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MONTHLY REPORT 2015 – 2016



PORT STEPHENS
COUNCIL

The Six-Monthly Report July - December 2015 has been prepared in accordance with the requirements of Section 404(5) of the *Local Government Act 1993*.

"The general manager must ensure that regular progress reports are provided to the council reporting as to its progress with respect to the principal activities detailed in its delivery program. Progress reports must be provided at least every six months."

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General Manager's Report

Fit for the Future?



On 18 December 2015 the State government announced that it intended to pursue a process which could lead to the amalgamation of Port Stephens Council with Newcastle City Council. This announcement was a complete surprise to our Councillors and staff as the government's own processes had led to a recommendation by the Independent Pricing and Regulatory Tribunal (IPART) to the government that Port Stephens Council was 'fit for the future' and should stand alone. This finding by IPART confirmed those of the NSW Treasury, the Independent Local Government Review Panel and the government itself. As a result of this announcement Council is formally in a 'merger period' until a final determination has been made by the Minister for Local Government after review by the Boundaries Commission. This 'merger period' is in many respects similar to a 'caretaker mode' where only decisions that would not adversely impact of the proposed merger may be taken.

The State government has appointed a 'delegate' to conduct a public enquiry – to be held in Port Stephens LGA at Salamander Bay on 4 February 2016. Thereafter Council is able to make a submission to the Boundaries Commission on or before 28 February 2016, which will be evaluated by both the 'delegate' and by the Commission, both of whom will make a recommendation to the Minister for Local Government. It is anticipated that the Minister will make a determination to accept, reject or amend the findings of the Boundaries Commission sometime in the middle of 2016.

The proposed amalgamation of Port Stephens with Newcastle City Council affects more than simply where residents' rates are paid or where Council meetings are held.

Port Stephens residents should carefully consider the implications of what a merged body would have on local identity, representation at a local level, the cost of rates, and provision of services and infrastructure.

Residents should also weigh up the commonalities between Port Stephens and Newcastle with the urban environment of Newcastle and the seaside and rural villages of Port Stephens.

It is important that the people of Port Stephens make their voices heard on this issue. Submissions can be made via the Council Boundary Review website at www.councilboundaryreview.nsw.gov.au or by mail to GPO Box 5341, Sydney NSW 2001. Submissions are due by 5pm on 28 February 2016.

Storm events

In the last six-monthly report I indicated in the aftermath of the storms in April 2015 that the clean-up would be a long process and take many months, if not years. That has proved to be the case with Council teams continuing to work to ensure the safety of public areas.

As I am writing this report Port Stephens has in the first week of January 2016 experienced another deluge. Whilst the overall damage (including to Council's assets) was apparently not as severe as in April, we are again in clean up mode and making assessments as to the overall cost of this latest event. Four roads were significantly damaged due to flooding: Newline, East Seaham and Six Mile roads, and Lavis Lane. Nineteen roads were closed during the rain event and 17 had water over the surface. Council staff responded to 15 fallen tree complaints. More than 700 hours of overtime was worked in cleaning up debris. On a positive note, the lessons we learned from April 2015 meant that emergency responses were more effective and timely as we implemented enhanced emergency management plans developed in the intervening period.

On behalf of Council I wish to thank all emergency personnel for their wonderful work in response to this latest event.

Williamtown contamination

During the past six months the Mayor and I have been actively lobbying for more assistance for residents affected by the contamination through fire retardants escaping from the RAAF Base at Williamtown. I have been attending meetings of the Williamtown Contamination Investigation Community Reference Group; and the Mayor has attended community drop in sessions during the last six months.

Although Council's role is confined to advocacy (the lead agencies are Commonwealth Department of Defence and NSW Environmental Protection Authority), our planning, engineering and development services staff have been engaged in assisting residents with property and other information to better understand the overall effects.

Given the severe impact on some families whose livelihoods have effectively ceased, we are disappointed at the pace of actions to date.

Soldiers Point Aboriginal Place Plan of Management

On 12 August 2015 Port Stephens Council adopted the Soldiers Point Aboriginal Place Plan of Management. The ceremony was accompanied by the playing of a didgeridoo by local musician Jonathan Lilley. The Council meeting opened with an official welcome to country by Worimi Elder Uncle Neville Lilley and a speech on the significance of Soldiers Point as an Aboriginal Place by Graeme Russell. Mayor MacKenzie said that this was a significant step on the journey of reconciliation. Worimi Local Area Land Council CEO Andrew Smith who was also at the meeting said that the result was welcomed by the local Aboriginal community.

Council also endorsed the nomination for the declaration of an Aboriginal Place under Section 84 of the National Parks and Wildlife Act 1974.

Operations July to December 2015

In my first six-monthly report to December 2014 I outlined that Council will focus on three key areas, and we have made progress in this period as I have outlined in the report which follows and in the summary of the key result areas.

1. Building a resilient and responsive organisation

Council has a scheduled program of service reviews focused on ensuring that our services are delivered in the best possible way. Each review ensures that:

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

We have a four year program that results in all 51 services being reviewed thoroughly. As of December 2015 the previous four year program of work is coming to an end almost six months ahead of schedule. Council has also finalised the program for 2016-2019.

There are a number of improvement programs that have resulted from the service reviews. These include:

Business Improvement

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. During the first 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 and data management.

Information Communication Technology

The Information Communication Technology 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 are all progressing well. This body of work includes the asset management requirements now being included in the organisation's Strategic Asset Management Plan as well as significant improvement to connectivity and security. Council's ICT systems have been tested during a number of planned and unplanned outages and have proved stable. To support delivery of an effective service all ICT processes have been reviewed and mapped.

Spatial Services

The Spatial Services Program of Work is made up of five projects, all of which are focused on improving the use of spatial data. This includes building capacity and capability to access the data from a number of platforms. 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.

Records Management

The Records Management Program of Work is aimed at improving the way Council manages its records. It 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. 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.

People

Our commitment to enhancing the skills and career opportunities of our staff continues. Our 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 development plans. An apprentice, trainee and cadet networking session was conducted 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. Ongoing sessions are held with these students to ensure they progress and have a worthwhile experience whilst employed at Council.

