bay Recycling	University of Newcastle – Bachelor of Teaching (Health and Physical Education)
Daisy Jarrett	McDonald Jones Homes	University of Newcastle – Bachelor of Business

Provide financial, governance and strategic support to Port Stephens trader associations.	<p>Port Stephens Council provided \$25,000 in community economic development funding for 2015-2016 following an Expression of Interest from the Nelson Bay and District Business Association toward the CCTV system in Nelson Bay commercial centre, signage, marketing and advertising.</p> <p>Council maintained regular contact with Tilligerry Peninsula Chamber of Commerce and Karuah Chamber of Commerce, both of which are trying to re-establish their committees. The Lower Port Stephens Chamber of Commerce remains inactive.</p>
Provide small business services from Council's Business Centre.	<p>Council provided services from its Business Centre including room hire, internet and office services and the facilitation of business workshops and advisory services – more recently coordinating financial counselling services for business and residents affected by the Williamstown water contamination investigation.</p>

<p>Review, develop and implement environmental strategies, plans and policies.</p>	<p>Reviews and implementation of actions were undertaken on the following strategies, policies and programs:</p> <ul style="list-style-type: none"> • Environment Policy; • Environmental Management System; • State of Environment Report; • Port Stephens Comprehensive Koala Plan of Management; • Sustainable Energy Panel; • End of Term Report (Environmental); • Port Stephens Foreshore Management Plan; • Port Stephens Myall Lakes Estuary Management Plan; • Hunter Estuary Management Plan; • Carbon Footprint Analysis; • Regional Weeds Action Plan; • Biodiversity Connectivity Policy; • Offsets Policy; • Tree Vandalism Policy; • Invasive Species Local Control Authority Functions; • Conroy Park Foreshore Erosion Management Plan; • Kangaroo Point Foreshore Erosion Management Plan; and • Flying Fox Vegetation Management Plan. <p>These documents can be viewed on Council's website.</p>
<p>Establish a carbon footprint target for Council operations.</p>	<p>The development of an integrated carbon footprint for Council's operations has been incorporated into the Environmental Management System project plan in 2016-2017. This will ensure that it is undertaken in a systematic manner, consistent with international standards and protocols. It will be fully integrated into Council systems to enable efficient and effective ongoing monitoring and reporting of Council's carbon footprint. This in turn will form part of Council's monitoring and improvement of the environmental performance of its operations.</p>
<p>Develop and implement an Environmental Management System for Council operations.</p>	<p>An Environmental Management System is being developed and implemented for Council to:</p> <ul style="list-style-type: none"> • improve environmental awareness through the development and implementation of policies, procedures and training; • reduce environmental risk of Council's operational activities through work practices and initiatives; and • systematically manage Council's statutory responsibilities under environmental legislation. <p>The EMS is based on the ISO 14001: 2015 Environmental Management Systems.</p> <p>Project milestones are being met including establishment of a manager and operational working groups across Council responsible for leading delivery in their operational areas.</p> <p>Environmental awareness and risk assessment training has been undertaken to enable staff to undertake environmental risk assessments and reviews of all Council activities. Outcomes and revised operational processes and practices will be incorporated into the EMS which is aligned with the Integrated Risk Management System.</p>

Provide economic development data and advice services to businesses and Council.	<p>Council continued to promote and strengthen economic data and advice through a range of activities including the establishment of the BizLink Network which has seen a 30% increase in its database since its inception in October 2015.</p> <p>BizLink e-newsletters were distributed monthly with an average monthly click through rate of 31.9% and an open rate 4.7%, well above industry average of 22.2% and 2.6% respectively.</p>
Coordinate Council's place management and activation services.	<p>Council has focused on integrating economic objectives into the development and implementation of town centre plans, including the recently adopted Raymond Terrace and Heatherbrae Strategy and Draft Medowie Planning Strategy and Town Centre Masterplan as well as Council's Strategic Asset Management Plan.</p>
Implement and report on Council's activities under the NSW Small Business Friendly Program.	<p>Reports were submitted to the Office of the Small Business Commissioner for the Small Business Friendly Council Program with over 1,800 on-time payment transactions to small businesses from July 2015 to March 2016.</p>
Implement the Crime Prevention Plan.	<p>The Crime Prevention Plan may be accessed on Council's website.</p> <p>Seven out of 10 actions within the Crime Prevention Plan have been funded and completed.</p> <p>A Memorandum of Understanding with Port Stephens Local Area Command was completed and signed on 11 August 2015.</p>
Adoption of recommendation and implement Council's Ageing Strategy.	<p>The Ageing Strategy was adopted in May 2016 and may be accessed on Council's website.</p> <p>Since adoption of the Port Stephens Ageing Strategy Port Stephens Council staff have commenced implementation of the following actions:</p> <ul style="list-style-type: none"> • Port Stephens Council's Pathway's Plan has identified connectivity improvements in the LGA. Council is currently prioritising proposed footpaths and shared paths to improve connectivity and accessibility to key services that meet the needs of older populations; • Council's mapping services are in the process of developing density mapping, which will highlight where older populations live and assist effective planning for services and infrastructure that meet the needs of older people in the Port Stephens LGA; and • Council has received funding through the Transport for NSW, Walking and Cycling Program to review and update the Pedestrian and Mobility Plan. This review will contribute to creating further important linkages and improving connectivity in the LGA.
Review Council's Disability Action Plan referencing the National Disability Insurance Scheme reporting requirements.	<p>43 out of 46 actions were completed and the remaining actions will be completed subject to external funding becoming available.</p> <p>Council developed the Accessibility Statement for Council's new website. Development application referrals for advice on disability access are ongoing.</p> <p>The Disability Action Plan was reviewed late in 2015 with a new Disability Inclusion Action Plan due for completion in 2017. The current plan is on Council's website.</p>
Implementation of the Disability Inclusion Action Plan.	<p>The Disability Inclusion Action Plan will be developed and adopted in 2016-2017, and implementation will be ongoing thereafter. This plan will be consistent with the changes to legislation, the Disability Inclusion Act 2014.</p>

Review and update Council's demographic and population forecasting.	The Port Stephens population profiling has been updated and is available on Council's website. This provides an informative breakdown of changes in population growth and demographic trends for each of Council's eight planning district catchments. This will enable a better understanding of past and future changes in population and provide a sound basis for identifying the need for services, and recreation and community infrastructure as a result of population growth.
Review and prepare statutory plans (Local Environmental Plan, Development Control Plan and Planning Proposals).	<p>The Comprehensive Development Control Plan (DCP) was endorsed and commenced on 6 August 2015. This plan provides further guidance to the Port Stephens Local Environmental Plan 2013.</p> <p>The DCP format also allows for greater flexibility in the assessment of development applications by encouraging a merit-based approach. This results in the proposed plan being easier to interpret and implement. As a result the DCP was a finalist in the State Planning Institute of Australia Awards for Planning Excellence.</p> <p>The second amendment came into effect on 10 December 2015. This amendment relates to D1 – Heatherbrae and D9 – Raymond Terrace Town Centre.</p> <p>The DCP may be accessed on Council's website.</p>
Maintain and manage Council's land attribute data (process planning 149 Certificates).	<p>When land is bought or sold, the <i>Conveyancing Act 1919</i> requires a Section 149 Planning Certificate to be attached to the contract of sale and provides specific information relating to the property.</p> <p>During this year more than 3,000 Section 149 certificates were issued. Over 90% were issued within three working days of the initial request.</p>
Review and develop the next Section 94, Section 94A and Haulage Plans.	<p>The standards guiding the provisions of Council's Community and Recreational Facilities Report undertaken for Council by AEC Pty Ltd in 2006, and updated in 2013, provide a basis for identifying the need for additional recreation and community infrastructure as a result of population growth. The updated standards were adopted by Council on 28 June 2016.</p> <p>The timing of the new Section 94 Plan will be subject to outcomes from the merger process.</p>
Administer Council's Section 94 Planning Contribution Scheme.	<p>Section 94 contributions enable councils to seek funds from developers towards the provision of public amenities and services to serve the needs of our growing population.</p> <p>This financial year in excess of 160 development applications were approved which attracted a Section 94 contribution.</p> <p>Approximately \$5.4 million has been levied and approximately \$6.6 million of Section 94 funds spent on public infrastructure.</p>

<p>Prepare and review strategic land use strategies, policies and plans.</p>	<p>The Raymond Terrace and Heatherbrae Strategy 2015 to 2031 was completed in November 2015.</p> <p>The Draft Medowie Strategy exhibition was completed in April 2016. A finalised strategy is to be completed by late 2016.</p> <p>The Draft Rural Residential Strategy was endorsed and public exhibition completed in November 2015. A finalised strategy is to be completed by late 2016.</p> <p>Investigations at Williamtown have commenced which aim to identify the land-use capability in proximity of the Williamtown RAAF Base and Newcastle Airport.</p> <p>A review of the implementation of the Nelson Bay Strategy has also commenced.</p> <p>All adopted strategies may be accessed on Council's website.</p>
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CORPORATE SERVICES GROUP

<p>Provide the opportunity for work experience and vocational training programs.</p>	<p>Our revised Apprentices, Trainees and Cadets Strategy was implemented in 2015-2016 with 20 new positions created. New apprentices, trainees and cadets have commenced off the job as well as on the job training in accordance with their development plans.</p> <p>An apprentice, trainee and cadet networking session was conducted in June 2016 with staff and their supervisors to provide further information about working at Council, an introduction to local government and an overview of their rights and responsibilities. Ongoing sessions are held with these students to ensure they progress and have a worthwhile experience whilst employed at Council.</p>
<p>Review and continuously improve the Human Resources Information System.</p>	<p>Stage one of the implementation of improvements to the Human Resources Information System was completed on 3 June 2015 with the launch of the performance management system.</p> <p>Work also commenced on the implementation of the learning management system component of the improvements which were completed in October 2015.</p> <p>The succession planning component was rolled out in early March 2016, bringing to an end this significant project.</p> <p>Improvements in reporting functionality for Civica Authority have been completed for HR Metrics data with the next phase of linking these data to Interplan (Council's planning and reporting software) currently under investigation.</p>
<p>Implement succession plans for critical workforce segments and positions to team leader level.</p>	<p>Succession planning reviews were completed by 30 April 2016. Discussions have occurred with section managers in relation to the critical workforce segments; and data to support decisions collated with critical workforce positions were signed off by the Executive Leadership Team in June 2016.</p> <p>Succession plans are in place for all positions to team leader level in Council ensuring resilience against market conditions both now and into the future.</p>

<p>Provide all staff with a learning and development plan that includes access to statutory skills training and development opportunities.</p>	<p>Port Stephens Council's objective is to build a learning culture that stimulates, guides and promotes the development of Council as a learning organisation that is committed to the lifelong learning of its staff members. Council recognises that this is essential to:</p> <ul style="list-style-type: none"> • support the Council in achieving its strategic objectives and priorities; • support employees' skill development to enable effectiveness in their roles; • provide employees with appropriate development to enhance career opportunities; • encourage individual commitment to learning, training and development and recognise the wider benefits of personal development; • deliver increased value to our customers and the community due to more efficient, competent and innovative staff; • improve performance and service delivery; and • meet changing expectations of customers and community members. <p>The purpose of Port Stephens Council's approach to learning, training and development is to align and integrate it with corporate and business planning.</p> <p>Learning and development plans are established as part of the Individual Work and Development Plan process. The internal corporate learning and development calendar has been finalised and made available to staff. The risk and safety training calendar has been developed and discussions with external providers to schedule risk and safety programs for 2016-2017 have commenced.</p> <p>Learning and Development unit staff are also working on the implementation of a learning management system. This system will allow employees and their supervisors to better manage and assess progress against agreed learning and development plans.</p>
<p>Implement changes to Human Resources Information System</p>	<p>Improvements in reporting functionality for Civica Authority software system have been completed for human resources metrics data with the next phase of linking these data to the CAMMS software system currently under investigation.</p> <p>Online timesheets have been rolled out to all staff on flexitime however rollout to other staff is on hold pending the outcome of merger proposals.</p>
<p>Explore additional regional resource sharing opportunities with other Hunter councils.</p>	<p>The Regional Human Resources Managers Group is currently exploring options for a number of initiatives such as a regional tender for compliance based training.</p> <p>A proposal on a fee for service basis for health management services in conjunction with other regional councils and Hunter Water Corporation was completed.</p> <p>Port Stephens Council approved and implemented this regional tender to a panel of suppliers for the services of pre-employment medicals.</p> <p>The Regional HR Managers Group meets regularly and is committed to exploring areas of resource sharing and efficiencies.</p>

Review and continuously improve the Workplace Equity & Diversity Plan.	The Workplace Equity and Diversity Committee has reviewed its plan and is currently implementing new initiatives. Please refer to the detailed statement under Equal Employment Opportunity in the Statutory Statements section of this report.
Conduct an employee engagement survey annually.	<p>Council has made significant improvements to staff engagement, which increased by 11% in 2015-2016. Staff engagement is crucial to ongoing success as having engaged staff is known to drive growth and value. We continue to build higher engagement each year even in the face of the NSW Government's Fit for the Future initiative which is forcing major industry-wide changes, increasing the focus on long term sustainability and doing more with less.</p> <p>We have had significant lifts in engagement across all job categories. However, of particular note has been the significant lift in the engagement of our leadership team. Our most senior managers are now reporting a 94% engagement score with middle managers at 74% and Team Leaders at 70%, making them all highly engaged.</p> <p>We utilise the AON Hewitt Best Employers program to measure employee engagement, effective leadership, aligned employer brand and high performance culture. Best employers excel in these four critical areas. Whilst we have not yet attained accreditation as a best employer, we are performing very well against the top quartile in Australia and New Zealand in these four critical areas as measured by their Talent Management Index.</p> <p>AON Hewitt continues to be impressed by our progress, particularly in the last two years, where we have seen an increase of 21% in the overall engagement score.</p> <p>67.3% of residents reported being confident or very confident in Council's workforce management.</p>
Implement the actions in the Workforce Strategy.	The Workforce Strategy 2013-2017 may be accessed on Council's website. All actions in the Workforce Strategy 2013-2017 are completed or are on target for implementation by June 2017.
Review and continuously improve the Integrated Risk Management System.	<p>Port Stephens Council has a responsible approach to risk management, seeking to recognise and manage our exposure to risk in accordance with our vision, purpose and values. We are committed to managing risk on a systematic, organisation-wide basis consistent with AS/NZS ISO 31000:2009 Risk Management – Principles and Guidelines, AS/NZS 4801:2001 Occupational Health & Safety Management Systems and AS/NZS ISO 14000:2005 Environmental Management Standards. This methodology creates sustainable value by minimising risks to the achievement of our objectives, by identifying potential opportunities, by ensuring the health and safety of our workers, and by protecting our environment through the prevention of pollution.</p> <p>Our corporate risk management system comprehensively integrate all risks, including safety, environmental and business risks (financial, property, security, commercial, etc), into our decision-making, business planning and reporting at all levels. A consistent, holistic approach to risk management strengthens our ability to deliver more efficient and effective services to our community.</p> <p>Our Integrated Risk Management System also aligns with Council's Business Excellence Framework by facilitating continuous improvement.</p>
Provide insurance coverage to manage risks.	Our 2015-2016 renewals were negotiated with a significant saving in cost of \$150,000 per annum and the inclusion of a new policy covering Environmental Impairment Liability. Please refer to the risk section of the Key Results earlier in this report.

Identify, monitor and manage controls to address extreme risks across Council.	Implementation of our Integrated Risk Management Framework has resulted in a significant decrease in the level of risk across Council. In 2015-2016 we had no risks assessed as extreme due to the implementation of a number of controls. This indicates a higher level of attention is being given to implementing controls by the due date. The Corporate Risk Register and all group risk registers are reviewed on a quarterly basis.
Continue the integration of the Work Health & Safety, Corporate Risk and Environmental Management Systems into the Integrated Risk Management System.	All scheduled work in the Integrated Risk Management System is on track and within budget.
Review, develop and implement the Long Term Financial Plan.	The Long Term Financial Plan 2016-2026 was adopted by Council on 24 May 2016. It may be accessed on Council's website.
Review, develop and implement budget processes and financial reporting to Council.	Quarterly Financial Reports were provided to Council; the Investment Report was provided to Council monthly. The budget for 2016-2017 was adopted as part of the Operational Plan on 24 May 2016. http://www.portstephens.nsw.gov.au/your-council/policies-forms-publications/integrated-plans
Complete and present for audit Council's annual financial statements	Council's financial statements achieved an unqualified audit and were presented to Council in December 2015 in accordance with the process as prescribed in the <i>Local Government Act 1993</i> . The audited financial statements were Volume 2 of the Annual Report 2014-2015 which was adopted by Council in November 2015. These may be accessed on Council's website. The audited financial statements for 2015-2016 are Volume 2 of this report.
Maintain Council's financial sustainability.	Council's financial performance continues to be robust. Please refer to Volume 2 of this report for detailed figures for 2015-2016. Please also refer to the financial sustainability section in Key Results earlier in this report.
Review, coordinate and deliver the Business Improvement program of work.	Please refer to the extensive detail provided in the Key Results section earlier in this report.
Review, coordinate and deliver Information Communication Technology improvement projects.	Please refer to the extensive detail provided in the Key Results section earlier in this report.

<p>Facilitate the four-year rolling Sustainability Review of Council's processes and services.</p>	<p>Council has a scheduled program of service reviews to ensure that every service:</p> <ul style="list-style-type: none"> • delivers what our customers require; • the service is delivered at a level that customers need and are happy to pay for; and • the service is delivered in the most effective way. <p>We have a four year program that results in all 52 services being reviewed thoroughly. As of December 2015 the previous four year program of work came to an end almost six months ahead of schedule. Council has just finalised the program for 2016-2019 however this has not commenced due to work associated with the merger proposal and possible impact on service delivery methods and packages.</p>
<p>Review, coordinate and deliver the Spatial Strategy program of work.</p>	<p>The Spatial Services (geographical information systems) program of work is made up of five projects, all aimed at improving the use of spatial data. The projects focused on improving spatial data management as well as building capacity and capability to access the data from a number of platforms.</p> <p>Spatial services processes are being reviewed and improved to support an improved level of service. There has been some significant progress in recent months to get the spatial data into a common platform. This will enable the organisation to access and display this in multiple ways to both assist the community as well as improve work practices.</p>
<p>Review, coordinate and deliver the Records Management program of work.</p>	<p>The Records Management program of work is aimed at improving the way Council manages its records. This work is facilitating compliance with the <i>State Records Act 1998</i>. The program is made up of nine key improvement projects and tasks. This includes improving a significant body of work to reduce and manage physical records as well as a number of activities to improve electronic records management.</p> <p>Processes are also being reviewed and updated accordingly. In recent months Council has upgraded its records management system to Records Manager 8.2. This will provide a much stronger platform for integration of records management with core corporate systems.</p>
<p>Process road closure applications in line with statutory requirements.</p>	<p>Road closure applications are processed on behalf of other sections within Council, on a case by case arrangement. These closures can be initiated for a number of different reasons but ordinarily involve the land parcel being surplus to requirements.</p> <p>Timeframes for processing road closures can vary, but they are always completed within statutory requirements. Numbers of road closure requests fluctuate, but on average Council would process approximately six per year.</p>
<p>Manage and expand Council's commercial property portfolio to meet or exceed industry standards.</p>	<p>Council owns and manages a commercial property portfolio in order to generate non-rate sourced revenue. Council currently owns a number of commercial buildings across the Newcastle and Port Stephens local government areas, including four blue chip properties that have recently had the leases renewed on favourable terms.</p> <p>Council will continue to manage the portfolio towards growth and higher returns on investment, in accordance with market conditions and the organisation's financial position. Currently the performance of the portfolio exceeds industry standards and returns over \$2 million in net non-rate sourced revenue per year.</p>

<p>Maintain the Operational Facilities at Port Stephens Beachside Holiday Parks, Treescape Park and Thou Walla Sunset Resort.</p>	<p>A focus was placed on asset management in the holiday parks over the financial year. This process included capturing up to date and user friendly data that could be utilised for improved asset management and facilities maintenance.</p> <p>This process has resulted in the creation of five-year rolling asset management plans for the holiday parks that will have the effect of keeping all assets at good condition levels in the most economically viable way. The program includes all park assets, but concentrates on accommodation products and park amenities.</p> <p>The focus for the financial year was the cabin accommodation products throughout the parks. This program is integrated with the holiday parks capital works program to ensure that scoped and planned forward developments are factored into the asset management plans. In 2015-2016 there were capital works to achieve:</p> <ul style="list-style-type: none"> • seven new getaway cabins developed at Fingal Bay and ensuites added to drive through sites; • new amenities developed at Fingal Bay; and • 11 powered van sites and two drive through van sites launched at Treescape. <p>92.5% of visitors across all holiday parks were satisfied or very satisfied with their holiday park experience.</p>
<p>Drive profitable demand for Beachside Holiday Parks, Thou Walla Sunset Resort and Treescape Park amongst key target markets.</p>	<p>Marketing and business development are undertaken on an ongoing basis over a number of different media for the promotion of the holiday parks. Promotional activities depend on the target market and season, and take account of other activities and attractions that may be occurring such as fishing competitions or whale season. The highlight this year was Thou Walla featuring on the Sydney Weekender television program.</p> <p>Strong income growth was achieved across the holiday parks compared to the previous year: Fingal Bay up 8.7%, Halifax up 3.9%, Shoal Bay up 3.3% and Treescape up 225%</p> <p>In 2016-2017 a new marketing strategy will be developed and implemented for the holiday parks.</p>
<p>Operate Crown Holiday Parks.</p>	<p>The Crown Holiday Parks include Shoal Bay, Fingal Bay and Halifax Holiday Parks. Council successfully operates these parks on behalf of the Crown. The Financial performance of the parks was in accordance with budget forecasts and included a significant capital works improvement program being completed. In addition to continuing business growth, the businesses have commenced a program of process improvements that will realise cost efficiencies in areas such as procurement without affecting service levels.</p> <p>The parks continue to monitor visitor expectations and developing tourist markets to ensure that demand is being met. 92.5% of visitors across all holiday parks were satisfied or very satisfied with their holiday park experience.</p>
<p>Manage Port Stephens Council's Beachside Holiday Parks, Thou Walla Sunset Resort and Treescape Park brand image, customer satisfaction, retention and loyalty.</p>	<p>Constant marketing and promotion activities are undertaken, third-party booking sites are monitored for feedback and changes made accordingly.</p> <p>92% of visitors across all holiday parks indicated that they were likely or very likely to return, and 94% of visitors across all parks said they were likely to recommend the park at which they stayed to family and friends.</p>

Prepare for sale or development appropriate portions of Council's operational land holdings as determined by market conditions.	Council's land development includes numerous projects in various stages of feasibility or development. Favourable market conditions have driven the completion of a number of development projects including the creation of 33 residential lots at Tarrant Road, Salamander Bay, and the divestment of several land parcels for positive cash returns, including Fleet Street, Salamander Bay and 96a Port Stephens Street, Raymond Terrace. Cumulatively, these land developments and divestments returned around \$5 million dollars to Council. Works have commenced on the commercial subdivision at 155 Salamander Way that will add significantly to the shopping centre. This work will continue to the end of 2016.
Facilitate geographical naming services.	This service follows Geographical Names Board policy and continues on a year to year basis as demand requires. In this financial year several key naming processes were undertaken including the new community of Kings Hill.
Develop recreational facilities at Treescap Park.	All planned capital works for the 2015-2016 financial year have been completed including the creation of a powered tourist van precinct. Work has commenced on the feasibility of a koala hospital and eco-tourism facility which would integrate into the operation of the park and provide a unique visitor experience.
Collate and sell bio-banking credits that have been established on the Office of Environment and heritage register.	This is an ongoing market-demand driven process. Council registered another 997 credits for its property at 100 Salamander Way, Salamander Bay that can only be used for Council developments. This in turn assists Council in controlling its property development costs by not having to purchase credits on the open market. Council owns another site at Karuah and these credits can be sold on the open market generating additional non-rate revenue for Council.
Strategically plan for and actively promote the efficient utilisation and design of office accommodation and public space, facilities and building services at the Raymond Terrace Administration Building.	The proposed building refurbishment program was placed on hold pending the outcome of proposed mergers that were announced in late 2015. This program will be revisited once decisions have been made on workforce placement after a merger announcement. In the interim specific workplace requests and improvements are addressed on merit. These minor change processes have included changes to individual work stations to accommodate work health and safety improvements, and changes to building infrastructure such as air conditioning improvements and roof repairs.
Review and implement Plans of Management for Holiday Parks.	The Plans of Management for the holiday parks have been implemented as prescribed for the year, including the completion of works as per the development phases for each site. Staff are currently working with NSW Crown Lands on the best approach to reviewing these plans. Preliminary work is being undertaken but changes will be deferred until the Crown Lands reform process is complete and outcomes known. The Plans of Management are located on holiday park websites.

FACILITIES & SERVICES GROUP

<p>Continue to complete the drainage and flood studies for Paterson River and Nelson Bay, and Port Stephens Flood Risk Management Study.</p>	<p>The Paterson River study is being managed by Maitland Council and is progressing.</p> <p>The Nelson Bay and Port Stephens Risk Management Study is managed by MidCoast Council, though the project was postponed due to the volume of other flood studies being undertaken, combined with the limited resources available to carry out the required work.</p>
<p>Complete a review of the Urban Storm Water and Rural Water Quality Plans.</p>	<p>This project, which was originally set to commence in the third quarter of 2015-2016, was placed on hold following the announcement of the proposed merger with Newcastle City Council.</p> <p>This review would need to be completed again by a new merged Council to align drainage and water quality standards. Therefore, the work has been postponed to prevent future rework if the project had been completed separately.</p>
<p>Align Council's Infrastructure Plan with Hunter Council's Regional Transport Plan.</p>	<p>The Hunter Regional Transport Plan is a broad document that was last reviewed in 2013-2014. This plan included input from Port Stephens Council.</p> <p>The state government review of the Hunter Regional Transport Plan will commence in August 2016 with state and local government agencies and business operators being invited to contribute.</p> <p>The new plan should ensure that the priorities are aligned with federal, state and local objectives to drive economic development.</p>
<p>Conduct road safety programs with Roads and Maritime Services.</p>	<p>Council works with NSW Roads and Maritime Services and other agencies such as the NSW Police to provide the community with road safety programs. All safety programs have been completed and included speed, motor cycle routes, fatigue, safe seniors and drink drive programs.</p>

<p>Undertake works recommended by the Local Traffic Committee.</p>	<p>Identified traffic issues and projects are presented to the Local Traffic Committee which meets once a month. Over the last 12 months this committee has assessed 103 items for which 57 recommendations have been made.</p> <p>Recommendations that require physical modifications to our road network are scheduled into Council's maintenance program (for minor works) or the capital works program (for larger project works).</p> <p>In addition to the items assessed by the Local Traffic Committee, the Council's traffic team undertook in excess of 350 other customer request traffic assessments during the last 12 months. These additional requests that do not require full Local Traffic Committee include such things as traffic/parking movement upgrades, signage requests, bus stop creation, line marking changes, pedestrian access, school safety improvements and zones, high mass limits requests and heavy vehicle access approvals.</p> <p>88.4% of surveyed residents reported being satisfied or very satisfied with traffic flows across the LGA.</p>
<p>Plan for Port Stephens local government area long term infrastructure needs.</p>	<p>The Long Term Infrastructure Plan was incorporated into the Strategic Asset Management Plan adopted by Council on 24 May 2016. The plan can be accessed at: Council's website.</p> <p>The next revision of the Strategic Asset Infrastructure Plan will include further community and economic infrastructure needs. These future infrastructure items will then be used to compile Council's Section 94 plan.</p>
<p>Provide project engineering services for Council's capital works program.</p>	<p>Project scoping initiations convert the ideas documented in the future Capital Works Plan into well-formed scope of works ready for detailed design and construction.</p> <p>The scoping of projects documented in the 2016-2017 Capital Works Plan was initiated. Project scoping initiations for 2017-2018 are underway now in preparation for full design. These projects relate to such things as road and drainage upgrades and rehabilitations, pathways, traffic infrastructure and bridge works.</p>
<p>Provide drainage/flooding investigation, planning and design services for Council's capital works program.</p>	<p>The 2016 works program is now documented and shows all proposed future works and drainage/flooding studies required.</p> <p>Given the number and severity of storms in 2015-2016 and in previous years, existing proposed maintenance and capital works programs are currently undergoing significant changes to account for newly identified problem areas. A large percentage of these proposed works are being undertaken as general maintenance/minor works, though the new capital works projects identified do require a significant budget.</p> <p>Maintenance works include pit inlet relocations and upgrades, pipe modifications and berm installations. Capital projects include Shoal Bay drainage catchment upgrade, Wallalong catchment (south), Raymond Terrace CBD catchment, Waterfront Road, Swan Bay, and Foreshore Drive, Corlette.</p>

<p>Conduct condition rating and risk assessment on all categories of assets 2015-2016.</p>	<p>Asset condition rating is being undertaken on a five-year cyclic program. Inspections are undertaken to check the asset condition, that assets are compliant with the relevant standard or legislation, and to check that the risk is within the organisation's risk appetite.</p> <p>Examples of inspections undertaken this year include pavement condition, building switchboard electrical compliance, slip resistance of footpaths, certification of water backflow devices, and paver trip hazards.</p>
<p>Implement the recommendations of the PKF Lawler Partners audit of Council's assets, backlog and methodologies and incorporate in them Financial Year 2015-2016 Special Schedule 7 to the Financial Statements of Council.</p>	<p>Items highlighted in the audit report were utilised in the calculations of the end of financial year asset financial reporting.</p> <p>Please refer to Special Schedule 7 of the Audited Financial Statements – Volume 2 of this report.</p>
<p>Provide a development engineering assessment and advice service.</p>	<p>Changes to the engineering services team have resulted in the targeted 21 days advice turnaround for engineering development applications mostly being met.</p> <p>The team processed more than 240 development applications this year. As each development assessment varies in size and complexity, over the last year around one third of applications did not meet the turnaround target. These developments require additional time to assess. For much of the year the team only had 50% of its staff complement which also affected processing times.</p>
<p>Plan for and provide suitable community and recreation assets.</p>	<p>Proposed future asset works have been documented in Council's Asset Management Plan under the 10 year works program. The number of grants successfully gained in the last 12 months has exceeded all expectations and has brought into the organisation \$2.5 million above the \$4.5 million dollar budget for these categories of assets.</p> <p>Residents' satisfaction with these assets remains high: 93.1% (sport and recreation facilities); 92.8% (swimming pools); 90.7% (community halls); 90.7% (playground equipment).</p>
<p>Review the pedestrian access mobility plan.</p>	<p>This project has recently gained additional funding from the NSW Walking and Cycling Networks Program. This funding will allow a greater scope than originally budgeted for. With larger scope these works are now proposed for the 2016-2017 financial year.</p> <p>A survey of residents indicated 78.6% satisfaction with maintenance of footpaths; and 76.6% satisfaction with maintenance of cycleways and walking tracks.</p>

<p>Fingal Bay Link Road - Agreement with landholders for acquisition of land.</p>	<p>Agreements with landholders are not yet finalised however positive discussions have recommenced.</p> <p>A presentation on the importance of this road was given to Worimi Local Aboriginal Land Council. Architectural visuals of engineering concept designs have been completed to aid discussions with landholders.</p> <p>If the land acquisitions are gained the next step is to undertake an archaeological review, an environment review, a traffic survey, a land survey, a geotechnical investigation, a road geometry design, and stakeholder consultation.</p>
<p>Plan for and manage Council's civil assets.</p>	<p>Proposed future asset works have been documented in Council's Asset Management Plan under the 10 year works program.</p> <p>The number of grants successfully gained in the last 12 months has exceeded expectations and has brought into the organisation \$4.5 million above an already \$9 million dollar budget for civil asset works.</p> <p>A survey of residents indicated 75.6% were satisfied with Council's management of local roads, an increase of 16.8% on 2015.</p>
<p>Work with Council's volunteer 355c committees to plan and prioritise capital works.</p>	<p>Council's 355c committees were requested to provide a prioritised list of proposed capital works on their respective facilities.</p> <p>These lists were included in 2016-2017 capital works program considerations. Seven 355c committees have been assisted to lodge external grant applications to assist in funding their prioritised capital works where Council's priorities do not cover the committees' works list.</p>
<p>Develop energy, water and waste management plans for Council's largest assets.</p>	<p>Council's approach to environmental sustainability in an asset management context to date has focused on achieving environmental and financial benefits through targeted energy and water efficiency projects at Council's largest assets.</p> <p>This approach has been successful in delivering positive environmental and financial outcomes with minimal capital investment. These projects were implemented through Council's 10 year works program and included lighting retrofits, heating ventilation and air conditioning upgrades, solar and gas hot water system installations, and building management systems.</p> <p>Low capital cost opportunities to invest in asset management projects that deliver environmental benefits continue, however an ongoing environmental improvement program will involve greater investments of financial capital.</p>
<p>Reduce energy and water consumption in Council facilities.</p>	<p>An energy efficiency audit was completed on all aquatic centres. Works including the installation of solar heating systems and power factor correction have been completed.</p> <p>Tomaree Library and Community Centre received a LED lighting upgrade and a solar photovoltaic system to reduce the energy consumption.</p>
<p>Reduce Council's carbon footprint.</p>	<p>Council is purchasing fleet and plant items that have low emission rates but also taking into account capital cost.</p>
<p>Manage fleet and depot services.</p>	<p>Capital purchases of fleet have been completed to schedule. Maintenance of plant was carried out in line with manufacturers' specifications. Please refer to capital expenditure detailed in Attachment 2 to this report.</p>
<p>Provide building trades services for Council's assets.</p>	<p>At the end of this financial year some tasks remain open. Some of these tasks are awaiting materials and some are of a minor nature and will be rescheduled, due to budget constraints.</p> <p>All safety related maintenance works were completed and non-safety related works have been deferred to the new financial year.</p>
<p>Maintain parks, reserves, sporting fields and foreshores managed and controlled by Council.</p>	<p>Maintenance of parks, foreshores and reserves is being undertaken in line with the Open Space Strategy specification with actual services being slightly behind theoretical targeted services. This has been due mainly to wet weather conditions over the second half of 2015-2016.</p> <p>A survey of residents indicated satisfaction with this aspect of Council's operations was 90.3% (parks and gardens); and 83.6% (nature reserves, wetlands, beaches and foreshores).</p>

Complete scheduled maintenance programs for drains and roadside vegetation.	<p>Maintenance of roadsides and drains has been carried out in line with inspections and scheduled services.</p> <p>A survey of residents indicated satisfaction with this aspect of Council's operations was 83.9% (roadside maintenance) and 70.7% (storm water drainage systems).</p>
Provide access to children's services programs for children with additional needs at Outside School Hours Care (Raymond Terrace and Medowie), Port Stephens Activity Van and Family Day Care.	<p>Outside School Hours programs have provided care for six children with additional support needs.</p> <p>The federal government has provided \$9,800 to assist with the inclusion of these children into our programs. No funding has been received for children with additional needs in the Preschool or Family Day Care programs.</p> <p>The Preschool has secured funding for three children in the next financial year. The introduction of the National Disability Insurance Scheme involves changes in the way services can access funding. Staff have undertaken training in the new processes.</p>
Provide outside school hours care services for children at Raymond Terrace and Medowie.	<p>Before and After School operated for 42 weeks and provided 31,346 childcare places in Raymond Terrace and Medowie. Vacation Care operated for nine weeks and provided 1,473 childcare places in Raymond Terrace and Medowie. In a survey of parents/carers, 100% were satisfied or very satisfied with the service at Medowie while Raymond Terrace parents/carers indicated 96.8% satisfaction with this service.</p>
Provide a mobile preschool service for areas that have a demand for this service.	<p>The Mobile Preschool introduced a fourth weekly session commencing July 2015.</p> <p>Over 40 weeks the program operated sessions at Raymond Terrace, Grahamstown, Medowie and Anna Bay providing 1,690 childcare places.</p> <p>Assistance was provided by the Early Childhood Education and Care Directorate to review service delivery ahead of the introduction of the Preschool Funding Model. Changes in service delivery ensured the service was eligible for a 'Mobile Services Contract' with assured funding for the next four years.</p>
Provide Family Day Care services through Newcastle/Port Stephens Family Day Care Unit.	<p>It has been a year of challenge for Family Day Care. In response to the loss of \$250,000 in funding unit increased fees and reduced staff levels. These service changes, along with the announced proposed merger, contributed to 19 educators leaving the service.</p> <p>In January 2016 the unit gained approval from the Department of Social Services to divide the service into two distinct units and this resulted in securing renewed funding of \$60,000. The service has been approved for funding for the next financial year and this will enable the 65 educators to continue to deliver care to 630 families. Over the year Family Day Care provided 9,435 childcare places.</p>
Provide facilities for community based preschools and childcare centres to operate from, through tenancy agreements.	<p>Council's intention is to implement tenancy agreements with the management of all childcare services which operate from Council buildings. Of the five services operating without an agreement four services signed off on a formal licence this year. Discussions are continuing with the management of the one outstanding service.</p>
Maintain and upgrade Asset Protection Zones and Fire Trails.	<p>104% of Asset Protection Zone and Fire Trail ground maintenance services were completed for the 2015-2016 year. The additional 4% equals two extra services above the scheduled maintenance. A total of 211 services were undertaken.</p> <p>Three claims for reimbursement funding for the program were submitted to the Rural Fire Service with the final reimbursement yet to be received.</p>

<p>Provide professional lifeguard services at Fingal Beach, Birubi Point Beach and One Mile Beach.</p>	<p>Professional surf lifesaving services commenced life guard services at One Mile Beach on 19 September 2015 and Birubi and Fingal on 21 September 2015. The services concluded on 26 April 2016. The service is provided five days per week at Fingal and Birubi and seven days per week at One Mile.</p> <p>The new contract provided two lifeguards per beach and two new jet skis to service Birubi and Fingal Beaches. This combined with the jet ski already located at One Mile Beach gives a full complement of three jet skis across all Council beaches.</p> <p>Volunteers provide service on weekends and public holidays at Fingal and Birubi Beaches.</p>
<p>Contribute to and implement the new Emergency Management Plan as part of the Lower Hunter Emergency Management Committee.</p>	<p>Council has completed its component of the Emergency Management Plan. For the Plan to be completed it is now reliant on combat agencies to complete consequence management guides relating to identified emergencies that may occur across the local government area.</p> <p>The Emergency Management Plan was scheduled for completion in August 2016.</p>
<p>Provide buildings and funding support for Rural Fire Service and State Emergency Services.</p>	<p>All annual emergency service risk management inspections and building maintenance to Rural Fire Service and SES facilities across Port Stephens are undertaken every second year, scheduled again for February 2017. All reactive maintenance was undertaken as required.</p> <p>All Fire Safety Statements were finalised and signed off in July 2016. All building maintenance costs arising from inspections are 100% funded from Council's 2015-2016 emergency services operational expenditure budget.</p>
<p>At Raymond Terrace, Nelson Bay and Tanilba Bay provide facilities for senior citizens' associations to operate from.</p>	<p>Council's three senior citizens halls have been in constant use during 2015-2016. The facilities have regular user group bookings while also providing times for casual bookings. Nelson Bay Senior Citizens Hall has changed its name during the year to be now called the Nelson Bay Community Hall. It is managed by a 355c committee. The Nelson Bay and District Senior Citizens Club operate from the Nelson Bay Bowling Club.</p> <p>The Raymond Terrace Senior Citizens Hall was in constant use during 2015-2016, with the Senior Citizens Club being one of the main user groups. The hall is managed by a 355c committee.</p> <p>The Tanilba Bay Senior Citizens Association operates from the Tanilba Bay Senior Citizens Hall, a Council facility, but the facility is managed by the association and not a 355c committee.</p>
<p>Implement the recommendations from the review of the Ngioka Horticultural Therapy Centre.</p>	<p>The ratepayer subsidy exceeded target in 2015-2016 from the target of \$90,915 to \$101,731. This was mainly due to an increase in core operating expenditure such as utility and material costs. Income exceeded target by \$14,000 or 15.3% due to higher than expected plant sales.</p> <p>Volunteer numbers have again increased as a result of a recruitment drive held in March 2016 and have now gone from nine to 15 volunteers or the equivalent of two full time staff. This will free up staff time to provide a greater focus on making improvements to programs and service delivery.</p> <p>In July 2016 the Executive Team gave approval for the Ngioka Centre to recruit a disability trainee. The aim is to provide an opportunity for a trainee to gain valuable experience in this area and will provide greater resilience to the operations and greater staff flexibility.</p> <p>On the 23 June 2016 Council agreed for the Ngioka Centre to continue operations through to June 2018. A further sustainability review is to be held in 2017.</p> <p>Three meetings were held with the Ngioka business panel in the 2015-2016 financial year. With the NDIS now implemented across the region Ngioka has commenced a program of meetings with service providers to garner interest in programs with a view to increasing attendance and income by being able to charge a scheduled fee to all who attend the centre's programs.</p>





NGI KA
HORTICULTURE THERAPY CENTRE



Review and report on the sustainability of the Ngioka Horticultural Therapy Centre.	Ngioka has completed stage 1 and 2 of the sustainability review. A stage three sustainability review will be undertaken in December 2017 with a focus on reducing the ratepayer subsidy by a further \$20,000 over two years.
Manage the use of Grahamstown Dam Aquatic Reserve for use by Sailability.	Volunteers from the Grahamstown Sailing and Aquatic Club manage the use of the Grahamstown Dam on behalf of Port Stephens Council and Hunter Water, with annual funding from Council. This maintains the grounds and infrastructure and management of sailing programs and the hire of the facility to various interest groups, including Sailability.
Convene forums for Community Hall and Parks and Reserves 355c committees.	<p>Three halls forums and three parks forums were held during the period. The purpose of the meetings is to exchange information and meet the administrative and operational needs of the volunteers.</p> <p>An average of 15 hall committee volunteers attended each halls forum, and an average of 21 parks committee volunteers attended each parks forum. High representation from staff and site visits prior to parks forums have helped deliver significant engagement opportunities with the volunteers.</p>
Manage historic cemeteries to National Trust Guidelines at Raymond Terrace, Hinton, Birubi Point and Nelson Bay.	Historic cemeteries in Port Stephens are managed as required in accordance with the Cemetery Trust guidelines. There has been no required restoration or other works undertaken in this financial year.
Coordinate the Birubi Point Cultural Heritage Advisory Panel.	<p>The Birubi Point Cultural Heritage Advisory Panel met on 30 November 2015. The panel oversaw the drafting of a conceptual design for a proposed tourism transport interchange for land at Gan Gan Road, Anna Bay. The proposed interchange is a major goal of the panel as delivery of the interchange infrastructure will result in a central tourism focus point for the Worimi Conservation Lands entrance at Anna Bay as well as removing the increasing traffic from James Paterson Drive and Birubi Headland. The panel vetted a funding application submitted by Council for full funding of the interchange project through the Hunter Infrastructure Investment Fund. The funding submission was unsuccessful.</p> <p>A funding agreement was executed during the year between Council, National Parks and Wildlife Service, Worimi Conservation Lands and Worimi Local Aboriginal Land Council. The agreement permits tourism operators to use parts of the Birubi Point Crown Reserve managed by Council in exchange for a share in the revenue from tourism operations for the Worimi Conservation Lands. This agreement ensures that the management of Birubi Point Aboriginal Place is funded sufficiently to protect the Aboriginal cultural values of the place.</p> <p>The panel's focus for 2016-2017 is the development and adoption of a management plan for the Birubi Point Aboriginal Place including a landscape master plan, annual works program and interpretive signage standard.</p>
Provide areas of Council-managed land for community-based and commercial leisure operators.	<p>Council has provided facilities and open space for community and commercially based operations and issued licences and leases for a range of clubs, private agencies, and other businesses.</p> <p>Council has finalised licences and leases for various groups including Medowie Sport and Recreation Club, Nelson Bay Bocce Club, Integrated Living, Port Stephens Sailing and Aquatic Club, and commercial operator licences for the lower car park at Birubi Beach. In addition there has been an extensive process undertaken to prepare and implement five year commercial operator licences for a range of land and water based recreational activities. This is anticipated to be finalised by the end of August 2016.</p>
Provide swimming pool facilities at Raymond Terrace, Salamander Bay and Mallabula.	<p>Transition of the pools contract to Belgravia Leisure is complete. All three pools are operating in accordance with contract requirements.</p> <p>92.8% of residents were satisfied or very satisfied with swimming pools.</p>