Learning and Development plans are established as part of each staff member's 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 Learning and Development has commenced discussions with external providers to schedule risk and safety programs for the remainder of the 2015-2016 period.

Learning and Development teams 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 with agreed Learning and Development plans.

I am pleased to advise that the Port Stephens Council Enterprise Agreement was negotiated in a spirit of cooperation between all parties and was registered in the NSW Industrial Relations Commission in November 2015.

Working collaboratively with our staff and continuing to focus on our leadership programs have yielded a great result: 70% of our staff are engaged, and an engaged workforce is a highly productive workforce.

Council has been actively pursuing opportunities to collaborate regionally. The regional Human Resources (HR) Managers' Group is currently exploring options for a number of HR initiatives such as a regional tender for Compliance Based Training. A proposal on a fee for service basis for Health Management Services in conjunction with Hunter Water has been completed. The regional tender for the provision of Recruitment Services commenced on 1 July 2015.

Safety

A commitment to a safe work culture and fewer injuries on the job has resulted in the lowest Workers Compensation premium on record for Port Stephens Council. The 2015-2016 premium of \$568,590 was calculated on Council's safety record for the previous three years, which has shown a steady decline in the number of injuries as well as the severity of injuries. It also represents significant savings of more than \$4 million over five years when compared to the 2009-2010 premium of \$1.86 million. We have developed a significant focus on creating a safety culture at Port Stephens Council, with a number of programs introduced to encourage workers to identify risks before incidents occurred. As well as the obvious benefits to workers the low Workers Compensation premium meant savings could be channelled into other projects to benefit the community.

Port Stephens Council continues to cement its reputation as a leader in workplace health and safety taking out the prestigious 2015 SafeWork NSW Award for the best workplace health and safety management system (public sector/not for profit). We are fortunate to have a very talented and dedicated Work Health and Safety and Risk Management team at Council that is delivering significant results, including substantial declines in the number of injuries as well as the cost of our Workers Compensation premiums.



However, this award really means is that every person at Port Stephens Council is doing their bit to keep themselves and their colleagues' safe on-the-job, and that's the best reward.

Financial

As I reported in June 2015, we conducted a Sustainability Review of the Financial Services section and this has been implemented in the last six months.

Despite the significant impact of the April 2015 storms Council's financial position remains strong. The result for the six months to 31 December 2015 attests to our ongoing focus on robust financial management. Council's audited financial statements were adopted in November 2015 and again received an unqualified audit. I acknowledge the diligence of our Financial Services staff in achieving this result.

I advised in the last report that a 33 allotment subdivision was under development at Tarrant Road, Salamander Bay which will generate additional revenue for Council whilst providing much needed residential housing in the local government area (LGA). I am pleased to report that all 33 lots have been sold or are under contract. Profit on this initiative is expected to exceed initial projections.

Continuing our focus on delivering valued services to the community in the best possible way, Council sought through tender to appoint a provider to manage its aquatic centres. In September 2015 Belgravia Leisure Pty Ltd was appointed to manage Lakeside Leisure Centre, Tomaree Aquatic Centre and Tilligerry Aquatic Centre. Belgravia Leisure won the tender on a range of factors, including value for money, as well as guarantees made around level of service and no disadvantage to staff under the fitness industry award.

I take this opportunity to acknowledge the YMCA NSW for the great work that YMCA has done over the past five years and thank them for the service they have provided to Council and the people of Port Stephens during that time. They brought the management of the three public pools in the area under one banner resulting in a vastly improved service.

In summary through continuous business improvement, dedicated and engaged staff and sound financial management we continue to build a resilient and responsive organisation.

2. Making business with PSC simple and convenient

In late November 2015 Council enhanced its online presence with the launch of a new website that has the capacity to revolutionise how customers do business with Council and access information.

The revamped website has a fresh new look, simpler navigation and greater functionality. The operating system the site is built on offers scope for new ways customers can do business with Council, and how Council and our community can communicate with each other. This site paves the way for further online service delivery, has functional links to Council systems to make sure information is the most accurate and up-to-date, and allows integration of video content that will open up opportunities for innovative and relevant communication with our community.

Residents were involved at the start of the process to provide feedback on the initial design and Council also went back to the community for another round of feedback ahead of the official launch.

The transition to a digitised development assessment process at Port Stephens Council achieved another milestone with development applications (DAs) now able to be lodged by email. The introduction of a dedicated email address for DAs follows Council's move to a completely digitised method of submitting development plans and material from 1 June 2015, as well as the launch of an overhauled online DA tracker.

It is now simpler to make plans for any property in Port Stephens with easy access to information about zoning and development controls for every parcel of land available on Council's website. The new DA Enquirer tool was launched in tandem with Council's new website to make it convenient and efficient to anyone to check permissible development on any site they might be looking at.

In November 2015, Council resolved to move ahead with development plans for land neighbouring the existing Salamander Bay shopping centre. Should a development application be accepted to subdivide Council-owned land into seven lots, including four development-ready sites fronting Town Centre Circuit, Terminus Parade and Central Avenue, an infrastructure lot and two residual lots, development will go ahead in 2016-2017.

The proposal enhances opportunities for businesses to move into the established shopping precinct as well as improve traffic flow and access for public transport. Civil works to be included in the development application will see upgrades to Bagnall Beach Road, traffic lights installed at the intersection of Bagnall Beach Road and Town Centre Circuit, additional lanes and straightening of Town Centre Circuit to provide additional queuing capacity and a dedicated bus interchange and pedestrian links.

In August on behalf of Council I 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.

The Port Stephens Development Control Plan 2014 (the DCP) was adopted by Port Stephens Council on Tuesday 14 July 2015 and became effective on 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 is a comprehensive plan that seeks to provide further guidance to the Port Stephens Local Environmental Plan 2013 and will assist to inform development across the local government area.

3. Delivering community value

The Boomerang Park Playground, costing \$300,000 was completed in time for the school holidays. Council worked with the community to ensure that the park met their needs and expectations. It has a range of great features providing a great opportunity for kids including swings, a carousel, climbing equipment, slide and nature play elements. There is also additional seating and picnic tables, and a new circuit path and landscaping.

In Fern Bay Council has also replaced the existing playground at Vardon Road, delivering a facility that was designed with two swings including a basket swing, climbing equipment, a net carousel, balancing rope and nature play areas. Fern Bay families and visitors were able to enjoy the new playground in time for the Christmas school holidays. The new playground is the start of a transformation of the Vardon Road site that will culminate with a new multi-purpose community facility on the site next year.

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.

A new whale watching platform for 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. 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.



Council completed a significant refurbishment of the Soldiers Point Hall, which had been closed due to asbestos contamination. Soldiers Point Hall is an important community resource and the work that has been done included replacing and painting the external weatherboards, refurbishing the old projector room of this former movie theatre, and upgrading the toilets. Great care was taken to preserve the integrity of the building and its historical features, such as the old ticket office in the foyer and the beautiful timber floors.

A new waste collection provider commenced on 1 July 2015 and despite initial teething problems, has made a successful transition. New trucks fitted with GPS and lifting technologies, combined with new drivers meant a slow start to collection, seeing some bins knocked over, late collections and missed bins. These issues are now resolved and residents are taking advantage of the new on-call bulky waste collection service. In addition to weekly and fortnightly waste collections, Port Stephens residents also enjoy:

- green waste drop offs every Sunday;
- six mattress drop off days;
- two chemical waste drop off days;
- three E-Waste drop off days;
- three tyre drop off days; and
- Christmas recycling.

As a result of Council's commitment to recycling, we have achieved one of the highest recycling ratios in the State at 58.6%.

Transport for NSW and Port Stephens Council launched a three-year program to provide almost \$3 million of improvements to boating infrastructure across Port Stephens. The Boating Now program of works includes:

- \$1.3 million improvements at Henderson Park, Lemon Tree Passage, which includes construction of an additional boat ramp, new pontoons and improvements to the tidal pool and other infrastructure;
- initial stages of future improvements to Little Beach boat ramp with a coastal process study which will guide concept designs;
- an upgrade of Seaham boat ramp; and
- replacement of decking and baffle boards on Salamander and Karuah wharves.

The program will continue in 2016-2018 with:

- replacement of Taylors Beach wharf;
- upgrading Karuah Boat Ramp; and
- upgrading Tomago boat ramp.

This three-year program is a significant investment in enhancing the boating experience for locals and visitors to Port Stephens.

Council has enlisted the services of Surf Lifesaving Australia to provide professional lifeguards at One Mile, Birubi and Fingal beaches under a five-year contract until 2020. The new arrangement includes doubling the number of lifeguards to two per beach to minimise the risks associated with unsafe beach and surf conditions during the season.

Volunteer lifeguards will be present at Birubi and Fingal beaches on weekends, with all beaches patrolled seven days a week between 9am and 5pm.

Lifeguards took up their watch at One Mile Beach on Saturday 19 September 2015 and Birubi and Fingal beaches on Monday 21 September 2015. The season will end on Tuesday 26 April 2016. Surf Lifesaving Australia is putting two additional jet skis at Fingal and Birubi beaches.

Council completed a new amenities building, just in time for the holiday season at Fingal Bay Holiday Park. The state-of-the-art facility, officially handed over to park management in late December is designed to provide maximum comfort for guests at the popular tourist location. The replacement facility valued at \$1.5 million was delivered prior to the forecast completion date of mid-January despite the difficult weather conditions during the construction period.



I am proud of the achievement of Halifax Holiday Park in winning a Silver Award at the NSW Tourism Awards. Whilst the objective is provision of a first class tourism experience for our visitors, it is always pleasant to have the efforts of the park management and staff acknowledged with a prestigious award.

Summary





The Mayor and Councillors joined me in congratulating our popular Facilities & Services Group Manager Jason Linnane who has been appointed to the position of General Manager of Singleton Council effective from March 2016. Whilst we regret our loss of a highly skilled leader and an integral part of my Executive Team, I wish him well in his new role and thank him for his very significant contribution to this organisation over a career of some 18 years. I will personally miss him as a valued colleague but hope that we can continue to share professional and personal support in the years ahead.

I would like to take this opportunity to thank Councillors, staff and volunteers for their individual efforts and support during the past six months.

Wayne Wallis
General Manager

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 the period. Full details are provided in the section which follows this table.

Legend:  Target Exceeded
 Target Achieved or on Track to be Achieved
 Target Not Achieved
 Data Not Available at Time of Report

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 methodology. During the first 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 51 service packages being reviewed thoroughly. As of December 2015 the previous four-year program of work is coming to an end almost six months ahead of schedule. Council has just finalised the program for 2016-2019.

2. Community Strategic Plan/Operational Plan Delivery

The target is to complete >90% of the actions due for completion in this six months. Actual = 100% of actions due to be completed by 31 December 2015. All other actions are on track to be completed within the due date of 30 June 2016.

3. Capital Works Delivery

(a) Capital Expenditure – Fleet

Description	Budget	Actual (Including Commitments)
Major Plant	\$1,973,502	\$1,971,886
Light Trucks, Vans & Utes	\$691,031	\$528,181
Sundry	\$294,360	\$89,126
Total	\$2,958,893	\$2,589,193

Fleet capital expenditure is in line with targeted expenditure. Expected expenditure for 30 June 2016 to be within budget allocation.

(b) Capital Works – Roads – Completed

Project Description	Cost
Hinton Road Stage 2	\$1,089,484
Elizabeth Street, Hinton	\$50,000

Project Description	Cost
Paterson Street, Hinton	\$100,000
East Seaham Road Stage 2	\$1,100,000
Peppertree Road	\$1,000,000
Cabbage Tree Road	\$726,499
Government Road Retaining Wall	\$100,000



(c) Capital Works – Roads – Commenced

Council successfully applied to the Federal Black Spot Program under the Nation Building Program. Funding totaling \$2.4 million has been made available for works to target recognised black spot locations at Shoal Bay, Nelson Bay, Salamander Bay, Raymond Terrace, Taylors Beach, Tomago, Mallabula and Butterwick/Woodville.