Provide facilities for volunteer surf lifesaving clubs to operate at Fingal Beach and Birubi Point Beach.	<p>The volunteer surf lifesaving patrol season commenced on Saturday 19 September 2015 and concluded on 24 April 2016.</p> <p>All volunteers have access to club facilities and lifesaving equipment at both Fingal and Birubi Beaches.</p>
Review commercial operators' processes and Plans of Management to ensure alignment with the Operational Plan.	<p>Commercial operators processes have been reviewed. The Commercial Operators Policy has been adopted along with the new policy guideline and other supporting documents. These will streamline the process for the issuing of licences for land and water-based commercial activities into the future.</p> <p>The Commercial Operators Policy is on Council's website.</p>
Provide operational cemeteries at Anna Bay, Raymond Terrace, Karuah, Nelson Bay (Carumbah Memorial) and Seaham.	<p>All scheduled mowing and maintenance of the operational cemeteries have taken place for the 2015-2016 year.</p>
Work with the community to develop a long term plan for eventual re-use of the decommissioned emergency building at Lemon Tree Passage, including for an arts/craft/cultural centre.	<p>Correspondence has been entered into with the Tilligerry Arts Group with a proposal to license the use of the Lemon Tree Passage Rural Fire Services (RFS) building once the building is no longer required for Rural Fire Service purposes.</p> <p>Discussions are under way to determine the group's plans for the site. The site will not be vacated until the new Tilligerry RFS Brigade is constructed in 2016-2017.</p>
Provide large print books, talking books and audio and visual navigation aids from Libraries.	<p>Approximately 30% of the library resources budget was allocated to large print, talking books and audio navigators. These items form an important part of the collection and are especially relevant for sight impaired customers. Due to an increase in demand, in November 2015 library services purchased an additional 10 audio navigators taking the total to 30 now available for customers to loan through our branches.</p> <p>In 2016, library services had the highest satisfaction rating of Council's services, at 98.6%.</p>
Provide a Mobile Library Service.	<p>Mobile library services were delivered to 15 locations across the Port Stephens local government area over a fortnightly timetable. Staff loaned 36,969 items to 2,842 customers. They also delivered 118 programs (including storytime sessions and attending special community events) to 2,772 participants.</p>
Provide Words on the Street, Read & Rhyme Time, Story Time and children's holiday programs from Libraries.	<p>The Stories in the Street early literacy program and its group of twelve volunteers made 116 visits to families and read to 324 children. 1,356 books were loaned to children and the Children's Literacy Coordinator ran a number of information sessions for parents on the importance of early literacy and modelling reading to their children.</p>

Provide access to library services at Salamander Bay, Raymond Terrace, Lemon Tree Passage and the Mobile Library.	<p>Port Stephens Library provided services from Raymond Terrace, Salamander Bay, the Mobile Library and Tilligerry Community Library.</p> <p>During this year 362,588 items were loaned. 226,099 people visited library branches, 28,275 internet sessions were booked, and 12,519 customers made use of the free Wi-Fi.</p> <p>Our libraries attracted 2,181 new members, took 36,592 enquiries and ran 580 programs, which were attended by 9,501 people. We opened our doors for 6,650 hours and our dedicated group of volunteers donated 1,506 hours of their time to assist us.</p>
Provide spaces from which historical and family history operate.	The Raymond Terrace District and Historical Society occupies a research office at the Raymond Terrace Library. Similarly the Port Stephens Historical Society and Tomaree Family History Group are co-located and share a research office at the Tomaree Library.
Provide an exhibition space for the display of art at Raymond Terrace.	Library services provides an exhibition space at Raymond Terrace Library and supports the local community art group volunteers. In partnership, library services and the art group plan and prepare a 12 month exhibition schedule for the display of local community artwork, which is enjoyed by those who visit the library.
Develop a project plan for the long term enhancement for Raymond Terrace Library to accommodate diverse cultural activities.	The development of a cultural facilities plan for Raymond Terrace is scheduled for 2017-2018.
Provide a wheel in wheel out garbage bin service (Blue Dot Service) for people with disabilities living at home.	The wheel out wheel in service is provided to over 40 residents across Port Stephens on a weekly basis.
Monitor environmental impacts from decommissioned landfill sites and manage the sites.	Environmental monitoring has occurred at all decommissioned landfill sites each quarter during 2015-2016, and results are on target.
Continue to provide a two-bin waste service including collection and disposal.	As of 30 June 2016 there were 26,437 tonnes of waste processed from the red bin and 7,316 tonnes of recycling from the yellow bin. Council diverted 58% of waste collected from the two bin system.
Provide four (4) drop-off events or facilities for electronic waste, mattresses, household hazardous waste, and vehicle tyres at Raymond Terrace and Lemon Tree Passage.	<p>During 2015-2016 permanent sites for household chemicals and e-waste were provided along with seven drop off days held targeting problem wastes, including household chemicals, tyres, mattresses and electronic waste (e-waste).</p> <p>As a result of these sites and drop off days Council recycled (as of 30 June 2016):</p> <ul style="list-style-type: none"> • 70.53 tonnes of chemicals • 58.64 tonnes of e-waste • 740 tyres • 720 mattresses



Manage the waste transfer station at Salamander Bay.	The Salamander Bay Waste Transfer Station operated normal opening hours during 2015-2016. During this period there were 34,683 transactions recorded delivering 12,083 tonnes of waste to the facility. The facility operated above expectations, diverting 46% of waste delivered to the facility away from landfill.
Provide an education program for schools and the community on waste minimisation and recycling.	The schools program was run from August to September 2015 with 23 schools and over 1,200 students taking part. Various education campaigns were conducted throughout the year focusing on recycling right and promoting correct use of kerbside collection services through newspaper, radio, video and social media. 2,090 recycling bins were inspected and stickered during the financial year with residents being left educational information or engaged through face to face contact.
Provide garden waste drop-off services at Salamander Bay, Raymond Terrace, Lemon Tree Passage and Karuah.	Green waste drop off services were supplied in four locations across Port Stephens during 2015-2016 with participation continuing to grow. In total, 2,037 tonnes of green waste were collected.
Provide two (2) on-call bulky waste kerbside collections per domestic residence.	The on call kerbside collection commenced on 1 July 2015 and a total of 9,177 on call collections were provided to residents during 2015-2016. Take up of the service was below average however 1,662 tonnes of waste was collected in total from the service.
Provide an upgrade to a 360 litre yellow recycling bin for a one-off charge.	Approximately 935 residents have upgraded their recycling bin to the 360 litre option. Currently there is a steady growth of approximately 10 to 20 residents per month upgrading their bin to the larger size.
Participate in Hunter Councils Regional Waste Group Strategy for regional collaboration.	Waste services staff have attended regional meetings and have involvement within some joint projects including education and planning.
Complete Roads and Maritime Services contract work on the state roads network.	Maintenance works were completed as scheduled in the contract, with capital improvement works undertaken on Nelson Bay Road through the Sand Hills and Cabbage Tree Road near the Masonite Road intersection. Demand for capital works continues to increase under the contract and Council systems continue to evolve in supplying environmental and quality assurance for these projects.
Deliver the Works Program of the Strategic Asset Management Plan.	Rain events before Christmas and during January 2016 set the program back approximately three weeks, however the shortfall was made up in the third quarter. A budget review for December 2015 was completed and adjustments have recognised the change of project scope for both East Seaham Road and Hinton Road. Project completion exceeds 95% for the year and represents a significant increase in the amount of capital work undertaken. Please refer to Attachment 2 of this report.
Complete the roads asset maintenance program.	The January 2016 rain event had an immediate short term impact on the scheduled roads asset maintenance program with a marked increase in both pothole maintenance and unsealed grading required. Budget adjustments in the third quarterly review recognised the increased requirements in this area and the subsequent increase in funding allowed more works to be scheduled and completed.

STATUTORY STATEMENTS

The following Statutory Statements are required by such instruments as Local Government (General) Regulation 2005 – REG 217 and other NSW Government acts. The relevant clause is highlighted beside each report.



Clause 217 (1) (a)

Overseas travel undertaken by Mayor, Councillors and staff

In 2015-2016 no overseas travel was undertaken by the Mayor or Councillors. The Risk Management Coordinator won a scholarship to attend a conference in Boston, USA in September 2015. The scholarship was awarded by Affiliate FM, an underwriter of the property insurance scheme of which Council is a member.

Clause 217 (1) (a1)

Mayoral and Councillors' fees and provision of facilities

Council's policy identifies the expenses that will be paid and the provision of facilities to the Mayor and Councillors in relation to discharging the duties of civic office. The policy was adopted on 26 August 2014 and is reviewed annually.

Our policy recognises that the Mayor and Councillors, in performing their civic functions, are entitled to be provided with certain facilities and be reimbursed for expenses noted in the Policy. The Policy can be read and downloaded from Council's website.

Council is required under Clause 217 (1) (a1) of the *Local Government Act 1993* to pay an annual allowance to the Mayor and Councillors. The following is a summary of the expenses incurred in performing the functions of the Mayor and Councillors and associated allowances.

Allowances	
Mayoral allowance	\$58,470
Councillors' fees and allowances	\$165,420
Councillors' expenses (see below)	\$127,297
Total	\$351,187

Expenses	
Computing/mobile devices	\$2,269
Mobile phone rental (excludes calls)	\$5,093
Landline phone rental (excludes calls)	\$997
Fax rental (excludes calls)	\$0
Mobile phone plan (calls only)	\$390
Landline phone (calls only)	\$533
Fax rental (calls only)	\$0
Telecommunication plans - bundles	\$7,397
Conferences/seminars	\$19,496
Training	\$0
Interstate travel	\$2,558
Interstate accommodation	\$3,449
Intrastate travel	\$23,418
Intrastate accommodation	\$2,221
Overseas travel	\$0
Overseas accommodation	\$0
Partners' expenses	\$1,407
Child care expenses	\$0
Internet	\$2,235
Catering	\$30,475
Mayoral vehicle	\$22,259
Stationery	\$1,145
Awards and ceremonies	\$1,955
Total	\$127,297

Clause 217 (1) (a2)

Major contracts

Council must report the details of each contract awarded that exceeds \$150,000.

Successful Contractor/s	Project or Service	Value ex GST
Telstra SNP	Security	Do and Charge*
Belgravia Leisure Pty Ltd	Leisure centres	\$2,586,833
Flynn Haulage and Earthmoving Pty Ltd Edser Plant and Civil Pty Ltd	Supply of haulage service	Do and Charge*
KCE Pty Ltd	Road works - Peppertree Road, Medowie	\$691,120
Builtform Constructions Pty Ltd	Fingal Bay Holiday Park amenities	\$1,392,454
Trisley's Hydraulics	Pool plant preventative maintenance	\$151,800
GWH BUILD	Men's Shed	\$647,809
Belmont Park Williamtown Pty Ltd	Dog stock pound	\$192,000
EcoProjects Australia	Tanilba Bay foreshore protection	\$284,150
Surf Life Saving Services Pty Ltd	Surf lifesaving	\$2,247,623
Hunter Wharf & Barge	Lemon Tree Passage aquatic infrastructure	\$669,402
Active Tree Service Pty Ltd TreeServe Pty Ltd SJB Group Pty Ltd Asplundh Tree Expert (Australia) Pty Ltd Enviro Frontier Pty Ltd Samkyle Pty Ltd T/A Just Cuts Tree Services	Tree maintenance services	Do and Charge*
Water Art Australia Pty Ltd H L Mullane Son Pty Ltd IPS Plumbing Services Pty Ltd M & L Sullivan Plumbing Pty. Ltd.	Plumbing maintenance services	Do and Charge*
Undercover Canvas Pty Ltd	Shoal Bay Holiday Park tourist tents	\$483,887
The Trustee for Ozz Projects Unit Trust	Thou Walla Sunset Retreat insurance repairs	\$230,430
Accurate Road Repairs Pty Ltd Stabilised Pavements Australia	Road pavement stabilising (T13-2014 & T111213HUN)	Do and Charge*
ANA Asphalts Boral Construction Fenworx Pty Ltd Fulton Hogan Industries Tropic Asphalts	Asphatic concrete materials and related services (LGP213 & T81112HUN)	Do and Charge*

Anna Bay Sand & Earthmoving Coates Hire Operations Pty Ltd Robert Guys & Sons Pty Ltd	Contract plant (T13-2014)	Do and Charge*
Barker Ryan Stewart Cardno (NSW/ACT) Pty Ltd (LGP1208-3)	Professional consulting services	Do and Charge*
Newcastle Isuzu Ute	Trucks for local government (NPN0413)	\$356,551
Evolution Traffic Control Workforce Road Services	Provision of traffic control services (T211415HUN)	Do and Charge*
South Pacific Laundry (Sydney)	Linen supply to holiday parks	Do and Charge*
Whiteline Road Services Workforce Road Services	Provision of line marking (T221415HUN)	Do and Charge*
D & P Fencing Contractors	Supply & installation of road safety barrier systems	Do and Charge*

*Schedule of rates refers to 'do and charge', anticipated to be in excess of \$150,000.

Definitions of contracts awarded:

- Port Stephens Council tenders for this period;
- Port Stephens Council contract extensions for this period;
- Contracts as executed using regional procurement agreements; and
- Contracts as executed using local government procurement agreements.

Clause 217 (1) (a3)

Legal proceedings

This provides a summary of the amounts incurred by Council in relation to legal proceedings taken by and or against Council during the period 1 July 2015 to 30 June 2016.

Workers compensation and other employment matters, public liability and professional indemnity claims are not included in the summary.

Council recovered legal costs of \$209,148.

CATEGORY/ LEGAL MATTER	STATUS/COMMENTS	COSTS
Supreme Court		
Shoal Bay Developments Pty Ltd, Snoogal Pty Ltd and Community Association DP 270468	Proceedings seeking declarations and damages regarding drainage at Nelson Bay.	\$97,014
Development Appeals		
Bowtell t/as Port Stephens Gardenland	Appeal against refusal to grant development consent for a rural industry including organic composting at Eagleton – matter ongoing.	\$68,736
Clippers Anchorage Pty Ltd	Appeal against refusal by Joint Regional Planning Panel to grant development consent for expansion of Soldiers Point Marina – matter ongoing.	\$15,735
Shoal Bay Developments Pty Ltd & Snoogal Pty Ltd	Appeal against refusal to grant development consent for modification application for property at Nelson Bay – appeal dismissed.	\$1,805
Other Matters		
Webb	Administrative review applications in the NSW Civil & Administrative Tribunal.	\$0
TOTAL		\$183,290

Clause 217 (1) (a3)

Works on private land

During 2015-2016, Council did not undertake any works on private land (s67 of *Local Government Act, 1993*).

Clause 217 (1) (a5)

Financial assistance

Council is required to report the total amount contributed or otherwise granted under section s356 of the *Local Government Act 1993*. During 2015-2016, Council made available the following financial assistance:

1. Council provided hardship rate relief and rates donations under sections 601 and 356 of the *Local Government Act 1993* amounting to \$3,197.55.

Council wrote off the following rates and charges:

- Pensioner concessions \$1,496,491.03
- Postponed rates \$8,717.43
- Small debts \$221.34
- Conservation agreement \$852.58
- Uneconomical to recover \$1,697.51

2. **Cultural Projects Fund**

Council funded 19 projects, totalling \$51,450 and one program (\$8,550) supporting the Cultural Plan, with a total of \$60,000 (endorsed by Council 25 August 2015).

3. **Aboriginal Projects Fund 2015-2016**

Council funded eight projects, totalling \$35,000 (endorsed by Council 25 August 2015).

4. **Minor Works, including Community Projects Fund - \$99,352**

5. **Mayor Assistance Fund - \$49,777.00**

6. **Local Heritage Fund - \$13,900 for ten projects.**

7. **Small Environment Grants - \$7,020.**

8. **School Environmental Grants Program - \$1,973.**

9. Waste Services

Under Council's Policy Financial Assistance for the Disposal of Waste in Port Stephens, the following financial assistance was provided:

St Vincent De Paul, Nelson Bay	\$10,572
Port Stephens Home Modification	\$1,501
St Vincent De Paul, Tanilba Bay	\$1,348
Port Stephens Uniting Church	\$426
Tilligerry Habitat	\$139
Medowie Assembly of God	\$1,903
Salvation Army Newcastle	\$7,101
St Vincent De Paul, Raymond Terrace	\$2,346
Salvation Army, Raymond Terrace	\$7,437
Salamander Bay Recycling Centre	\$7,584
NSW State Emergency Service	\$160
Anna Bay Scouts	\$1,365
Raymond Terrace Early Education Centre	\$265
Australian Volunteer Coast Guard	\$422
St Vincent De Paul, Anna Bay	\$5,293
The Hunter Koala Preservation Society	\$245
Terrace Tenant & Associates	\$26
Catholic Community Services	\$446
Raymond Terrace Men's Shed	\$122
Lions Club, Fingal Bay	\$621
Marine Rescue NSW Port Stephens	\$389
Karuah River Men's Shed	\$66
Total	\$49,777

Clause 217 (1) (a6)

External bodies exercising the functions of council

Council must report all external bodies that exercised functions of the Council. There were no external bodies exercising the functions of Council.

Clause 217 (1) (a7)

External bodies of which Council has controlling interests

Council must report on all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which Council (whether alone or in conjunction with other councils) held a controlling interest during the reporting period.

Newcastle Airport Pty Ltd

Following the corporate restructure that occurred on 9 October 2013, the four partners of the Newcastle Airport Partnership are now Newcastle Airport Partnership Company 1 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 1) and Newcastle Airport Partnership Company 2 (as trustee for Newcastle Airport Partnership Trust 2), both owned by Newcastle City Council, and Newcastle Airport Partnership Company 3 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 3) and Newcastle Airport Partnership Company 4 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 4), both owned by Port Stephens Council.

Newcastle Airport Pty Ltd operates the Newcastle Airport as agent for the Newcastle Airport Partnership. Under this structure, Newcastle Council and Port Stephens Council hold the rights to their share of the assets and their share of the obligations in the partnership.

As defined in AASB 131 – Interests in Joint Ventures, joint control is the contractually agreed sharing of control over an economic activity and exists only when the strategic, financial and operating decisions relating to the activity require the unanimous consent of the parties sharing the control.

Before the restructure, each Council had joint control through their 50% share of Newcastle Airport Pty Ltd. After the corporate restructure that occurred on 9 October 2013, this ownership structure ultimately remains the same and Council now owns new holding companies Newcastle Airport Partnership Company 3 (NAPC3) and Newcastle Airport Partnership Company 4 (NAPC4). Council has elected to continue to apply the proportionate consolidation method allowed in AASB 131.

Therefore, there is no change in the accounting for Newcastle or Port Stephens Councils' share of the joint operation by each Council as the impact of recognising the direct interests in the assets, liabilities, revenue and expenses of the joint operation is effectively the same as recognising their share under the proportionate consolidation method currently in place.



Hunter Councils Incorporated

Hunter Councils Inc. is a public company limited by guarantee and does not have share capital. The purpose of the company is to provide local government resource sharing arrangements. Hunter Councils brings together 11 councils to promote cooperation and collaboration to benefit local communities. This has achieved strong communication between councils, sharing professional expertise and inter-council collaboration.

The General Managers' Advisory Committee, made up of all the Hunter Councils' general managers, meets monthly to progress issues of regional importance.

Strategic Services Australia Limited (formerly Hunter Councils Limited)

The company provides shared services in procurement, training, legal, environmental and records storage services, and manages Screen Hunter. It is wholly owned by the 11 councils in the Hunter region.



OUR SERVICES
WHAT WE DO



Clause 217 (1) (a8)

External bodies in which Council has participated

Council must report on all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which Council participated during that year. Please refer to Clause 217(1) (a7) on previous pages.

Clause 217 (1) (a9)

Equal employment opportunities activities

Council is committed to developing an equitable and diverse workforce which is representative of our community and the region as a whole. We have an active Workplace Equity and Diversity Committee that meets on a quarterly basis.

Our commitment is based, in part, on the need to ensure that our organisation complies with equal opportunity legislative requirements. More importantly, Council is committed to providing a pleasant working environment for all employees by encouraging good working relationships, valuing diversity and respecting differences to achieve our objective of being a best employer.

The Workplace Equity and Diversity work plan 2015-2019 has been developed to focus on the following key areas:

- Communication;
- Compliance;
- Recruitment and retention;
- Supportive resources; and
- Monitor and review workplace culture.

The work plan focuses on minimising barriers for Council's equity and diversity target groups. These target groups are:

- Indigenous and Torres Strait Islanders;
- People with disabilities;
- Women;
- People from non-English speaking backgrounds;
- Mature age workers;
- Youth; and
- People who identify as lesbian, gay, bisexual, trans or intersex.

After being restructured in 2015, the committee continues to work on the implementation of the objectives of the work plan and to raise awareness of equity and diversity throughout the organisation.

Council will continue to capture data on multi-lingual staff. This information is currently available on the intranet to support the provision of customer service to staff and the community.

Council has conducted a number of workplace equity and diversity training programs for staff including anti bullying, harassment awareness, managing equity and diversity, and cultural awareness.

The organisation has piloted a Building Respect and Collaboration toolkit which provides resources to teams so that they can build and strengthen respectful workplace behaviours amongst teams.

Council continues its partnership with the National Disability Recruitment Coordinator (NDRC) to ensure that it eliminates any barriers associated with hiring an employee with a disability. This partnership includes the establishment of a workplace modifications process to better support current and potential employees with disabilities.

In February 2016, the Workplace Equity and Diversity Committee hosted a presentation to all staff by the Worimi Local Aboriginal Land Council on appreciating diversity. A schedule of regular presentations is planned for the future.

In its commitment to workplace equity and diversity Council continues to support trained contact officers who are available to provide support to all staff members in equity and diversity matters.

Clause 217 (1) (b) and (c)

Senior staff salaries

Section 332 of the *Local Government Act 1993* provides the definition of senior staff. At Port Stephens Council, the senior staff team comprises the General Manager and the three Group Managers. All senior staff are employed under standard contracts.

The General Manager's total remuneration package was \$311,320.

The combined total remuneration for all Group Managers was \$792,485.



1 July 2015 to 19 February 2016



Clause 217 (1) (e)

Annual charge for stormwater management

Council is not a water authority – all services are provided by the Hunter Water Corporation.

Clause 217 (1) (e1)

Annual charge for coastal protection

During this year, Council has not levied an annual or other charge for coastal protection services.

Clause 217 (1) (f)

Companion Animals Act reporting

Council provides an annual return to the Office of Local Government on activities to enforce and ensure compliance with the *Companion Animals Act 1998* and regulations, including lodgement of pound data collection returns. Council also reports information on an incident-by-incident basis related to dog attacks.

In the past year, this information has been collected on the Companion Animals Register. Council spent \$317,461 related to companion animal management and activities (excluding Ranger salaries and vehicle costs) and spent \$87,250 on education programs related to companion animals in the community. These programs have included:

- Registration project from July 2015 to October 2015;
- Five companion animal education days/free micro chipping days were conducted in conjunction with local veterinarians and Hunter Animal Watch at local markets across the LGA – over 50 animals were micro chipped;
- Provision of a qualified implanter at free micro chipping days;
- Production and distribution of promotional materials for these education days – dog leads, sanitary bag dispensers, advertisements in local paper, social media and the creation of a Port Stephens dog registration and micro chipping factsheet;
- Presentations to school groups at Council offices, interaction with 60 children;
- Attendance at NSW Police and Emergency Services open day, over 100 interactions with community members;
- Production and distribution of promotional materials to schools – stickers, erasers, pencils, key rings, flying discs, drink bottles and slap bands;
- Ranger Ralph education weekly messages in a local newspaper and on various social media outlets.

Council contributes to Hunter Animal Watch, which carries out subsidised de-sexing of animals in the LGA. In an effort to reduce euthanasia rates, Council has actively promoted the sale to the community of suitable unclaimed dogs and cats from its pound through internet advertising via Dogs on Line and through a partnership with the Hunter Animal Rescue organisation.

Council has continued to improve the 13 off-leash areas within the LGA, including making upgrades to signage and facilities. The education opportunities in 2015-2016 have assisted in awareness of responsible pet ownership and the use of Council's off-leash dog exercise areas.

Council collected \$61,418 in registration fees forwarded to the Office of Local Government. It received back \$61,965 which was put towards the Companion Animal Register, animal handling training and the specific initiatives undertaken over the reporting period.

Special Variation to Rates Expenditure

In 2008, the Minister for Local Government granted Council a special variation to the business category of rates of 5.3% to be applied for economic development with the LGA. A condition of that approval was that the application of funds raised must be reported in Council's Annual Report. The table below sets out the expenditure for 2015-2016.

Administration	\$24,762
Marketing and promotion	\$27,202
Salaries	\$302,479
Trader Association support	\$25,000
Screen Hunter	\$29,000
Mayoral scholarships	\$20,065
Destination Port Stephens	\$390,000
Event sponsorships	\$110,240
Total	\$928,748

Privacy and Personal Information Protection Act 1998

The Privacy Management Plan was reviewed and adopted by Council on 10 March 2015. Council provides updates with respect to the Act to the relevant staff as required. There has been one internal review under the Act conducted by Council. There was no contravention by Council with respect to release of the information. No other contraventions of any information protection principles nor of privacy codes of practice, nor disclosure of personal information kept in a public register.

Government Information (Public Access) Act 2009

Council is required to provide information under s125 of the *Government Information (Public Access) Act 2009 (GIPA Act)*. The following information has been produced to comply with this requirement.

Council is required to produce an Annual Report under Section 125 of the *Government Information (Public Access) Act 2009*. The following information has been produced to comply with this requirement.

Review of proactive release program - Clause 7(a)

Under section 7 of the *GIPA Act*, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

Our agency's program for the proactive release of information involves:

- Reviewing all formal applications and determining if the information sought should be released proactively in the future;
- Reviewing all informal requests and determining if the information should be released proactively in the future; and
- Monitoring matters raised by staff and determining if the information should be released proactively in the future.

During the reporting period, we reviewed this program by ensuring there is an ongoing monitoring program of all applications/requests for information whether they were formal, informal or other requests. The program also includes information from Council officers with respect to the information they are producing. As a result of this review, Council has not added any additional information to the proactive release provision.

During this period Council processed 485 informal requests for information.

Number of access applications received - Clause 7(b)

During the reporting period, our agency received a total of 22 formal access applications (including withdrawn applications but not invalid applications). Our agency determined 20 of these 22 applications within the reporting period.

Number of refused applications for Schedule 1 information - Clause 7(c)

During the reporting period, our agency refused one formal access application because the information requested was information referred to in Schedule 1 of the *GIPA Act*. Of those applications, one was refused in full, and none were refused in part.

Statistical information about access applications - Clause 7(d) and Schedule 2

Table A: Number of applications by type of applicant and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	1	0	0	1	0	0	0
Members of Parliament	0	0	0	0	0	1	0	0
Private sector business	0	1	0	0	0	1	0	0
Not for profit organisations or community groups	0	0	1	0	0	0	0	0
Members of the public (application by legal representative)	1	2	0	1	0	0	0	0
Members of the public (other)	2	5	1	3	0	1	0	0

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	3	9	2	4	1	3	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

The total number of decisions in Table B should be the same as Table A.

Table C: Invalid applications

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	4
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	4
Invalid applications that subsequently became valid applications	3

Table D: Conclusive presumption of overriding public interest against disclosure-matters listed in Schedule 1 of the Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

*More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure-matters listed in table to section 14 of the Act

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	9
Business interests of agencies and other persons	4
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	20
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	20

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0
Total	0	0	0

*The Information Commissioner does not have the authority to vary decisions, but can make recommendation to the original decision-maker. The data in this case indicate that a recommendation to vary or uphold the original decision has been made.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	4
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Public Interest Disclosures

Section 31 of the *Public Interest Disclosures Act 1994* requires Council to report on the number of disclosures received and to what the disclosures related. The summary of disclosures as reported to the NSW Ombudsman is shown below.

Statement	Number made by public officials performing their day to day functions	Number under a statutory or other legal obligation
No. of public interest disclosures received by your public authority	0	0
No. of public officials who made public interest disclosures to your public authority	0	0
Of public interest disclosures received, how many were primarily about:		
Corrupt conduct	0	0
Maladministration	0	0
Serious and substantial waste	0	0
Government information contravention	0	0
Local government pecuniary interest contravention	0	0
No. of public interest disclosures (received since 1 January 2012) that have been finalised in this reporting period	0	0
Have you established an internal reporting policy?	Yes	Yes
Has the head of your public authority taken action to meet their staff awareness obligations?	Yes	Yes

Staff have been made aware through:

- Policy briefing from senior managers;
- Training provided by the Ombudsman;
- Links on your intranet site;
- Messages in staff newsletters; and.
- Training provided to new staff during induction

Code of Conduct

In accordance with Section 12.1 of the Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW, Council is required to report complaints relating to the Mayor, Councillors and the General Manager. Details are shown in Table 1.

Table 1 – Code of Conduct complaints from 1 July 2015 to 30 June 2016.

Section of the Code	Description	Comment
12.1(a)	Total number of code conduct complaints made about Councillors and the General Manager under the Code of Conduct in the year.	24
12.1 (b)	Number of Code of Conduct complaints referred to a conduct reviewer.	2
12.1 (c)	Number of Code of Conduct complaints finalised by a conduct reviewer at the preliminary assessment stage and the outcome of those complaints.	0
12.1 (d)	Number of Code of Conduct complaints investigated by a conduct reviewer.	2

Section of the Code	Description	Comment
12.1 (e)	Number of Code of Conduct complaints investigated by a conduct review committee.	0
12.1 (f)	Without identifying particular matters, the outcome of the Code of Conduct complaints investigated by a conduct reviewer or conduct review committee under these procedures.	Investigations underway
12.1 (g)	Number of matters reviewed by the Division and, without identifying particular matters the outcome of the reviews.	1 – No action taken by the Office of Local Government
12.1 (h)	Total cost of dealing with Code of Conduct complaints made about Councillors and the General Manager in the year to June, including staff costs.	\$11,553

Condition of Civil Assets

Special Schedule 7 of Council's audited financial accounts in volume two of this annual report contains details of the condition ratings of civil assets. Attachment 2 to this report contains Council's completed capital works for 2015-2016.



ATTACHMENT 1

Election of Representatives on Council Committees,



Council Committees

Regional Committees and Groups

The 2015-2016 membership is listed in the following tables.

Ref	Committee Name	Purpose of Committee	Delegates
1	Aboriginal Strategic Committee	To exchange information between the Aboriginal community and Council on issues affecting Aboriginal people. To promote mutual awareness and respect for the cultures of both Aboriginal and non-Aboriginal communities.	Cr Peter Kafer Cr Sally Dover Alternate Cr Steve Tucker
2	Anna Bay, Birubi Point Reserves, Hall and Tidy Towns Committee	To assist Council in the management of Anna Bay Hall. To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Morello
3	Audit Committee	The Audit Committee is an advisory committee of Council comprising two Council representatives and two external representatives. The objective of the Audit Committee is to enhance the corporate governance of Council through the provision of independent oversight, review and advice. The Committee will assist Council by providing independent assurance and assistance on the organisation's governance, risk, control and compliance frameworks.	Cr Ken Jordan Cr Chris Doohan Alternate Cr John Morello OLG guidelines preclude the Mayor from being a member of the Committee.
4	Boat Harbour Parks and Reserves Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Geoff Dingle Cr Sally Dover Cr Steve Tucker Cr Chris Doohan
5	Bobs Farm Public Hall Committee	To assist Council in the management of Bobs Farm Hall.	Cr Steve Tucker
6	Corlette Headland and Hall Committee	To assist Council in the management of Corlette Hall.	Cr John Nell

7	Corlette Parks, Reserves and Landcare Group	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Morello
8	Fern Bay Public Hall, Reserves and Tidy Towns Committee	To assist Council in the management of Fern Bay Hall. To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Geoff Dingle Cr Ken Jordan Cr Paul Le Mottee
9	Fingal Bay Parks and Reserves Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Nell
10	Hinton School of Arts, Parks and Foreshore Committee	To assist Council in the management of Hinton School of Arts.	Cr Ken Jordan
11	Karuah Hall Committee	To assist Council in the management of Karuah Community Centre Committee.	Cr Peter Kafer Cr Ken Jordan
12	Karuah Tidy Towns, Parks Reserves and Wetlands Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Ken Jordan Cr Paul Le Mottee
13	Lemon Tree Passage Old School Centre Committee	To assist Council in the management of Tilligerry Community Centre and surrounds.	Cr Steve Tucker Mayor Bruce MacKenzie
14	Lemon Tree Passage Parks, Reserves and Tidy Towns Committee	To undertake maintenance and improvements to parks in Lemon Tree Passage.	Cr Steve Tucker Mayor Bruce MacKenzie
15	Mallabula Community Centre Committee	To assist Council in the management of Mallabula Community Centre.	Cr Steve Tucker Mayor Bruce MacKenzie
16	Mallabula Parks and Reserves Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Steve Tucker Mayor Bruce MacKenzie
17	Mambo Wanda Wetlands, Reserves and Landcare Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Nell
18	Medowie Community Centre Committee	To assist Council in the management of Medowie Community Centre.	Cr Geoff Dingle Cr Chris Doohan Cr Steve Tucker
19	Medowie Sports Council	To facilitate communication between the sporting public and Council in order to ensure that the existing and future needs and requirements of those persons participating and administering sports are accurately identified and brought to the attention of Council.	Cr Geoff Dingle Cr Chris Doohan Cr Steve Tucker

20	Medowie Tidy Towns and Cycleway Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Geoff Dingle Cr Steve Tucker Cr Chris Doohan
21	Nelson Bay Community Hall Committee	To assist Council in the management of Nelson Bay Community Hall.	Cr Sally Dover
22	Nelson Bay West Park Care Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Nell
23	Ngioka Centre Advisory Panel	To assist and provide feedback on the future development and planning of the Ngioka Centre.	Cr Sally Dover
24	Port Stephens Adult Choir Committee	To promote, organise and train the Port Stephens Choir. To develop a sense of community identity and belonging by involving participants in community cultural projects.	Cr Steve Tucker
25	Port Stephens Australia Day Coordinating Committee	To coordinate the annual celebration of Australia Day in Port Stephens in line with recommendations from Australia Day Council.	Cr Sally Dover Cr John Morello Cr Ken Jordan
26	Port Stephens Sister Cities Committee	To promote positive and ongoing relationships between international communities providing opportunities for cultural exchange.	All Councillors
27	Port Stephens Community Band Committee	To promote, organise and train the Port Stephens Community Band. To develop a sense of community identity and belonging by involving youth and adults in community cultural projects.	Cr Steve Tucker
28	Port Stephens Heritage Advisory Committee	This committee is run by Council and supported by funds from the Heritage Office. Community members meet to raise and make recommendations on local heritage issues.	Cr Paul Le Mottee
29	Port Stephens Native Flora Garden Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Nell
30	Port Stephens Sports Council	To provide input and forward planning, from a Council wide basis, on facilities, sporting statistics, policies and recommendations on future needs.	Mayor Bruce MacKenzie Cr Ken Jordan
31	Raymond Terrace Parks, Reserves and Tidy Towns Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Peter Kafer Cr Ken Jordan Cr Paul Le Mottee
32	Raymond Terrace Senior Citizens Hall Management Committee	To assist Council in the management of the Raymond Terrace Senior Citizens Hall.	Cr Ken Jordan Cr Paul Le Mottee Cr Peter Kafer

33	Salt Ash Community Hall, Reserves and Tennis Court Committee	To assist Council in the management of Salt Ash Community Hall and Tennis Courts. To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Steve Tucker Mayor Bruce MacKenzie
34	Salt Ash Sports Ground Committee	To assist Council in the management, maintenance and improvements to Salt Ash Oval.	Cr Steve Tucker Mayor Bruce MacKenzie
35	Seaham School of Arts and Community Hall Committee	To assist Council in the management of Seaham School of Arts and Seaham Community Hall.	Cr Ken Jordan
36	Seaham Park and Wetlands Committee	To assist Council in the management, maintenance and improvements to Seaham Park.	Cr Ken Jordan Cr Peter Kafer Cr Paul Le Mottee
37	Section 94 Panel	Oversee the allocation of Section 94 contributions.	Mayor Bruce MacKenzie Cr Ken Jordan Cr Steve Tucker
38	Shoal Bay Beach Preservation Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr John Morello
39	Soldiers Point-Salamander Bay Tidy Towns and Landcare Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Sally Dover
40	Strategic Arts Committee	To provide input into Port Stephens Council strategic policy, plans and programs relating to culture and the arts. To assist Council identify the existing and future requirements for arts and cultural facilities across Port Stephens	Cr Steve Tucker Cr John Nell Cr Paul Le Mottee
41	Tanilba Bay Parks, Reserves, and Hall Committee	To assist Council in the management of Tanilba Bay Hall. To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Steve Tucker Mayor Bruce MacKenzie
42	Tilligerry Sports Council	To facilitate communication between the sporting public and Council in order to ensure that the existing and future needs and requirements of those persons participating and administrating sports are accurately identified and brought to the attention of Council.	Cr Steve Tucker Mayor Bruce MacKenzie
43	Tomaree Education Complex Multi-Purpose Centre Management Committee	To assist Council with the care, management and promotion of the facility. To make recommendation to Council as to the development, planning and management of Tomaree Education Complex Multi-Purpose Centre.	Cr Sally Dover

44	Tomaree Sports Council	To facilitate communication between the sporting public and Council in order to ensure that the existing and future needs and requirements of those persons participating and administrating sports are accurately identified and brought to the attention of Council.	Cr John Nell Cr John Morello Cr Sally Dover
45	Tomaree Cemeteries Committee	To undertake maintenance and improvements to cemeteries on Tomaree Peninsula.	Cr John Nell
46	Tilligerry Tidy Towns and Landcare Committee	To undertake maintenance and improvements to designated parks and reserves (as per map included in committee constitution).	Cr Steve Tucker
47	West Ward Cemeteries Committee	To undertake maintenance and improvements to cemeteries in West Ward.	Cr Peter Kafer
48	West Ward Sports Council	To facilitate communication between the sporting public and Council in order to ensure that the existing and future needs and requirements of those persons participating and administrating sports are accurately identified and brought to the attention of Council.	Cr Ken Jordan Cr Paul Le Mottee Cr Peter Kafer
49	Williamstown Hall Committee	To assist Council in the management of Williamstown Hall.	Cr Geoff Dingle



Regional Committees and Groups

	Name of Organisation	Purpose of Committee	Delegates
1	Port Stephens Community Safety Precinct Committee Note: This is a Committee of the Port Stephens Local Area Command. Membership is by invitation from the Local Area Commander. Council's delegate is the Mayor.	To provide a forum for local community members, service providers, businesses and the police to discuss issues and appropriate strategies relating to crime and community safety. ** Attendees will be by invitation only, one representative will be invited by the Police from each peak body/organisation e.g. Hunter Water, Housing NSW. Council will hold two positions, one will be Community Planner Crime, and the other will be the Mayor or his/her representative if unable to attend.	Mayor Bruce MacKenzie
2	Birubi Point Cultural Heritage Advisory panel	To advise Port Stephens Council on the management plan required to protect the Worimi cultural and spiritual heritage and enhance the environment of the Birubi Point Crown Reserve and Birubi Point Aboriginal Place.	Cr Sally Dover
3	Comprehensive Koala Plan of Management Implementation Committee	Responsible for overseeing the implementation of the Port Stephens Council Comprehensive Koala Plan of Management.	Cr Geoff Dingle Cr Peter Kafer Cr Steve Tucker Cr Chris Doohan
4	Public Libraries NSW Association	Country Public Libraries Association constitution requires a Councillor representative. This Association provides support for country public libraries. The Joint Library Advisory Committee's constitution also requires a Councillor representative in line with the Newcastle Regional Library agreement.	Note: Council is required to appoint a delegate.
5	Financial Assistance Community Grants Panel	To make recommendations to Council on applications received through the Grants process.	Mayor Bruce MacKenzie Cr Ken Jordan Cr Chris Doohan Cr John Nell (1 Councillor from each ward). Alternate Cr Geoff Dingle

	Name of Organisation	Purpose of Committee	Delegates
6	Gloucester Coal Seam Gas Project – Community Consultative Committee	To provide a forum for representatives to discuss the Project with the Company (Lucas Energy).	To be left open for all Councillors to attend.
7	Hexham Swamp-Kooragang Wetland Rehabilitation Project Steering Committee	To oversee the project at the Hexham Swamp Kooragang Wetland. The Committee is a sub-committee of the Catchment Management Authority.	Cr John Nell
8	Hunter Councils	To discuss regional issues in the Hunter.	Mayor Bruce MacKenzie Delegate must be the Mayor
9	Hunter Water Corporation Community Consultative Committee	Advisory committee to Hunter Water Corporation. Note: Cr Nell is appointed to this committee by Hunter Water.	Cr Geoff Dingle Cr Paul Le Mottee
10	Joint Regional Planning Panel	To consider development applications referred to the Panel under the legislation for development applications for the Port Stephens local government area. The panel comprises of three state members and two Councillors.	Mayor Bruce MacKenzie Cr Ken Jordan Alternates Cr Paul Le Mottee Cr John Nell Cr Geoff Dingle Cr Steve Tucker
11	Karuah Working Together Inc.	A peak group comprising representation of key organisations, businesses and industry representatives in Karuah. The committee is responsible for ensuring community and economic development activities are co-ordinated in accordance with local needs, trends and opportunities in accordance with Council's Economic Development Policy and as specified in the Karuah Strategic Plan.	Cr Peter Kafer Cr Paul Le Mottee Cr Ken Jordan
12	Local Development Committee	The Local Development Committee provides advice to Council staff on development regarding traffic matters.	Cr Peter Kafer
13	Local Traffic Committee	This is a Roads and Maritime Services NSW-based committee which allows Council to have delegated authority to install or remove regulatory sign posting on public roads.	Cr Peter Kafer Cr John Nell
14	Lower Hunter Bushfire Management Committee	The committee is a legislative requirement and is to discuss direction across local government areas and across agencies in regard to bushfire management.	Mayor Bruce MacKenzie
15	Lower Hunter Zone Liaison Committee	To review the progress of the service level agreement between Port Stephens Council and NSW Rural Fire Service in the local government area.	Mayor Bruce MacKenzie

	Name of Organisation	Purpose of Committee	Delegates
16	Lower Tilligerry Floodplain Risk Management Committee	To oversee the flood studies for the Tilligerry Creek catchment.	Mayor Bruce MacKenzie Cr Steve Tucker
17	Marine Parks Advisory Panel Ministerial Appointment	Community consultative committee regarding the Port Stephens-Great Lakes Marine Park.	Cr John Nell
18	Medowie Floodplain Risk Management Committee	To oversee the flood studies for the Williams River catchment including Dungog Shire.	Cr Geoff Dingle Cr Steve Tucker Cr Chris Doohan Cr Peter Kafer
19	Nelson Bay Community College	This committee is an advisory committee for adult education.	Cr Sally Dover Cr John Morello
20	Newcastle Airport Partnership Company No. 3 Pty Ltd	Special Purpose Vehicle for the part ownership of Newcastle Airport.	Mayor Bruce MacKenzie (General Manager)
21	Newcastle Airport Partnership Company No. 4 Pty Ltd	Special Purpose Vehicle for the part ownership of Newcastle Airport.	Mayor Bruce MacKenzie (General Manager)
22	Newcastle Airport Partnership	The partnership is responsible for the development and management of Newcastle Airport and related infrastructure.	Mayor Bruce MacKenzie (General Manager)
23	Newcastle Airport Pty Ltd	To manage the operations of Newcastle Airport.	General Manager
24	Port Stephens Council Depot re-development committee	To explore the options available for re-development of the Council depot at Raymond Terrace.	Cr Ken Jordan Cr John Nell Mayor Bruce MacKenzie
25	Port Stephens Economic Development Advisory Panel	Act as a communication and advisory mechanism to Council on relevant Economic Development issues. Oversee the implementation of the Economic Development Strategy.	Mayor Bruce MacKenzie Cr Chris Doohan Cr Ken Jordan Cr Paul Le Mottee
26	Port Stephens Holiday Parks Reserve Trust	To act as Trust Managers of the Crown Land and Holiday Parks.	All Councillors
27	Port Stephens Transport Forum	Transport for NSW convenes these forums which have been established in most LGAs throughout NSW. It provides the opportunity for local transport providers (eg community transport, bus and taxi operators) and local residents to discuss local and regional transport related issues and to formulate appropriate strategies to more effectively improve the delivery of existing public transport services in meeting the community's transport needs.	Cr Sally Dover (All Councillors to be notified of this meeting.)

	Name of Organisation	Purpose of Committee	Delegates
28	Port Stephens Domestic Violence Committee	To raise the awareness of the issues surrounding domestic violence and enhance service provision to victims by developing and maintaining effective interagency strategies. Note: Council staff no longer regularly attend this Committee following outcomes of sustainability review of Council's social planning service package.	Cr Peter Kafer
29	Port Stephens East Local Health Committee	To ensure that the population of the Tomaree Peninsula has appropriate access to a suitable baseline level of health services and facilities to meet their existing and future health needs.	Cr Sally Dover
30	Port Stephens West Local Health Committee	To ensure that the population of the western area of Port Stephens (ie west of Tomaree Peninsula) has appropriate access to a suitable baseline level of health services and facilities to meet their existing and future health needs.	Cr Geoff Dingle Cr Peter Kafer
31	Port Stephens/ Myall Lakes Estuary and Coastal Zone Management Committee	This committee includes representatives from the former Great Lakes Council and is responsible for long term planning for the estuary and the coastline.	Cr John Nell Cr Paul Le Mottee Cr John Morello
32	Williams River Floodplain Risk Management Committee	To oversee the flood studies for the Williams River catchment including Dungog Shire.	Open to all Councillor
33	Williamtown Consultative Committee Forum	An important information sharing and coordinating forum for the three levels of government and elected community representatives to raise strategic issues associated with RAAF Base Williamtown and the Salt Ash Weapons Range.	Mayor Bruce MacKenzie (General Manager)
34	Williamtown/Salt Ash Floodplain Committee	To act as both a focus and forum for the discussion of the technical, social, economic, environmental and cultural issues of the Williamtown/Salt Ash Floodplain Risk Management Study and Plan.	Open to all Councillors
35	Worimi Conservation Lands Board of Management Ministerial Appointment	To oversee the management of the lands owned by the Aboriginal owners and leased back to the NSW Government.	Cr Sally Dover Alternate Cr Peter Kafer
36	General Manager Performance Review Panel	To conduct evaluation of the performance of the General Manager.	Mayor Deputy Mayor Councillor Chris Doohan (nominated by the Council) Councillor (nominated by the General Manager)



ATTACHMENT 2

Completed Capital Works Projects

Description	Cost
Foreshore Drive, Salamander Bay. Widening of Mambo Wetland outlet and shared path link.	\$43,702
Shoal Bay Road – SEG 170, Nelson Bay. Pavement rehabilitation from Dixon Drive to Gowrie Avenue.	\$22,748
Daniel Crescent – Lemon Tree Passage Road to Gibbers Drive. Reconstruction including replacement of pipes and kerb and guttering.	\$188,221
Bus shelter rehabilitation – The Summerhouse, Caswell Crescent, Tanilba Bay.	\$23,214
Brandy Hill Drive – SEG 100, Brandy Hill. Pavement rehabilitation from Clarence Town Road to 102 Brandy Hill Drive.	\$419,315
Fullerton Cove Road – SEG 90 to 130, Fullerton Cove. Pavement rehabilitation.	\$305,033
Blanch Street – SEG 60, Boat Harbour. Pavement rehabilitation from 11 Blanch Street to 47 Blanch Street.	\$225,207
East Seaham Road, East Seaham. Gravel road sealing stage two.	\$1,086,111
Government Road, Nelson Bay. Retaining wall replacement from 32 Government Road to Nelson Street.	\$61,865
Brandy Hill Drive, Brandy Hill. Warrigal Close to 33 Brandy Hill Drive. Guardrail construction.	\$803
Traffic project – Raised pedestrian crossing, Benjamin Lee Drive, Raymond Terrace.	\$9,192
Future designs, planning and easements. Tomaree Peninsula, Tilligerry Peninsula, and Raymond Terrace.	\$16,630
Clemenceau Crescent, Tanilba Bay. Pavement reconstruction including kerb and guttering from Tanilba Avenue to Poilus Parade.	\$103,108
Hinton Road, Hinton. Pavement reconstruction from Shiraz Close to Swan Street.	\$1,487,824
The Bucketts Way, Twelve Mile Creek. Pavement rehabilitation from 4.05-4.72km from Pacific Highway.	\$264,460
Clarence Town Road upgrade, SEG 190 south of Timber Tops Road.	\$80,805
Pedestrian crossing, Victoria Parade, Nelson Bay.	\$396,784
Shoulder widening, Port Stephens Drive, Taylor's Beach.	\$300,562
Raised pedestrian crossing, Soldiers Point Road, Salamander Bay.	\$167,200
Raised pedestrian crossing, Irrawang Street, Raymond Terrace.	\$79,838
Shoulder widening, Masonite Road, Tomago.	\$274,766
Shoulder widening and intersection upgrade, Fairlands Road, Mallabula.	\$215,078
Gan Gan Road, Anna Bay – north of Frost Road (design only).	\$46,382
Shoulder widening, Butterwick Road, Woodville.	\$608,247
Traffic signals, Shoal Bay Road and Government Road, Shoal Bay.	\$191,590

Description	Cost
Shoal Bay public domain plan (including pedestrian crossing design).	\$52,013
Shared path behavioural signage – various across the LGA.	\$22,531
Sandy Point Road, Corlette Headland shared path design.	\$21,981
Hinton Road stage two.	\$1,089,484
Elizabeth Street, Hinton.	\$50,000
Paterson Street, Hinton.	\$100,000
East Seaham Road stage two.	\$1,100,000
Peppertree Road.	\$1,000,000
Cabbage Tree Road.	\$726,499
Government Road retaining wall.	\$100,000
Shoal Bay Foreshore – boat ramp precinct and path to wharf.	\$125,298
Barry Park, Fingal Bay – Public Amenities.	\$150,000
Fingal Foreshore – Dog Fence.	\$15,000
Medowie Dog Fence.	\$12,000
Boomerang Park Playground.	\$273,002
Fern Bay Playground.	\$80,000
Tanilba Bay Playground.	\$120,000
The Deck – Insurance repairs.	\$76,000
Wallalong Child Care – Insurance repairs.	\$60,000
Raymond Terrace Netball Club – Insurance repairs.	\$30,000
Tanilba Bay Foreshore Revetment.	\$380,000
Hinton Pontoon Replacement.	\$125,000
Karuah Wharf Repairs.	\$91,000
Raymond Terrace Community Centre – replace roof access.	\$20,000
Nelson Bay Skate Park Upgrade.	\$108,800
Salt Ash Playground.	\$80,000
Raymond Terrace Library – insurance repairs.	\$170,000
Raymond Terrace Library – replace box gutters.	\$35,000
Raymond Terrace Library – compliance works.	\$50,000
Raymond Terrace Community Care Centre – roof access.	\$20,000
Corlette Point Park Playground.	\$150,000
Tomaree Library and Community Centre – energy efficiency upgrade.	\$110,000
Lakeside Leisure Centre – 50m pool re-grout and expansion joints.	\$130,000
Tilligerry Aquatic Centre – pool liner repair.	\$55,000
Tilligerry Aquatic Centre – solar hot water.	\$20,000
Tomaree Aquatic Centre – program pool liner replacement.	\$25,000
Major plant.	\$2,355,756
Light trucks, vans and utes.	\$748,968
Sundry-small plant and equipment	\$132,181



ATTACHMENT 3

End of Term Report 2012-2016





2012-2016 End of Term Report

This report was prepared by:

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Disclaimer

Port Stephens Council End of Term Report 2012-2016© was prepared in May 2016 as an information source only and represents a compilation of the best available data at the time of preparation.

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Introduction

This End of Term Report has been prepared under Section 428 and Essential Element 1.10 of the *Local Government Act 1993*. Port Stephens Council is required to prepare a report on the progress on implementation of the Community Strategic Plan that must be presented at the final meeting of an outgoing council.¹

This report from the outgoing council should measure the implementation and effectiveness of the Community Strategic Plan in achieving its social, environmental, economic and civic leadership objectives over the past four years.² This report has been prepared using recommended format for the report – a ‘state of the LGA’ style, which uses measurement indicators to show change over time.

This is the second report of its type to be prepared for Port Stephens local government area (LGA). Every four years at the conclusion of the term of a council a new report will be prepared. Please note that this is a snapshot of the LGA as a whole, with measures of progress against goals that the community of Port Stephens wants to see achieved for its community. The role of Council – aside from being the reporting agency – is to advocate on its community’s behalf to other levels of government; and to document in this report the contributions it has made since the last report towards the achievement of those goals.

Methodology

In preparing the End of Term Report Council should indicate its own contribution to the outcomes for the community compared to the Community Strategic Plan as well as those of other agencies’ and community contributions.³ Council’s contribution is shown throughout the Report in a blue frame: ■

Where other agencies have lead or contributed significantly to outcomes these are shown throughout the Report in an orange frame: ■

Using the themes and strategic directions in the Community Strategic Plan Port Stephens 2023, this Port Stephens 2012-2016 End of Term Report has identified data from publicly available, credible sources as well as Council’s own records.

This report uses graphical and tabular illustrations to visually represent performance data. The frequency of when the data are collected for each measure varies. Some data are measured monthly, or more frequently, others each quarter or annually with some relying on collections such as the Australian Bureau of Statistics’ census data which are collected every five years. There is often a lag in the time between the collection period and the reporting time. There are almost no measures that absolutely correlate to the term of the current Council of Port Stephens.

The Port Stephens Local Government Area is a large and complex society with a diverse population and a range of environments, businesses and recreational attributes. This report does not claim to

1. Guideline 1.10 Local Government Act 1993
2. Ibid. 1.11
3. Ibid. 1.11

cover all aspects of the LGA but it is hoped that it is generally representative of the area and its people at a point in time. For example, every attempt has been made to identify groups within the LGA that have contributed to outcomes for the community; however some may not have been included. It is hoped that reading this report will trigger feedback to ensure that future reports trend towards being more inclusive.

Data provided from external sources is the latest available at the time of writing (April/May 2016). Similarly, Council's own data does not represent the final information for financial year ended 30 June 2016 for either budgetary or operational performance but represents the latest information available.

Community Strategic Plan Indicators

At the beginning of each theme a table presents measures that were established at the commencement of the Community Strategic Plan process and adopted in 2013 by the Council elected in September 2012. The table uses a 'traffic light' colour-code to demonstrate progress in achieving strategic goals:

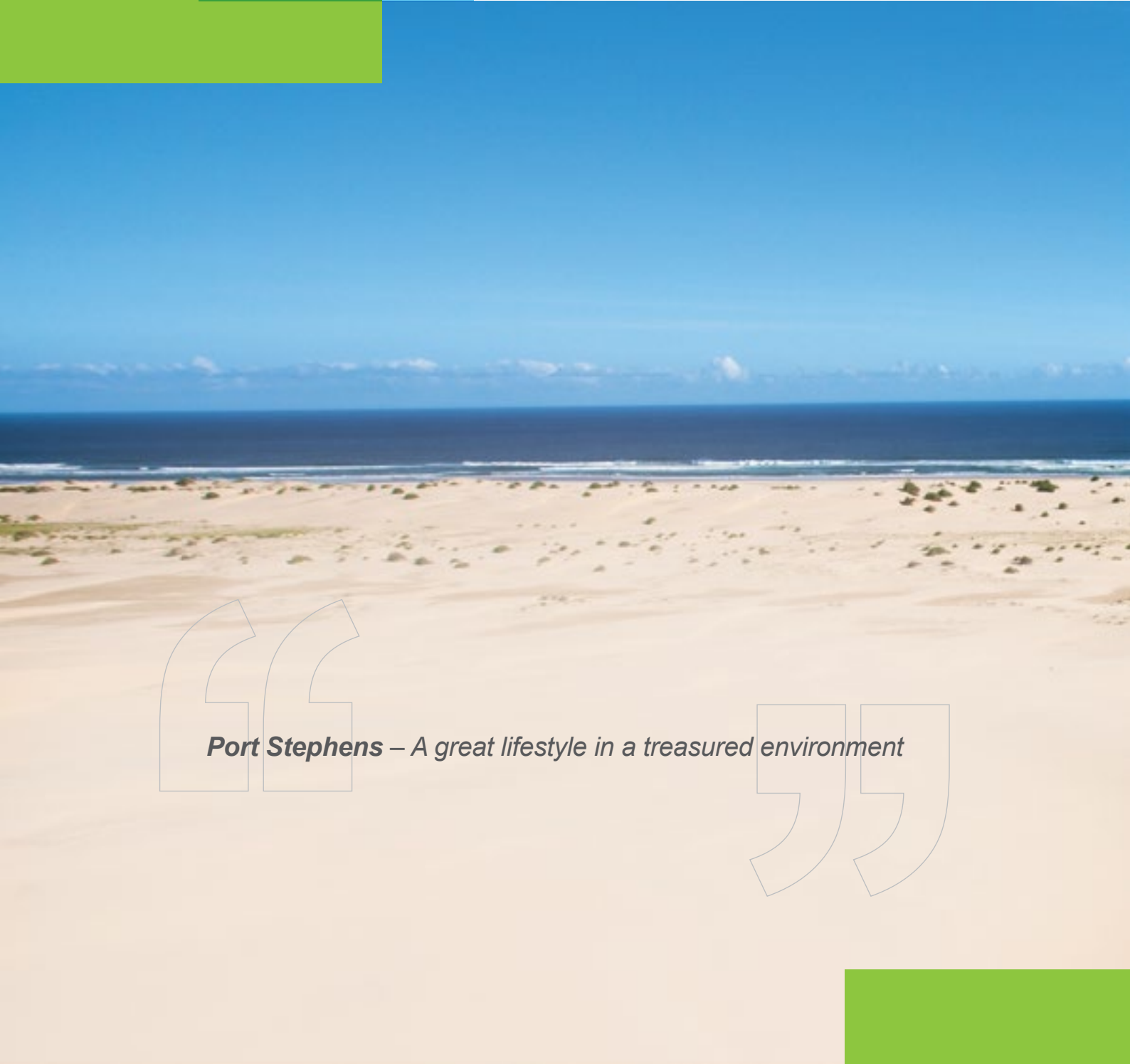
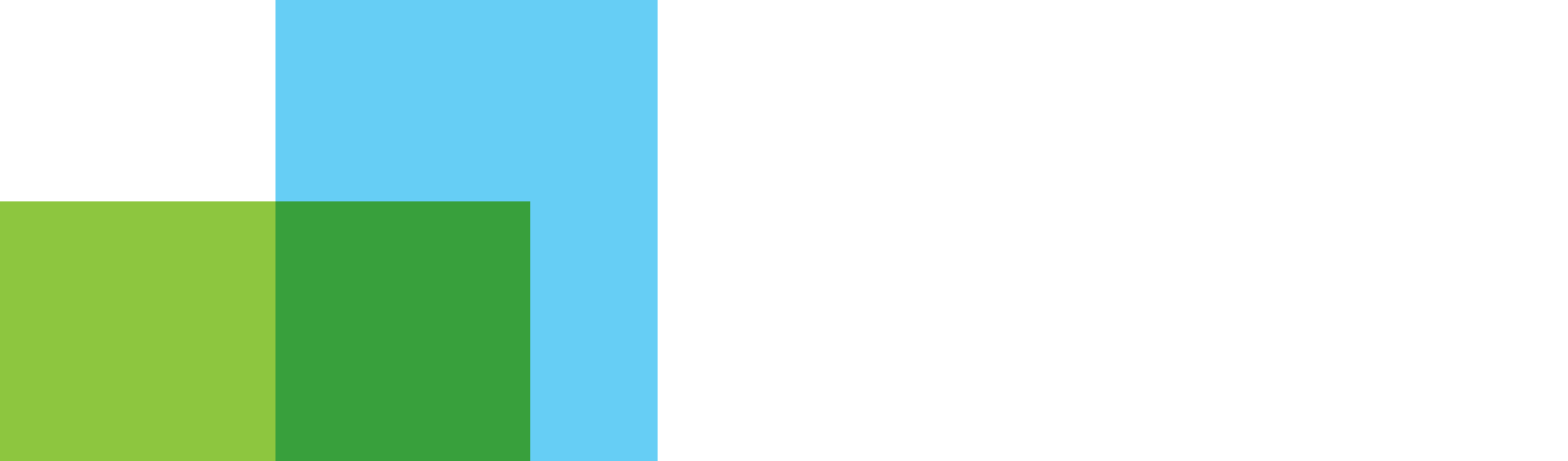
Community Indicator	Outcome
Indicator	Progress is negative
Indicator	Progress is on track or acceptable
Indicator	Progress is above what was expected
Indicator	No meaningful data available

Report Coverage

This End of Term Report relates specifically to the Port Stephens Local Government Area. Most data sources define this LGA as being in the Hunter Region, although some refer to Lower Hunter Region. Others such as the tourism data place the LGA in the Mid-North Coast Region.



Map 1: Location - Port Stephens LGA



“

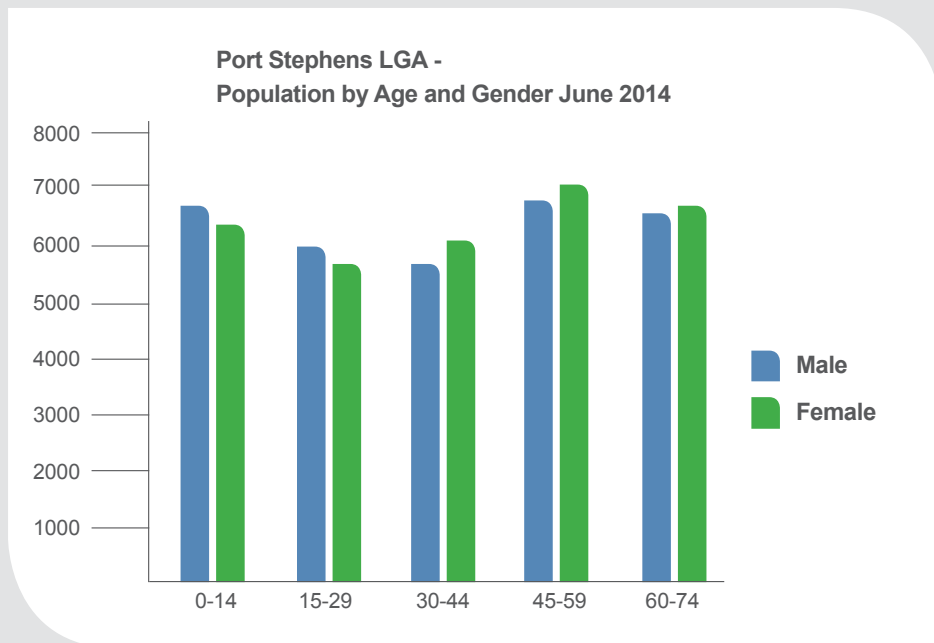
Port Stephens – A great lifestyle in a treasured environment

”

Our Citizens

The Australian Bureau of Statistics⁴ estimated that the population of the Port Stephens LGA as at June 2014 was 69,728 people of whom 49.51% were males and 50.09% were females.

Table 1: Port Stephens LGA Population by Age and Gender



Community Strategic Plan Theme:

Community Safety Goal: A community where people feel safe.

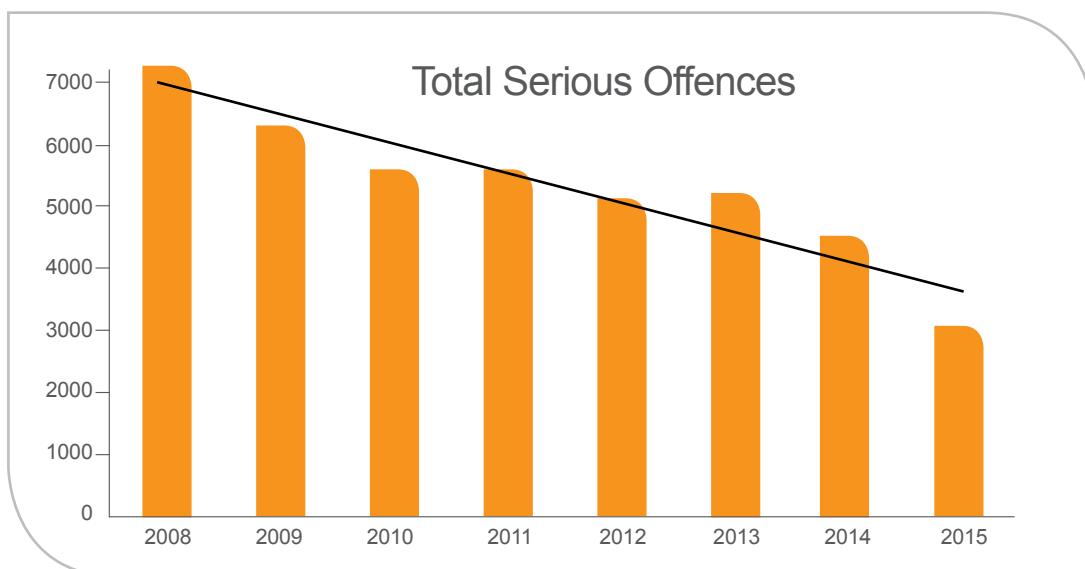
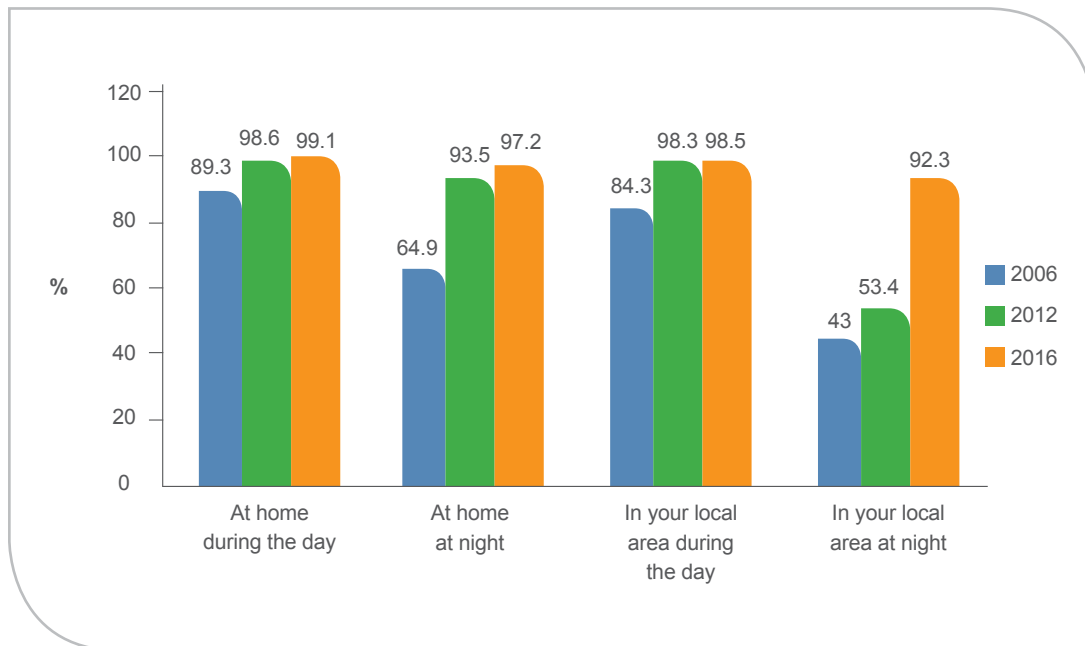
Community Indicator	Outcome
Perceptions of Safety	There has been further improvement in people feeling safe.
Level of Crime	The number of serious crimes has reduced significantly.
Road Safety	Decline in accidents, injuries and fatalities since 2010.

4. These are the latest population profiles: the Census will take place in 2016 to further update the population data.

Personal Safety⁵

Snapshot: Perceptions of Safety - Percentage of People Surveyed

Graph 1: Perceptions of Personal Safety



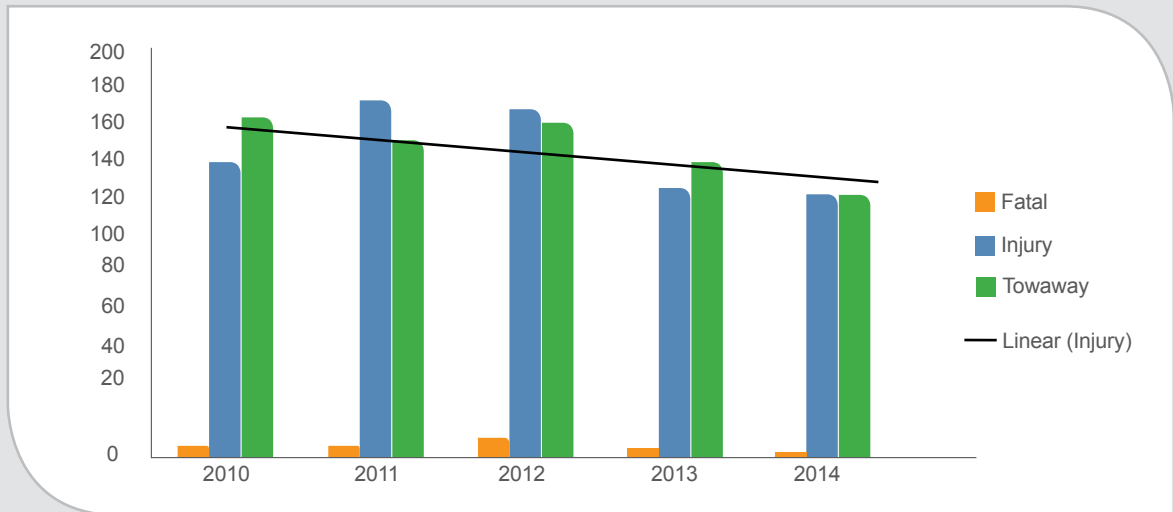
For the Port Stephens LGA, the number of what the Bureau of Crime Statistics and Research classifies as the 17 most serious crimes continues to decline.

5 Port Stephens Council Customer Survey 2016

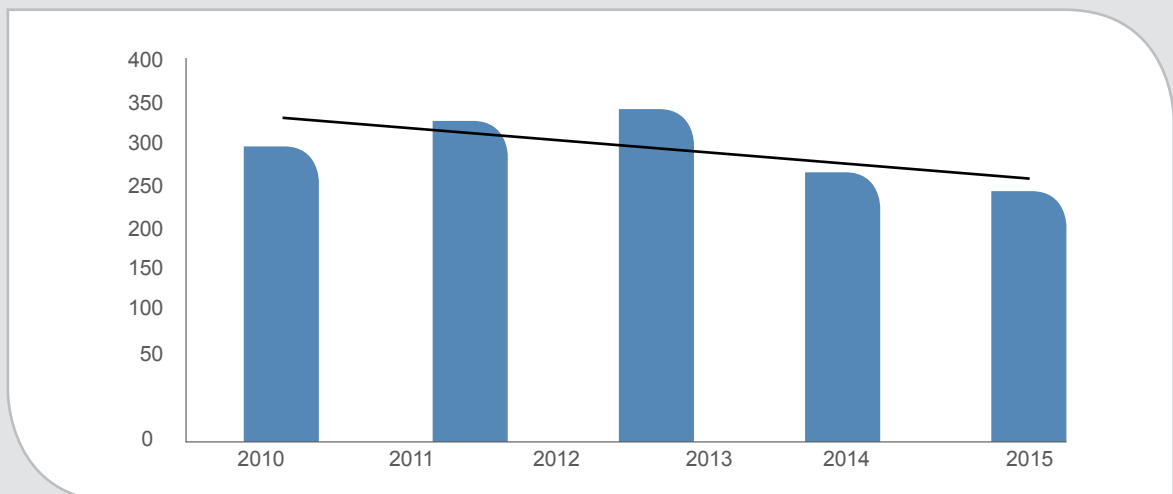
6 NSW Bureau of Crime Statistics http://www.bocsar.nsw.gov.au/lawlink/bocsar/ll_bocsar.nsf/pages/bocsar_crime_stats

Road Safety

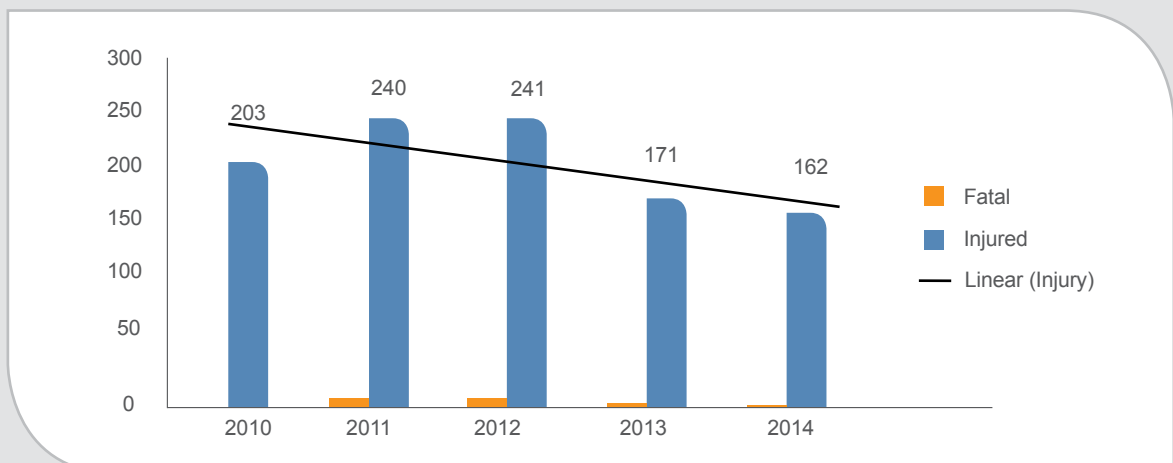
Crashes -Port Stephens LGA



Trend - Total Road Crashes Port Stephens LGA



Casualties - Port Stephens LGA



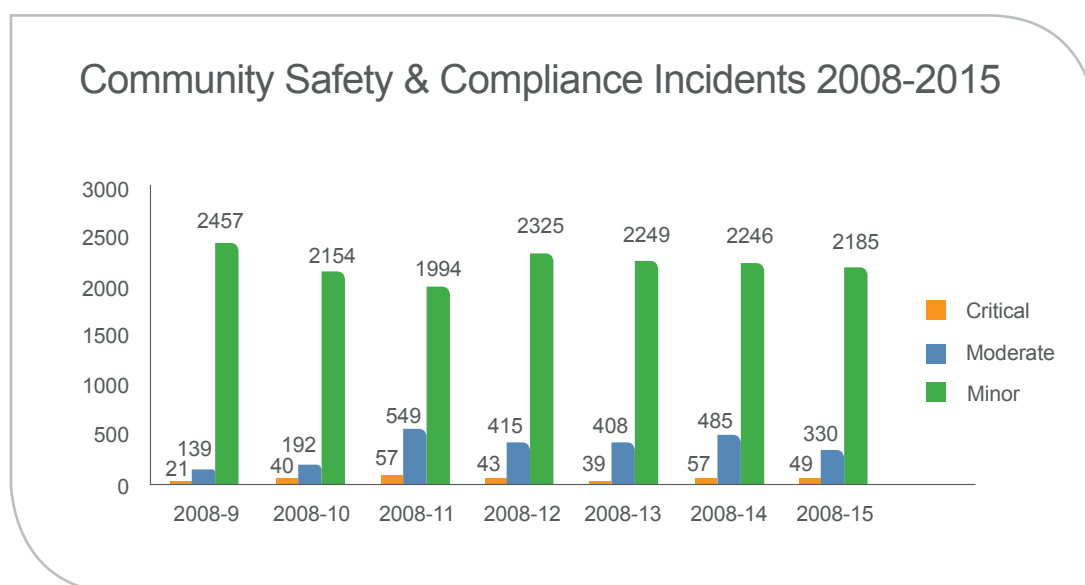
7 Source: NSW Transport <http://roadsafety.transport.nsw.gov.au/aboutthecentre/localgovernment/index.html>

Community & Public Safety

Council's Rangers and Health and Building Surveyors provide a range of services for our community that cover littering, companion animal services, health inspections, parking, fire safety and building inspections, swimming pool safety and much more. Incidents are categorised as Critical, Moderate or Minor and are recorded in Council's Customer Request Management system.

In 2013 Council adopted its Crime Prevention Policy 2013-2017; and provided in kind support to NSW Police in the development and implementation of the 'Steal from Motor Vehicle' operation over the Christmas period that was considered very successful in reducing the incidence of this type of criminal activity.

Graph 3: Community Safety & Compliance



The Group Manager Facilities and Services as the Local Emergency Management Officer (LEMO) convene two meetings a year of the Local Emergency Management Committee (LEMC). These are held on the first Thursday in February and August.

During the April 2015 storms, the LEMC convened an additional four meetings to coordinate emergency responses.

Commencing 2015 Council also sponsors the Lower Hunter Emergency Management Committee (LHEMC) meetings. These include Maitland, Dungog, Cessnock and Port Stephens councils with two meetings held each year.



In August 2015 on behalf of Council the General Manager signed with Acting Superintendent Port Stephens Local Area Command (PSLAC) Guy Flaherty a newly executed Memorandum of Understanding (MoU) between Council and PSLAC.

Areas addressed in the MoU include cooperation between the two agencies on community safety and crime prevention education and initiatives, information sharing of data and statistics, enforcement tasks, health and safety, road closures, compliance assistance, and event and alcohol management.

In 2014 Council:

- Maintained 100% of asset protection zones which, reducing the risk of fires spreading from Council property.
- Commenced hazard reduction works on East Seaham Road, a heavily vegetated stretch of gravel road, to improve road user safety and an economic link between the rural towns of Seaham and Clarence Town.
- Ensured the safety of 934,847 beach users by providing 5,082 hours of paid life guard services and 2,048 volunteer life guard service hours.
- Introduced \$458,000 in road safety focus through the Government's Black Spot funding program.
- Achieved 5% annual growth in fire safety program inspections, leading to increased public safety, awareness and additional income for Council.
- Provided ranger services at the second most cost effective rate in the region. Customer satisfaction with ranger service is 70% - high for a regulatory role.
- Attracted \$540,000 in funding through the Federal Government Black Spot program.

Our Citizens

Community Strategic Plan Theme: Ageing Population

Goal: Improve facilities and services for an ageing population.

Community Indicator	Outcome
Access to assisted living.	New Commonwealth system in place to streamline access to assisted living.
Access to aged care facilities.	No change to current supply of aged care facilities but plans by one provider for more places.

In 2006 16.9% of the citizens of Port Stephens were aged 65 years and over.⁸ In 2011 19.3% of our citizens were aged 65 years and over.⁹ By 2014 the percentage had reduced slightly to 18.79%, largely due to the growth in the percentage of other age groups.

The majority of the services and facilities for seniors are provided by the Commonwealth and State governments and Council's role has been to advocate on behalf of its ageing population.

The Commonwealth Government introduced changes to aged care in Australia with the vision of creating a more sustainable aged care system for future generations. A national package of aged care reforms commenced in 2012, with the first major changes implemented on 1 July 2013.

NSW Health is working with the Commonwealth Government to implement the Aged Care Reforms, organising aged and community care services for older people that better meet their changing needs, and offering greater choice and involvement in the way these services are delivered. NSW Health is committed to supporting people to access the services they need to live in their own homes and maintain their independence as they get older.

My Aged Care is the central point of access for aged care services and information in Australia. A website and contact centre provide information and referrals for clients and their carers to be assessed for aged care services. More information can be found at www.myagedcare.gov.au or by calling the My Aged Care contact centre on 1800 200 422.

From 1 July 2015:

- My Aged Care became fully operational and now conducts registration and screening of referrals for assessments by Regional Assessment Services (RAS) for referral to entry-level Home Support Services (CHSP) or comprehensive assessments by Aged Care and Assessment Teams (ACATs) for referral to residential aged care, Home Care Packages and Transitional Aged Care.
- The Commonwealth HACC Program has transitioned to the CHSP.

8. Australian Bureau of Statistics 2006 Census

9. Department of Health & Ageing Population Estimates

Between 1 July and 31 December 2015 ACATs transitioned to full My Aged Care functionality.

In addition to My Aged Care Port Stephens LGA has support services for seniors such as:

- Social support
- Health
- Education
- Domestic assistance
- Nursing

There are numerous senior service providers in the Port Stephens area providing:

- Integrated Living
- Aged care facilities
- Senior citizens
- Centrelink
- Church groups

Within the Port Stephens LGA permanent aged care places are provided by:

- Opal Raymond Terrace
- Calvary Tanilba Bay
- Uniting Care Salamander Bay
- Regis The Gardens, Corlette
- Bill King Aged Care, Fingal Bay
- Harbourside Haven Nursing Home and Hostel, Shoal Bay

The facilities may also provide respite (low care) and respite (high care) services depending upon availability.

Outside the LGA but within close proximity are many other facilities in the Maitland and Newcastle LGAs, as well as at Hawks Nest.

There are volunteering opportunities to assist seniors including:

- Meals on Wheels
- Neighbour Aid
- Social Visiting

A full list of available services for ageing can be found at:

<http://www.portstephens.nsw.gov.au/live/community/community-directory/ageing>

In 2013 Council was successful in obtaining an Aged Friendly Community grant of \$21,000 which assisted the development of the Ageing Strategy adopted in 2016.

Port Stephens Council operated Community Options – a service which brokered in-home and other respite aged care. The service was formally closed on 30 June 2015. Council was able to find alternative providers for all its remaining clients.

Our Citizens

Community Strategic Plan Theme: People with Disabilities

Goal: Improve the built environment, advocate and provide services for people with disabilities.

Community Indicator	Outcome
Access to services	<ul style="list-style-type: none">Community Options was closed due to staff funding no longer being available.Ngioka continues to run and Council is working with agencies to increase patronage under the NDIS.

The National Disability Insurance Scheme commenced with pilot programs across a number of States and has been progressively rolled out since 2013. It will be fully operational in Port Stephens from July 2016.

There are no data available specifically noting the demographics of people with disabilities within the Port Stephens LGA. However the Australian Bureau of Statistics 2015 Survey of Disability, Ageing and Carers¹⁰ shows that almost 4.3 million (18.3 per cent) Australians reported having disability. This Survey also identified that 50.7% of people over 65 years live with a disability. Extrapolating these figures and applying to Port Stephens' population means that:

- 12,760 people in the LGA have some form of disability;
- of those 7,447 are people aged over 65 years.

It is well known that significantly higher levels of disability, especially mobility impairment occur in older age groups. Based on these estimates, the number of people currently residing in Port Stephens with some form of disability is likely to grow to over 23,000 people by the year 2031.¹¹

In the Port Stephens LGA there are support services for people with disabilities such as:

- Accommodation
- Rehabilitation
- Events and activities
- Social support
- Personal care
- Education and employment

There are numerous disability service providers in Port Stephens including:

- Disability Services Australia
- Port Stephens Disability Services
- Lifestyle Solutions
- Eagleton Ridge Respite Centre
- Integrated Living
- Mai Wel Group

10. 4430.0.10.001 - Disability, Ageing and Carers, Australia: First Results, 2015 (29 April 2016)

11. Port Stephens Council Disability Action Plan 2014-2018 p4

There are many lifestyle opportunities in all areas of Port Stephens such as:

- Riding for the Disabled Association (RDA)
- Sailability Port Stephens
- Meals on Wheels
- Social Support
- Education

A full list of available services for citizens with disability needs is available at:
<http://www.portstephens.nsw.gov.au/live/community/community-directory/disability>

In 2014 Council developed and adopted a Disability Action Plan (DAP) 2014-2018. The DAP was developed after extensive community consultation, which identified the key challenges facing people with disabilities in the Port Stephens LGA. These are:

- 1) Housing
- 2) Health
- 3) Employment
- 4) Lack of localised services.

Respondents indicated that Port Stephens Council should prioritise the following as the best way Council can consider people with disabilities in the Port Stephens LGA (in ranking order from most important to least):

- 1) Improved physical access in the built environment (eg parking, shops, toilets, footpaths);
- 2) Advocacy (eg lobbying for improvements in Council and in the general community);
- 3) Employment (eg Council employment opportunities);
- 4) Information and localised awareness initiatives (eg community events).

Port Stephens Council operated Community Options – a service which brokered in-home and other respite disability care. The service was formally closed on 30 June 2015. Council was able to find alternative providers for all its remaining clients.

During 2015-2016 Council:

- reviewed the Pedestrian Access Mobility Plan in conjunction with its engineering and design staff;
- reviewed Council's Disability Action Plan referencing the National Disability Insurance Scheme reporting requirements now documented to ensure compliance;
- implemented the Disability Inclusion Action Plan.

Council supplies a garbage bin (blue dot) service to people with disabilities living at home. This service is available on a weekly basis to residents who apply for the service.

Council's Ngioka Horticultural and Therapy Centre provides for disability groups who access the Centre to be involved in the production of local native plants for the Council and Landcare conservation. They also conduct arts and crafts programs. Ngioka Centre has been accredited for the NDIS.