Project Description	Estimated Cost
Masonite Road and Tomago Road	\$234,000
Port Stephens Drive – Black Spot	\$224,000
Fullerton Cove Road	\$400,000
Clemenceau Crescent	\$687,456
Daniel Crescent	\$255,000
Fairlands Road and Lemon Tree Passage Road – Black Spot	\$244,000
Benjamin Lee Drive	\$40,000
Irrawang & Williams Streets –Black Spot	\$90,000
Shoal Bay Traffic Road Lights – Black Spot	\$590,000
Victoria Parade – Black Spot	\$340,000
Soldiers Point Road, Salamander Bay – Black Spot	\$102,000
Shoal Bay Road, Nelson Bay	\$400,000
Hinton Road guard rail	\$60,000

Project Description	Estimated Cost
Foreshore Drive shared path	\$199,000
Butterwick Road, Butterwick-Black Spot	\$647,000
Gan Gan Road & Frost Road - Black Spot	\$50,000
Corlette Headland Cycleway	\$30,000
The Summerhouse bus shelter	\$20,000
Brandy Hill Drive	\$400,000
Brandy Hill Drive guard rail	\$100,000

(d) Community and Recreation – Completed Projects

Project Description	Cost
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	\$108,800.00

(e) Community and Recreation – Commenced Projects

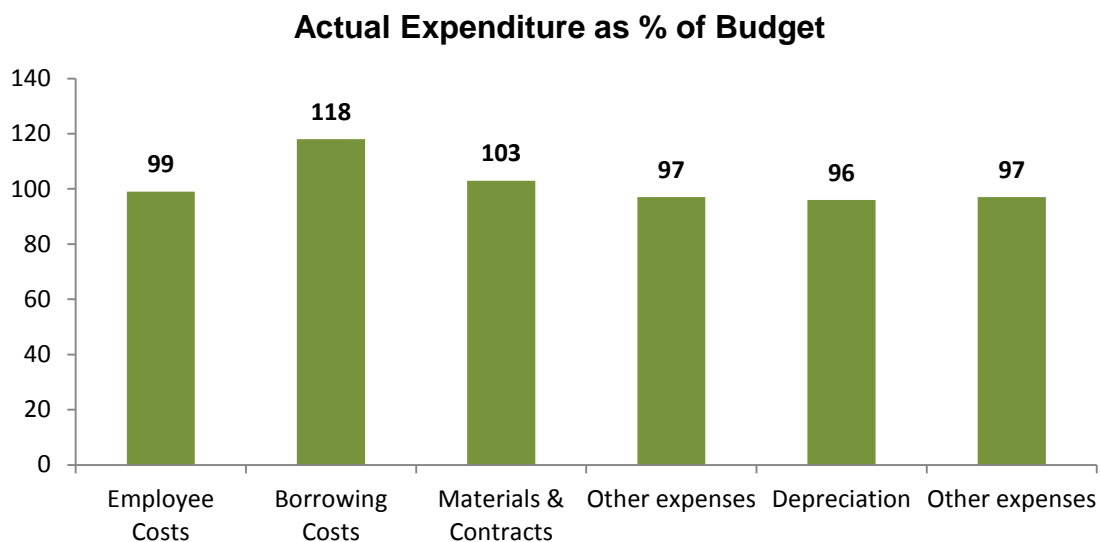
Project Description	Cost
Salt Ash Playground	\$80,000
Raymond Terrace Library Insurance Repairs	\$170,000
Raymond Terrace Library – Replace Box Gutters	\$35,000

Project Description	Cost
Raymond Terrace Library – Compliance Works	\$50,000
Fern Bay Hall Replacement	\$80,000
Lemon Tree Passage Aquatic Infrastructure Upgrade	\$1,300,000
Medowie Sports Club	\$3,800,000
Raymond Terrace Men's Shed	\$748,000
Karuah Hall Footing Repairs and Roof Reglaze	\$65,000
Raymond Terrace Community Care Centre Roof Access	\$20,000
Lakeside Irrigation Upgrade	\$100,000
Seaham Boat Ramp Upgrade	\$300,000
Shoal Bay Boardwalk	\$80,000
One Mile Lifeguard Facilities	\$600,000

4. Financial Sustainability Program

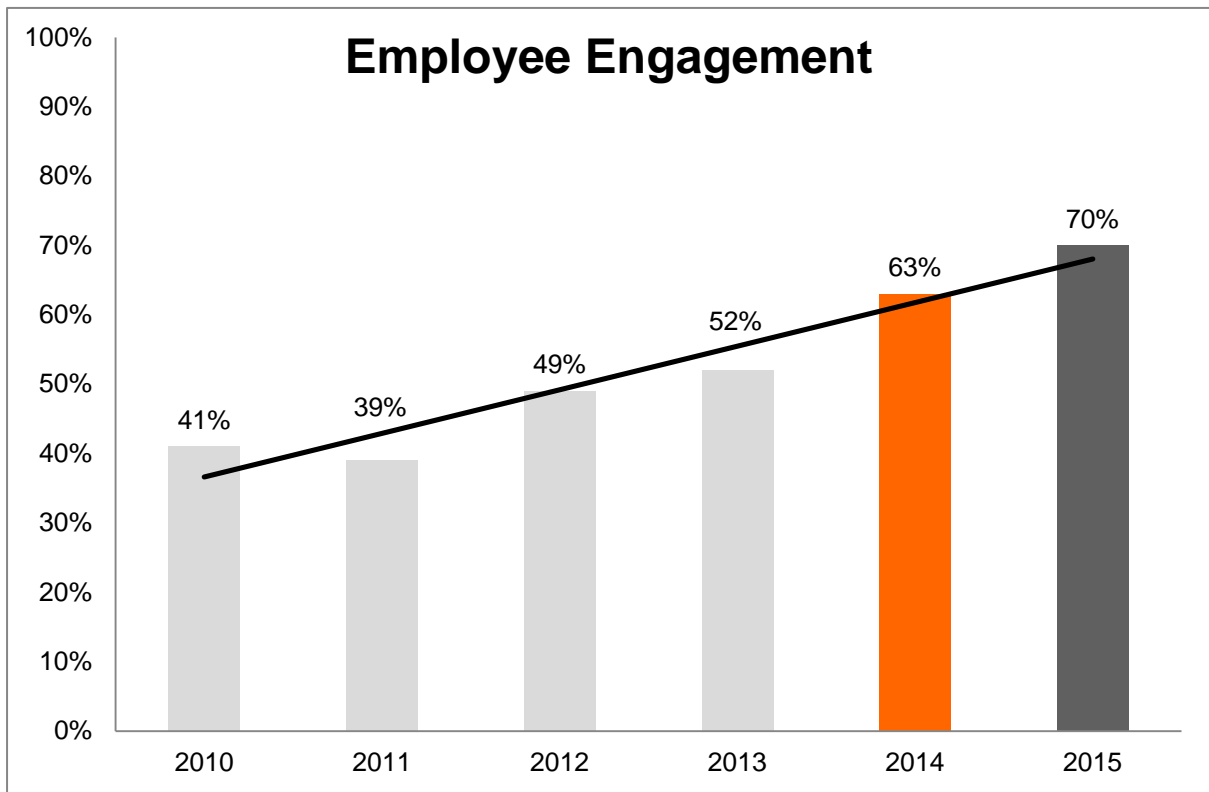
Expenditure target is 50% of revised annual budget; actual was **51%**.