Approximately 30% of the library resources budget was allocated to large print, talking books and audio navigators. These items form an important part of the collection and are especially relevant for elderly and sight impaired customers. In 2014-2015, Library Services upgraded to the current model audio navigator, of which there are now 20 available for customers to borrow.

In 2014 Council obtained a grant of \$14,000 to assist with the relocation of the War Memorial at Apex Park, Nelson Bay to improve access to the Memorial for people with disabilities.

In the same year Council obtained funding of \$100,000 towards establishing a centralised parking area in the Raymond Terrace CBD, comprising accessible parking and taxi spaces.

Council provides planning, policy and assessment services including:

- disability access appraisals on relevant development applications;
- 'Safer by Design' appraisals on relevant development applications;
- social planning advice for re-zonings and planning proposals.

Council's Pedestrian Access Mobility Plan is the source document for funding access through the Country Passenger Transport Infrastructure Grant program.



Our Citizens

Community Strategic Plan Theme: Children

Goal: Children have safe places to play, learn and grow.

Community Indicator	Outcome
Access to services and support.	Services and support for children were maintained between 2012 and 2015.
Access to child care.	Increase in number of child care centres.
% of children reaching Australian Early Childhood Index targets.	Significant increase in three of five categories; no change in the other two categories.

Table 2: Demographics - Children ¹²

Aged 0 – 14 years	Number	% total population
Children 2006	12,581	20.8
Children 2011	12,631	19.5
Children 2014	13,105	18.8

Services and Facilities for Children – Child Care

There are 37 Child Care Centres in the Port Stephens LGA ¹³, including child care, kindergarten, preschools, learning development centre, early childhood learning centre, long day care and family day care. This is an increase of six centres since the last report in 2012.

Port Stephens Council operates the following child care services catering to between 800 and 900 families annually:

- Medowie Before and After School Care
- Mobile Preschool
- Medowie Vacation Care
- Port Stephens Family Day Care
- Raymond Terrace Before and After School Care
- Raymond Terrace Vacation Care
- Newcastle Family Day Care

Through a tender process in 2013 Council engaged a community-based provider to deliver services for children at its Medowie Child Care Centre.

12. Source: Australian Bureau of Statistics

13. Source: <http://www.echildcare.com.au/>

Children's Progress

The table below shows the outcomes for Port Stephens in the Australian Early Childhood Development Index 2012 and 2015 (latest available data).¹⁴

Table 3: Australian Early Childhood Development Index

AEDC domain	2012 Developmentally on track		2015 Developmentally on track		2012-2015 change in percent on track	Critical difference	Significant change
	(Number of children)	(Percentage of children - %)	(Number of children)	(Percentage of children - %)			
Physical health and wellbeing	582	69.0	628	78.8	9.8	2.4	Significant increase
Social competence	634	75.1	645	80.9	5.8	1.9	Significant increase
Emotional maturity	683	80.9	645	80.9	0.0	2.0	No significant change
Language and cognitive skills (school-based)	721	85.4	693	87.2	1.7	2.0	No significant change
Communication skills and general knowledge	596	70.6	632	79.3	8.7	2.2	Significant increase

There are 21 primary schools in Port Stephens and 5 high schools (3 government schools and two private) and the two private schools provide primary school years K-6.

Access to Education – Enrolments in Port Stephens LGA Schools¹⁵

Table 4: Port Stephens Schools - Enrolment

SCHOOL - Primary	YEAR/S	ENROLMENTS 2015	SCHOOL - High	YEAR/S	ENROLMENTS 2015
Anna Bay Public School	K-6	320	St Brigid's Primary School	K-6	410*
Bobs Farm Public School	K-6	97	St Michael's Primary School	K-6	305*
Fern Bay Public School	K-6	36	Tanilba Bay Public School	K-6	550
Grahamstown Public School	K-6	352	Tomaree Public School	K-6	416

14. Source: <http://maps.aedi.org.au/lga/nsw/16400>

15. Source: <http://www.australian-schools-directory.com.au/>

SCHOOL - Primary	YEAR/S	ENROLMENTS 2015	SCHOOL - High	YEAR/S	ENROLMENTS 2015
Grahamstown Public School	K-6	352	Tomaree Public School	K-6	416
Hinton Public School	K-6	89	Wirreanda Public School	K-6	570
Iona Public School	K-6	64			
Irrawang Public School	P - 6	254			
Karuah Public School	K-6	116			
Medowie Public School	K-6	352*			
Millers Forest Public School	k-6	42			
Mount Kanwary Public School	K-6	26			
Raymond Terrace Public School	K-6	389	Hunter River High School	7 - 12	743
Salt Ash Public School	K-6	82	Irrawang High School	7 - 12	700
Seaham Public School	K-6	201	St Philip's Christian College	K-12	706*
Shoal Bay Public School	K-6	>400	Tomaree High School	7 - 12	1250
Soldiers Point Public School	K-6	351*	Medowie Christian School	K-12	390*

* Asterisk denotes latest figures available 2014 or earlier.


Full details of Council's Children's Services can be found at
<http://www.portstephens.nsw.gov.au/live/childrens-services>

Services and Support for Children in the Port Stephens LGA

Council's Community Directory has an extensive list of services and support for children: <http://www.portstephens.nsw.gov.au/live/community/community-directory>

In addition to child care and before/after school care, services and support for children in the Port Stephens LGA has many other formats such as guidance/support for families and parents, and children's activities such as play groups. Support services include:

- Port Stephens Family and Neighbourhood Services
- Raymond Terrace Neighbourhood Support Centre
- Catholic Care
- Smith Family – Communities for Children, and Learning for Life
- Thou Walla Family Centre (at Irrawang Primary School)
- Gan Gan Centre (Anna Bay Primary)



The Port Stephens Council Activity Van is a mobile preschool that serves communities where there are insufficient children to establish a permanent preschool at this time.

Communities for Children funding continued to support the Words on the Street early literacy program until its cessation on 30 December 2014. In 2014 for example, 165 adults including parents, grandparents and carers, and 141 children aged 0-12 years attended a range of children's literacy programs, activities and events as part of Words on the Street.

Library Services offer regular weekly Story Time and Read and Rhyme sessions, which are often fully booked.

Special themed holiday programs are run in July, October, December and April each year and are always well attended.

Our Citizens

Community Strategic Plan Theme: Young People

Goal: Young people have safe and appropriate places to learn, develop and interact.

Community Indicator	Outcome
Access to education and training	Increase in enrolments commensurate with increase in population of young people.
Access to employment	Council initiatives increased employment opportunities.

Table 5: Demographic Statistics - Young People

Aged 15 – 24 years	Number	% total population ¹⁶
Young People 2006	8015	11.70
Young People 2011	7584	8.70
Young People 2014	8303	11.91

Education and Training

There are five high schools (three government schools and two private).

Table 6: Enrolments - High Schools

SCHOOL - High	YEAR/S	ENROLMENTS 2015
Hunter River High School	7 - 12	743
Irrawang High School	7 - 12	700
St Philip's Christian College	K-12	706*
Tomaree High School	7 - 12	1250
Medowie Christian School	K - 12	390

*Latest available 2014

The NSW Department of Education and Training operates a TAFE at Tomaree.

Services and facilities for young people include:

- Raymond Terrace Neighbourhood Centre
- Catholic Care
- Samaritans Police Citizens Youth Club
- Various Job Network providers
- Service Clubs – eg Lions Leadership Camp, Rotary Scholarships
- WEA programs targeting young people
- Adult education – ACE Tomaree Community Education
- YMCA Youth Gym and various programs
- Irrawang High School Marching Band
- Various church fellowship groups for young people
- Girl Guides Australia and Scouts Australia Troops
- Beacon Foundation – high school students

16. Australian Bureau of Statistics

The Port Stephens Council Youth Strategy 2015-2018 was adopted by Council at its meeting of 11 November 2014. Short to medium term actions contained within the strategy are being implemented by staff from Council's Community Development and Engagement team, in consultation with young people. This has included promoting the Mayoral Scholarships program, boosting the profile of Council's trainee and cadet program and facilitating the ongoing connection between Council and the Youth Advisory Panel.

Young people have been engaged in a range of ways over the period including:

- The Pitch, multimedia used as a tool for young people from two high schools on Tomaree Peninsula to capture views and ideas of young people on the future planning and development of the Nelson Bay Town Centre and Foreshore. Students presented their multimedia presentations in a debate style contest in the Council Chambers.
- Participating in the quarterly forum of education, training and industry representatives facilitated by the Hunter Valley Youth Express.

Council also employed a consultant who completed a study of existing pathways to education, training and employment. The Study identified gaps and opportunities for Council to consider.

The Skate Parks Plan was completed as part of the Long Term Infrastructure Plan project and will be incorporated into the 2016-2026 Strategic Asset Management Plan. This needs analysis has assessed the location and number of skate parks provided throughout the local government area and detailed where new skate parks may be required while also showing which skate parks may no longer be required.

Council recognised the need for an amenity for young people in the west of the LGA. The Wallalong Skate Park is a fantastic facility which attracts users from all around the local area and was constructed in 2014. It has a great skate bowl and street components plus sheltered seating.

Council invested \$100,000 to make significant improvements to and expand the Nelson Bay skate park in Neil Carroll Park. The design incorporated a radical plan for a new bowl, ramps and a rail. This skate park is a great addition to Nelson Bay recreation facilities for residents and visitors.

Access to Employment

Research conducted by Port Stephens Council in 2013 to prepare the Council's Youth Strategy identified that young people felt there were no local jobs, that public transport and getting a driver's licence were expensive, and that even if undertaking further study – young people would need to have a part time job.¹⁷

17. Port Stephens Council Youth Strategy 2015-2018 Part B Research (p19)

Of an estimated total workforce of 22,689 people working in Port Stephens LGA, 17.08% are in the age group 15 – 24 years. This represents 46.68% of all members of that age group. However it is assumed that most of those working are of post-secondary age since from 2010 State government policy requires students to remain at high school to complete Year 12, meaning that employment would be largely those over 17 years old.

In 2009-2010 Port Stephens Council introduced five Mayoral Scholarship awards for post-secondary study. The Scholarships assist students with the associated costs of study.

Since that first year the program has grown considerably and the number of scholarships offered in 2016 has risen to 10. There have been a further fifty-two (52) young people assisted to realise their ambitions in post-secondary study.

Apprentice, Trainee and Cadet Strategy

In 2014 Port Stephens Council launched its Apprentice, Trainee and Cadet Strategy. The Strategy was developed for Council to better engage, manage and support its Apprentices, Trainees and Cadets.

The goal was to promote positive experiences both for the employee and Council to maximise the success of the training.

At the end of this first year Council received 528 quality applications for nine available positions. Council has increased its return on investment and gained valuable and valued staff. The benefits to staff, the organisation and the wider community have increased as Council is proactive in addressing youth unemployment as well as enhancing its own Talent Management Strategy.

The success of this strategy has been recognised by the Local Government Excellence Awards for Workforce Excellence which we won in 2015.



Our Citizens

Theme: Community Planning & Partnerships

Goal: The Community is a partner in developing the future of the Local Government Area.

Community Indicator	Outcome
Port Stephens community believes it has a say in decisions that affect them (Council only – as data not available for other levels of government).	Council only: increase from 47.4% in 2012 to 64.0% in 2015.

Council engages with the community of Port Stephens to plan facilities and to advocate on behalf of its citizens to other levels of government and service providers.

Planning for Facilities and Services

In 2015 Council created a new unit – Community Development and Engagement – and appointed senior practitioners to create a new paradigm for consultation and engagement with the people of Port Stephens.

A member of that unit has specific responsibility to work with the Facilities and Services Group of Council to capture the community's views and inputs to specific projects, and to assist to prioritise future works and development of facilities and services.

The unit also has specialists dedicated to engagement of young people; and specialist service providers. The unit convenes the Council's Youth Advisory Panel; and the Interagency Network of social services providers into the LGA – both government and non-government organisations.

Council convenes the Aboriginal Strategic Committee 11 times a year to advise on matters of particular concern to the aboriginal community of Port Stephens¹⁹.

In 2014 Council recruited a full time volunteer coordinator to lead over 600 community volunteers. Satisfaction with volunteering for Council achieved 84.6% in the survey of volunteers conducted in April 2014.

There are over 40 community committees of volunteers established under Sections 355 and 377 of the *Local Government Act 1993* who are involved in the care, assistance and management of Council's facilities, services and events. Please refer to the table below.

Bi-monthly rounds of safety inductions are completed for new and renewing volunteers. Numbers of volunteers continue to increase across all committees.

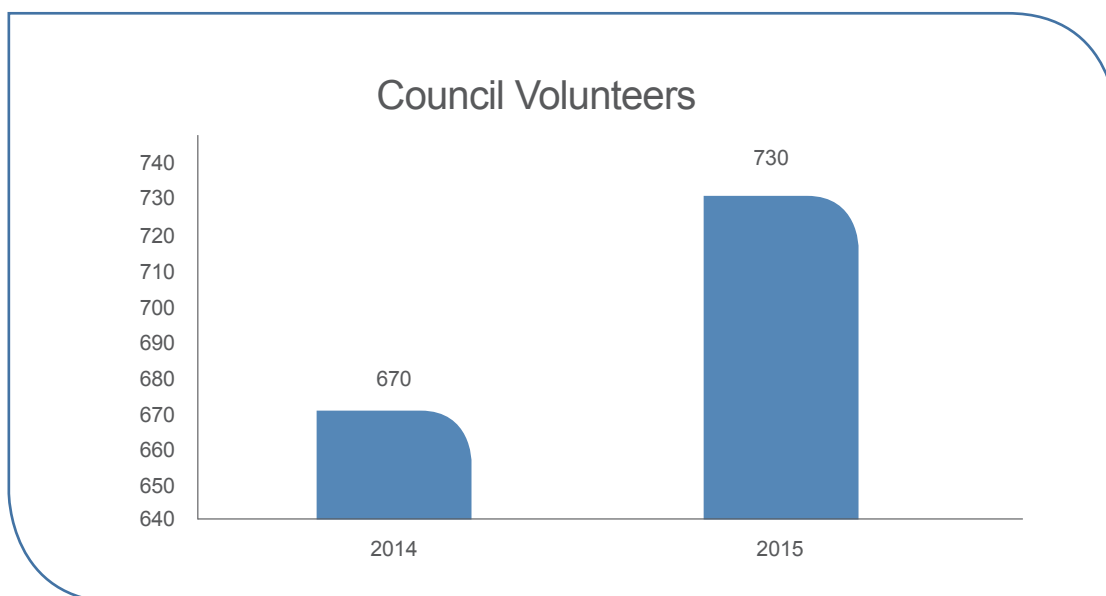
19. Worimi Local Aboriginal Land Council and Karuah Local Aboriginal Land Council have membership along with the Mayor and some senior staff.

Advocating for Facilities and Services

Port Stephens Council convenes the Port Stephens Interagency, a forum of more than 200 representatives of service providers across the Hunter Region that meets four times each year. Its focus is on sharing data to plan coordinated delivery of social and other support services to the Port Stephens community.

Councillors and senior executives of Council also participate in or belong to a number of regional committees and groups that work collaboratively on planning, service provision and monitoring.

Community members serve in many capacities on Council's Committees (355c Committees, sports council delegates, sporting club volunteers and library assistants) and numbers have increased in the last four years. In 2011 across the Port Stephens LGA there were 8,652 volunteers working for a variety of organisations.²⁰ New figures for volunteers will be available after the 2016 census.



20. Guideline 1.10 Local Government Act 1993

Our Lifestyle

Theme: Arts and Culture

Goal: Port Stephens has a vibrant cultural life.



Community Indicator	Outcome
Access to cultural activities.	Increase in the number of events, increase in Council funds available to support cultural activities.
Increase in access for people to learn Aboriginal language and culture.	Increase through Murrook programs.
Increase in the number of Aboriginal culturally significant objects and places protected.	Due to the sensitive nature of Aboriginal culturally significant objects and places data as to increases in protection are not specifically available.

Council's role is one of facilitator and enabler of local cultural development and activity by way of planning, connecting people, administration and access to venues and cultural places, providing small grants and promotion. In the case of public libraries Council is a cultural provider. At the core of Council's involvement in cultural business are the arts and creativity, Aboriginal culture, heritage and history, architecture and design, festivals and events.

In Port Stephens, culture is reflected in general ways of life of the place as well as unique cultural lifestyles in each town, village or locality as practiced by diverse groups in the community.

Culture is also reflected in our value systems, traditions and beliefs including in arts and creativity, heritage and history, architecture and design, festivals and events. In Port Stephens, our culture embraces Worimi Aboriginal culture in both its tangible and intangible forms where culture is based on the idea of 'country' and is represented in its history and heritage as well as in its living culture. Local culture can also be influenced by aspects of the distinctive coastal and rural environment, education and learning, the media, cultural tourism and accessible leisure activities.²¹

Many sites and areas of significance to Aboriginal people are located within Port Stephens, including shell middens, scarred trees, occupation and ceremonial sites and places of spiritual value. The exact location of the various sites is restricted information. In the area stretching from Wallis Lake to Newcastle there are 37 recorded Ceremonial Sites (stone arrangements, bora grounds, carved trees and burial sites), 115 recorded campsites (mia mia, scarred tree, open campsite, shelter with deposit, well, fish trap, abraded grooves and quarries) and over 100 middens.

Port Stephens is also home to the Murrook Aboriginal Culture Centre, and to the Worimi and Karuah Local Aboriginal Land Councils.

The Mindaribba Local Aboriginal Land Council lands touch the western boundary of the LGA.

21. Port Stephens Council Cultural Plan 2015-2018

In a display of unity and reconciliation, Council unanimously supported the declaration of an Aboriginal Place on Council land at Soldiers Point. Worimi Elders and leaders worked tirelessly with Council staff and representatives from the Office of Environment & Heritage to develop a Plan of Management for the Aboriginal Place that would protect Aboriginal cultural values and enable current and future uses of the land to continue.

The result was the announcement by the Minister for Heritage that the Soldiers Point Aboriginal Place was declared on 7 June 2016. This declaration brings to a close 35 years of lobbying and collaboration by members of the Worimi community and is the beginning of a new way of thinking and working on community land for Council.

Non-Aboriginal cultural heritage in Port Stephens includes historic villages, heritage conservation areas at Raymond Terrace, Tipperary Hill and Hinton, rural landscapes, significant early residences such as Tomago House and Tanilba House, lighthouses, churches, cemeteries, war memorials, courthouses, schools, shipwrecks, archaeological remains such as the Irrawang Pottery site, cottages and early subdivisions such as Henry Halloran's 1930s development at Tanilba Bay.

There has been significant growth and development in the range of cultural events held across the LGA. These include highly regarded annual celebrations such as Australia Day as well as festivals with a local focus eg Summer Festival, Nelson Bay; festivals with a wider appeal eg Karuah Blue Grass Music Festival and emerging arts festivals including Nelson Bay Sculpture Festival and Lemon Jam at Lemon Tree Passage. New events included King Street Heritage Festival, Riverside Multicultural Fiesta, Tilligerry Festival, and COWS – Celebration of Words and Stories.

Council also actively supports the showcasing of local talent including through art exhibitions linked to the school education system as well as the provision of an art space at the new Raymond Terrace Library.

The three s355 cultural committees – the Strategic Arts and Culture committee, the Heritage Advisory committee and the Aboriginal Strategic committee have been actively involved in the development of the Port Stephens Cultural Plan 2015-2018 and will continue to have a critical role supporting cultural development in Port Stephens.

For a list of heritage and cultural organisations please visit:

<http://www.portstephens.nsw.gov.au/live/community/community-directory/heritage-and-culture>

Since the last Report in 2012 there has been a significant increase in access to Aboriginal Language and Culture principally through Murrook Cultural Centre.

In the financial years 2013 to 2015 Council funded a total of \$99,910 from the Cultural Projects Fund; and \$105,000 from the Aboriginal Projects Fund.

The Murrook Cultural Centre is situated on Nelson Bay Road, Williamstown. Its purpose is to gather, sustain, protect and teach Aboriginal Culture to all people with an emphasis on Worimi culture being the land and people of this area. The Centre caters for a vast range of groups from schools (pre, primary, secondary and university/ TAFE), to community, business, government groups and international visitors.

Most importantly, Murrook is used by our Aboriginal community as a gathering place. Aboriginal staff teach many facets of our culture, from boomerangs, weapons and tools, didgeridoo, communication like art and dance, bush food medicine, cooking, craft (basket weaving, beading), artefacts and much more. Murrook seeks to deliver a sound, authentic and relevant cultural experience to their visitors helping them to see Australia through the eyes of a local Aboriginal person. The staff run tours and workshops at Murrook, at schools and 'On Country' having access to Aboriginal sites.

<http://worimi.org.au/education/>



On 20 May 2013, Council officially launched the upgraded Aboriginal and Cultural Project fund program. Over 50 community members attended, including aboriginal elder John Ridgeway and the two Chairs of both the Aboriginal Steering Committee and the Cultural Committee. The event was very positive and participants were appreciative of the event and the opportunity to apply for funding.

In consultation with Council's Aboriginal Strategic Committee Council planned annually for NAIDOC Week Celebrations. For example in 2013 the celebrations included a cultural training program for relevant Council staff; and an Elder being invited to open the Council meeting during NAIDOC Week on 9 July 2013.

In July 2014 Council's Community Development and Engagement unit, in conjunction with the Aboriginal Strategic Committee and the Worimi and Karuah Local Aboriginal Land Councils marked NAIDOC Week with the hosting of the traditional flag-raising and smoking ceremonies at Council's Administration Building. Council also participated in the Worimi Family Fun Day celebrations held at the Murrook Cultural Centre.

Birubi Point Cultural Heritage Advisory Panel convened in August 2014, December 2014, March 2015 and November 2015. Tasks agreed to at the March 2015 meeting included finalising the funding agreement between NSW National Parks and Wildlife Service and Council commencing beach access pathway reconstruction and engaging a consultant to develop a draft management plan and landscape master plan, subject to funding. The pathway was completed and the management funding agreement was executed by all parties in April 2016. With the management funding agreement resolved, the Panel will now progress strategic planning for the Birubi Point Aboriginal Place and Crown Reserve.

The Port Stephens Cultural Plan 2014-2018 was adopted by Council at its meeting of 10 February 2015, following exhibition of the plan and the receipt of one submission concerning its content. Short to medium term actions outlined within the plan are being implemented by Council's Community Development and Engagement unit in consultation with the Strategic Arts Committee.

Library Services

Port Stephens Council provides library services at Raymond Terrace, Tomaree Library and Community Centre, a Mobile Library Service, and a community library facility in the Tilligerry Peninsula.

In 2013 a new Raymond Terrace Library replaced the smaller, older facility. More than 100 guests and dignitaries attended the opening of the new, state-of-the-art library facilities in Raymond Terrace which opened to the public on 4 September 2013.

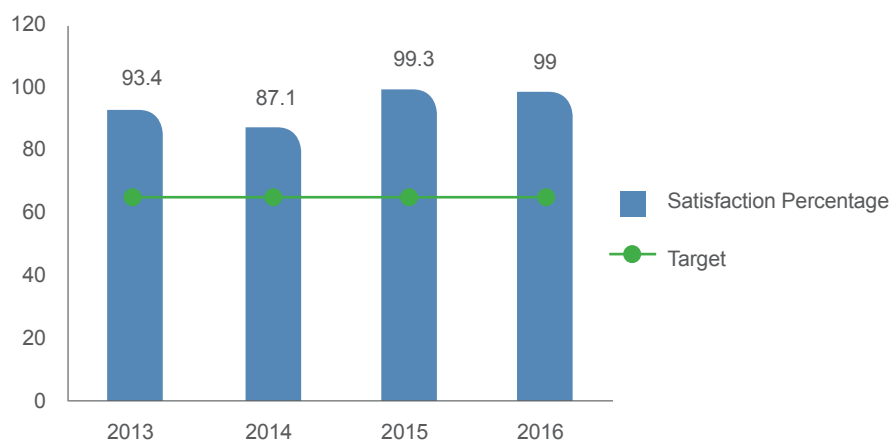
Port Stephens Mayor Bruce MacKenzie was joined by the Hon. George Souris, MP, Minister for the Arts, Dr Alex Byrne, State Librarian & Chief Executive of Libraries NSW as well as local member Craig Baumann to cut the ribbon and officially launch the opening of the new library.

This library has more than three times the space than the previous facility and offers, the latest in library and research technology as well as a large children's activity space, a study room and a coffee shop.

In 2014 an art space was added, which has since held continuous exhibitions, including an exhibition of works in various media by Council staff in 2015.

The Raymond Terrace Library project was jointly funded by Port Stephens Council and the NSW State Government with \$200,000 coming from the Country Libraries Fund Program.

Satisfaction with Libraries in PSC



Note: 2016 survey still open - percentage as at 3 May 2016 (n=203)

Source: Port Stephens Council annual customer satisfaction surveys

Our Lifestyle

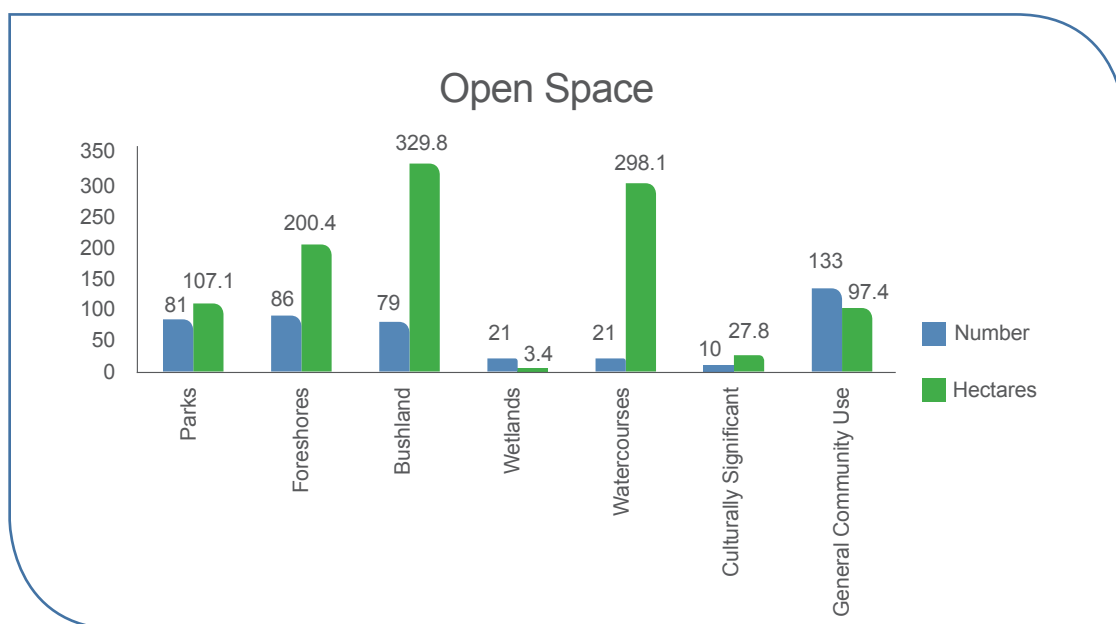
Theme: Recreation and Leisure

Goal: Provide passive and active recreation and leisure services and facilities.

Community Indicator	Outcome
Access to recreation and leisure facilities.	Increase in facilities compared to 2012.
Opportunities to participate in recreation and leisure activities.	LGA continues to have both active and passive recreation and leisure accessible to and suitable for all age groups.

Port Stephens LGA provides for both active and passive lifestyle choices for residents and visitors, as well as opportunities for community service and participation.

Lifestyle in Port Stephens – Active



Parks and Reserves can generally be used for active and passive recreational purposes. Categories of open space in the Port Stephens LGA compare well to the general standard of 2.5 hectares per 1,000 residents.

Also included as open space are watercourses (21) 298.09 hectares, and wetlands (21) 3.421 hectares.

The LGA has 62 playgrounds which exceeds the standard of one playground to every 220 children less than 14 years.

Council-owned sporting facilities are shown in the table below.

Netball courts	28 courts
Skate parks	8
BMX tracks	1
Sports fields	45 fields
Tennis courts	51 tennis courts
Croquet courts	2 courts
Swimming facilities	3 complexes
Cricket nets	8
Equestrian centres	2
Golf course	1
Amenities buildings	67

In addition to Council-owned facilities there are numerous sporting facilities such as swimming pools and gymnasiums in hotels, motels and holiday parks across the LGA.

The following sports are known to be played in the Port Stephens LGA: hockey, cricket, tennis, rugby union, rugby league, Australian Rules football, soccer, athletics, croquet, golf, lawn bowls, yachting, game fishing, horse riding, bocce, triathlons, water polo, swimming, bridge and surfing. There are surf club amenities at Birubi and Fingal Bay.

The Port Stephens LGA has significant waterways for recreational yachting, boating and fishing, and includes 17 wharfs, 18 boat launch sites, 10 sea walls, two tidal swimming enclosures and five boardwalks.

Recreational cycling and walking facilities include footpaths and cycle ways. Port Stephens has approximately 190kms of pathways located within the road reserve across the LGA. These include approximately 125kms of traditional footpaths and 65kms of shared paths which is a total of 310,703m².

The LGA is home to the Racing Pigeon Association Raymond Terrace.

There are several clubs in Port Stephens devoted to dancing (all forms), tai chi, model aeroplanes and walking for pleasure, and private gymnasiums and slimming groups.

The Roads & Maritime Services NSW (RMS) has provided \$3.68 million to improve boating facilities in Port Stephens under a 'Boating Now' initiative. Projects delivered or to be delivered over three years include boat ramp and facility upgrades at Seaham, Karuah, Tomago and Lemon Tree Passage.

In 2014-2015, licences were prepared and finalised for the Maori Cultural Group at Williamstown Oval, a renewed licence for Tilligerry Men's Shed and a renewed licence for Nelson Bay Tennis Club. Raymond Terrace Trotting Club licence was finalised and issued. A new licence was issued for Shoal Bay stand up paddle board hire and lessons. In 2015 a licence was entered into for the Boccè facility at Nelson Bay to the Croatian Fishermans Boccè Club.

At the conclusion of the term of management of the YMCA a Request for Tender for Aquatic and Leisure Centre management attracted four tenderers to manage the facilities at Raymond Terrace, Salamander Bay and Mallabula. The successful tenderer appointed by Council in September 2015 was Belgravia Leisure Pty Ltd.

In late April 2016 the State government announced \$180,000 for 12 pedestrian and bicycle access projects across Port Stephens, with the total project worth \$350,000. Most of the projects aim to improve pedestrian access such as an upgrade to the William and Sturgeon Streets intersection at Raymond Terrace. Ramps will help people cross Sturgeon Street while a refuge will make it easier to do so.

Fingal Beach Surf Club

As a result of fire, a new surf club was built in 2013 – Fingal Beach Surf Club is a state of the art facility that represents a community partnership. Council was a finalist in the NSW Property Awards for its unique design and functionality.

Birubi Surf Club

After a decade of planning, the Birubi Point Surf Living Saving Club's new building was officially opened on 13 March 2014. At a total cost of \$4.9 million, the Club redevelopment consists of a new two building complex that houses the youngest surf lifesaving club in the Hunter Branch of the Surf Life Saving NSW. The buildings were designed to create a facility that blends into the natural surrounds while maximising views across Stockton Beach and the Worimi Conservation Lands.



Fingal Beach Surf Club

The building was officially recognised with EJE Architecture declared joint winner of the Public Architecture Award at the Newcastle Architecture Awards.

The Club is a state of the art building with dedicated first aid room, training and equipment rooms and life guard tower. The site also includes a new cafe with uninterrupted views over the beach, ocean and sand dunes.

Many organisations involved in making this project possible include representatives from Hunter Surf Life Saving, the Board of Management of Worimi Conservation Lands, Worimi Local Aboriginal Land Council, architect firm EJE Architecture and construction company Hansen Yuncken.

Birubi Surf Club

Key funding partners are the Australian Government through the Department of Infrastructure and Regional Development (\$2.2million), Port Stephens Council (\$1.925 million), NSW Government through the Crown Reserve Trust (\$500,000), NSW Office of Communities, Sport and Recreation through NSW Surf Life Saving (\$260,000) and the NSW Department of Primary Industries (\$15,000).

Volunteer lifesaving services have been conducted from Fingal Beach Surf Life Saving Club and Birubi Beach Surf Life Saving Club since September 2014. Both Clubs have enjoyed uninterrupted use of the purpose built buildings during the beach seasons.

A new whale watching platform from a popular vantage spot at Fingal Bay was completed in time for the whale watching season, which saw reports of hundreds of whales passing through every day. The new facility at Barry Park combines the natural vista of the coastline with information about whale migration patterns and identifying features of the different breeds that pass by.



Birubi Surf Club

The platform at Barry Park was part funded by a National Landcare Program grant through the Federal Office of Environment, and built by Council using composite fibre primarily from recycled plastic materials. A new unisex amenities building for Barry Park was also constructed.

Lifestyle in Port Stephens – Passive

Port Stephens Council operates four library services: Raymond Terrace, Tomaree, Tilligerry Community Library, and the Mobile Library. See the section on Arts and Culture above.

PSC Library Services has formalised new user agreements with the Port Stephens Historical Society and Port Stephens Family History Group. The new licences were drafted with the assistance of Council's Property Services Section, and enable the use of library space for the activities of the Port Stephens Historical Society and Port Stephens Family History Group. The agreements will be reviewed annually between the parties.



Tomaree Library & Community Centre

Many religions and their denominations are represented in the Port Stephens LGA and there are many service clubs and activities as shown in the table below.

Apex Clubs	Port Stephens Bridge Club
Community Health Centres	Rotary
Country Women's Association	Marine Rescue
Lions Clubs	Salvation Army
Meals on Wheels	Samaritans
PCYC	Social and Welfare Clubs
Port Stephens Community Band	St Vincent de Paul
Port Stephens Community Arts Centre	Toastmasters-Port Stephens
Port Stephens Adult Choir	Tomaree Musical Theatre Co
Port Stephens Friendship Group	Tomaree Neighbourhood Centre
Port Stephens Historical Society	Tomaree Peninsula Photography Club
Port Stephens Family History Society	Torchbearers For Legacy
Raymond Terrace and District Historical Society	View Club
Probus Clubs	Walking For Pleasure Club
Port Stephens Dog Club	Quilters Clubs

The LGA also has RSL sub-branch clubs that support ex-service personnel and their families in the region.

The University of the Third Age operates in the LGA, normally at the Tomaree Library & Community Centre. Port Stephens Council runs a computing for seniors program at its Business Port Stephens computer rooms in Raymond Terrace.

Port Stephens Council has 23 multipurpose community facilities and 16 single use buildings that are regularly used by clubs and societies for recreational and lifestyle activities.

Port Stephens Council residents have access to cinemas in Raymond Terrace and Nelson Bay. Other passive leisure activities include shopping, galleries, museums and spas.

Our Environment

Theme: Environmental Management

Goal: Manage the environment for present and future generations.

Community Indicator	Outcome
Air and water quality.	Index for air quality remains below accepted pollutant levels; potable water and beach quality very good; contamination at Williamstown is an exception event.
Threatened species.	Monitoring indicates no changes since previous period.
Habitat preservation and regeneration.	Increase in regeneration of bushland, foreshores and reserves.
Greenhouse gas emissions.	Reduction in LGA per capital usage leading to reduction in emissions.
Waste and recycling ratio improvements.	Increased diversion from landfill across the LGA.
Noxious weed infestations.	Regular programs to contain infestations ongoing.

Port Stephens Council Environment Policy

Port Stephens Council adopted an Environment Policy in March 2016 consistent with the community's vision statement of achieving 'a great lifestyle in a treasured environment'. The Policy outlines Council's commitment to the environment by providing leadership and direction for improved environmental performance. The Policy outlines amongst other things Council's commitment to the principles of Ecological Sustainable Development (ESD) and Council's commitment to ensuring a healthy natural environment is maintained for the wellbeing of the Port Stephens community.

Port Stephens Council Environmental Management System

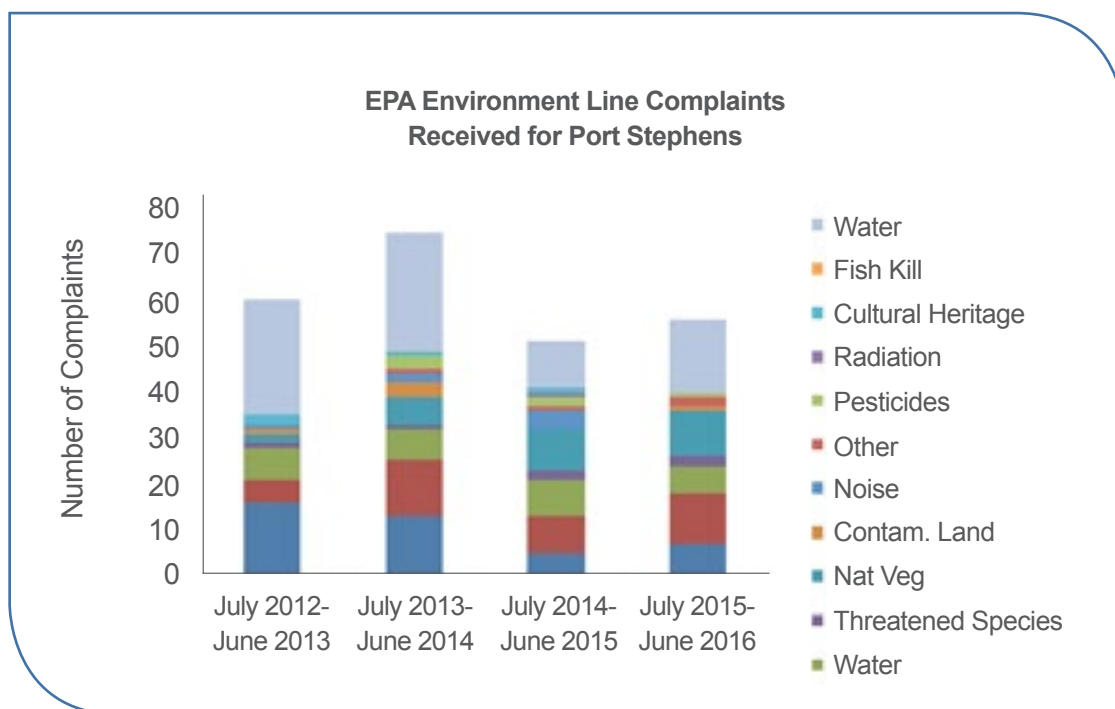
An Environmental Management System (EMS) is being developed and implemented for Port Stephens Council over the next two years and will form part of Council's Integrated Risk Management System (IRMS).

An EMS is a framework that enables Council to manage its environmental performance. Port Stephens Council's EMS is being developed consistent with International Standard ISO 14001:2015 Environmental Management Systems.

Air and Water Quality

The Office of Environment and Health/Environment Protection Authority Environment Line handles general enquiries about environmental issues and reports of pollution for which OEH/EPA is the Appropriate Regulatory Authority.

The data provided represent pollution incidents reported to the Environment Line where OEHL/EPA has regulatory responsibilities for the incident. All categories of complaints to the Environment Line have been included for reference purposes only.



Source: EPA Environment Line Complaints Received 2012 – 2016* (*2016 period only up to 22/4/2016)
(Source EPA/OEH)

Environmental Protection Licences, issued under the *Protection of the Environment Operations Act 1997* (POEO) are a principal means to monitor and control pollution emitters and the impacts of pollution sources in NSW. Currently there are 64 Environmental Protection Licences issued within the Port Stephens LGA.²³

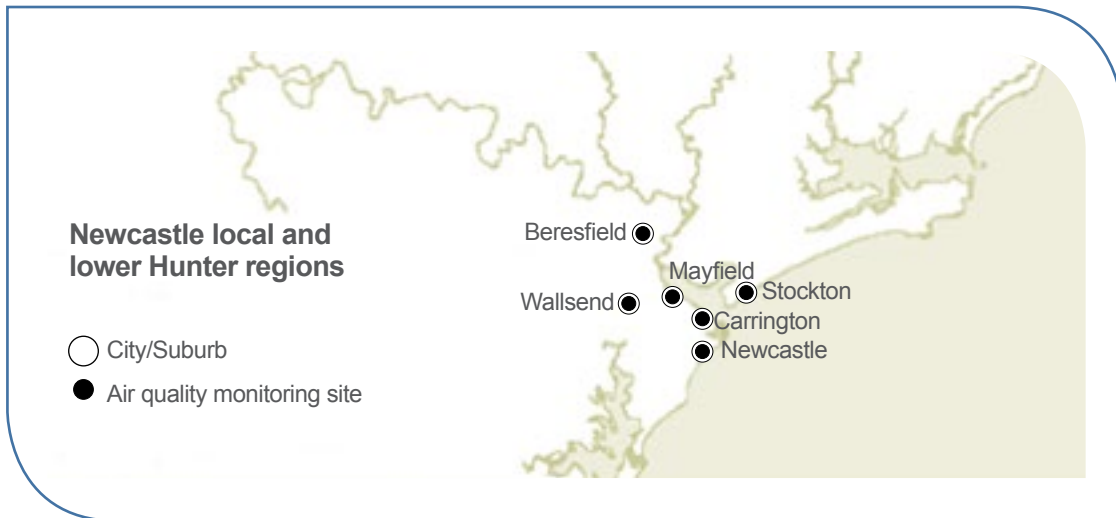
For the reporting period (2012-2016) there have been five penalty notices issued for breaches of an Environmental Protection Licence.

Clean air is fundamental to the health and wellbeing of the residents of Port Stephens. It directly affects both the natural environment and human health along with the overall amenity of the area.

The Office of Environment and Heritage (OEH) operates an air quality monitoring network to provide the community with accurate and up-to-date information about air quality. No monitoring sites are located within the Port Stephens LGA with the closest monitoring stations located in the Newcastle Local Government Area at Stockton, Beresfield, Mayfield, Carrington, Wallsend and Newcastle as per the map opposite.

23. As of 7/4/2016, Source www.epa.nsw.gov.au/prpoeo/licences.htm

24. Current as of 7/4/2016, Source www.epa.nsw.gov.au/prpoeoapp/SearchResult.aspx?SearchTag=notice&searchrange=notice&range=notice



Source: OEH Air Quality Monitoring Sites across Newcastle Local and Lower Hunter Regions (Source www.environment.nsw.gov.au/AQMS/siteslh.htm).

OEH defines an air pollutant as “any substance in the air that can harm people or the environment.”

Air pollutants arise from bushfires and other natural processes as well as human activities including industrial production and transport. An increasing range of health effects has been linked to air pollution, especially fine particulate matter (PM10 and PM2.5).

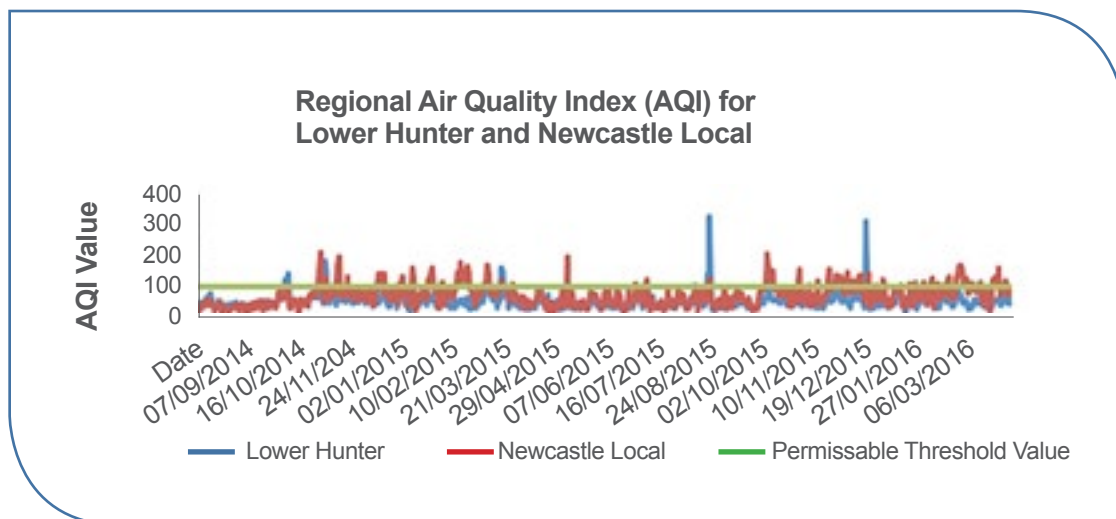
OEH air quality monitoring focuses on the following six key pollutants due to the risk they pose to human health: ozone, nitrogen dioxide, visibility, carbon monoxide, sulfur dioxide and Particles PM2.5 and PM10.

Raw data collected for the above pollutants are converted into Air Quality Index (AQI) values. The highest AQI value over a 24-hour period becomes the AQI value for the site for that day. An AQI reading above 100 indicates that at least one pollutant has exceeded its permissible threshold value during that particular 24-hour period at that site.

More information on the monitoring networks operating across NSW, air pollutants and the health effects of air pollution can be found at www.environment.nsw.gov.au/topics/air.

The 2005 World Health Organisation (WHO) Air Quality Guidelines are available at www.who.int/phe/health_topics/outdoorair/outdoorair_aqg/en/

www.environment.nsw.gov.au/aqms/whatisairpolln.htm



Source: Daily Regional Air Quality Index (AQI) for Newcastle Local and Lower Hunter Areas (closest areas to LGA). Source OEH ²⁶

Noise

In NSW noise is regulated through the *Protection of the Environment Operations Act 1997* (POEO Act); the POEO (Noise Control) Regulation 2008 addresses common noisy activities that occur in residential situations. Council shares responsibility for noise control regulations with the EPA, NSW police and NSW Roads and Maritime Services.

For more information about the role of the EPA and Local Government in noise pollution see the EPA website. The majority of noise complaints received by Council relate to animal noise (such as dogs, roosters, etc), the noise of commercial activities, residential and neighbourhood activities (such as lawn mowers, air conditioners, pool pumps, parties, etc), construction noise and vehicle noise.

Water Quality

Council monitors the quality of waterways and catchments within the Port Stephens LGA because of their environmental, recreational, agricultural and economic value. Water quality monitoring sites include the Hunter River, Williams River, Paterson River, Tilligerry Creek and the Port Stephens estuary.

Council undertakes regular water quality monitoring to record baseline river health, detect recreational water quality risks at key locations and run-off characteristics after rainfall events. The monitoring program is also designed to gain an improved understanding of water quality benchmarks in un-sewered areas.

Council's water quality monitoring program was reviewed in 2013 – as a result sampling sites were revised to better reflect the intention of the program.

26. <http://www.environment.nsw.gov.au/aqms/index.htm>

Beachwatch

Four sites within the LGA are monitored every six days by Hunter Water as part of their Environmental Protection Licensing. The beaches currently included in this Beachwatch program are Zenith Beach, Box Beach, Fingal Beach and One Mile Beach²⁷.

Beachwatch State of Beaches Indicators for Port Stephens LGA:

Overall Results	2012-2013	2013-2014	2014-2015
Good/Very Good	9	4	4
Fair	0	0	0
Poor/Very Poor	2	0	0
Total Sites Reported On	11	4	4

Source: OEH State of Beaches Annual Reports 2012-2015

Council responds to reports of suspected algal contamination and stormwater and sewage pollution at these locations. Microbial water quality testing is undertaken on as needs basis as determined by Council to determine whether water quality is suitable for swimming. If these results indicate that water is not suitable Council may close swimming areas.

The Hunter Water Corporation (HWC) is a key stakeholder in the management of water quality in the Port Stephens LGA.

Williamstown RAAF Contamination

The Australian Defence Force (ADF) informed the NSW government that the Williamstown RAAF Base has been found to contain high concentrations of perfluorooctane sulfonate (PFOS) and perfluorooctanoic acid (PFOA). These chemicals are very stable and do not readily break down. They can persist for a long time in the environment as well as within living organisms.

There are currently no Australian guidelines for the PFOS and PFOA contaminants. Whether PFOS or PFOA cause adverse health effects in humans is currently unknown, but on current evidence, the potential for adverse health outcomes cannot be excluded.

PFOS and PFOA were present in fire-fighting foam used on the RAAF base. Over time these chemicals have entered surface water and groundwater resulting in contamination of the RAAF site and nearby land. Surface water samples from Dawsons Drain, Moors Drain, Upper Tilligerry Creek and Fourteen Foot Drain have been found to contain PFOS. Ground water and fish from the local creeks were tested for PFOS and were found to contain high levels of the compound²⁸.

A contamination investigation area was established in October 2015 (see below), which indicates the area²⁹ under investigation for potential groundwater contamination and the affected fisheries and oyster farms.

27. State of the Beaches Report 2014-15, OEH, October 2015

28. <http://www.health.nsw.gov.au/factsheets/Pages/RAAF-site-contamination.aspx>

29. current as of 4/5/2016

Williamstown Contamination Investigation Area



Source: EPA³⁰

Fishing closures are in place for all creeks and drains within Fullerton Cove and Tilligerry Creek following precautionary advice not to consume fish, prawns or shellfish caught in the investigation area. There was a precautionary ban on the sale of oysters farmed in the Tilligerry Creek harvest area, which was lifted in October 2015 following test results indicating that these products posed no risk to food safety³¹.

The EPA is working with the Department of Defence as well as a range of NSW government agencies including NSW Health, the Department of Primary Industries, NSW Food Authority and the Hunter Water Corporation to assess the situation. NSW government agencies will continue to assess the situation, undertake comprehensive health risk assessments and testing of bore water to update this advice.

As of 21 October 2015 the NSW government continues to advise precautions for residents who live inside this investigation area while assessments are undertaken, including:

- not to drink or prepare food from private water bores, or water from dams, ponds, creeks or drains (town water is safe);
- not to eat eggs from backyard chickens or milk from cows and goats that have been drinking bore water or surface water in the area; and
- not to eat fish, prawns or wild oysters caught in the nearby area³².

30. www.epa.nsw.gov.au/MediaInformation/williamtown.htm

31. <http://www.epa.nsw.gov.au/resources/epa/152670-williamtown-faq-091115.pdf>

32. <http://www.epa.nsw.gov.au/MediaInformation/williamtown.htm>

Council has established an online portal for information relating to the ongoing investigation of ground and surface water contamination at Williamtown RAAF base. Access is available through the Port Stephens Council website (www.portstephens.nsw.gov.au).

The NSW Expert Panel has advised that a comprehensive Human Health Risk Assessment be undertaken to determine the PFOS/PFOA exposure risk posed by individual food groups, as well as to calculate the cumulative risk to someone who consumes several types of food on a daily basis.

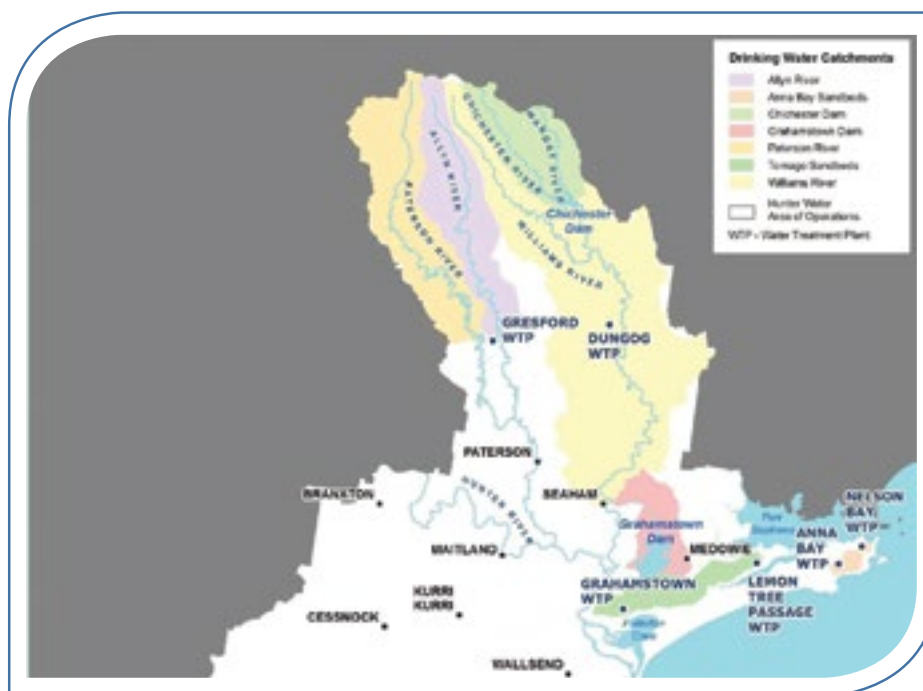
A comprehensive Human Health Risk Assessment therefore requires that a large range of samples are tested, including fish, water, meat, dairy, eggs, fruit and vegetables, honey and other crops. Until this risk assessment is completed by the Department of Defence the precautionary advice applies³³. Further information is available from the EPA, Commonwealth Department of Defence, NSW Environment Line, NSW Food Authority.

Potable Water & Sewerage

As can be seen in the map below, there are three drinking water supply zones (Grahamstown Dam, Tomago Sandbeds and Tomaree Sandbeds) and four water treatment plants (Grahamstown WTP, Lemon Tree Passage WTP, Anna Bay WTP and Nelson bay WTP) managed by the Hunter Water Corporation (HWC) within the Port Stephens LGA.

Pollution monitoring data are collected by HWC, as required under the Environmental Protection Licences issued to HWC by the Environment Protection Authority. A full list of these data is available on the HWC website³⁴.

Hunter Water Catchment Areas, Storages and Water Treatment Plants



Source: 151

Hunter Water Compliance and Performance Report 2015-2015³⁵

<http://www.epa.nsw.gov.au/resources/epa/152670-williamtown-faq-091115.pdf>

[www.hunterwater.com.au/Water-and-Sewer/EPA-Monitoring/Environment-Protection-Authority-\(EPA\)-Pollution-Monitoring-Results.aspx](http://www.hunterwater.com.au/Water-and-Sewer/EPA-Monitoring/Environment-Protection-Authority-(EPA)-Pollution-Monitoring-Results.aspx)

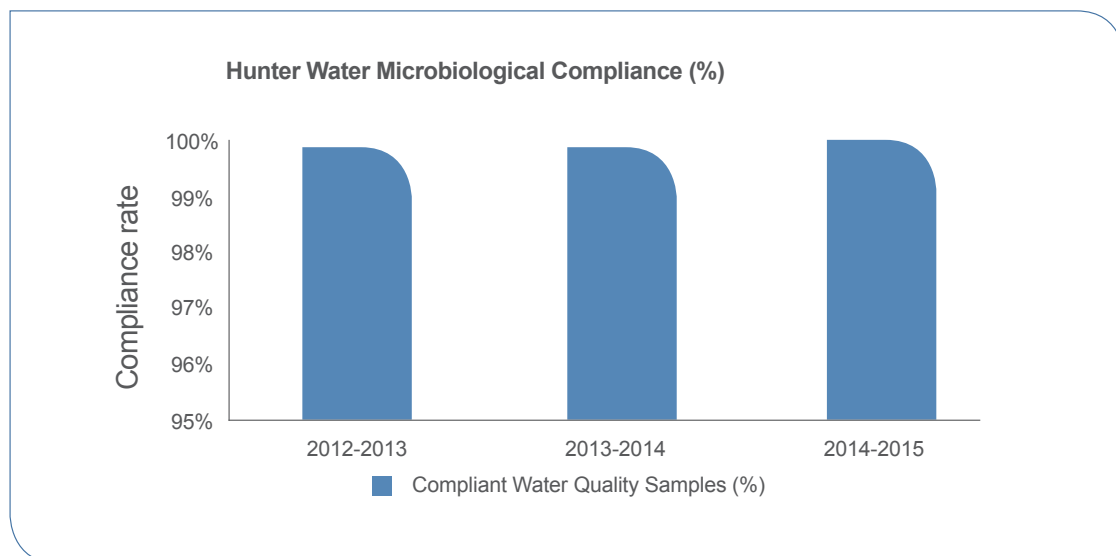
<http://www.hunterwater.com.au/Resources/Documents/Other-Reports/Regulatory-Reports/Compliance-and-Performance-Report-2014-15---submitted-to-IPART.PDF>

Human activities including urban development, agriculture, onsite wastewater treatment systems and land clearing have the potential to impact the health of our drinking water catchments.

The potable water supply of the LGA is the responsibility of the Hunter Water Corporation (HWC) and many of their major water supply assets are located within the Port Stephens LGA, including:

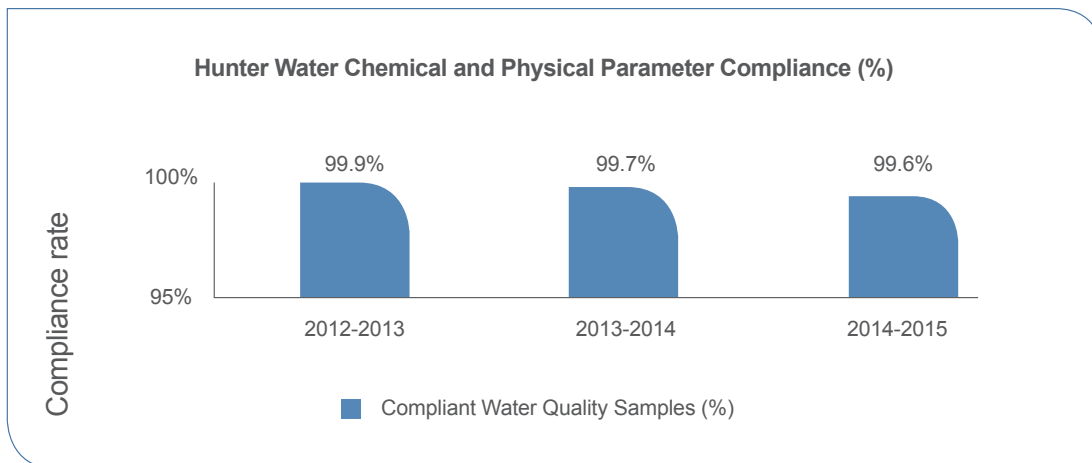
- Grahamstown Dam: a large off-river storage reservoir located within the LGA – provides around 52% of the regions drinking water requirements. Complimentary to its catchment area, it receives pumped inflows from the Seaham Weir Pool on the Williams River and from the Campvale Canal.
- Tomaree Sandbeds: an area of approximately 16 km² located within the protected area of Tomaree National Park.
- Tomago/Anna Bay Sandbeds: Hunter Water’s major groundwater source has an area of approximately 109 km².

HWCs water quality management program includes the protection and improvement of drinking water catchments as well as compliance with the Australian Drinking Water Quality Standards for the microbiological indicator E.coli and key physical and chemical parameters. Compliance rates for these parameters can be seen in the figures below. Key physical and chemical indicators include turbidity, pH, colour, iron, manganese, aluminium, copper, lead, zinc, fluoride, chlorine and trihalomethanes.



Source: Hunter Water Compliance and Performance Report 2014-15, Hunter Water Corporation, 2015

In 2014-2015 all of the water quality sampling undertaken by Hunter Water complied with microbiological indicator parameters.



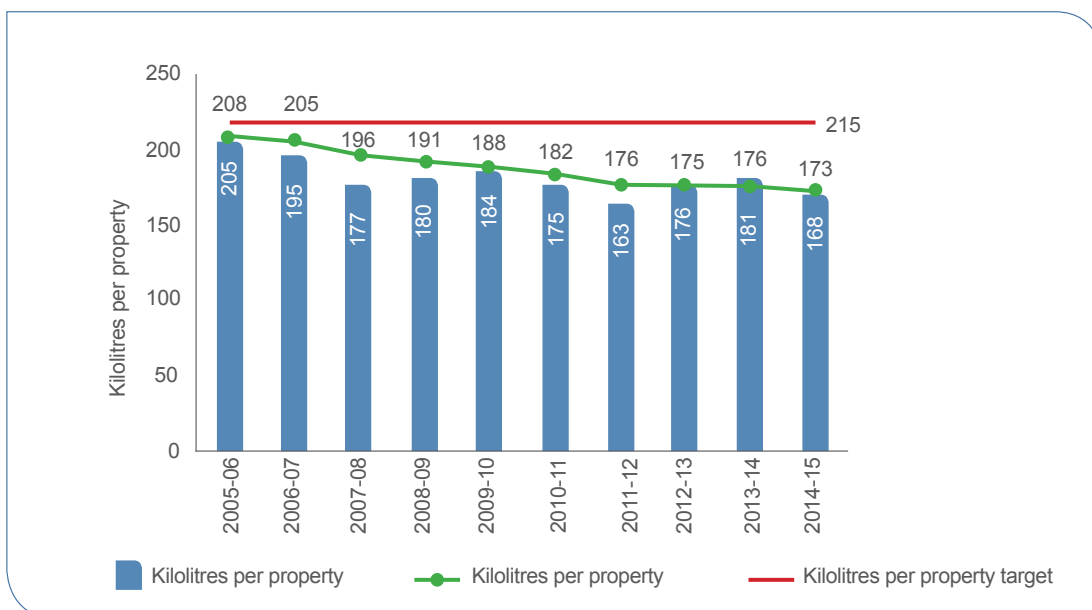
Source: Hunter Water Compliance and Performance Report 2014-15, Hunter Water Corporation, 2015

In 2014-2015 99.6% of routine water samples complied with Australian Drinking Water Guidelines for chemical and physical parameters. The slight decrease reflects the localised water quality issues associated with system reconfiguration to maintain water supplies during the April 2015 storm event³⁶.

Although the Williamtown contamination has not impacted town water supply, a precautionary embargo on the operation of two bore stations in the Tomago Sandbeds has been implemented. These two bore stations are in close proximity to the RAAF base and therefore are at risk of being affected by contamination from the base³⁷.

Water Usage

The HWC has a water conservation target to ensure that the five year rolling average for annual residential water consumption is equal to or less than 215 kilolitres per year for each residential property. The water conservation target [was] achieved in 2014-2015 – the latest available report at the time of writing³⁸.



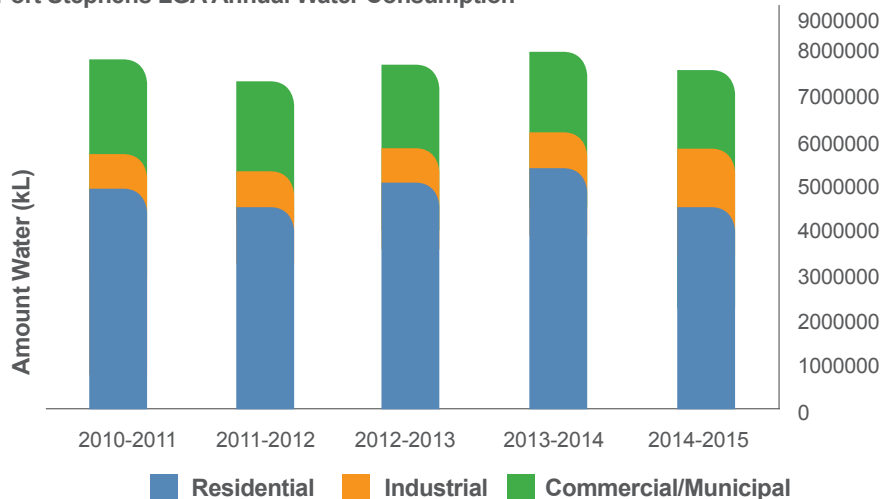
36. Hunter Water Compliance and Performance Report 2014-15, Hunter Water Corporation, 2015

37. <http://www.epa.nsw.gov.au/resources/MinMedia/152670-williamtown-faq-211015.pdf>

38. <http://www.hunterwater.com.au/Resources/Documents/Other-Reports/Regulatory-Reports/Compliance-and-Performance-Report-2014-15---submitted-to-IPART.PDF>

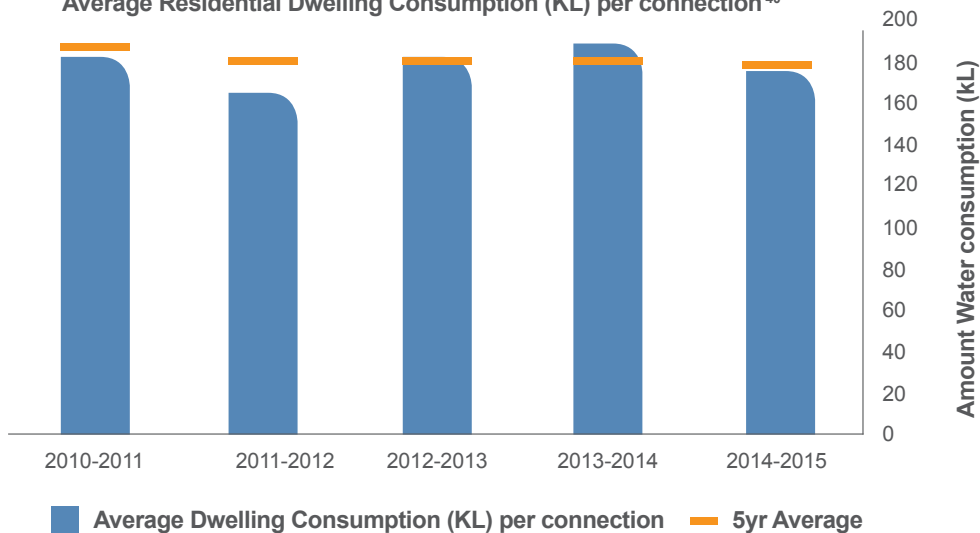
39. <http://www.hunterwater.com.au/Resources/Documents/Other-Reports/Regulatory-Reports/Compliance-and-Performance-Report-2014-15---submitted-to-IPART.PDF>

Port Stephens LGA Annual Water Consumption

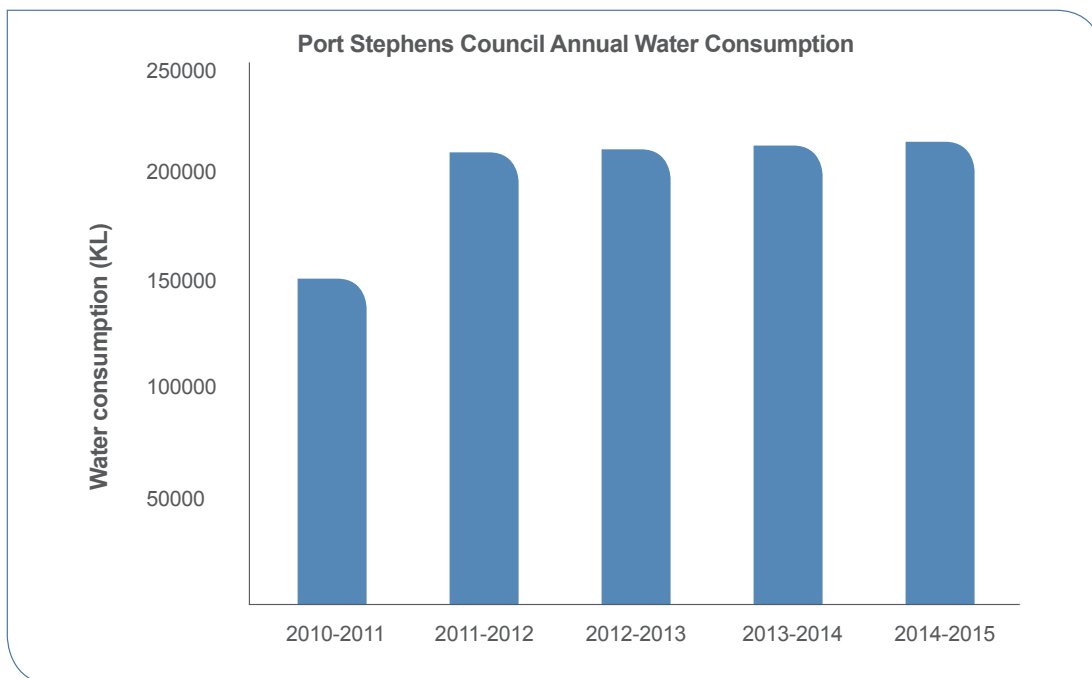


66.4% of potable water consumed from the Hunter Water Corporation’s network in Port Stephens 2014-2015 was for residential purposes. Total water consumption has remained relatively stable over the period across the LGA. Residential water consumption within Port Stephens remains well below Hunter Water Corporations water conservation target of 215 kilolitres per year for each residential property over a five year rolling average.

Average Residential Dwelling Consumption (KL) per connection ⁴⁰



40. Hunter Water Corporation



Council has undertaken a number of water audits throughout its major facilities to identify opportunities for improved water efficiency and continues to monitor water consumption on an ongoing basis.

Sewerage and Onsite Sewage Management Systems

The provision of waste water treatment services within the Port Stephens LGA is primarily the responsibility of HWC, with the exception of onsite sewerage management systems which are the responsibility of Port Stephens Council.

There are over 4,800 onsite sewage management systems (OSMS) in use in the LGA, mainly located in unsewered areas such as semi-rural villages and rural areas. System types include septic tanks with adsorption trenches or evapotranspiration beds, septic tanks that pump to sewer, aerated wastewater treatment systems, pump to sewer systems, and effluent pump-outs.

All surface waterways and groundwater can be potentially affected by failing onsite wastewater treatment systems. Systems that are poorly maintained and not operating effectively can introduce high levels of nutrients, micro-organisms and other pollutants to our waterways.

Council's On-site Sewage Management Program has been operating since March 2000 following legislative changes by the NSW government. All properties operating an OSMS require an approval to operate, and renewal on an annual basis. An inspection program is run by Council officers to ensure systems are maintained to a satisfactory condition⁴¹. The outcomes of the annual inspection process are shown in the table on the next page.

41. <http://www.portstephens.nsw.gov.au/live/resident-services/environmental-health-and-compliance/onsite-sewage-management>

On Site Sewerage Management Systems Approved and Inspected by Council

Year	Total OSMS Approved	New Approvals	Annual Inspections	Compliance Rates from Inspections	Pollution Incidents Relating to Failing Systems (CRMs)
2012-2013	4,722	47	838	97%	21
2013-2014	4,776	30	815	93%	13
2014-2015	4,876	39	1,275	87%	4
2015-2016*	4,896	34	883	92%	16

*2015-2016 up to end of April 2016 only

Threatened Species

The Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) is the key piece of environmental legislation through which the Australian Government focuses its interests on the protection of matters of national environmental significance. The EPBC Act provides for the listing of nationally threatened native species and ecological communities, native migratory species and marine species⁴².

States and territories have responsibility for protecting matters of State and local significance. Provisions are made under the NSW Threatened Species Act 1995 for the identification of State significant threatened species, populations and ecological communities. This Act also provides for the declaration and mapping of habitats that are critical to the survival of those identified threatened species, populations and ecological communities that are classified as endangered (critical habitats)⁴³.

Port Stephens Council plays a key role in the conservation and management of biodiversity and threatened species within the LGA. Council is responsible for the land use planning and development assessment process within the LGA, including the assessment of potential and likely impacts on threatened species as a result of land use planning decisions. As a land manager, local government is responsible for large areas of public land, much of which has high biodiversity value⁴⁴.

BioNet is a database of plant and animal sightings within NSW. Records come from a variety of sources, including members of the public. A BioNet search for flora and fauna recorded or verified within the LGA or a catchment region overlapping the LGA is summarised in the table below.

42. <http://www.environment.gov.au/epbc/what-is-protected/threatened-species-ecological-communities>

43. <http://www.environment.nsw.gov.au/threatenedspecies/>

44. <http://www.environment.nsw.gov.au/biodiversity/BiodiversityResources.htm>

**Number of Native Species, Threatened Species and Endangered Populations in the LGA
(Current at May 2016)**

Species Type	No. Native Species Recorded in LGA	No. Species Listed (TSC Act, 1995)	No. Species Listed (EPBC Act, 1999)	Total No. of Listed Threatened Species (TSC Act and/or EPBC)	Native Species Listed in LGA (%)
Mammals	95	34	12	34	36%
Birds	325	75	19	75	23%
Amphibians	41	7	4	7	17%
Reptiles	58	6	4	6	10%
Plants	1,376	58	35	58	4%
Insects	16	1	0	1	6%

Source: BioNet ⁴⁵

The Koala and Grey Headed Flying Fox are two of the most prominent threatened species within the LGA and for which information is most readily available.

Koala

The koala is listed as 'vulnerable to extinction' under the *Threatened Species Act 1995* and the NSW population as 'vulnerable' under the EPBC Act due to ongoing habitat threats and pressures resulting in declining numbers. This listing gives the koala an increased level of protection and attention: for example development proposals that will affect koala habitat are assessed more rigorously.

State Environmental Planning Policy No. 44 (SEPP 44) – Koala Habitat Protection aims to encourage the conservation and management of natural vegetation that provides important koala habitat. The SEPP 44 requires a plan of management for areas of more than one hectare that contain koala habitat and for which a development application has been lodged.

Koalas in Port Stephens

The Port Stephens LGA is home to an important koala population. In order to protect the iconic koalas of the area, Council developed the Comprehensive Koala Plan of Management (CKPoM), which was approved by the Department of Planning in 2002. The principal aim of the CKPoM (which is consistent with State planning policies) is to:

'Encourage the proper conservation and management of areas of natural vegetation that provide habitat for koalas, to ensure permanent free-living populations over their present range and to reverse the current trend of population decline.' ⁴⁶

The CKPoM covers the entire LGA as an effective tool to assist Council manage the balance between development and the conservation of habitat. It focuses on koala conservation in the LGA through the identification of core koala habitat, mitigation of threats to koalas and native vegetation on which they rely as well as the further development of koala conservation measures in the region.

45. Data from the BioNet Atlas of NSW Wildlife website, which holds records from a number of custodians. The data are only indicative and cannot be considered a comprehensive inventory, and may contain errors and omissions.

46. <http://www.portstephens.nsw.gov.au/grow/land-environment-and-heritage/environmental-plans-and-strategy/comprehensive-koala-plan-of-management>

The CKPoM contains 13 objectives relating to identifying key habitat, implementation of conservation programs, community education and ongoing research into the koala population(s) of Port Stephens. The CKPoM states these objectives will be achieved in cooperation with the community and key stakeholders through the implementation of the action plan contained within the CKPoM. The CKPoM Steering Committee continues to guide the development and implementation of the plan.

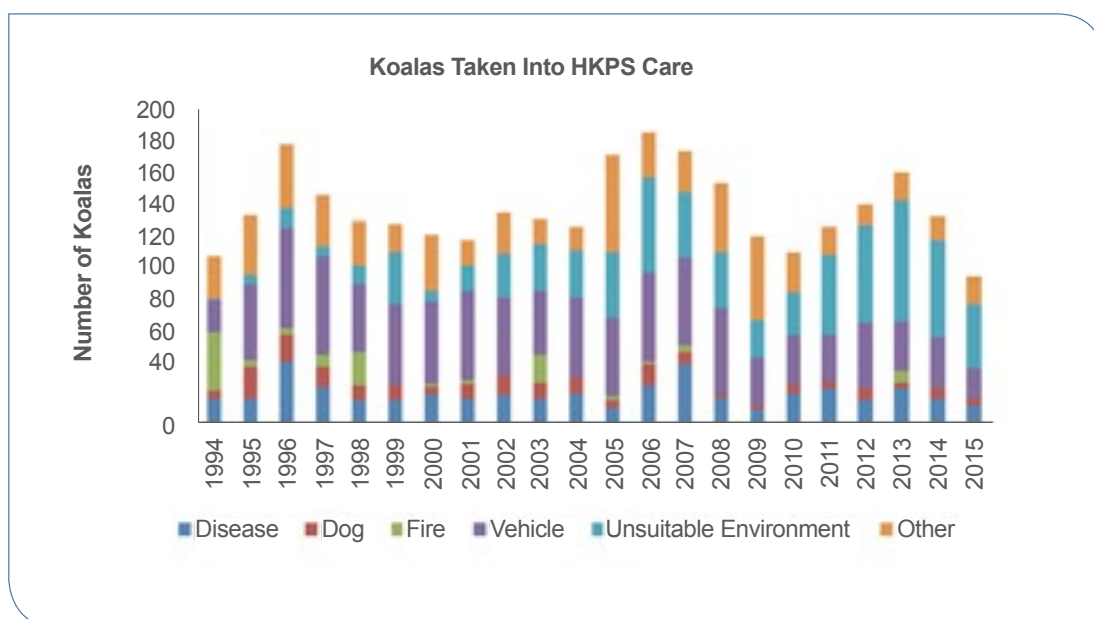
The Great Koala Count has been run during 2013, 2014 and 2015 by the National Parks Association of NSW. It is a community based, citizen-science survey program conducted over a specific time period in November each year. It aims to build on community knowledge to create a comprehensive picture of the abundance and distribution of koalas in the local area. The survey is designed to achieve clear outcomes through rigorous and systematic structure. Repeated over time the Koala Count intends to show trends in koala populations, movement and habitat usage. See koalacount.org.au for the full 2013 and 2014 reports as well as more information about the program.

Port Stephens LGA	Number of Citizen Scientists	Number of Koalas Counted	Number of "My Koala Walks"*
2013	19	60	9
2014	13	44	14

National Koala Count Data submitted for Port Stephens LGA

* Number of 'My Koala Walks' refers to where citizens looked for koalas but were unable to sight any.

The Hunter Koala Preservation Society (HKPS) is a volunteer group dedicated to the preservation, management, rehabilitation and care of koalas in the Port Stephens area. They maintain a database of koalas that come into the care of rescuers, or are found deceased in order to better inform decision and policy making.



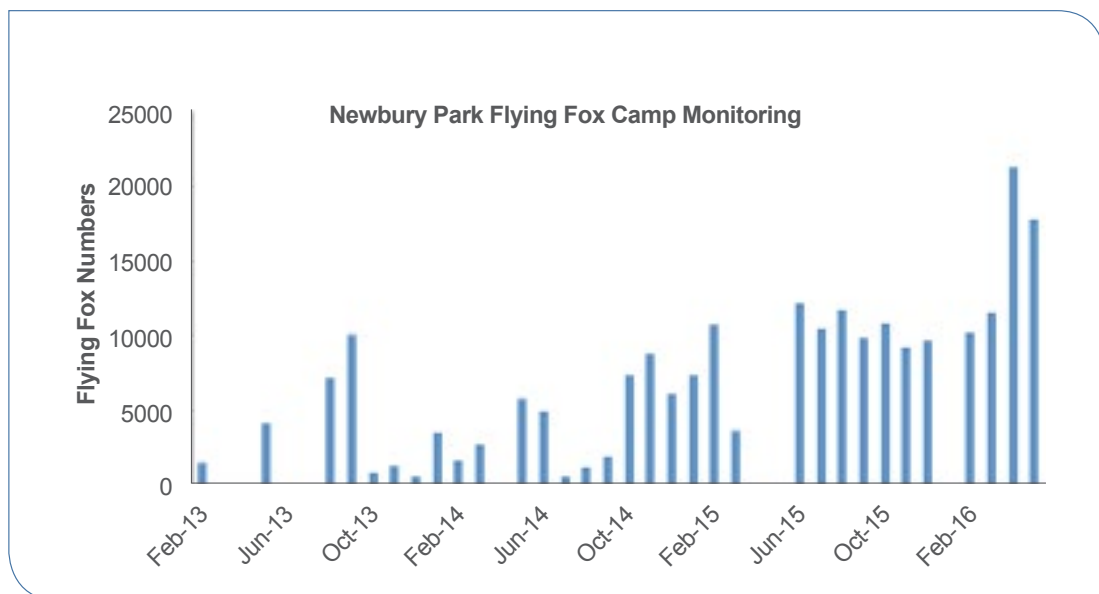
Source: HKPS

It can be seen from the figure above that the total number of koalas being taken into care by HKPS fluctuates over the data period; however the number of rescues attributed to an 'unsuitable environment' is increasing.

The Grey Headed Flying Fox is protected under *NSW National Parks and Wildlife Act 1974*, and listed as 'vulnerable' under the *Commonwealth Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act, 1999), and the *New South Wales Threatened Species Conservation Act 1995* (TSC Act, 1995). The decline in the Grey Headed Flying Fox population may not be obvious in all areas. As their natural habitat is lost through clearing, these animals become more concentrated in localised areas where feeding and roosting habitat is still available⁴⁷.

Newbury Park, Raymond Terrace, has been home to a permanent, now 'Nationally Significant' flying-fox camp since 2010. There are also temporarily populated camps called satellite camps located at:

- Fullerton Cove
- Medowie
- Bobs Farm
- Wallaroo
- Salamander Bay
- Snapper Island



Source: Newbury Park Flying Fox monitoring data February 2013 – March 2016.

It is noted that monitoring data were not reported for four months (April-June 2015 and January 2016) in the monitoring period 2015-2016. This was due to staffing restructure and changes within the Natural Resources section of Council. No data were collected during January 2016 due to storms and flooding in Raymond Terrace and the Port Stephens LGA.

47. <http://www.environment.nsw.gov.au/threatenedspecies/Grey-headedFlying-foxVulnerable.htm>

Recently the flying fox population at Newbury Park has expanded into Ross Wallbridge Reserve. This change in behaviour is attributed to unseasonal conditions through NSW and south Queensland over the summer of 2015-2016. This rare natural event has resulted in significant changes to flying fox seasonal migration patterns, most noticeably resulting in higher numbers in the Hunter Valley.

The combination of warmer conditions and unseasonal flowering has attracted flying foxes to Ross Wallbridge Reserve from Newbury Park and elsewhere. As of late April 2016, monthly monitoring established that the local Raymond Terrace population has expanded from 10,000 to 20,000 with a related increase in resident and business enquiries. Council will closely monitor the situation, particularly in relation to potential changes from upcoming cooler conditions.

Council has been liaising with concerned community members, particularly residents of Alton Road, to provide updated information and details on the cross governmental management approaches, as well as options for their own action and dispelling some common myths around flying foxes and human health.

Endangered Ecological Communities

The following Endangered Ecological Communities (as listed under the TSC Act, 1995) are listed on BioNet for the LGA⁴⁸:

- Hunter Lowland Red Gum Forest.
- Coastal Saltmarsh in the NSW North Coast, Sydney Basin and South East Corner Bioregions.
- Freshwater Wetlands on Coastal Floodplains of the NSW North Coast, Sydney Basin and South East Corner bioregions.
- Lower Hunter Spotted Gum – Ironbark Forest in the Sydney Basin Bioregion.
- River-Flat Eucalypt Forest on Coastal Floodplains of the NSW North Coast, Sydney Basin and South East Corner bioregions.
- Swamp Oak Floodplain Forest of the NSW North Coast, Sydney Basin and South East Corner bioregions/ Sydney Coastal Estuary Swamp Forest in the Sydney Basin Bioregion.
- Swamp Sclerophyll Forest on Coastal Floodplains of the NSW North Coast, Sydney Basin and South East Corner bioregions.
- Littoral Rainforest in the NSW North Coast, Sydney Basin, and SE Corner Bioregions.
- Lowland Rainforest in NSW North Coast and Sydney Basin Bioregion.
- Kurri Sand Swamp Woodland.
- Themeda grassland on Sea cliffs and Coastal headlands in the NSW North Coast, Sydney basin & SE Corner bioregion.
- Lower Hunter Valley Dry Rainforest in the Sydney Basin and NSW North Coast Bioregions.
- Blue Gum High Forest in Sydney Basin Bioregion.

Biodiversity in Port Stephens is impacted by land clearing for agriculture, mining and urban development, and habitat and corridor fragmentation. Invasion by introduced species and altered fire regimes also affect native terrestrial biodiversity.

48. Data from the BioNet Atlas of NSW Wildlife website, which holds records from a number of custodians. The data are only indicative and cannot be considered a comprehensive inventory, and may contain errors and omissions.

Habitat Preservation and Regeneration

Council is one of many land owners and managers within the LGA. Regulatory control for key environmental protection matters and landholder responsibilities are also held by:

- National Parks and Wildlife (NPWS) as a land manager for the NPWS Estate. NPWS is also a regulatory authority for native flora and fauna.
- Forestry Corporation of NSW as a land manager.
- Local Land Services as the approval body of *Native Vegetation Act 2003*.
- Crown Lands as a land manager.
- Private property owners.

Port Stephens is a diverse region, comprised of natural features including bushland, rivers, wetlands and coastal areas. The table below shows the natural land areas within the Open Space Management Plan by land ownership and the net area zoned for Environmental Protection in the 2013 LEP.

Protected Natural Areas within the LGA

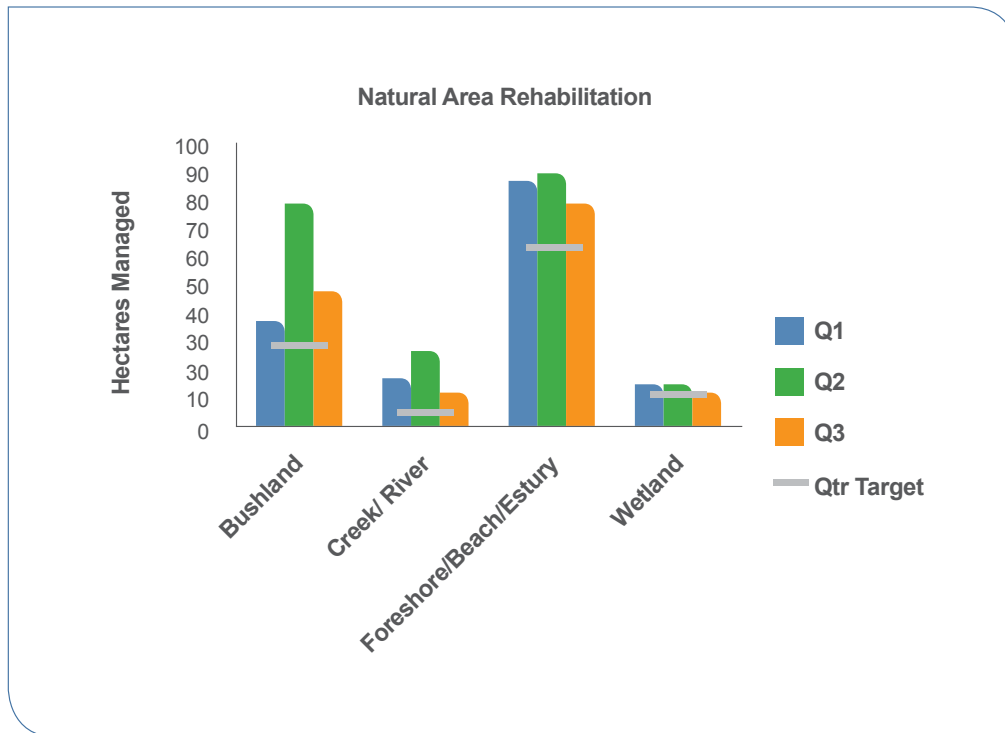
Land Type	Area (ha)	Percentage of LGA
National Park (NPWS)	19,318	20%
State Forest	3,468	4%
'Natural Area' Community Land	480	0.5%
'Foreshore Area' Community Land	118	0.07%
'Natural Area' Crown Trusteeship	65	0.1%
'Foreshore Area' Crown Trusteeship	123	0.1%
Land Zoned 'Environmental Protection (private and public)	7,759	8%

Bushland Restoration

Approximately 60-65% of the Port Stephens LGA supports remnant native vegetation. This bushland contains many of the threatened flora, fauna, and vegetation communities found within the LGA and provides important wildlife corridors to facilitate species movement.