Annual revised budget	YTD actual expenditure
\$108,521,181	\$55,436,728

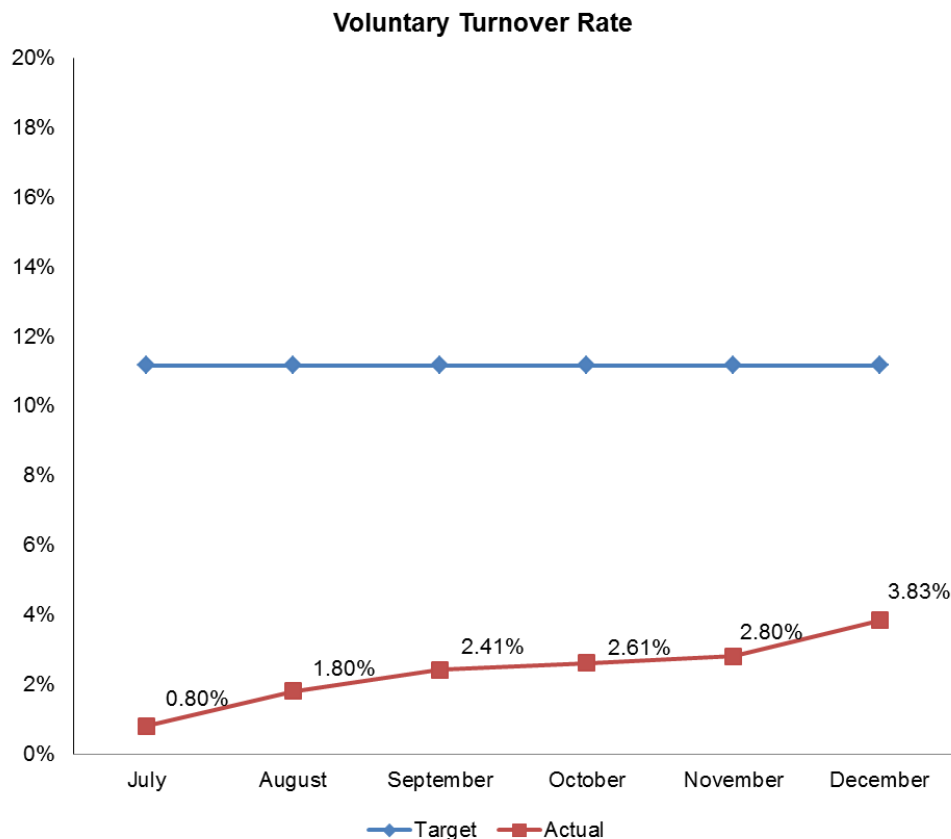


5. Workforce Strategy Implementation

Staff engagement **target = >65%**. Actual (August 2015) = **70%**



Staff voluntary turnover for the period was 3.83%.



6. Infrastructure Planning

Work on developing an infrastructure plan for Port Stephens has been completed in draft and will be presented to Council in March 2016 with a recommendation to place on public exhibition in April 2016. The project has included additional asset mapping (existing and proposed assets). The project involved incorporating the long term infrastructure plan into the existing Strategic Asset Management Plan.

This approach will greatly enhance how Council plans for and manages both current and future assets.

7. Technology Improvement Program

The Information Communication Technology 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 are all progressing well. This body of work includes the asset management requirements now being included in the organisation's Strategic Asset Management Plan as well as significant improvement to connectivity and security. Council's ICT systems have been tested during a number of planned and unplanned outages and have proved stable. To support delivery of an effective service all ICT processes have been reviewed and mapped.

Records Management

The Records Management Program of Work is aimed at improving the way Council manages its records. It 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. 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.

8. Land Use Strategy Development

Council has continued to progress with review and development of a range of land use strategies across the local government area. The key projects progressed in this period include the review of the Medowie Strategy, preparation of the Williamstown Land Use Strategy, compilation of the Raymond Terrace Heatherbrae Strategy, resolution of development in flood prone land policy and the development of the Rural Residential Strategy. The key aspects of these strategies include:

- Medowie: Council adopted the draft Medowie Strategy including Town Centre in November 2015. The draft Strategy is planned go on public exhibition in February 2016 for a period of 60 days. Related to the draft Strategy is the implementation of a local area contributions plan for traffic and transport infrastructure, which was exhibited publicly through March and April 2015. Council resolved to adopt the contributions plan at its meeting of 24 November 2015.
- Williamstown 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 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.
- Raymond Terrace and Heatherbrae Strategy: The Raymond Terrace and Heatherbrae Strategy and proposed amendments to the development control plan were adopted by Council in November 2015 following public exhibition. The Strategy is an action plan that seeks to make Raymond Terrace and Heatherbrae a strong regional centre and a great place to live, work and play. Nominations are now being sought from members of the Raymond Terrace and Heatherbrae communities to form the Strategy Implementation Panel. Upon receipt of the nominations for the Strategy Implementation Panel a report will be made to Council for endorsement and formal adoption of the Terms of Reference.