Council conducts an ongoing natural area rehabilitation program which includes a range of activities across a number of Council controlled sites. These activities range from bushland regeneration, native plantings, weed and pest control, education activities and monitoring programs. This program is divided into bushland, creek/river, foreshore/beach/estuary and wetland categories. Areas actively managed in 2015-2016 are depicted in the figure on the following page.

2015-2016 Natural Area Restoration Outcomes and Targets



Over 750 volunteers are actively involved in many of Council's committees, programs and initiatives. Volunteers make an enormous contribution to the achievement of environmental outcomes through the maintenance, restoration and protection of the LGAs natural assets.

Environmental Weeds and Pests

Environmental weeds are managed according to priority sites for overall bushland management. Those weeds that are not declared noxious, but remain a threat to the environment are termed 'environmental weeds'. The largest proportions of environmental weeds are horticultural species that have escaped from cultivation. Environmental weeds still have a detrimental effect on local biodiversity. Management of environmental weeds is primarily done on a site-management needs basis where control is undertaken in order to conserve EECs and protected species.

Pests are prioritised based on the list of currently declared pest species in NSW. Currently declared pest species in NSW are:

- wild rabbits
- wild dogs
- feral pigs
- foxes (European Red)
- feral camels (Western Division of NSW only)
- a number of locust species (the Australian Plague, Spur-Throated and Migratory).

Under the *Local Land Services Act 2013* all land managers in NSW, whether on public or private land, have an obligation to control declared pest species on their land.

Local Land Services is the lead agency for pest management in NSW. Council undertakes pest management as a responsible landholder; no regulatory role is currently attributed to Council. Other landholders such as NPWS, Forestry Corporation of NSW and Crown Lands undertake pest management within their own areas. Similar to the management of environmental weeds, Council controls pests in terms of specific site management requirements.

Local Land Services helps landholders by providing advice and assistance in eradicating declared pest species. They also work with private and government stakeholders to develop vertebrate pest management plans and cooperative management programs⁴⁹.

Riparian Protection and Enhancement

Local freshwater ecosystems include wetlands, coastal freshwater swamps, marshes, hanging swamps, and intermittently inundated floodplains along the Hunter and Williams Rivers. Healthy freshwater ecosystems are placed under pressure by erosion clearing, grazing, altered hydrology and introduced species.

Through the award of a NSW Environmental Trust Grant, Council has undertaken an extensive restoration project to protect the riparian corridor of the Williams River between Raymond Terrace and Seaham. The project was run from 2010-2014. Objectives of this project included:

- Targeted weed control and re-planting of native riparian vegetation along the estuarine reach of the Williams River.
- Installation of rock filleting to increase the resilience of the riverbank areas to flooding and erosion processes, as well as reduce sediment flow into the river when coupled with native revegetation.
- Building the capacity of landowners to protect riparian areas through the facilitation of on-ground improvements such as weed management, regeneration and the fencing of riverbank areas to reduce the impacts of livestock within wetlands and other sensitive areas.

Through the cooperation of Council, land managers and private residents the project successfully improved the resilience, protection and native vegetation of 3.8 km of degraded river bank. In turn this has enhanced the water quality, biodiversity, ecosystem services and best management practices appropriate to each site.

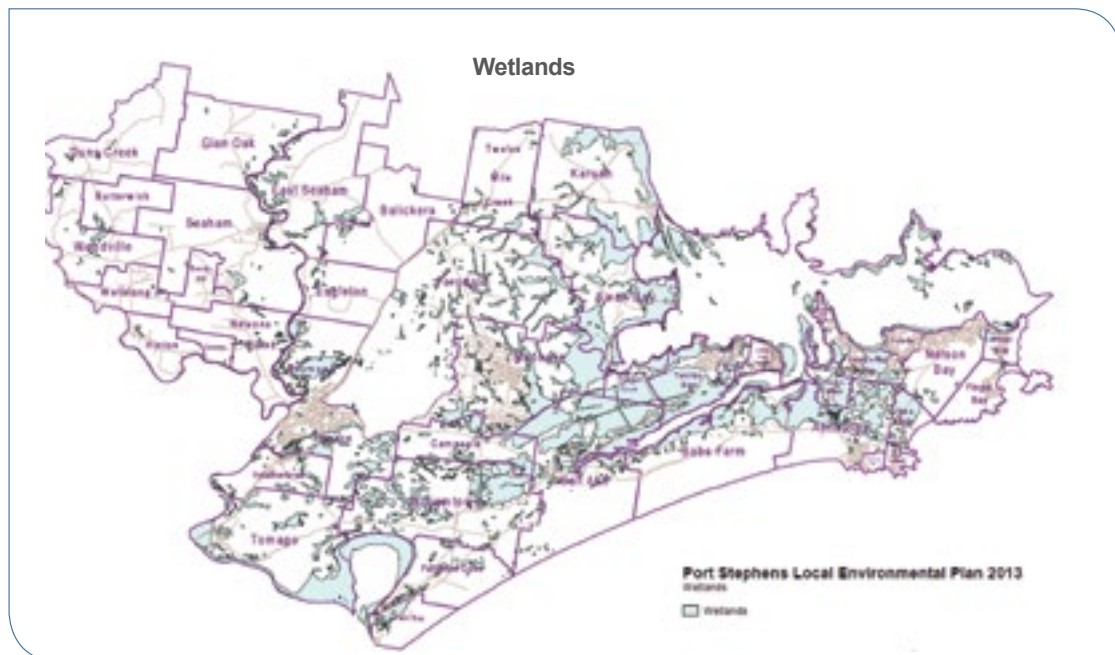
Wetland Preservation

Within the LGA two wetland systems of International Importance (Ramsar) are listed as Matters of Environmental Significance under the EPBC Act.

The Mambo Wetlands and Wanda Wetlands are located primarily in Salamander Bay. The Mambo Wanda Wetlands Committee aims to protect, maintain and enhance the wetlands, encourage public visitation while safeguarding Aboriginal Cultural Heritage and the areas ecological integrity.

49. <http://www.lls.nsw.gov.au/biosecurity/pest-control>

Regular activities undertaken by the group include the removal of weed species, native bushland regeneration, monitoring of water quality, maintenance of the area including walking tracks and access barriers for illegal users⁵⁰.



Wetland Areas mapped within the LGA under the LEP2013

Foreshore Management

The coastal areas of Port Stephens are dynamic and diverse; they shape our region through innate influences on tourism, industry, lifestyle and culture. Our coastline includes a diversity of habitats and landforms, an ever-changing environment that is continuously shaped by complex coastal processes.

The management of the foreshore within Port Stephens is the joint responsibility of a range of agencies and stakeholders who work collaboratively on projects and activities to ensure the foreshore area is protected and enhanced for the benefit of the community and the natural environment.

The Port Stephens Foreshore Management Plan provides a coordinated approach for the prioritisation of management actions and ongoing commitments to the sustainable use of foreshore areas in Port Stephens and Great Lakes LGAs. The Foreshore Management Plan is currently under a scheduled review.

50. <http://www.mambowanda.com.au/>

Over the reporting period Council has undertaken many foreshore management projects to protect and enhance coastal areas as well as encourage safe and easy access to water ways by recreational users. All works undergo the appropriate consideration and assessment afforded to them by their high ecological and recreational values.

Tanilba Bay foreshore revetment works, undertaken in two stages including saltmarsh re-introduction, were completed in June 2016. This project included the implementation of erosion management measures in accordance with the Tanilba Bay Foreshore Management Plan (developed 2011). The unauthorised boat ramp at Peace Park was also removed in accordance with this management plan.

Boat ramps were upgraded at Lemon Tree Passage, Karuah, Forster Park (Tanilba Bay) and Shoal Bay foreshore areas. Council also undertook upgrade works on Rookes Point Jetty, Mallabula and the Lemon Tree Passage tidal pool pontoons. Infrastructure improvements, including the construction of a revetment wall at Henderson Park, Lemon Tree Passage are ongoing.

Conroy Park, Corlette and Sunset Park, Soldiers Point required emergency foreshore stabilisation works. Revetment works and the removal of unauthorised boat ramps are scheduled for Sunset Park, Soldiers Point.

The Sandy Point/Conroy Park Foreshore Erosion and Drainage Management Plan was endorsed by Council in April 2016, formalising Council's commitment to investigate specific foreshore protection works for the area which is currently being significantly impacted by coastal processes. A coastal processes study has been completed, as has a drainage processes study; development of concept plans, community consultation, prioritisation of works and detailed design for sand nourishment is currently underway.

The Kangaroo Point Foreshore Study was undertaken in 2015 to consider coastal processes and future management of the foreshore area to the North of Kangaroo Point, Soldiers Point. Oceanic swell exposure has resulted in significant damage to the existing inappropriate seawall and subsequent loss of the beach – works are proposed for June 2017.

Sand nourishment of Shoal Bay Beach is ongoing in response to long term erosion issues. Council is in the early stages of future improvements to Little Beach boat ramp. Coastal processes studies are currently being undertaken to guide concept designs for the area. Sand management surrounding the boat ramp continues.

Future coastal process studies and management will be in accordance with the recent creation of the NSW Coastal Management Bill.

Estuary Health

Estuaries are important natural resources, supporting a vast biodiversity of terrestrial and marine organisms and providing an array of vital ecosystems services. In addition to its high natural value, the Port Stephens estuary is an important location for commercial and recreational fishing and marine tourism. Threats to estuary health result from the increased pressure of human activities and pollution and as well natural events such as storms, floods and erosion.

Management of the estuary is shared between multiple Government authorities and stakeholders. The PSC Estuary Committee is established to progress and monitor the implementation of the Port Stephens/ Myall Lakes Estuary Management Plan (2000). The Committee includes representatives of local and State Government Authorities, estuary user groups and the community.

Completed in 2013 Council undertook a two staged project to improve and protect water quality in Tilligerry Creek which flows into the Port Stephens Estuary. The initiative involved the fencing of approximately 3 km of riparian area to restrict livestock access and associated degradation and the revegetation of over 1 km of riparian area to increase habitat and run-off filtration. The aim was to support the capacity of landholders to manage the creek front and estuarine reach.

Fisheries Research Institute

NSW Department of Primary Industries operates Port Stephens Fisheries Institute at Taylors Beach; all fisheries research in NSW is coordinated from this centre. Research programs are focused on aquaculture, marine ecosystems, freshwater ecosystems and fisheries research assessment⁵¹.

Port Stephens-Great Lakes Marine Park

The Port Stephens-Great Lakes Marine Park (PSGLMP) was declared in 2005 under the *Marine Parks Act 1997*. The park covers an area of approximately 98,000 ha and includes important habitat for the grey nurse shark and black cod, the primary breeding site of the Gould's Petrel, the largest areas of mangrove and saltmarsh in NSW and 5% of the State's seagrass area.

The PSGLMP Zoning Plan enhances conservation of marine habitats and species by providing various zones and corresponding levels of protection whilst allowing for multiple use. The four types of zones that are applied in NSW marine parks are sanctuary zones, habitat protection zones, general use zones and special purpose zones⁵².

The Marine Parks Authority (MPA) undertakes management action within the Marine Park area in accordance with the PSGLMP. PSGLMP objectives and management actions have been organised under the following strategies:

- Identification and adaptive management of threats to marine biodiversity and habitats.
- Protection of high conservation areas and threatened species.
- Assessing developments in and affecting the marine park to minimise impacts.
- Maximising voluntary compliance with the marine park zoning plan.
- Ecologically sustainable management of commercial activities.
- Delivering an ecological, social and economic research and monitoring program.
- Promotion of sustainable tourism and recreational uses, as well as facilitation of a greater appreciation of marine biodiversity.
- Ensuring management is consistent with the cultural aspirations of Aboriginal people⁵³.

51. <http://www.dpi.nsw.gov.au/content/research/centres/psfi/research>

52. <https://www.portstephens.org.au/images/documents/Great%20Lakes%20Marine%20park%20brochure.pdf>

53. <http://www.mpa.nsw.gov.au/pdf/PSGLMP-Operational-Plan-2010.pdf>

Marine Parks Association

Established by a group of marine scientists and concerned citizens, the Marine Parks Association (MPA) supports marine parks and sustainable marine resource management from a community based platform. MPA collaborates with DPI, NPWS, OEH, universities and Marine Parks to undertake citizen science and research projects such as the annual dolphin census and seagrass studies⁵⁴.

Coastal Reforms

The aim of the coastal reforms is to establish a new approach that allows land managers and decision makers to respond effectively to coastal processes and hazards, and to manage the unique environmental, social and economic values of the coast in a coherent and functional way.

The current legal framework for coastal management in NSW was established over 35 years ago. It was recognised that these laws were not able to adequately reflect the current and future challenges faced by our coastal areas, nor the evolving knowledge of coastal processes and hazards.

On 13 November 2015, the NSW government took a major step in this two stage coastal reforms program by releasing a draft framework for coastal management for public consultation. A full draft Coastal Management State Environmental Planning Policy (SEPP) and corresponding maps of the coastal management areas will also be released separately for public comment in the coming months. The government will not finalise the coastal reforms until this second stage of public consultation is completed⁵⁵. The Foreshore Management Plan is being reviewed in the context of the Coastal Reforms which require Councils to prepare a Coastal Zone Management Program.

Environmental Education Programs

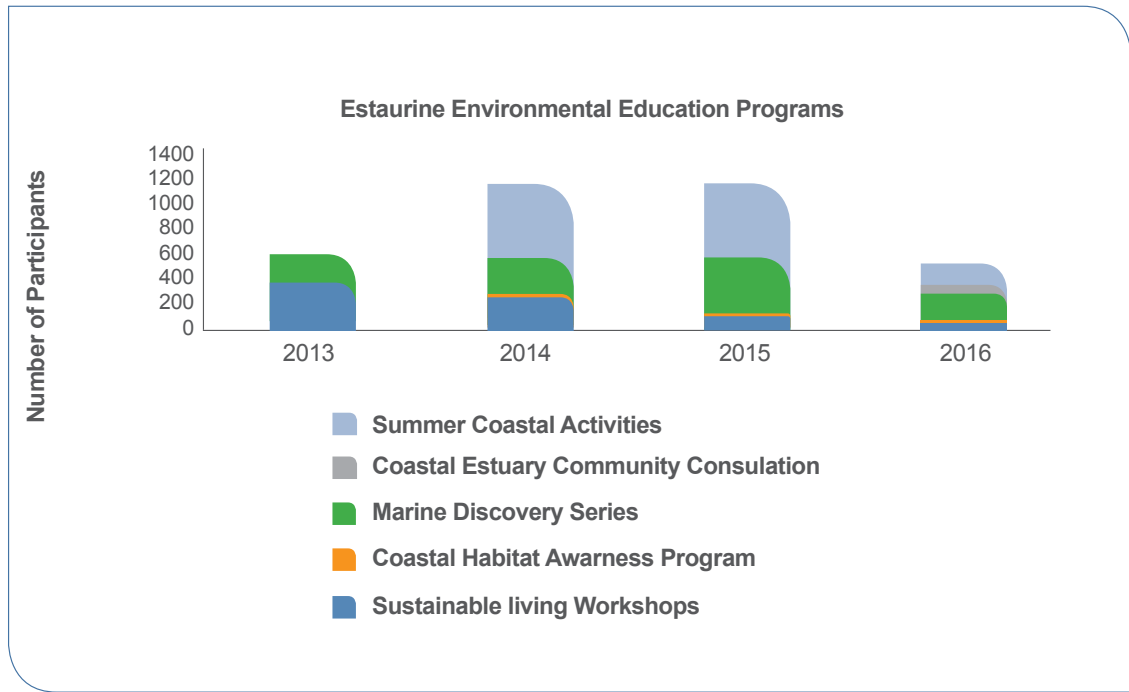
Council regularly delivers educational programs to promote awareness, preservation and protection of the Port and its estuarine environments. These programs include:

- The Summer Coastal Activities Program
- Port Stephens Marine Discover Series
- Coastal Habitat Awareness Program

Participant numbers are shown in the following graph.

54. <http://www.marineparksassociation.org.au/>

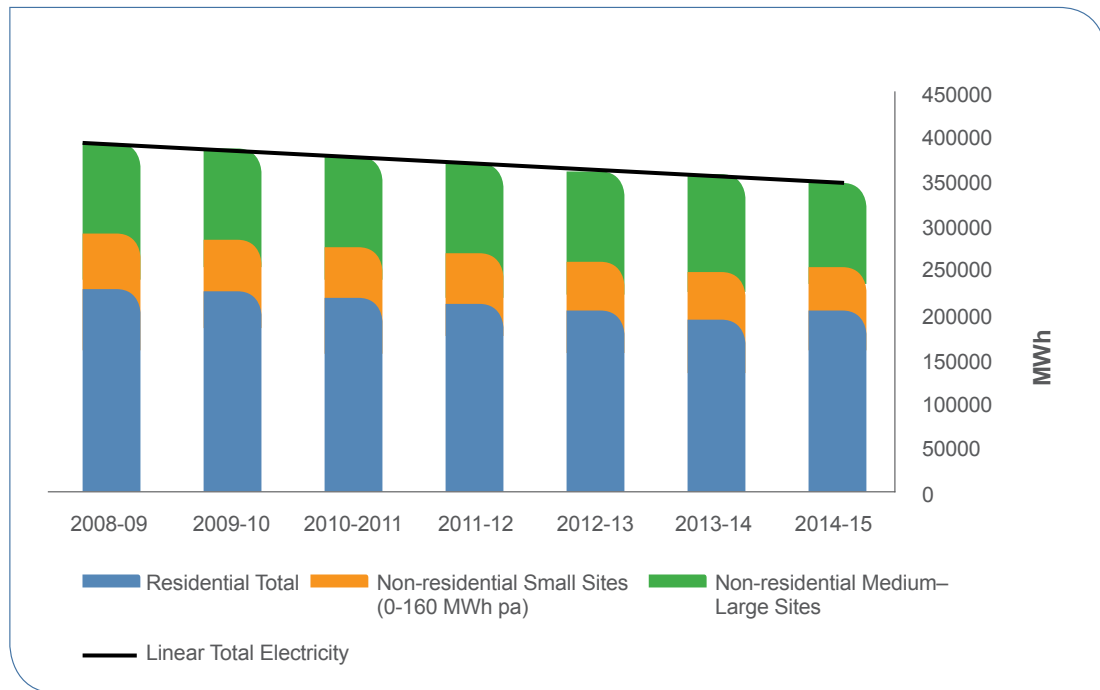
55. <http://www.environment.nsw.gov.au/coasts/coastreforms.htm>



Greenhouse Gas Emissions

As climatic records continue to be broken across Australia, the need to reduce greenhouse gas (GHG) emissions globally and locally has never been stronger.

The electricity sector remains a significant contributor to GHG emissions in NSW. In recent years electricity consumption has declined in NSW due to a variety of economic factors, such as increased local generation by residential and commercial users and improvements to energy efficiency⁵⁶.

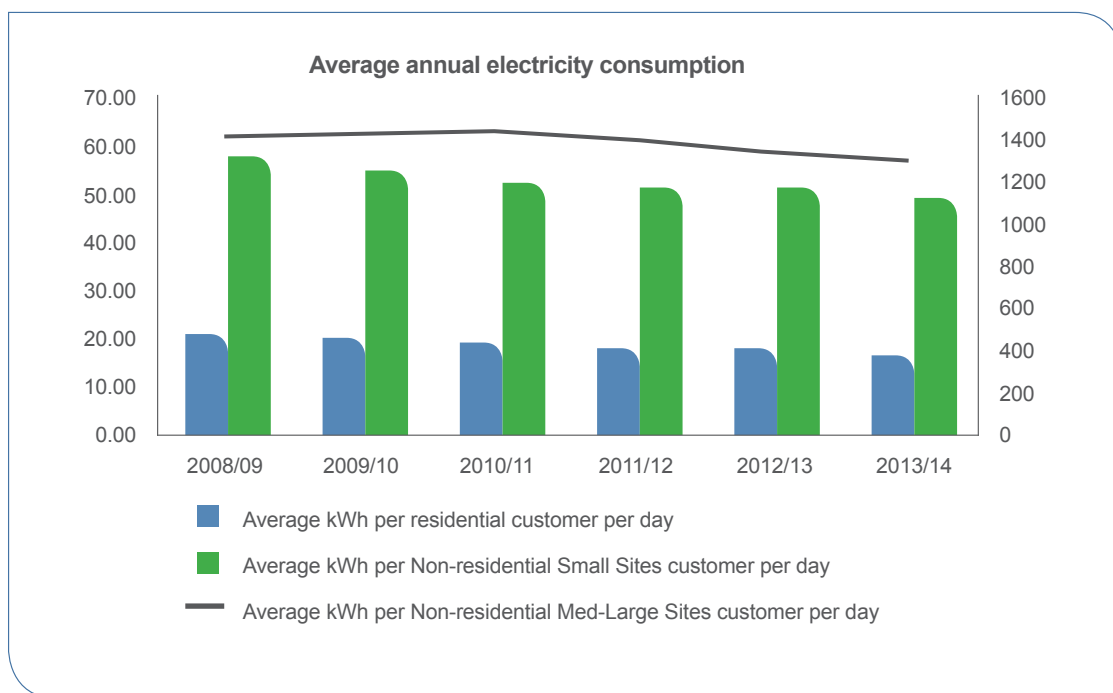


Total Electricity Consumption in the Port Stephens LGA

According to Ausgrid total electricity consumption has been steadily declining over recent years across Port Stephens however consumption increased in 2014-2015 for the first time since at least 2008-2009.

Average annual electricity consumption by customer has been declining across all categories over the reporting period, providing further indication of increased energy efficiency measures and uptake of local generation opportunities including, most significantly – solar photovoltaics.

56. <http://www.epa.nsw.gov.au/resources/soe/20150817soe-2015.pdf>

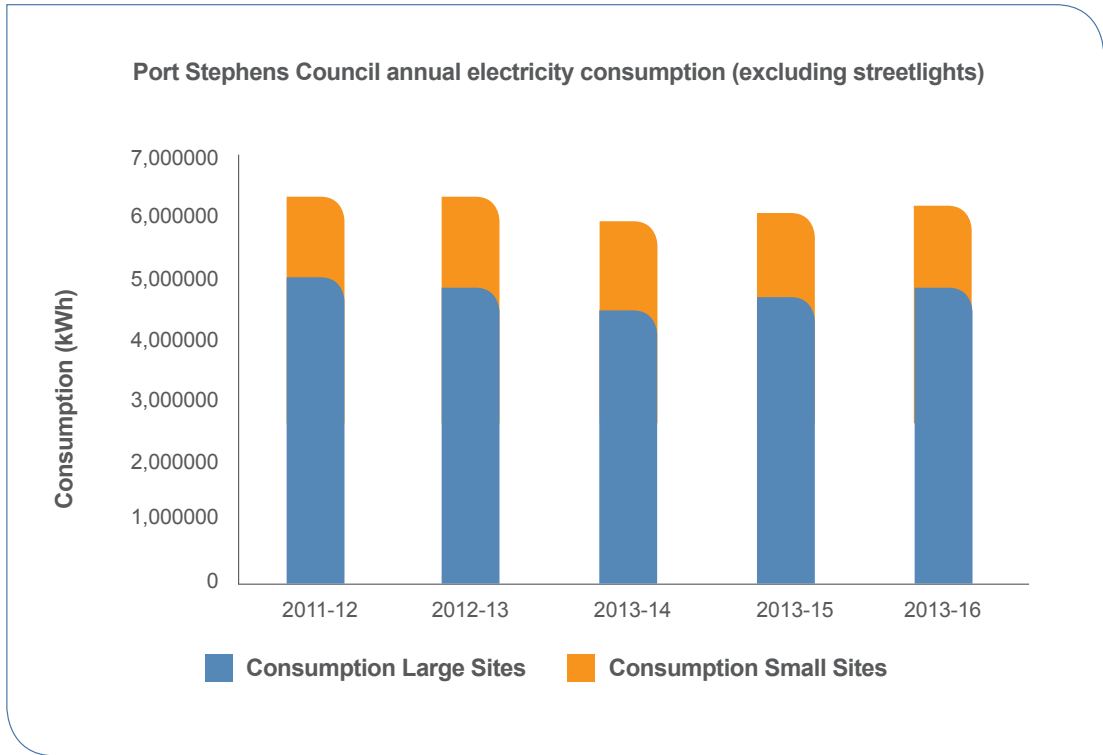


Average annual electricity consumption per customer and customer category in the Port Stephens LGA

According to the Australian Photovoltaic Institute (APVI) as at 19/04/2016 there was 13,325 kW of installed solar photovoltaic capacity of across the Port Stephens LGA from 4,722 solar installations, equating to approximately 16.1% of dwellings having a solar PV system installed . According to APVI this is the highest density of solar PV systems installed by LGA within the Hunter.

Port Stephens Council continued to implement its sustainable energy program throughout the term with a range of activities implemented throughout the LGA to improve the overall efficiency, environmental performance and financial sustainability of its assets. These projects ranged from LED lighting retrofits to renewable energy (solar) installation, installation of building management systems, HVAC (Heating, Ventilation and Air Conditioning) upgrades, timer and sensor controls amongst others.

57. <http://pv-map.apvi.org.au/historical#9/-32.8564/151.4117>



Chinese Violet

Noxious Weed Infestations

In New South Wales, the term ‘noxious weed’ is used to describe plants that have been declared as noxious by the Minister for Agriculture under the Noxious Weeds Act 1993 (the Act).

The Act aims to protect the economy, the environment and the community from the negative effects of serious weeds. The Act provides the means by which the spread and establishment of serious weeds can be prevented.

Council’s approach to the management of noxious weeds in Port Stephens is aligned with the Australian Weeds Strategy, NSW Invasive Species Plan and the Hunter and Central Coast Regional Weeds Strategy. This is a coordinated and integrated approach to ensure consistency.

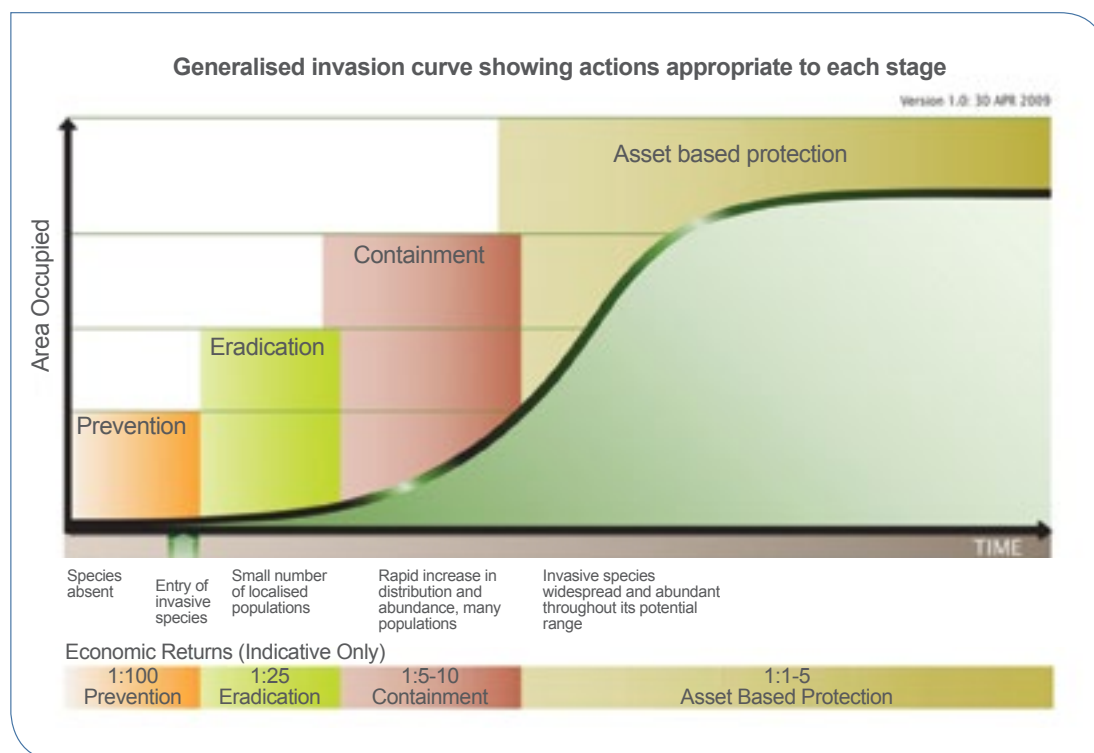
Plants that pose a serious threat to primary industries, the environment and/or the community are potential candidates for declaration as noxious weeds. There are five control classes of noxious weeds, scaled in terms of weed type and threat. Control requirements are specified in accordance to these control classes.

There are 126 Weeds Declared in the Local Control Authority area of Port Stephens Council.

Class	Definition	Number
1	State Prohibited Weed <i>The plant must be eradicated from the land and that land must be kept free of the plant</i>	35
2	Regionally Prohibited Weed <i>The plant must be eradicated from the land and that land must be kept free of the plant</i>	12
3	Regionally Controlled Weed <i>The plant must be fully and continuously suppressed and destroyed</i>	17
4	Locally Controlled Weed <i>The plant must not be sold, propagated or knowingly distributed</i>	34

Source: NSW Weedwise 58

The declaration of noxious weeds and the prioritisation of control works are generally based on the 'invasion curve', see figure below. The invasion curve shows that eradication of an invasive species becomes less likely and control costs increase as an invasive species spreads over time. Prevention is the most cost-effective solution, followed by eradication. If a species is not detected and removed early, intense and long-term control efforts will be unavoidable.



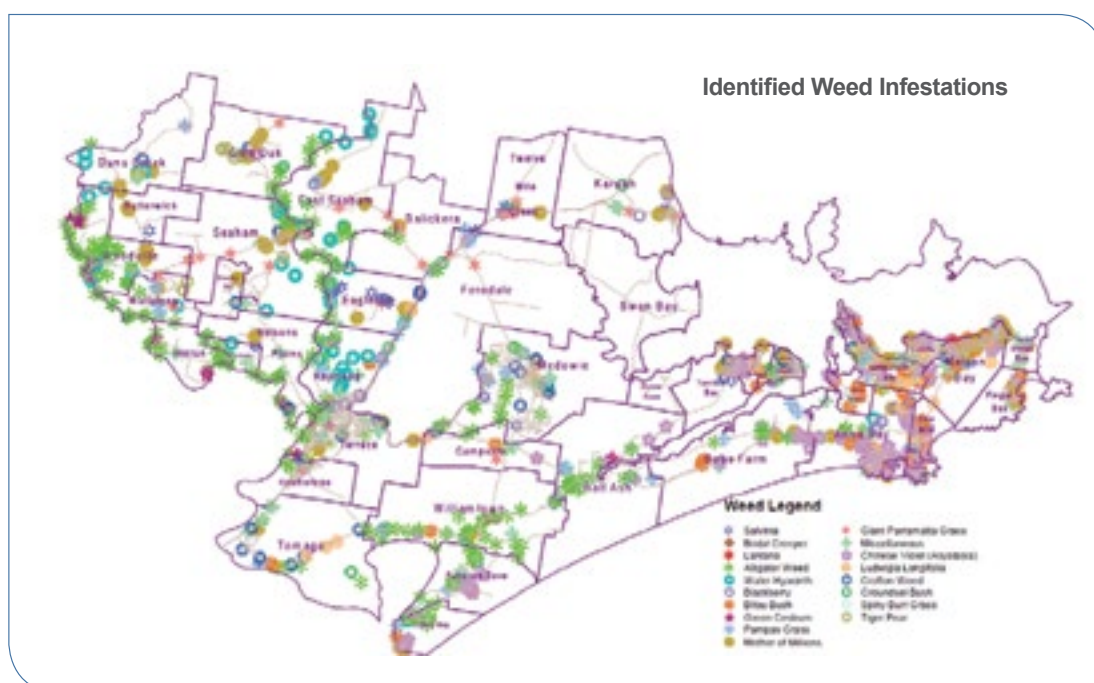
Source: Invasive Plants and Animals Policy Framework, Agriculture Victoria

58. Data Retrieved 28/2/2016

Council is a local control authority for noxious weeds within in the LGA. This means that Council has a regulatory role to enforce the Act on private property, Council is also required to comply with the Act on land for which Council has management responsibility.

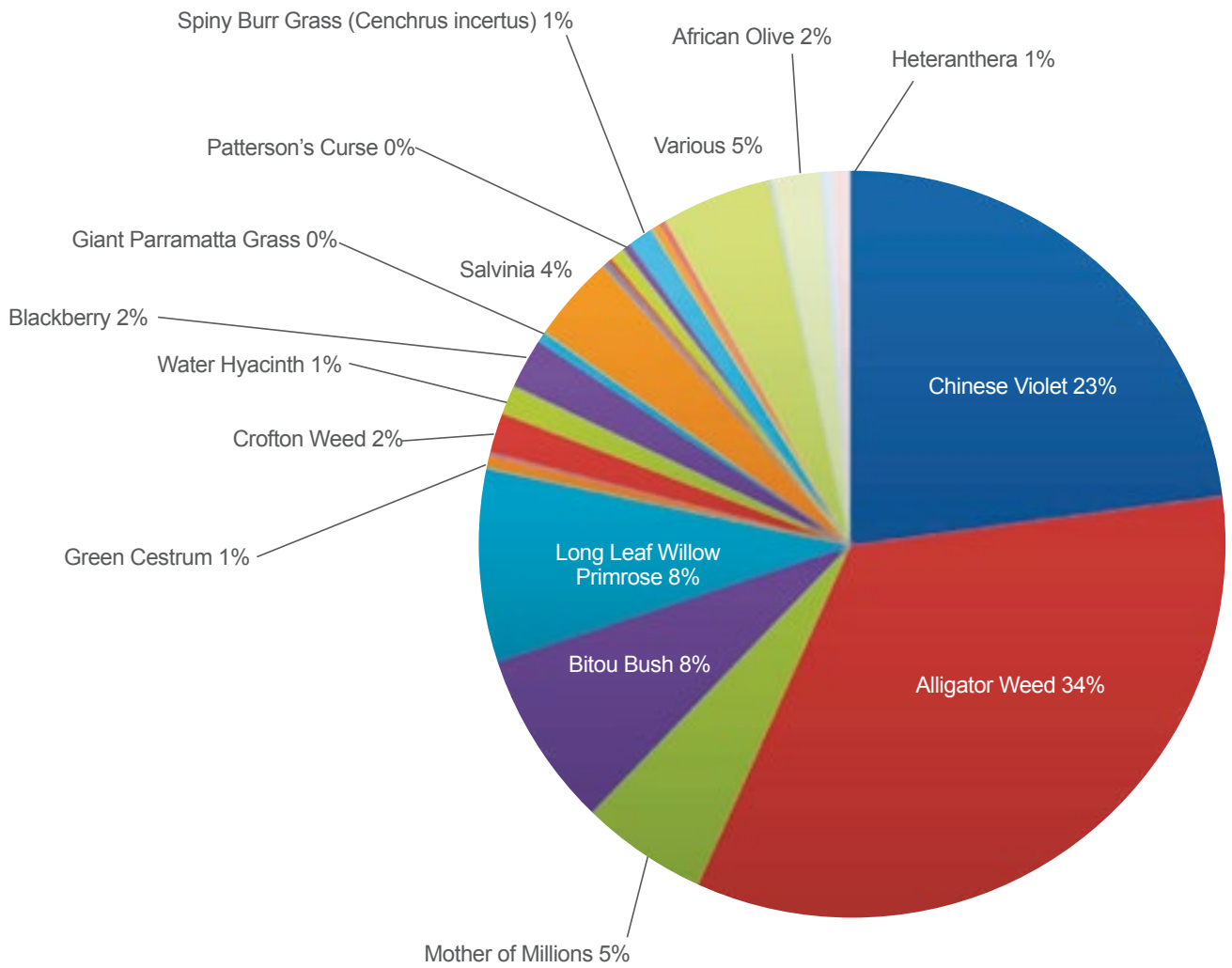
Council utilises GIS mapping to monitor and track the extent of noxious weed incursions. Mapping demonstrates that noxious weeds are concentrated around key pathways of spread such as waterways, major roads and urban areas. Mapping is also used to prioritise inspection programs, as part of early intervention initiatives.

Extent of Noxious Weeds Identified and Treated Through Council Inspection Programs



Council prioritises its noxious weed control program based on the invasion curve and weeds mapping. Many of Council's weed control programs are focused on species and areas where early prevention, eradication and containment outcomes are achieved ahead of the need for asset based protection. The figure below depicts the species Council prioritises for control and compliance programs.

Total Hours Spent on Species



Total Hours Spent on Weeds Species within the LGA

Our Environment

Theme: Waste Management

Goal: Port Stephens has a highly valued, affordable and convenient waste and recycling system.

Community Indicator	Outcome
Total waste per capita (landfill, recycle, green).	<p>Total tonnage of waste has increased since 2012 but is considered on target with growth. A spike in tonnage in 2014-2015 is a result of green waste generated from the April 2015 storm.</p> <p>Diversion and recycling rates have increased since 2012 due to improved sorting processes at Salamander Bay Waste Transfer Station and process changes at the ARRT.</p>

Council contracted its waste collection services through Solo Resource Recovery for the period to 30 June 2015. Thereafter a new contract was awarded to Suez for new garbage and recycling bins which were rolled out across Port Stephens from 1 July 2015 – changing the way residents process and dispose of rubbish.

The new arrangements created a greater emphasis on recycling with households taking up an option for a bigger recycling bin for a one-off fee.

The new contract included changes to the kerbside collection service with households able to book in two collections a year on a date that suited them.

Waste statistics for the period 2012-2015			
	2012-2013	2013-2014	2014-2015
Landfill	19,548.94	17,212.64	20,378
Per capita	0.287	0.247	02.89
Greenwaste	3,050.04	3,821	13,346
Per capita	0.045	0.055	0.189



	2012-2013	2013-2014	2014-2015
Recycling – yellow bin	6,360.17	6,888.12	6,786.34
Per capita	0.093	0.099	0.096
Recycling - compost	13,148	13,346.68	12,497.68
Per capita	0.193	0.191	0.177
Totals per capita	0.6188	0.5918	0.7524

Council operates the Salamander Bay Waste Transfer Station and also has decommissioned landfill sites which are monitored on an ongoing basis.

Salamander Bay Waste Transfer Station



Our Environment

Theme: Sustainable Development

Goal: Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.

Community Indicator	Outcome
Housing affordability and stress	Undersupply of affordable housing to rent or buy

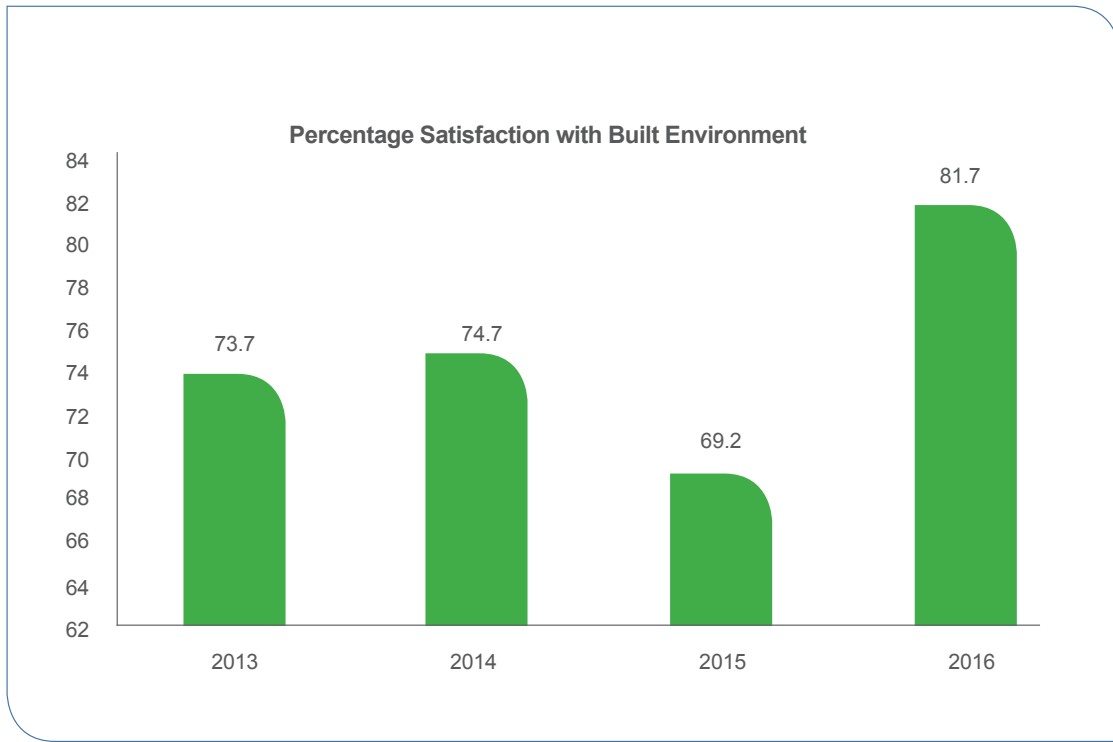
Port Stephens does have a problem with an undersupply of affordable housing in relation to incomes. The definition of affordable housing is housing rent or mortgage is 30% or less of household income. Port Stephens has quite disparate income levels, higher amounts of low income households and lower levels of high incomes with bigger gaps in between when compared with NSW for example.

Investigation shows that a mismatch of dwelling types is quite likely to be contributing to instability in housing affordability. There appears to be a decline in particularly two bedroom dwellings and a very significant increase in four bedroom dwellings. This may be attributable not only due to construction of new four bedroom dwellings but also renovation of two and three bedroom dwellings. Increased cost of housing may be resulting in people buying what they can afford then later renovating when they can afford it.

Port Stephens had the lowest amount of affordable rental for very low (10.3%) income households in the Hunter at June 2014. There are also high proportions of low and very low income households in both rental and purchase stress and purchase affordability for very low and low income households is poor. At June 2014 Port Stephens had just 0.3% properties affordable for purchase by very low income households⁵⁹.

Port Stephens is a desirable settlement destination, and not just for retirees: the so-called 'sea change' and 'tree change' options are appealing to all demographics. Proximity to urban amenities, rural or rural/residential lifestyles, or villages by the sea provide lifestyle and employment options. This desirability is reflected in satisfaction with the built environment as shown in the graph on the following page.

59. <http://www.housing.nsw.gov.au/centre-for-affordable-housing/for-planners-of-affordable-housing/housing-snapshots/housing-market-snapshot-hunter-sub-region>



Source: Port Stephens Council Satisfaction Surveys Note: 2016 survey in progress interim result as at 10 May 2016

In 2013 the Minister for Planning gazetted the new Port Stephens Local Environment Plan (LEP).

The Port Stephens Development Control Plan 2014 (the DCP) was adopted by Port Stephens Council on Tuesday 14 July 2015 and became effective from Thursday 6 August 2015.

The second amendment came into effect on Thursday 10 December 2015. This amendment relates to D1 – Heatherbrae and D9 – Raymond Terrace Town Centre and enacts Council's resolution of 24 November 2015. This Plan seeks to provide further guidance to the Port Stephens Local Environmental Plan 2013.

There are considerable protections available to preserve the amenity of the LGA for future generations. These are in the form of planning and associated legislation as shown in the table below.

SHIREWIDE SEPPs
State Environmental Planning Policy No 1 - Development Standards
State Environmental Planning Policy No 21- Caravan Parks
State Environmental Planning Policy No 30 - Intensive Agriculture
State Environmental Planning Policy No 33 - Hazardous and Offensive development
State Environmental Planning Policy No 36 - Manufactured Home Estate
State Environmental Planning Policy No 44 - Koala Habitat Protection
State Environmental Planning Policy No 50 - Canal Estate Development
State Environmental Planning Policy No 64 - Advertising and Signage
State Environmental Planning Policy No 65 - Design Quality of Residential Flat Development
State Environmental Planning Policy (Major Development) 2005
State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004
State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007
State Environmental Planning Policy (Exempt & Complying Development Codes) 2008
State Environmental Planning Policy (Affordable Rental Housing) 2009
State Environmental Planning Policy (Infrastructure) 2007
State Environmental Planning Policy (Rural Lands) 2008
State Environmental Planning Policy (Temporary Structures) 2007
SITE SPECIFIC SEPPs
State Environmental Planning Policy No 14 - Coastal Wetlands
State Environmental Planning Policy No 32 - Urban Consolidation (Redevelopment of Urban Land)
State Environmental Planning Policy No 55 - Remediation of Land
State Environmental Planning Policy No 62 - Sustainable Aquaculture
Draft State Environmental Planning Policy No 66 - Integration of Land Use and Transport
State Environmental Planning Policy No 70 - Affordable Housing (Revised Schemes)
State Environmental Planning Policy No 71 - Coastal Protection
State Environmental Planning Policy - (State Significant Development)
State Environmental Planning Policy - (Housing for Seniors or People with Disability) 2004

Our Economy

Theme: Economic Development

Goal: Port Stephens has a sustainable and diversified economy.

Community Indicator	Outcome
Employment growth	Unemployment has risen 5.8% to 9.4%. Employment growth is – 5.1%.
Growth in tourism	Visitors increased by 16%.

The economy of Port Stephens has four key drivers:

- Defence and Aviation
- Global Manufacturing and Logistics
- Services
- Tourism

Port Stephens is home to one of the Australia's fastest-growing aviation and defence hubs, has a long-established manufacturing sector, and is one of the east coast's most famous tourism destinations.

Other features that have underpinned economic growth in the LGA include:

- Growing population and choice of either rural or coastal lifestyle.
- Located only two hours north of Sydney and 30 minutes from Newcastle.
- Moderate climate ideal for agriculture, tourism and lifestyle choices.
- Newcastle Airport providing daily flights to Brisbane, Sydney & Melbourne.
- Primary tourism destination within the Hunter and Mid North Coast regions.
- Strong community services infrastructure.
- Business expansion and establishment support.
- Skilled labour force.
- Affordable housing and commercial real estate.

Constraints on economic development include infrastructure gaps (particularly roads, energy and services in industrial areas), and limited public transport.

In 2012, 244 businesses in Port Stephens were in the turnover range of \$2 million plus. In 2014, 261 businesses were recorded to be in this range. That is an increase of 7%.

- Economic output in Port Stephens is estimated at \$9.37 billion.
- Port Stephens represents 10.59% of the output generated in the Hunter Region.
- Wages and salaries paid by businesses and organisations are estimated at \$2 billion.
- Port Stephens represents 0.84% of the \$239.7 billion in wages and salaries in NSW.
- The value of regional exports is estimated at \$4.74 billion.
- It is estimated that tourism contributes \$75.508 million to wages and salaries – or 3.77%.

Port Stephens

Employment by Industry

Industry	Jobs
Manufacturing	4322
Public Administration & Safety	3825
Retail Trade	2500
Accommodation & Food Services	2068
Health Care & Social Assistance	1601
Construction	1561
Education & Training	1271
Transport, Postal & Warehousing	1001
Professional, Scientific & Technical Services	984
Other Services	898
Administrative & Support Services	482
Wholesale Trade	457
Rental, Hiring & Real Estate Services	431
Arts & Recreation Services	328
Agriculture, Forestry & Fishing	275
Financial & Insurance Services	266
Electricity, Gas, Water & Waste Services	149
Mining	144
Information Media & Telecommunications	126
Total	22,689

Source: Latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) June 2014 Gross State Product, 2012-2013 National Input Output Tables and 2011 Census Place of Work Employment Data.

It is estimated that 22,689 people work in Port Stephens. Port Stephens represents 9.45% of the 240,049 people working in the Hunter Region, 0.76% of the 2,996,038 people working in New South Wales, 0.23% of the 9,824,444 people working in Australia and 20.59% of the 110,178 people working in Newcastle and Port Stephens.

Employment Trends

*Year to September Quarter 2015

Size of Port Stephens Labour Force has increased: From 2012 to 2015, the Port Stephens labour force increased by 978 people from 31,967 to 32,945 people. This is an increase of 3.1%.

Number of unemployed people has increased: From 2012 to 2015, the number of unemployed persons increased by 1,859 people from 1,152 to 3,011 people.

The Unemployment Rate has increased: The Port Stephens unemployment rate has increased from 3.6% in 2012 to 9.4% in 2015, increasing by 5.8% over these four years.

	Unemployed	Employed	Labour Force	Unemployment Rate	Job Growth Rate
2008	1,612	28,586	30,197	5.3%	-
2009	1,617	28,166	29,783	5.4%	-1.5%
2010	1,760	29,541	31,301	5.6%	4.9%
2011	1,422	30,576	31,997	4.4%	3.5%
2012	1,152	30,815	31,967	3.6%	0.8%
2013	1,629	31,503	33,131	4.9%	2.2%
2014	2,143	30,489	32,632	6.7%	-3.2%
2015*	3,011	28,934	31,945	9.4%	-5.1%

Source: Department of Employment Small Area Labour Markets

Port Stephens Council has a leadership role in economic development through planning, promotion of the LGA as a business location; supporting tourism; marketing and new business attractions; and small business support programs.

In the tourism sector the year-end figures for the 2014-2015 financial year suggest visitors are increasing in domestic sectors.

- Both domestic overnight and international visitors are staying longer with domestic visitors staying an average 3.6 nights in 2014-2015.
- Domestic overnight visitation across regional NSW has also grown over the past financial year by 3.4% with regional NSW Visitor Nights up 2.6%.
- Domestic overnight visitation across the Hunter Region also increased by 5.5% and visitor nights by 13.3% compared to Port Stephens 4% and 16% respectively.

Year end June	2012	2013	2014	2015
Domestic Overnight Visitors	650	682	630	654
	5%		-8%	4%
Domestic Visitor Nights	1,900	2,137	2,022	2,352
	12%		-5%	16%
Average/night stay	2.9	3.1	3.2	3.6
Domestic Day Visitors	777	672	701	747
	-14%		4%	7%
International Overnight Visitors	21	24	27	26
	14%		12%	-2%
International Nights	109	133	117	138
	22%		-12%	18%
Year end June Total Visitors	1,449	1,378	1,357	1,427
Year end June Total Nights	2,009	2,270	2,139	2,490

Source: Destination Port Stephens Visitor Economy Monitor Financial Year 2014-2015 Comparison p.3



The Visitor Information Centre in Nelson Bay is centrally located. It appears the dip in visitor numbers is related to the many alternative information sources such as social media, internet and Facebook where Destination Port Stephens and Council have strong brand presence.

Council continues to partner with Destination Port Stephens across a range of promotional events that supported the *P.S. I Love You campaign*.

Thousands of people flocked to Raymond Terrace on the long weekend in 2013 when Council's Lakeside Sporting Complex was the venue for the running of the 42nd Annual NSW Aboriginal Rugby League knockout. 93 teams were registered in open age, under 17, under 15 and women's competitions. An estimated 2,500 players and officials – and many more supporters – came into the region in time for kick off. This has since become an annual event.

Sail Port Stephens returned to the Bay in 2012-2013 and is a successful event supported financially each year by Council.

Council also supports the Tastes of the Bay event in November each year and the Blue Water Country Music Festival.

Other events that have been attracted to the LGA since Council refocused its economic development program towards tourism and events include:

- Stand Up Paddle Board.
- Elite Energy Triathlon (May 2013).
- IRB Surf Life Saving Championships (July 2012 and June 2013) held at Fingal Bay. There were 350 competitors and crowds of over 1,000 people across the weekend.
- Moto Cross (April 2013).

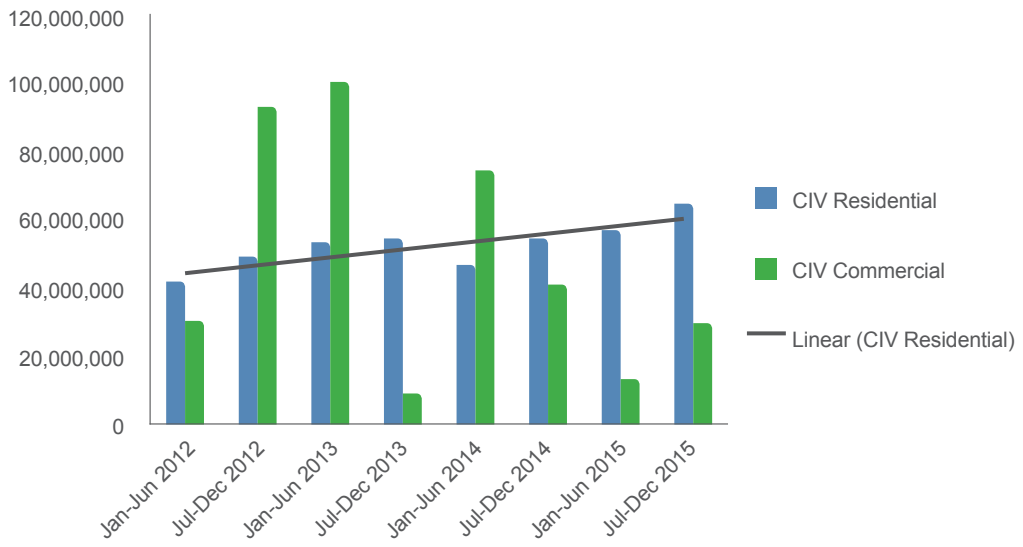
NSW Country under 17 Cricket Championships were held in Raymond Terrace in November 2012. The economic impact was assessed at \$200,000.

The 2014 Campervan & Motor Home Association's muster held at Nelson Bay, brought more than 1,000 recreational vehicles to the LGA.

In addition to support for tourism in the three financial years to June 2015 Council provided \$185,417 to business chambers at Karuah, Raymond Terrace, Tilligerry and Nelson Bay.

Economic growth in the LGA can be seen in the number of development applications approved since January 2012 by Port Stephens Council. There were 2,745 residential development applications approved between January 2012 and December 2015 with a capital improved value (CIV) of \$422 million; and 465 commercial applications approved with a capital improved value of \$393 million.

Capital Improved Value – DAs approved January 2012 – December 2015



Note: values are approximate only, based on estimates at time of application.

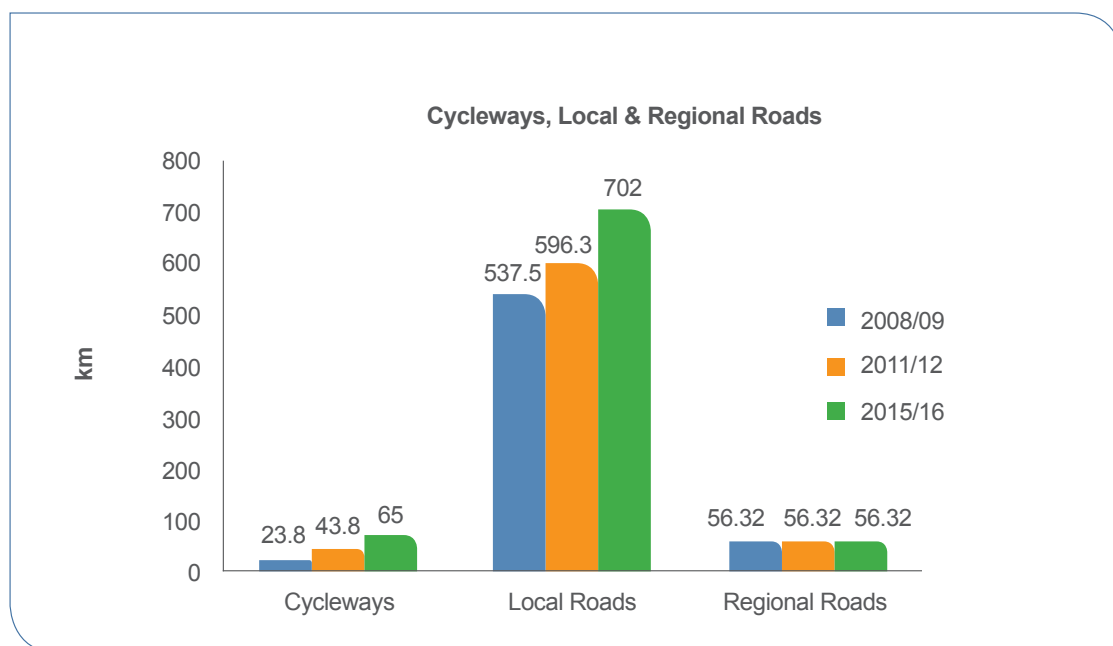
Our Economy

Theme: Transport

Goal: Port Stephens has an integrated, connected transport network

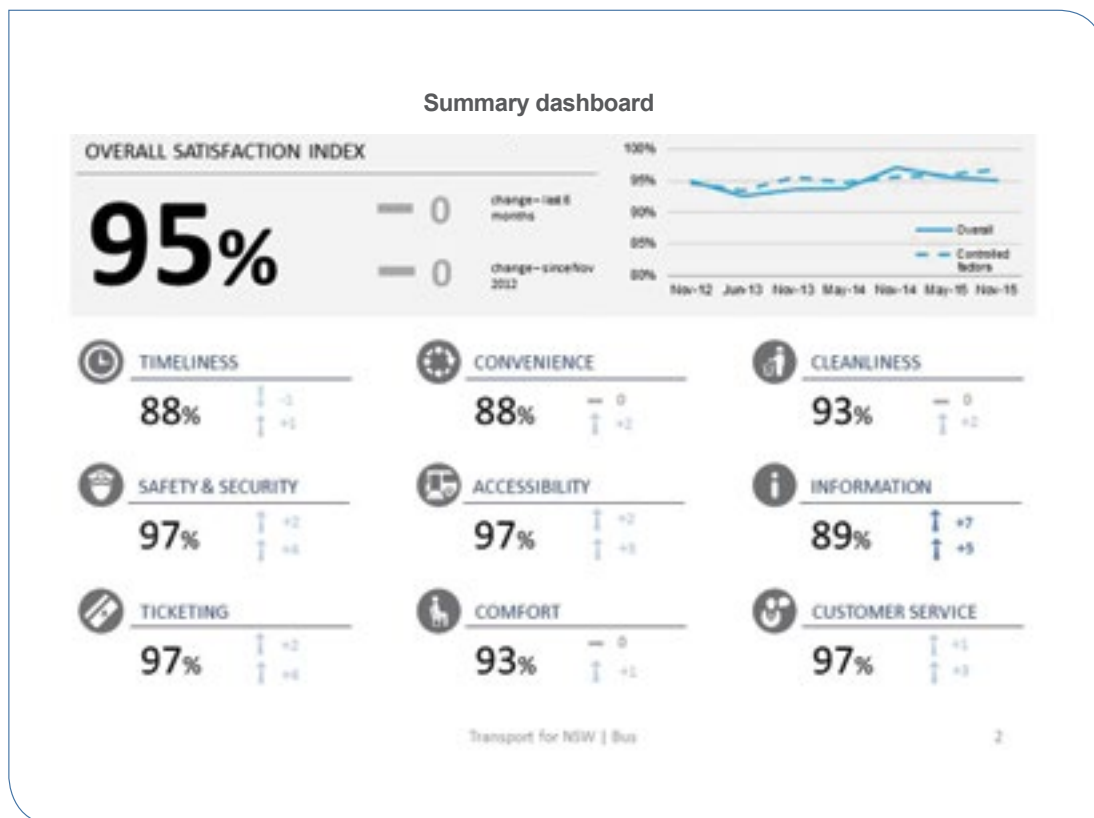
Community Indicator	Outcome
Access to public transport	Private coach service satisfaction 95% - same percentage as in 2012.
Condition of State roads	Data not available – last updated 2010 and reported in 2012 End of Term Report.

The Port Stephens LGA has a network of sealed roads (640km as at 1 July 2015); and unsealed roads (62km as at 1 July 2015). These are local roads and regional roads and do not include roads that are owned privately, or by the Roads and Maritime Services (RMS), or by the Crown. The Pacific Highway runs through the LGA from Hexham to Karuah which is owned and managed by the RMS.



The LGA has limited public transport provided by two private bus operators and a taxi service which is also privately run. There are no State buses and there is no rail transport in Port Stephens.

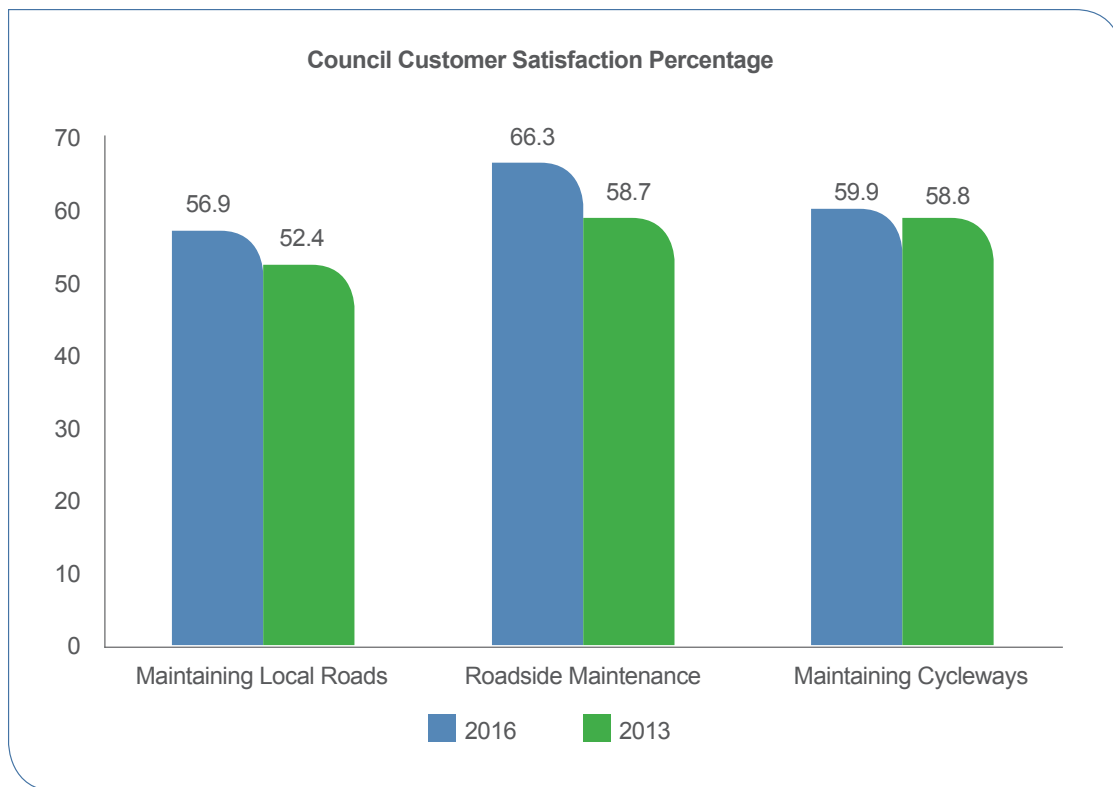
Transport for NSW conducts regular surveys of the bus service providers in the LGA. The summary below of the survey (n=7,354) for Port Stephens Coaches shows overall satisfaction with the services provided (95%); satisfaction with factors that the operator can control; change (top arrow) in the six months to November 2015; and (bottom arrow) change since 2012.



Community Transport Port Stephens provides services for eligible clients including:

- a door to door service (subject to safe access);
- regular services throughout Port Stephens; this includes Tomaree, Tilligerry, Raymond Terrace, Medowie and Karuah areas;
- services to Newcastle and Maitland for medical appointments, hospital visits, visiting friends and family, shopping and social outings;
- individual services for special medical needs – subject to available resources;
- transport for eligible client groups on social outings.

Vehicular transport remains the most popular transport option for residents and visitors. For this reason Council's management of the local road infrastructure is important to the wellbeing of all who use them.



Source: Interim result 2016 Port Stephens Council Customer Satisfaction Survey (21 April 2016).

Council supports the local Traffic Committee⁶⁰, which is a technical advisory body authorised to recommend regulatory traffic controls to the responsible Road Authority. The Committee's functions are prescribed by the *Transport Administration Act 1988* with membership extended to the following stakeholder representatives: the Local Member of Parliament, the Department of Transport, NSW Police, Roads and Maritime Services, and Council. The recommendations from the local Traffic Committee aim to improve traffic management and road safety.

There are three private helicopter companies located in Port Stephens, and in addition citizens have access to the Westpac Rescue Helicopter which operates from the neighbouring LGA (Newcastle). A ferry service operates between Nelson Bay in the Port Stephens LGA and Tea Gardens in the Great Lakes LGA; another ferry service operates between Lemon Tree Passage and Nelson Bay with a stop at Soldier's Point Marina.

Newcastle Airport is an enterprise jointly owned by Newcastle City Council and Port Stephens Council. It is situated in the Port Stephens LGA on a facility shared with the RAAF.

The Airport's passenger throughput has increased to over 1 million per annum. It is currently handling around 170 flights per week of five airlines – QantasLink, Pelican, Rex, Jetstar and Virgin Australia⁶¹.

60. This is a statutory committee and not a Committee of Council

61. www.newcastleairport.com.au

Council meets regularly with bus and other transport providers in a forum to resolve Council-wide interface issues, connectivity, infrastructure needs and other impacts that would affect the operators' ability to provide the community with transportation. Items raised in this process are assessed by the Council's traffic team or presented to Council through the Local Traffic Committee.

This transport forum also assists Council to apply for Country Passenger Transport Infrastructure Grants. In 2014-2015 Council received in excess of \$80,000 from the CPTIG grants for bus shelter upgrades.

Council has taken a lead role in facilitating a tourism transport interchange solution for the Birubi Point entrance to the Worimi Conservation Lands.



Our Economy

Theme: Education and Training

Goal: Port Stephens has education and training opportunities for people of all ages.

Community Indicator	Outcome
Increase in people with post-secondary qualifications.	Data will be available in 2017 from the 2016 Census.

The Port Stephens LGA has a TAFE presence at the Tomaree Education Precinct and there are registered vocational training organisations in the LGA. Students can also complete studies at the University of Newcastle and at TAFE colleges in the Newcastle area. See also earlier chapters in the Report: Children; Young People.

Council conducts Business Training Workshops and a number of educational and training programs through its Business Port Stephens facility at Raymond Terrace. The facility also offers computing for seniors. Business Port Stephens also conducts training programs in partnership with Registered Training Organisations, and work readiness programs with job service providers.

In 2015 Port Stephens University of the Third Age (U3A) celebrated 20 years in the LGA. U3A offers a large variety of learning and lifestyle programs, generally but not exclusively accessed by older citizens. Details of the program can be found at <http://portstephens.u3anet.org.au>

Tilligerry Adult and Community Education (TACE) conduct economical educational programs to meet the needs and interests of adults in the local community. TACE also works in cooperation with other organisations in developing Adult and Community Education programs.

Tomaree Community College at Nelson Bay offers certificate and general interest courses, recreation and leisure courses, and languages.

WEA Hunter offers a limited program of courses at its campus in Raymond Terrace, including photography, Young Mums, Internet/Email/Facebook and Adult Reading Recovery among others.

The Gleeson Report commissioned by Council's Community Development and Engagement unit was endorsed by Council with outcomes being implemented. The ALESCO Education Centre for alternative education delivery for senior secondary school students was established in Raymond Terrace in February 2015. Council participated in a steering committee which met in 2014 to establish this facility.

Council's revised Apprentices, Trainees and Cadets Strategy was implemented in 2014-2015 with a number of new positions created. New apprentices, trainees and cadets have commenced their off-the-job as well as on-the-job training in accordance with their personal development plans.

An apprentice, trainee and cadet networking session was conducted in June with staff and their supervisors to provide further information about working at Council; an introduction to local government; and an overview of their rights and responsibilities as students, trainees and cadets.

Council supports workforce development with a wide range of opportunities for education, training and professional Development through a mix of vocational training, apprenticeships and traineeships, non-accredited short courses, regulatory training and university qualifications.

Much of Councils training is delivered in house by Learning and Development staff, with the exception of ticketed/statutory training and Vocational Education and Training courses which are primarily run by the Local Government Training Institute (LGTI) a division of Hunter Councils Inc. LGTI work with Council in the provision of specialised services, supporting the delivery of required statutory training, accredited training programs, short courses and traineeships to ensure that Council staff are suitably qualified to perform their roles.



Our Council

Port Stephens Council was elected on 8 September 2012. The Council comprises nine Councillors representing three Wards and a popularly elected Mayor who represents the whole of the local government area.

Mayor	Bruce MacKenzie
East Ward	Councillor Sally Dover Councillor John Morello Councillor John Nell
Central Ward	Councillor Geoff Dingle Councillor Chris Doohan Councillor Steve Tucker
West Ward	Councillor Ken Jordan Councillor Peter Kafer Councillor Paul Le Mottee
General Manager 2014 – Present	Wayne Wallis
General Manager 2012 – 2014	Peter Gesling

Council's Vision

Engaged people, working together, delivering valued services.

Council's Purpose

To deliver services valued by our community in the best possible way.

Council's Values

Respect

Creating a unique, open and trusting environment in which each individual is valued and heard.

Integrity

Being honest and inspiring trust by being consistent, matching behaviours to words and taking responsibility for our actions.

Teamwork

Working together as one Council, supporting each other to achieve better results for everyone.

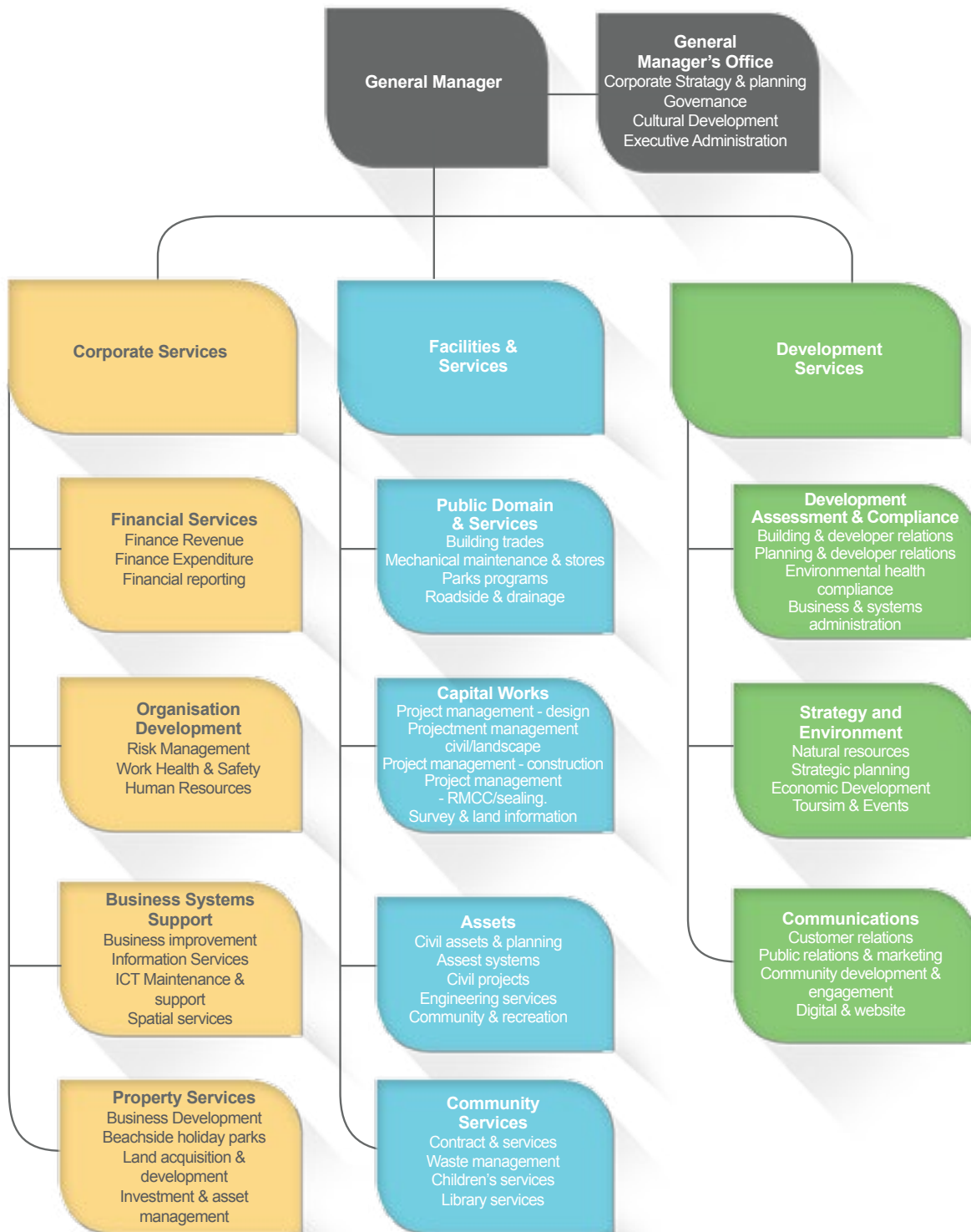
Excellence

Improving the way we work, to meet the challenges of the future.

Safety

Providing a safety focused workplace culture to ensure the wellbeing of staff, their families and the community.

Port Stephens Council Organisation Chart as at May 2016



Our Council

Theme: A Sustainable Council

Goal: Port Stephens Council's services and assets are sustainable in the longer term.

Community Indicator	Outcome
Financial Sustainability.	Breakeven operating revenue two years ahead of schedule, declared financially sustainable by independent authorities.
Reduction in infrastructure gap.	Reduction from \$29 million in 2012 to \$18 million in 2016.

In 2012 NSW Treasury Corporation (TCorp) examined Port Stephens Council's financial status. The graph below demonstrates that Council has put its finances on a firm footing.

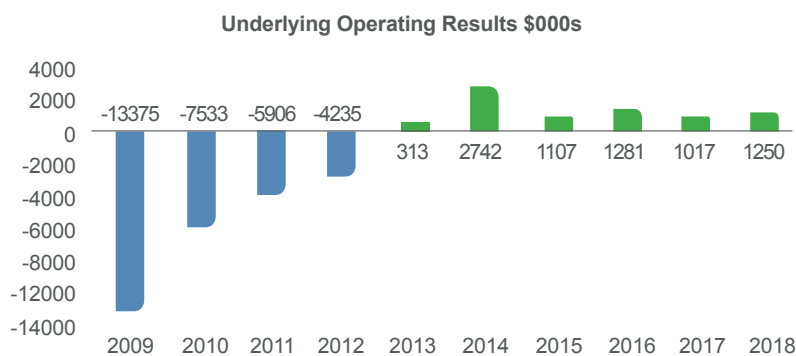
From the 2010 Sustainability Review – which set in place a new expenditure paradigm – Council set about increasing its revenue from non-rates sources. Initiatives such as sand extraction, bio-banking and the restructure of Newcastle Airport have lead and will lead to an increase in non-rates revenue that augments that of our commercial enterprises (holiday parks, commercial property portfolio).

TCorp's assessment of Council was:⁶²

Council has been effectively managed over the review period based on the following observations:

- Council's underlying cash result (measured using EBITDA) has been improving over the three year period.
- Council has developed a number of commercial operations such as the Newcastle Airport that provide reliable cash flows to support their activities.
- Approximately 82.0% of the Council's revenue base is derived from own sourced revenue (annual charges, and user charges and fees). Council can rely upon these revenue streams for financial flexibility ..."

62. NSW Treasury Corporation, 2012, Financial Assessment and Benchmarking – Port Stephens Council, p.4



The Independent Local Government Review Panel (ILGRP) found:

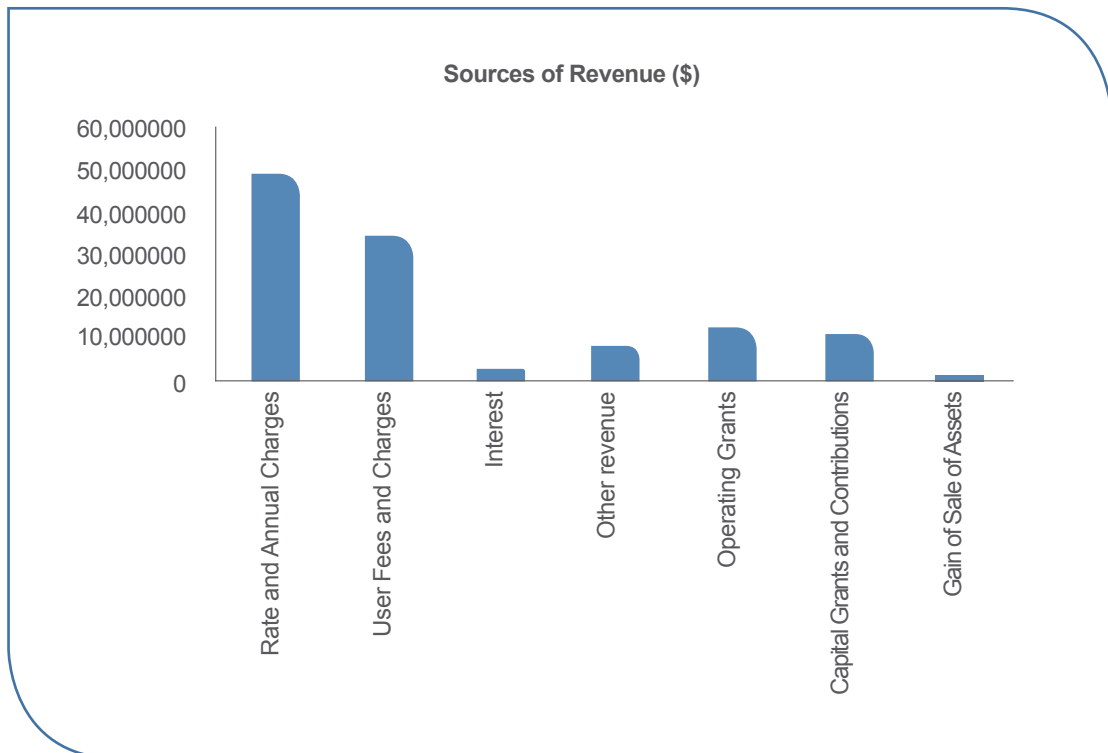
Port Stephens Council appears likely to remain sustainable in its present form well into the future, and there are no pressing boundary issues⁶³.

In 2015 the Independent Pricing and Regulatory Tribunal (IPART) found Port Stephens Council to be 'fit' to stand alone on the basis of its financial sustainability measured by the following criteria projecting into the future.

Description	Current Performance	Future Performance	Benchmark	Comment
Operating Performance Result	0.0010 3 year average from 2012-2014	0.035 3 year average from 2015-2017	Greater or equal to break-even average over 3 years	The current performance ratio is based on a 3 year average between 2012 and 2014. The ratio was affected by the non-payment of the 2014 4th quarter Federal Assistance Grant. Had Council received this operating grant the ratio would have been 0.010 instead of 0.0010.
Own Source Revenue	77.9% 3 year average from 2012-2014	81.21% 3 year average from 2015-2017	60.0%	Council has strong revenue streams outside of grants which include commercial income from our investment portfolio, commercial property portfolio, holiday parks and Newcastle Airport.

63. ILGRP Final Report p. 109

Building and Infrastructure Asset Renewal	85.4% 3 year average from 2012-2014	103.71% 3 year average from 2015-2017	>100% average over 3 years	Council has slowly been growing its capital budget in order to reinvest into its building and infrastructure. In 2014 Council achieved a 114% renewal rate with plans to continue at this rate.
Infrastructure Backlog	5.57% As at 30 June 2014	2.27% As at 30 June 2017	<2%	Refer to section 3.1 for comments on Council's Infrastructure backlog.
Asset Maintenance	50.7% 3 year average from 2012-2014	98.2% 3 year average from 2015-2017	>100%	Refer to section 3.1 for comments on Council's Asset maintenance.
Debt Service Ratio	8.19% 3 year average from 2012-2014	4.62% 3 year average from 2015-2017	>0% and <20%	Council's debt and cash ratios remain steady and within the benchmark limits.
Real Operating Expenditure per capita	Decrease from 1.33 in 2011/12 to 1.23 in 2013/14	Decrease from 1.24 in 2015 to 1.13 in 2017.	Decreases over time	Decrease achieved despite average population growth of 1.2% -1.4% p.a.



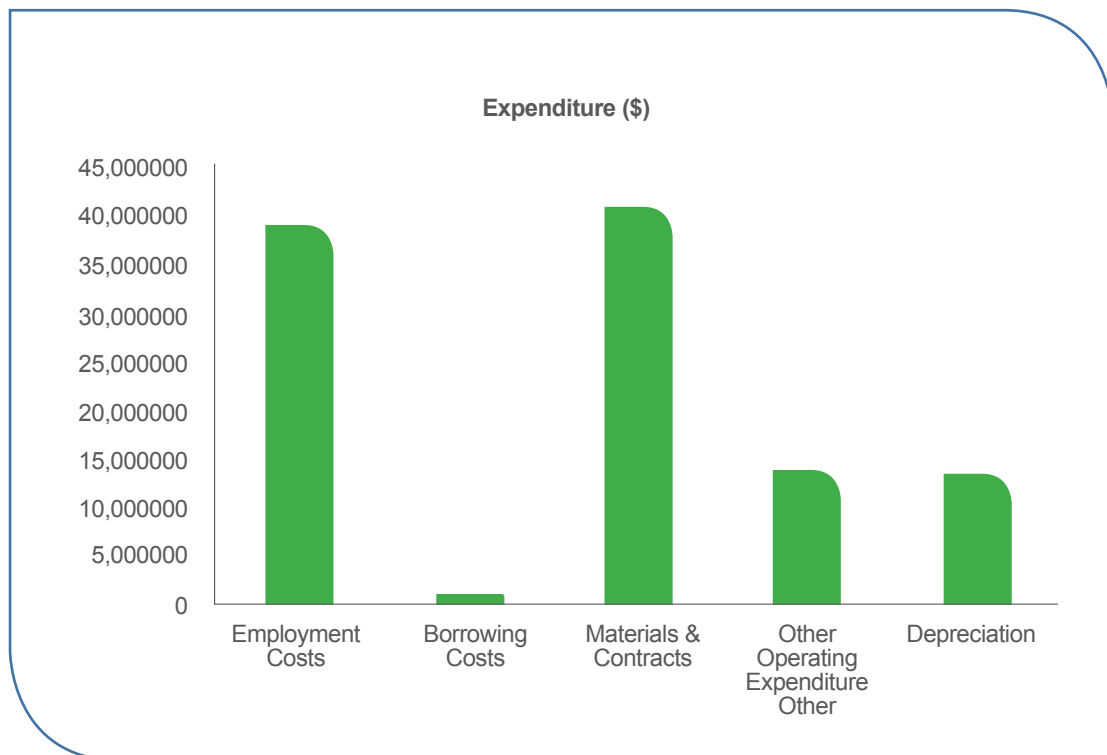
Source: Port Stephens Council Annual Report 2014-2015

Revenue from rates represents only 42.8% of total revenue of \$115, 957,858 (2014-2015).

The Port Stephens LGA comprises four categories of rateable land as shown in the table below:

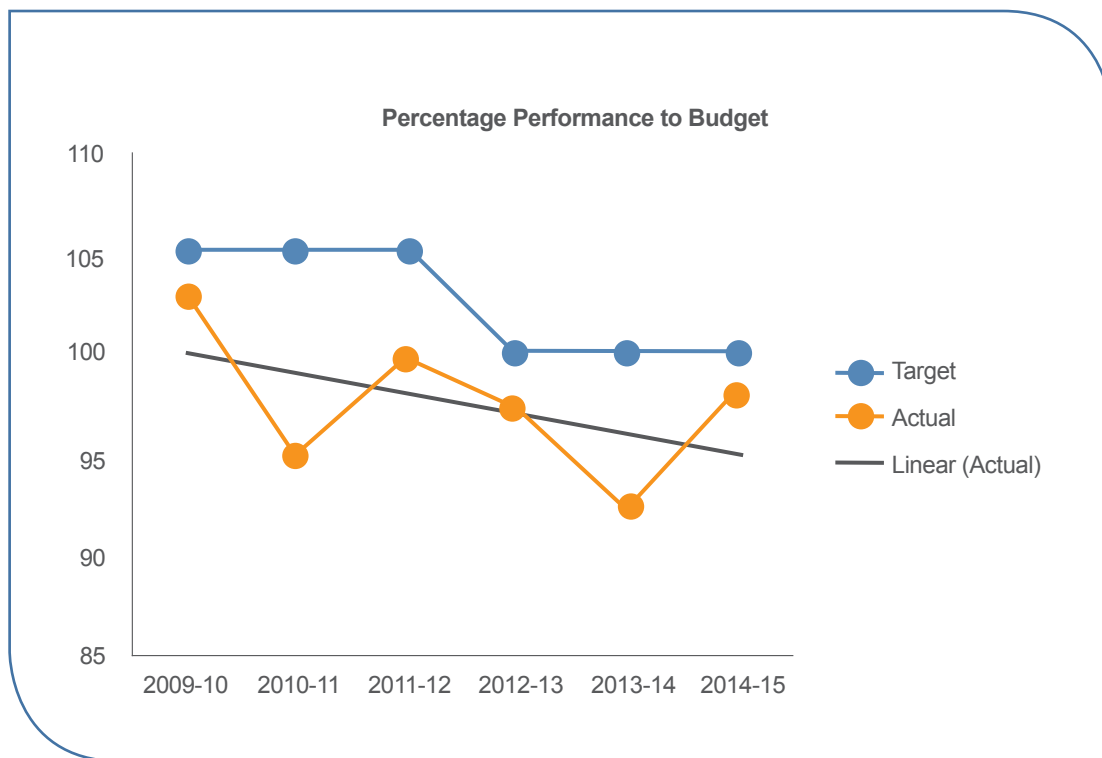
Rates Category	Number of Assessments				
	2012	2013	2014	2015	2016
Farmland	474	479	486	492	494
Residential	29,477	29,770	29,872	30,050	30,498
Mining	2	2	2	2	2
Business	1,751	1,767	1,769	1,773	1,770

Only 54% of the land in the Port Stephens LGA is rateable, as land which does not attract rates includes Crown land and land subject to constraints, as well as such exempt areas as Grahamstown Dam and government entities' facilities. For this reason, as the graph below shows, Council has worked to increase revenue from non-rates sources.