- 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 which was adopted by Council on 14 July 2015. The Draft Port Stephens Floodplain Risk Management Policy and Flood Hazard Maps have been prepared by Council's Flooding and Drainage Engineers and were publicly exhibited from 4 November 2015 to 29 January 2016.
- Rural Residential Strategy: The draft Strategy was reported to Council on 28 July 2015. The Strategy was on public exhibition from 27 August to 8 October 2015. During the exhibition period a range of engagement processes were undertaken aiming to provide opportunity for community, stakeholder groups and State government agencies to have input on the draft Strategy. Council officers have completed four community drop-in sessions across the LGA and held a number of meetings with specific interest groups at their request. The draft Strategy has generated a number of submissions from the community, key stakeholder groups and government agencies. Detailed consideration of issues is currently being undertaken and amendments to the draft Strategy are likely before reporting the matter back to Council.
- 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 seeks to provide further guidance to the Port Stephens Local Environmental Plan 2013.

9. Flood and Drainage Study Implementation

Study	% complete
Medowie flood study	95
Williamstown – Fullerton Cover drainage study	95
Francis Avenue, Lemon Tree Passage flood study	95
Williamstown/Salt Ash Flood Risk Management study	65
Hinton Road flood study	100

A new comprehensive Floodplain Risk Management Policy and flood hazard maps have been unveiled for community feedback. Council voted to exhibit the draft Policy and flood hazard maps from 4 November 2015 to 29 January 2016.

The new draft Policy and maps will be an integral tool for future planning decisions in Port Stephens, and could also save households money on insurance premiums. The new draft Policy ensures that Council meets its legislative requirements, while decisions relating to development of flood prone land are not unnecessarily restricted but pragmatically take into account the flood hazard.

The flood hazard maps have been compiled from Council's various flood studies and present a visual representation of the technical information to help current and future residents understand the risk of living on a floodplain.

Anecdotal evidence suggests that Port Stephens residents are paying higher flood insurance premiums than they should be. These new flood maps will aid discussions between residents and their insurance companies.

The Floodplain Risk Management Policy and flood hazard maps will also ensure that the State Emergency Service and the Port Stephens Local Emergency Management Committee are provided with the most up-to-date flood information for inclusion in their emergency response and recovery planning.

10. Integrated Risk Management Program

Risk Maturity



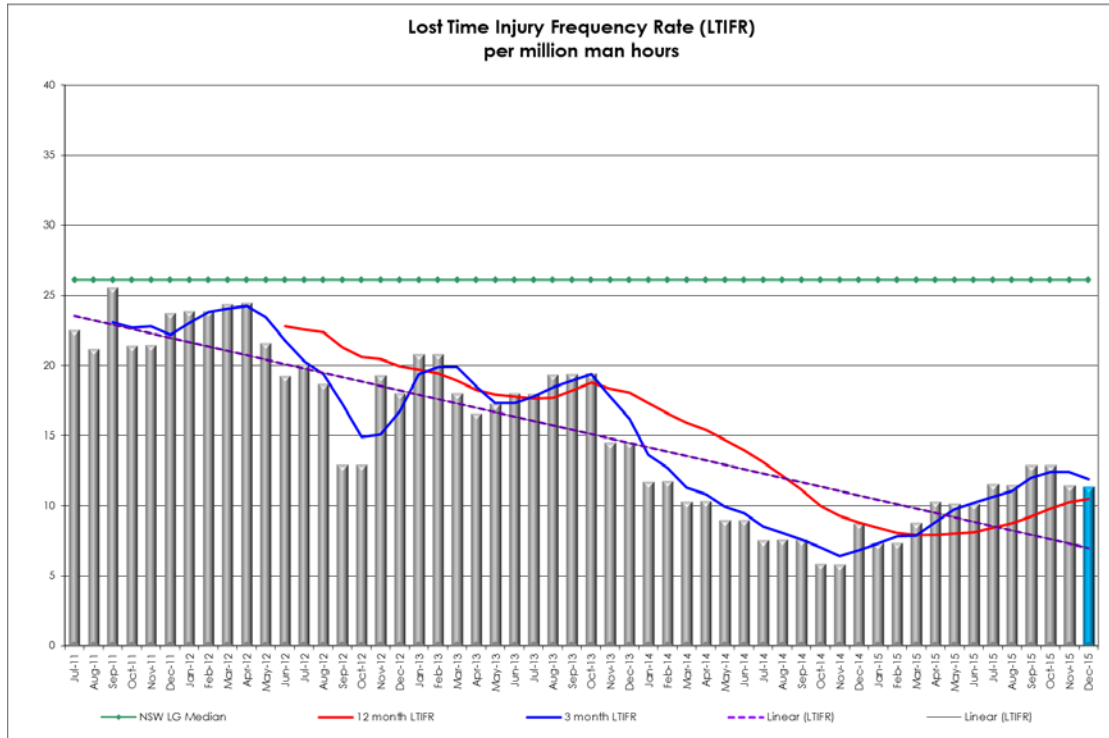
Risk Maturity Score¹ **Target: >65%. Actual = 74%.**

Implementation of our Integrated Risk Management Framework has resulted in a significant decrease in the level of risk across Council. In 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.

¹ Risk Maturity Score is assessed independently by an expert panel against AS/NZS ISO 31000:2009 *Risk Management*.

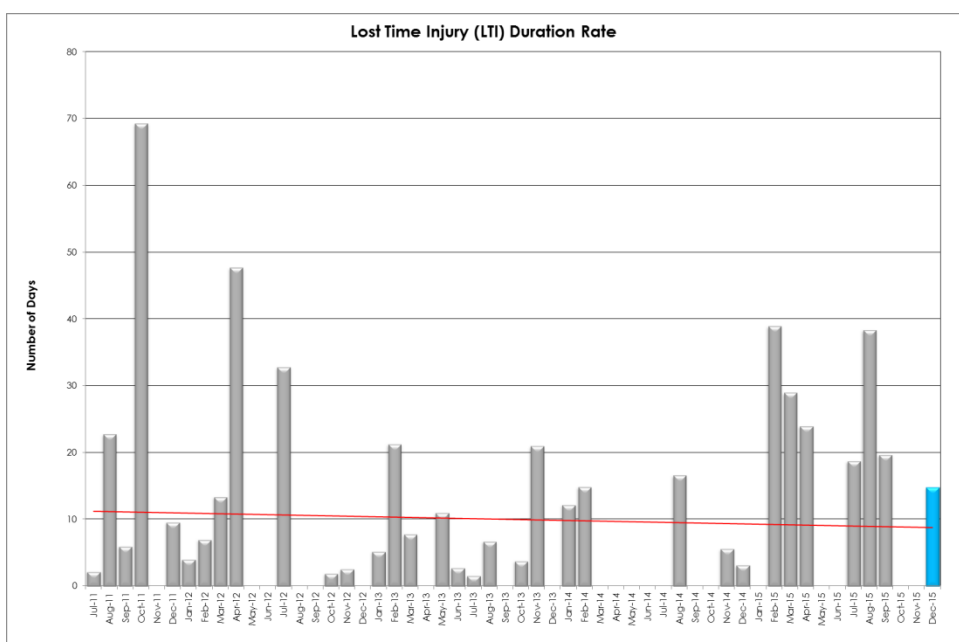
Lost Time Injury Frequency Rate

Year to date there have been 11 workers compensation claims with five resulting in lost time. This has increased compared to the same period last year.

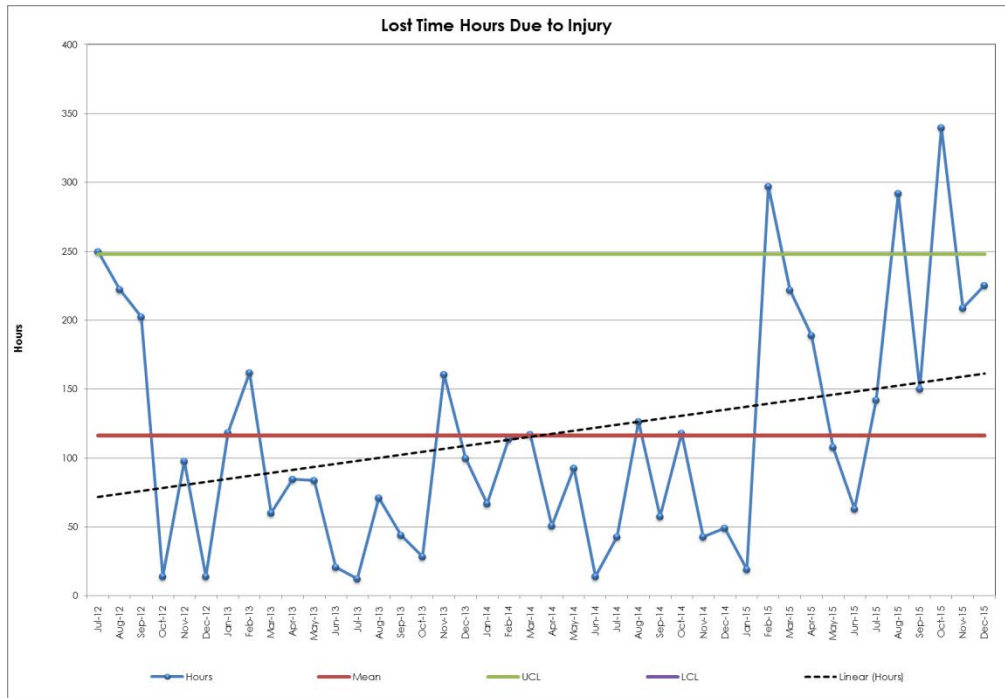


Lost Time Injury Duration Rate

For every lost time injury that occurs at Council the average time lost in December 2015 is 14 days. The duration rate can give an indication of the severity of the injuries occurring.

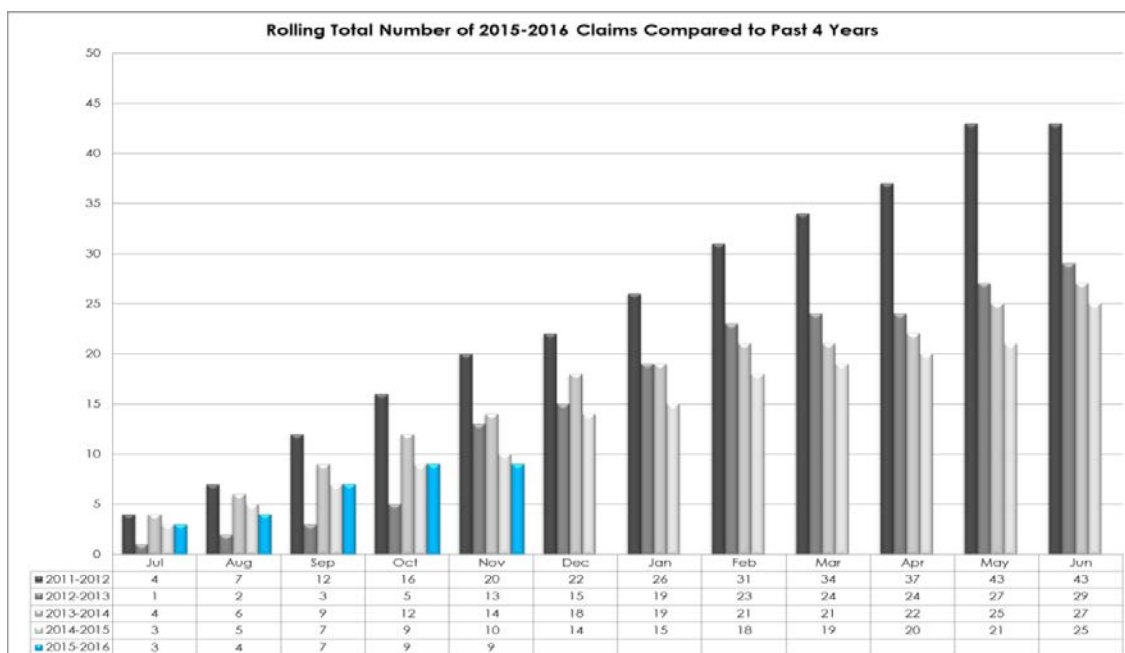


Lost Time Hours Due to Injury



There has been a 78% increase on the same period in 2014-2015 in the total hours lost for all employees losing time from work due to workers compensation injury. This includes time lost to attend treatment. The spike in hours lost is directly related to two workers unfit to work and another worker is not fit to work full hours however this claim is not premium impacting.