Council's expenditure in 2014-2015 was \$108,470,715 (including overheads and depreciation) as shown in the above graph.

Performance to budget reflects Council's achievement in bringing expenditure under control and achieving savings, as well as increasing its non-rates revenue as the graph below demonstrates.



Source: Port Stephens Council Annual Report 2014-2015

A particular focus of Council's return to financial sustainability has been on its own-source, non-rates revenue:

- In 2012-2013 bio banking of Council's Karuah land was registered on the NSW Office of Environment & Heritage website.
- Council's market share of Accredited Building Surveying Services has increased from 71.6% in 2011-2013 to >80% in 2015.
- Restructured Newcastle Airport: new wholly owned PSC Companies Newcastle Airport Partnership Company 3 Pty Limited and Newcastle Airport Partnership Company 4 Pty Limited. The effect of the restructure is to allow an annual dividend to Council of approximately \$1 million per annum.
- Entered into a contract with the preferred tenderer for the extraction of sand from Council land at Cabbage Tree Road, Williamtown. This will enable Council to derive a potential income of circa \$18 million over the next 12-15 years based on royalty payments and annual base rental payments.
- Council developed a 33 allotment subdivision located at Tarrant Road, Salamander Bay. The lots were sold at auction in November 2015 with the Deposited Plan being registered with Land & Property Information in April 2016 allowing Certificates of Title to be issued. Settlement of the sales occurred in May 2016. The gross realisation of the development excluding GST was \$6,145,000. Total costs associated with the development, including holding costs, were \$3,948,044 leaving a net profit from the development of \$2,196,956.

Council continues to hold four investment properties which are located both within Port Stephens and in the Newcastle LGA. The portfolio continues to be fully let to either blue chip tenants including multi-national retailers and financial institutions or to NSW government agencies. The majority of the portfolio is comprised of B+ grade office accommodation while each property in general terms has significant inherent redevelopment potential. The value of the portfolio as at 30 June 2015 was \$20.835 million while the net rental derived as at that date represents an annual net return of 8.50% which for the 2015 financial year was a half a percent better than budgeted projections.

Corporate Risk Management

Our health and wellness program encourages healthy lifestyles and provides a number of programs for staff to ensure that maintain fitness for work as well as general good health outcomes. This means that our injury rates have decreased substantially and our unplanned employee absences from work are well with Australian general industry standards. It also means those employees who wish to continue working past traditional retirement ages are able to do so, providing retention of knowledge within Council together with the social benefits of an active and healthy community.

The dramatic improvement in our safety culture has resulted in a reduction in the number and severity of injuries in the workplace and has resulted in a reduction of Port Stephens Council's workers compensation premium from \$1.86 million in 2009-2010 to \$568,590 in 2015-2016. Key to this success was the introduction of a number of programs to encourage workers to identify risks before incidents occurred.

Port Stephens Council continues to cement its reputation as a leader in workplace health and safety and in was awarded the SafeWork NSW Award for the best workplace health and safety management system (public sector/not for profit).

Another key focus of Council has been to manage and mitigate (and where possible eliminate) risks across all operations. Council's target has been a Risk Maturity Score⁶⁴ >65%. The actual in 2014-2015 was 74%. Implementation of the Integrated Risk Management Framework has resulted in a significant decrease in the level of risk across Council. In 2014-2015 there were no risks assessed as extreme due to the implementation of a number of controls. This indicates a higher level of attention is being given to implementing controls by the due date. The Corporate Risk Register and all group risk registers are being reviewed on a quarterly basis.

Port Stephens Council has been successful in a number of industry and general Australian awards for excellence in the management of risk during this term and is proud of its status as an industry leader in the promotion of excellence in risk management.

64. Risk Maturity Score is assessed independently by an expert panel against AS/NZS ISO 31000:2009 Risk Management.



- Winner** 2015 StateCover WHS Award - Safety Observations Program
- Winner** 2015 SafeWork NSW Award – Best Workplace Health and Safety Management System (Public Sector/Not for Profit)
- Winner** 2015 Affiliated FM Client Risk Management Scholarship
- Winner** 2014 Rotary Pride of Workmanship Award Corporate Risk Management Team
- Winner** 2013 StateCover Mutual Limited Work Health and Safety Excellence Award
- Honourable Mention** 2014 StateCover’s WHS Excellence Awards for development of competency-based training for working near overhead and underground utilities
- Commendation** 2015 StateWide Risk Management Excellence Awards
- Commendation** 2013 StateWide Mutual Risk Management Excellence

Our Council

Theme: A Sustainable Council

Goal: Attract, retain and develop staff to meet current and future workforce needs.

Community Indicator	Outcome
Provide a career coaching program that empowers staff to take charge and build their careers.	A successful career coaching program has been developed and implemented at Port Stephens Council. To date, over 70 staff have participated in the program.
Review, coordinate and deliver the Human Resource Management program of work.	A number of strategies have been developed and integrated by Port Stephens Council to support the Workforce Resourcing Strategy and to address the challenges of providing appropriately qualified staff for today and the future.

Workforce Resourcing Strategy 2013-2017 Results

A number of strategies have been developed and integrated by Port Stephens Council to support the Workforce Resourcing Strategy and to address the challenges of providing appropriately qualified staff for today and the future.

Together, these strategies have enabled us to develop the Workforce Strategy Action Plan with a number of actions that were taken during the past four years to ensure Port Stephens Council continues to have a vibrant workforce who is appropriately qualified and able to deliver outcomes identified in the Community Strategic Plan.

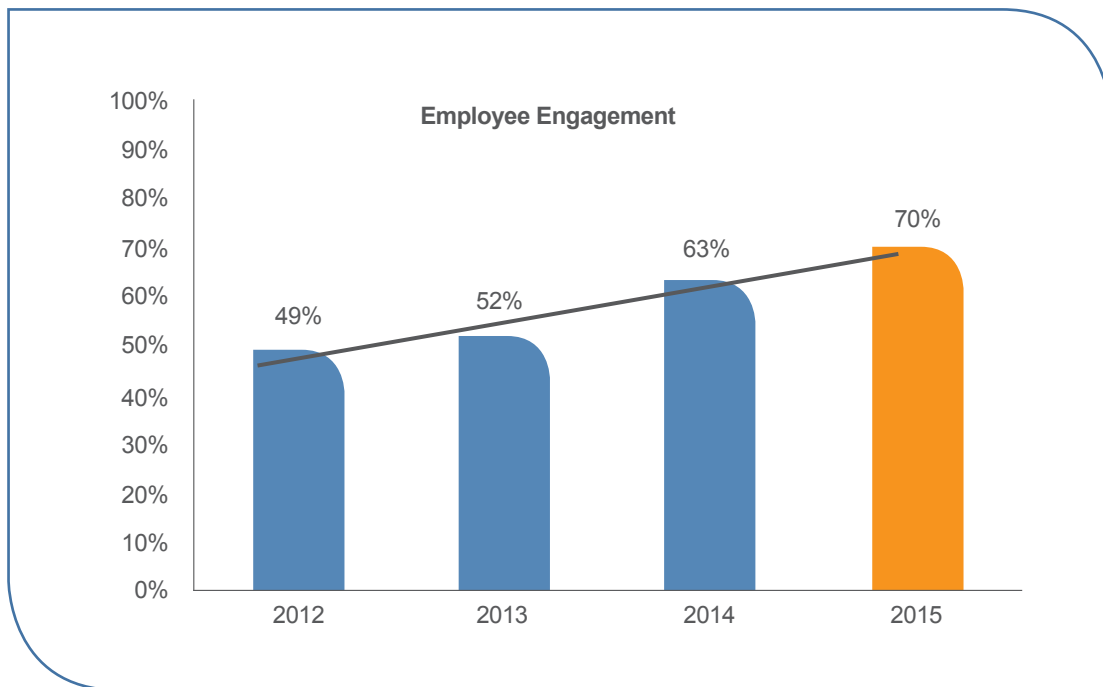
The major performance measurements for the Strategy are those identified in the Level 1 Systems View of Council, being:

- >65% employee engagement
- >75% customer satisfaction
- underlying financial surplus
- >65% risk management maturity score
- >90% Community Strategic Plan (CSP) delivered on time

Best Employer Strategy

Employee Engagement measures the levels of connection individuals have to the organisation and their willingness to apply discretionary effort to improve individual and business performance. When surveying engagement we are measuring the energy and passion that employees have and the extent to which the hearts and minds of Council's people have been captured by the organisation.

During this period, employee engagement at Port Stephens Council has continued to rise year on year and Council now enjoys an engagement score which ranks it with the most engaged workplaces in Australia.



Port Stephens Council has also been recognised an Employer of Choice at the Australian HR Awards, winning the category in 2013 and becoming a finalist again in 2015. This award recognises the best public sector employer to work for in Australia.

Key criteria:

- Positive service-oriented culture reflective of public sector goals;
- Pre-eminent reputation throughout the public sector and wider community;
- Pioneering performance-linked reward and recognition programs;
- Successful and innovative personal and professional career development opportunities;
- Inventive approach to flexible work practices and demonstrable work–life balance.

Diversity in the workforce is important to promote a healthy balance between new entrants and experienced staff. Port Stephens Council has a multi-generational workforce spanning five generations and encourages attraction of staff at all levels. We have been successful in maintaining our average age of staff over the last few years by reviewing our offering for new entrants and having a much more focused attraction strategy at this end of the market.

The identification of critical roles within Council has meant our attraction and retention strategies can be tailored to ensure we maintain staff in these roles. Our employer branding strategy has been highly successful. Recently there has been one exception, the attraction and retention of Engineering Designers, however, there is a general shortfall in the market.

Our flexible working conditions have continued to affect our ability to attract and retain staff in an environment where we are competing with employers who have a higher salary price point than ourselves. Our salary policy, linking remuneration to the median of the local government market, continues to provide a financial sustainable approach to costs as well as providing Council with good quality candidates for roles.

Identified skill deficiencies have been addressed through our learning and development program which has resulted in an increase of skills in identified areas of most need around leadership, project management, contract management and information technology.

Port Stephens Council has been successful in a number of industry and general Australian workforce awards for excellence in the management of its workforce during this term, validating its status as a Best Employer.

Winner – 2016	Employer of the Year – Career Development Association of Australia
Winner – 2015	Operational and Management Effectiveness Award - NSW Local Government Excellence Awards
Winner – 2014	Leadership and Management Excellence – Local Government Professionals Australian NSW
Winner – 2014	Government Australian Communications Awards for Best Digital Communication Campaign
Winner – 2013	Australian HR Awards – Employer of Choice (Public Sector and NFP)
Highly Commended 2014	Local Government Professionals Australia (NSW) Local Government Excellence Awards – Workforce Excellence
Finalist – 2015	Career Development Association of Australia – Employer of the Year
Finalist – 2015	Australian HR Awards – Employer of Choice (Public Sector and NFP)
Finalist – 2015	Australian HR Awards – Best Workplace Flexibility Program
Finalist – 2014	Local Government NSW Award for Excellence in Human Resources
Finalist – 2014	LGNSW HR Excellence Award
Finalist – 2014	Australian HR Awards Best Employee Value Proposition
Finalist – 2013	AHRI Award for Workplace Relations

Career Coaching Program

Staff feedback from employee surveys over more than a decade consistently indicated that Council did not provide any career development opportunities for staff. It was clear that the approach the organisation had to career development just wasn't working. Staff perception was that it was the responsibility of the organisation to provide them with a career path – a legacy of an old outdated local government State Award.

In 2014 Council developed a Talent Management Strategy which had been the topic of discussion for some 18 months. As part of the ongoing analysis we reassessed current and future workforce development challenges. We realised that our ability to attract, engage, develop and retain key staff was critical to our ongoing success.

We decided to turn things on their head - one of the key messages that we developed in the strategy is that career development is employee owned, manager facilitated and organisation supported. Under the new strategy, employees have responsibility for their own career development. The manager needs to be supportive and needs to provide coaching in identifying the right gap and development activities that will enable better performance and a higher level of growth and career aspiration. The organisation is responsible for creating an environment where continuous learning is valued.

Career development is an active part of the succession planning module of Council's recently completed Human Resource Information System. Once again, employees have ownership of that module. Even though they might be content to stay in the same role, they are encouraged to recognise that they will be involved in a process of lifelong learning and career development throughout their working life and our education assistance policy provides them with financial support.

The career development module has been designed to be as simple as possible for staff to:

- a. assess where they are now in their career;
- b. assess where they want to go; and
- c. have a plan of what it will take to get there.

Staff are asked three questions:

- Where would I like my career to head over the next 2-3 years?
- What skills and strengths do I currently have and what do I still need to learn and develop?
- What areas that Council can support them?

Staff are also reminded of our career development program and can book in for a counselling session with the Career Development Manager if they choose.

To date, over 70 staff have participated in the program. Some of the achievements have been:

- The engagement level of staff which has increased from 49% to 70% during this period;
- Regular conversations held between staff and managers on career direction;
- Turnover rate is at its lowest of 7%;
- All staff now have a learning and development plan;
- A real willingness from staff to take charge of their own career.

Council's career coaching program was recognised in 2016, winning the Career Development Association of Australia Employer of the Year award.

Our Council

Theme: Infrastructure

Goal: Port Stephens' infrastructure and utilities meet the needs of all sections of the community.

Community Indicator	Outcome
Condition of public assets.	91% of public assets under Council's control are rated satisfactory or better.
Reliable electricity and water.	Generally satisfactory.

Utilities in the Port Stephens LGA are operated by Ausgrid (electricity poles and wires)⁶⁵ and the Hunter Water Corporation (water and reticulated sewerage).

Since the previous end of term report in 2012 energy retailing is not bound by location. Instead a competitive system applies where consumers can deal with whichever electricity retailer they choose – although Energy Australia appears to have a measurable market share in the LGA.

During the catastrophic storm in April 2015 the widespread destruction resulted in significant power outages that in many cases left homes and businesses without power for more than two weeks, especially in the Nelson Bay area.

Despite that major event and some spasmodic storm-related localised incidents, the water quality and energy supply are generally good and monitored against the appropriate standards.⁶⁶

Port Stephens Council has three categories of community assets (infrastructure):

Building, Community and Recreation Assets

Council buildings

- o Offices – Administration Building
- o Information and communication technology
- o Depots

Emergency Services

- o Fire stations
- o SES buildings

Community buildings

- o Libraries
- o Halls
- o Preschools and Child Care Centres

The condition of community assets is rated every five years under a 5-point system:

1. Near Perfect
2. Good
3. Satisfactory
4. Very Poor
5. Unserviceable

65. Ausgrid.com.au

66. <http://www.hunterwater.com.au/water-and-sewer>

In the three (3) years to June 2015, Council invested in community infrastructure (all categories) with capital expenditure of \$44,822,944.

Up to December 2015 a further \$4,165,983 was spent, with another \$14,403,858 due for completion of projects by 30 June 2016.

Recreational

- o Parks/reserves
- o Waterways
- o Cemeteries
- o Public amenities
- o Playgrounds
- o Sport
- o Swimming pools
- o Surf clubs

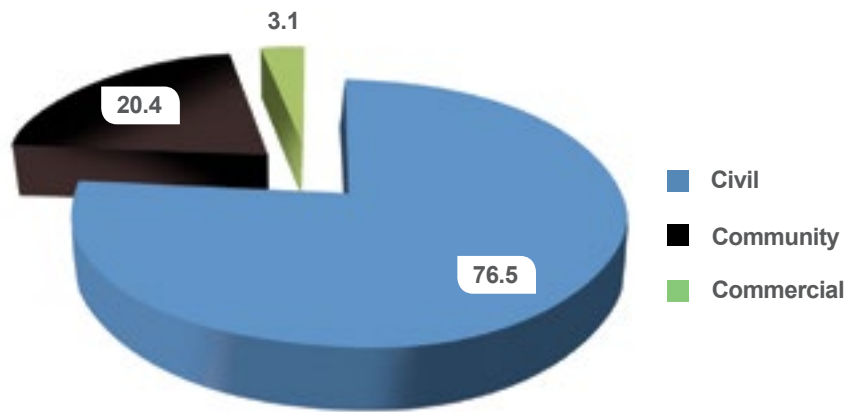
Civil Infrastructure Assets:

- Roads
 - o Footpaths/cycleways
 - o Bus shelters
 - o Guardrails
 - o Parking meters
 - o Retaining walls
 - o Signs
 - o Street lighting
- Drainage
 - o Detention ponds
 - o Gross pollutant traps
 - o Pits, pipes, and headwalls
 - o Open drains
- Waste
 - o Waste transfer station
 - o Decommissioned landfill sites
 - o Quarries
- Heritage items

Commercial Assets:

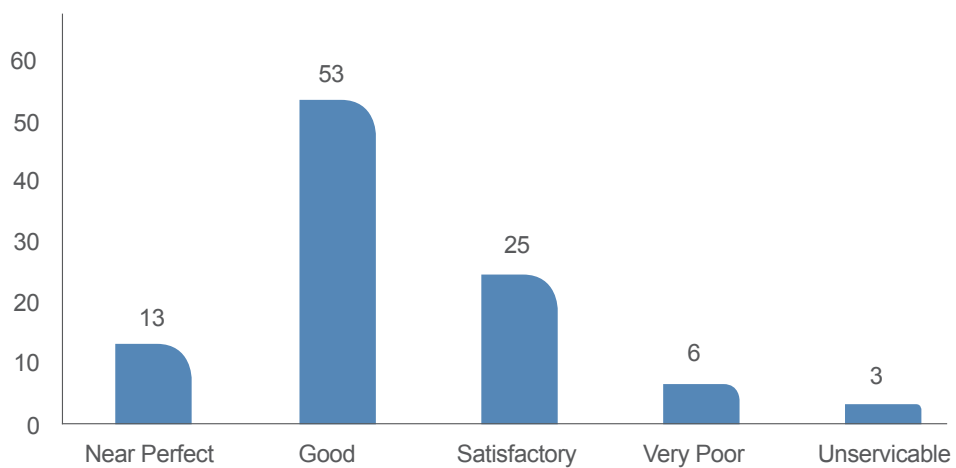
- Holiday parks/resorts
- Commercial properties

Asset by Category - Percentage as a 30 June 2015



The condition rating of community assets (infrastructure) is shown in the graph below. The majority of assets are satisfactory or better (91%) with only a small proportion less than satisfactory.

Asset Condition Rating Percentage of Total Assets 2016



During the period under review Council has obtained grants from external bodies (State and Federal government):

	2011-2012 \$'000	2012-2013 \$'000	2013-2014 \$'000	2014-2015 \$'000	2015-2016 \$'000
Black spot funding	362	390	443	93	981
Road toll response	13	0	0	0	100
Roads to recovery	547	547	144	534	1,294
RLCIP	55	0	0	0	0
State government grants	1,863	675	5,809	3,984	308
Financial Assistance Grant – Equalisation Component	5,576	4,569	2,374	4,979	4,513
Financial Assistance Grant – road component	1,404	1,097	573	1,174	1,019

*These data are for 10 months only, 1 July 2015 to 30 April 2016

Council has been successful on two occasions in obtaining Local Infrastructure Renewal Scheme funding totally \$3.5 million.

In the three financial years to 30 June 2015 Council's capital works expenditure (including heavy plant) was \$41,256,707.



Our Council

Theme: Governance and Civic Leadership

Goal: Port Stephens has strong governance and civic leadership.

Community Indicator	Outcome
Community satisfaction with Port Stephens Council.	86.6% overall satisfaction with Council.

Civic Leadership

For the period September 2012 for the four year term of Council, Council's civic leadership comprises a popularly elected Mayor and nine Councillors – three representing each of West, Central and East Wards.

The Ordinary Meeting is held on the second and fourth Tuesday of every month commencing at 5.30pm in the Council Chamber at the Administration Building, 116 Adelaide Street, Raymond Terrace. The public are welcome to attend the open session of Council.

The role of the Ordinary Meeting is to consider and make determination on reports before Council along with the General Manager's Reports, Mayoral Minutes, Notices of Motion, Rescission Motions and Confidential items.

The General Manager and Group Managers attend the meeting to advise Councillors where necessary. The Minutes are a record of the resolutions made by Council; these are prepared directly after the meeting and are uploaded to Council's external website the following day by 5pm.

Public Access is held at 5.30pm on the second and fourth Tuesday of each month prior to the Council meeting, in the Council Chambers. Public Access provides a forum for members of the public to speak directly to the Mayor and Councillors about local or Council issues.

Public Access sessions are restricted to a total of twelve (12) speakers per month with five minutes per speaker and a limit of two speakers for, and two speakers against any issue. The Mayor has delegated authority to approve or refuse applications.

At the commencement of the Councillors' term of office in 2008 a comprehensive, self-paced learning system was provided. Council reviewed the learning system in 2012 and provided Councillors with an updated version.

In 2012 the General Manager's Office managed the process and election of the new Council and the first popularly elected Mayor, Bruce MacKenzie.

In 2009 the State Government introduced the Government Information (Public Access) Act which has a presumption in favour of disclosure of government information and it applies to both State and local governments.

Council has the following policies in place for civic governance:

- Access to Information Policy and Guidelines
- Code of Conduct
- Code of Meeting Practice
- Internal Reporting – Protected Disclosures Act
- Pecuniary Interest Returns
- Payment of Expenses and Provision of Facilities to Councillors Policy

In addition, Councillors are provided with opportunities to attend conferences when they arise. In the term of the Council all Councillors attend at least one learning and development opportunity annually.

Councillors participate in all Council Committees and civic occasions such as Australia Day and Anzac Day.

Advocacy

Individual Councillors, Council collectively and senior staff are involved in an ongoing capacity in making representations to other levels of government on behalf of the citizens of the Port Stephens LGA. The Mayor and General Manager attend the annual Australian Council of Local Government Forums held in Canberra.

As members of Hunter Councils Inc, Port Stephens Council joins with the other councils in the Hunter Region in representations to State and Federal governments on matters that affect the region for example, the state of the Pacific Highway and public transport in the Region.

Governance

Port Stephens Council has a hierarchy of instruments that govern how it operates and the parameters of its powers. Examples of Federal and State laws are shown below.

Jurisdiction	Example	Port Stephens Council
Federal	Copyright Act 1968	Provisions relating to councils' rights to protect their intellectual property particularly in relation to the securing of copyright.
State	Local Government Act 1993 with the Local Government (General) Regulation 2005	This Act sets out the scope and limit of local government in NSW in terms of functions and its charter.
State	Environmental Planning & Assessment Act 1979 and Regulation 2000	An Act to institute a system of environmental planning and assessment for the State of New South Wales.

In total there are in excess of 110 State laws that directly affect Port Stephens Council. The two State Acts above impact on Council the most frequently.

In addition, Port Stephens Council has formulated policies related to both the internal Council behaviours and rules, and externally-related policies. Examples include Asset Management Policy (internal) and Footway Dining in Port Stephens Policy (external). Policies are made by Council and are reviewed regularly. A full list of Council's policies is available on its website.⁶⁷

The General Manager reports to Council six-monthly on the plans and quarterly on the financial situation. These reports are available on Council's website.⁶⁸

The 2009 Integrated Planning and Reporting legislation required that councils must provide an 'end of term' report to their communities. This report is the second required under that legislation. It takes the form of a snapshot of the LGA at a point in time and in some instances tracks progress since the last report in 2012.

Council also provides an Annual Report to the community, including audited financial accounts. Every four years it also provides as part of the Annual Report a comprehensive State of Environment Report. These documents are available on Council's website.⁶⁹

In 2016, Council continued with its biennial Governance Health Check (GHC) and for the first year the GHC was able to be rated out of 100% using a program developed by LG Professionals NSW. This allows Council to work with a set of 324 questions and provide a rating for each question contributing to an overall rating. The GHC covers a range of areas such as: Ethics, Information Management, Risk Management and Reporting

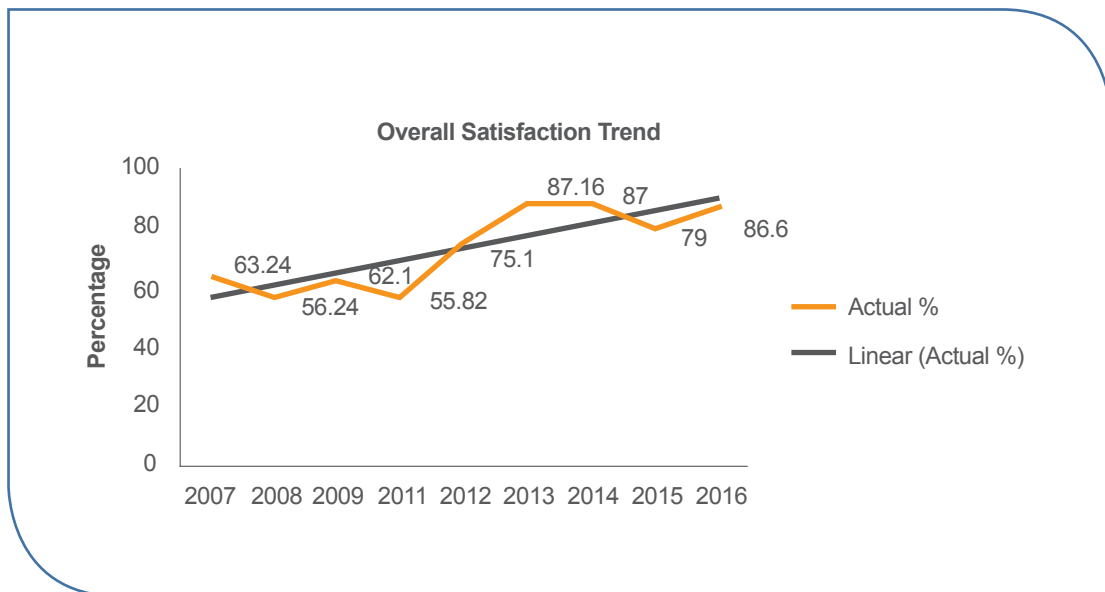
67. <http://www.portstephens.nsw.gov.au/your-council/policies-forms-publications/policies>

68. <http://www.portstephens.nsw.gov.au/your-council/policies-forms-publications/publications-and-information>

69. *ibid*

Council achieved a rating of 94.59% at the completion of the GHC. Council has developed an Action Plan for continuous improvement.

Overall satisfaction with Council is measured annually and at the time of writing the 2016 survey is underway. Results shown below are as at 30 April 2016 and final results will be reported to Council in August 2016. The interim result for 2016 is amongst the highest in the State.

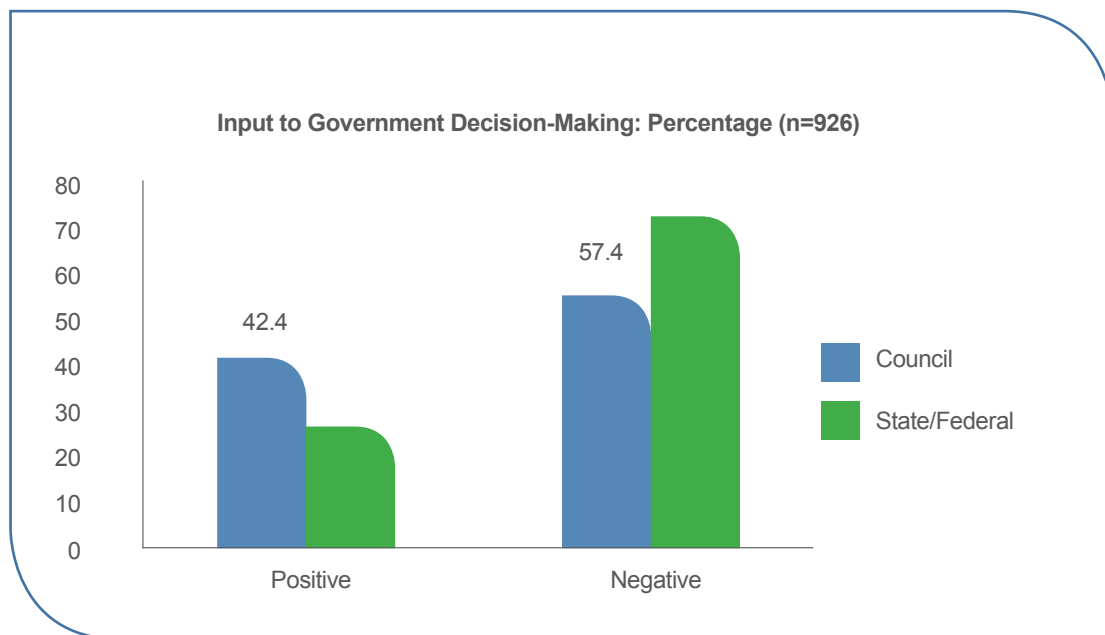


Our Council

Theme: Engagement

Goal: The Port Stephens community is informed and involved in decisions that affect them.

Community Indicator	Outcome
Opportunities for citizens to participate in government and policy decisions that affect them.	42.4% of respondents were positive about their input to Council decisions whereas only 27.5% of respondents were positive about their input to State and Federal decisions (baseline 2016).



Source: Port Stephens Council Customer Satisfaction Survey 2016 (data from survey in progress 28 April 2016)

In order to boost opportunities for citizens to have input to Council decisions, in August 2014 Council established the Community Development and Engagement unit.

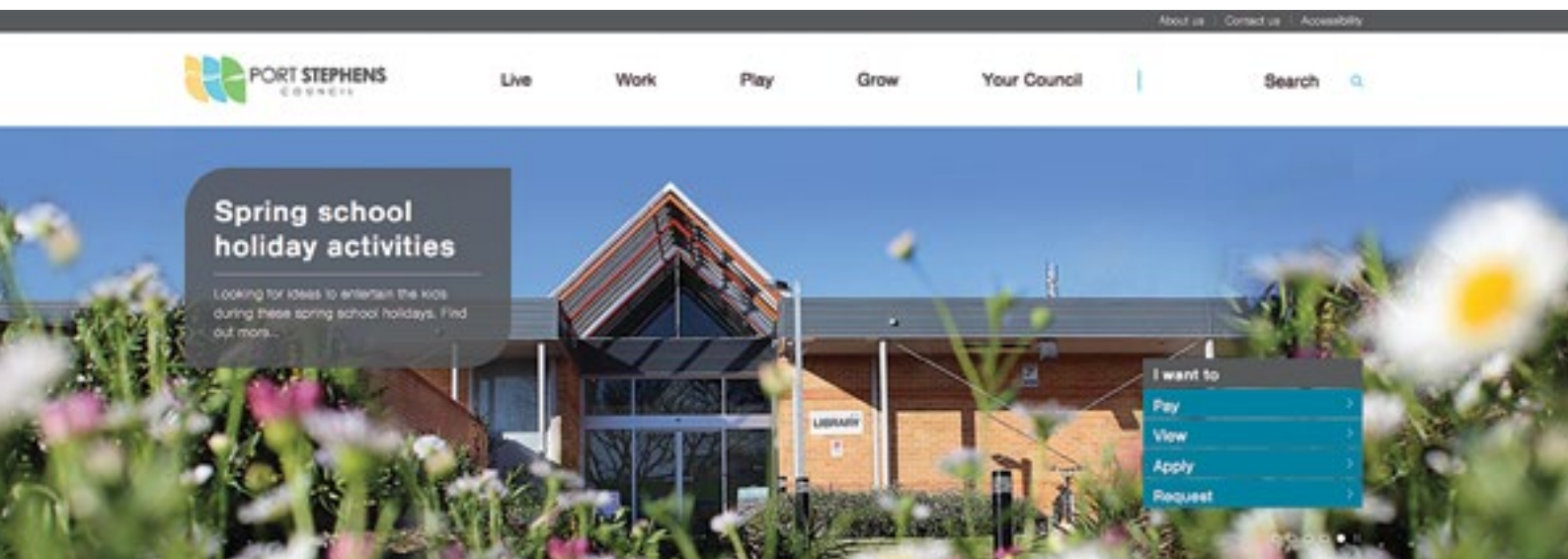
This unit is responsible for engagement for Council. This involves a variety of activities including:

- Implementing Council's Youth Strategy, Cultural Plan and Public Art Policy;
- Implementing Council's Community Engagement Policy;
- Assisting other areas of Council with community engagement;
- Managing two grant programs - Aboriginal and Cultural Projects Funds;
- Administering Clubs NSW grant program;
- Providing secretariat support to three 355c advisory committees - Aboriginal Strategic Committee, Strategic Arts Committee and Australia Day Coordinating Committee;
- Supporting Council's Youth Advisory Panel;
- Supporting Council's 355c Choir Committee;
- Managing Council's Community Awards;
- Overseeing civic events – Australia Day activities and NAIDOC Week;
- Managing an online engagement tool – Engagement HQ.

In the last four years Council has introduced social media (Facebook, Twitter) and an online engagement tool – Engagement HQ – as part of its commitment to actively engage with its community.

During the storm event of April 2015 social media was vital in communicating in the early part of the emergency when more conventional media channels were not available.

Council's new website was launched in December 2015. There was extensive community participation in the development and testing of the website.



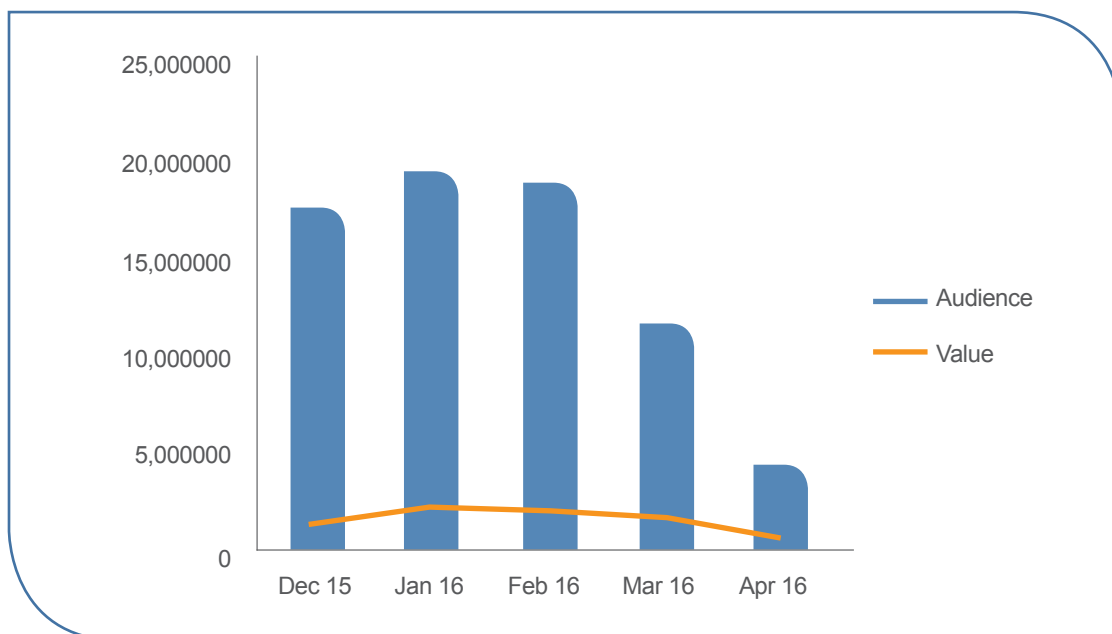
Our Council

Theme: Reputation

Goal: Port Stephens Council is recognised as a leading local government organisation across the State.

Community Indicator	Outcome
Percentage of positive media coverage.	Exact data on positive media coverage is not available however other data on reach and value are shown below.

Media coverage data are available for the period 1 December 2015 to 27 April 2016, and is representative of the audience reach and dollar value for the whole of the period since 2012. Council has an active team of communications specialists who work with colleagues across the organisation and with the community engagement teams to provide information to the community both within and outside the Port Stephens LGA.



Source: Media Monitors

Port Stephens Council has won many awards across all of its operations, most notably being the overall winner as well as category winner in the National Local Government Awards in 2013.

Councillors and professional staff across Council have been regularly invited to speak at conferences, seminars and workshops both within and outside NSW. As a leading Business Excellence practitioner, Council is regularly approached to mentor other councils or individuals, on an informal or formal basis.

In recent times Council has collaborated on projects or completed services for the following State and Federal agencies:

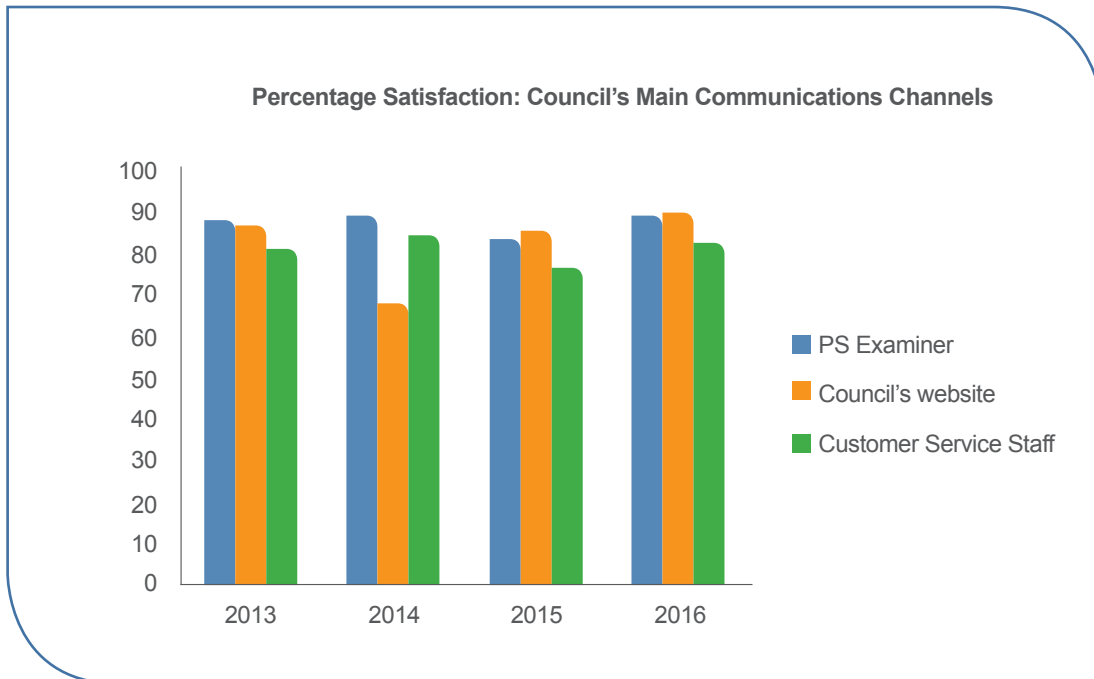
- NSW Department of Family & Community Services
- NSW Department of Premier & Cabinet, including the Office of Local Government
- NSW Department of Public Works
- NSW Department of Sport & Recreation
- NSW Department of Trade & Investment, Regional Infrastructure & Services
- NSW Department of Education & Training
- NSW Department of Planning & Environment
- Australian Government – Department of Education, Employment & Workplace Relations
- NSW Department of Attorney General & Justice
- Australian Government – Attorney-General's Department (Emergency Management Australia)
- Australian Government – Department of Infrastructure, Federal Transport, Regional Development & Local Government
- Australian Government – Department of Health & Ageing
- The State Library of NSW
- NSW Office of Environment & Heritage
- NSW Department of Health
- State Emergency Management Committee
- NSW Department of Trade and Investment, Crown Land.
- NSW Roads & Maritime Services
- NSW Department of Transport
- NSW Department of Agriculture, Fisheries and Forestry
- Australian Government – Department of Innovation, Industry, Science and Research
- NSW Maritime Authority
- NSW Ministry for Police and Emergency Services
- NSW Department of Human Services – Ageing, Disability & Home Care
- NSW Department of Human Services – Community Services
- Australian Sports Commission
- Destination NSW
- TAFE NSW

There is a number of Special Interest Groups (SIGs) auspiced by Hunter Councils that collaborate to share expertise:

- Community & Cultural Development
- Community Planning & Development
- Customer Service
- Economic Development & Infrastructure
- Environment Directors Forum
- Human Resources & Training
- Information Hunter (IT)
- Joint Purchasing/Procurement Group
- Records Management
- Regional Waste Educators Group
- Regional Waste Group
- Regional Weeds Managers Committee
- Sports & Recreation Committee
- Workplace Health & Safety

Port Stephens Council staff participate in all of these Special Interest Groups. More widely, Council staff collaborate in risk management outside the region as well as inside and Port Stephens is recognised for its expertise: recent collaborations and knowledge sharing include with Singleton, Muswellbrook, Greater Taree, Tamworth, Warringah and Gwydir Councils.

Overall satisfaction within Port Stephens LGA with Council's communications has remained well above target of 65% for its main communication channels. Results are collected for social media but the sample is small though increasing and the 'don't know' factor skews the results.



Source: Port Stephens Council Satisfaction Surveys.

Council's corporate brand refresh was endorsed in February 2015 having been developed entirely in house over four months commencing in October 2014. Following the endorsement of the brand strategy, a full review of Council's corporate style guide was undertaken by staff from the Public Relations and Marketing unit. The new guide was endorsed and implemented in May 2015. Many key initiatives have followed on from or taken into account the intent of the new brand identity style guide, including Council's business paper process and also the review of policies and management directives.

LIST OF ABBREVIATIONS

ABS	Australian Bureau of Statistics
APZ	Asset Protection Zone
CAMMS	Management Solutions software supplier
CIV	Capital Investment Value
CRM	Customer Request Management system
CSP	Community Strategic Plan
DA	Development Application
DCP	Development Control Plan
DP	Delivery Program
DPS	Destination Port Stephens
DSA	Disability Services Australia
EMS	Environmental Management System
EOI	Expression of Interest
FTE	Full Time Equivalent
GIPA	Government Information (Public Access) Act 2009
HR	Human Resources
HRIS	Human Resources Information System
HVAC	Heating, Ventilation and Air Conditioning.
ICT	Information and Communications Technology
IPART	Independent Pricing and Regulatory Tribunal
IPM	Integrated Project Management
IRG	Industry Reference Group
IS	Information Services
IWDP	Individual Work and Development Plan
LEMC	Local Emergency Management Committee

LEMO	Local Emergency Management Officer
LEP	Local Environment Plan
LGA	Local Government Area
LHEMC	Lower Hunter Emergency Management Committee
LHEMCC	Local Hunter Emergency Management Coordinating Committee
NAPL	Newcastle Airport Partnership Limited
NDIS	National Disability Insurance Scheme
OP	Operational Plan
PSE	Port Stephens Examiner
REF	Review of Environmental Factors
REFLECT	Council's workflow software program
RFS	Rural Fire Services
RMS	Roads and Maritime Services
RTA	Roads and Traffic Authority
SAMP	Strategic Asset Management Plan
Section 94	Section 94 of the Environmental Planning and Assessment Act 1979
SES	State Emergency Services
TAFE	Technical and Further Education
T Corp	NSW Treasury Corporation
VIC	Visitor Information Centre
WHS	Work Health and Safety



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