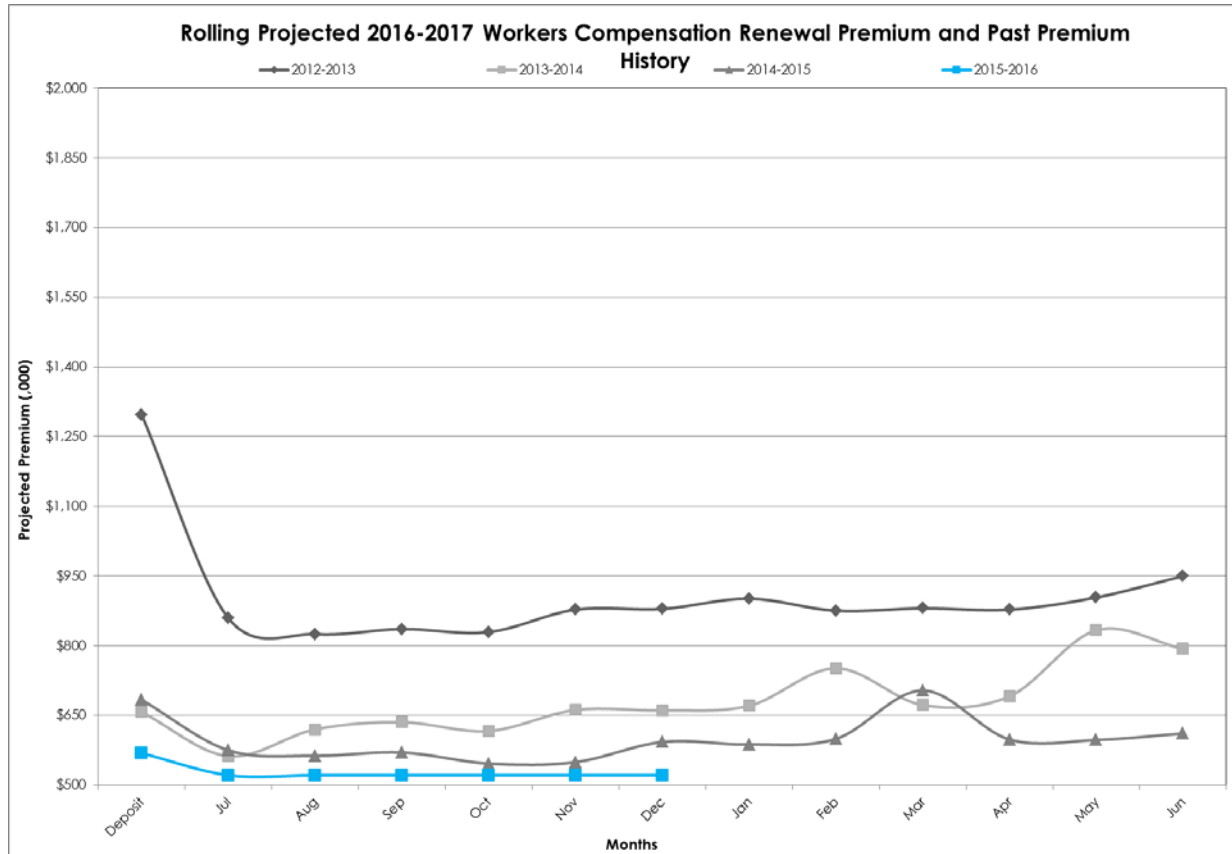
Rolling Total Number of Workers Compensation Claims



Rolling Projected Workers Compensation Premium

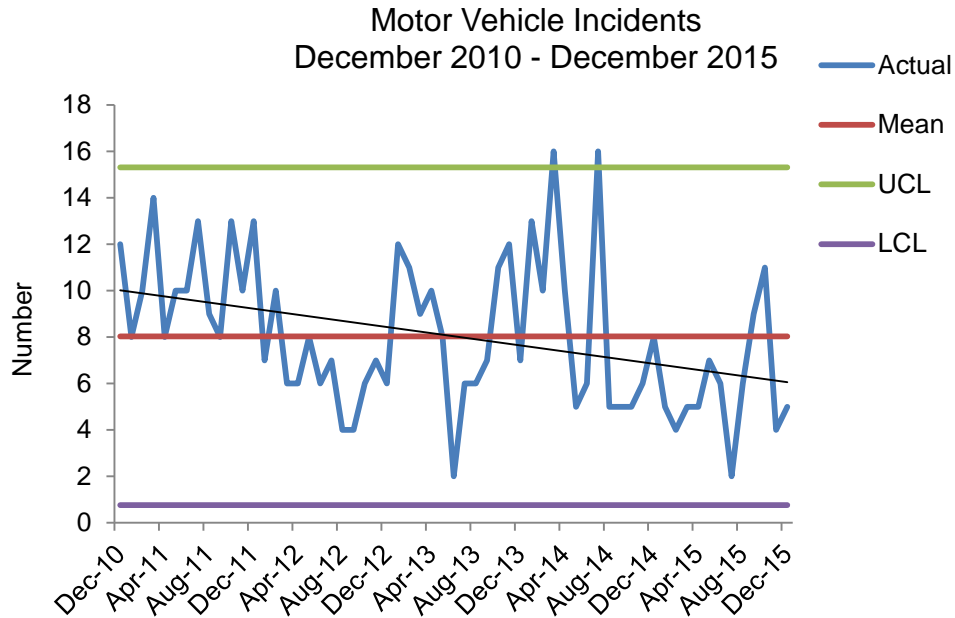
In 2015-2016 WorkCover have made reforms to the calculation of workers compensation premiums. This estimate is based on 2015-2016 WorkCover industry rates.

The estimated workers compensation premium at the end of December 2015 is \$568,590, which remains below the deposit premium.



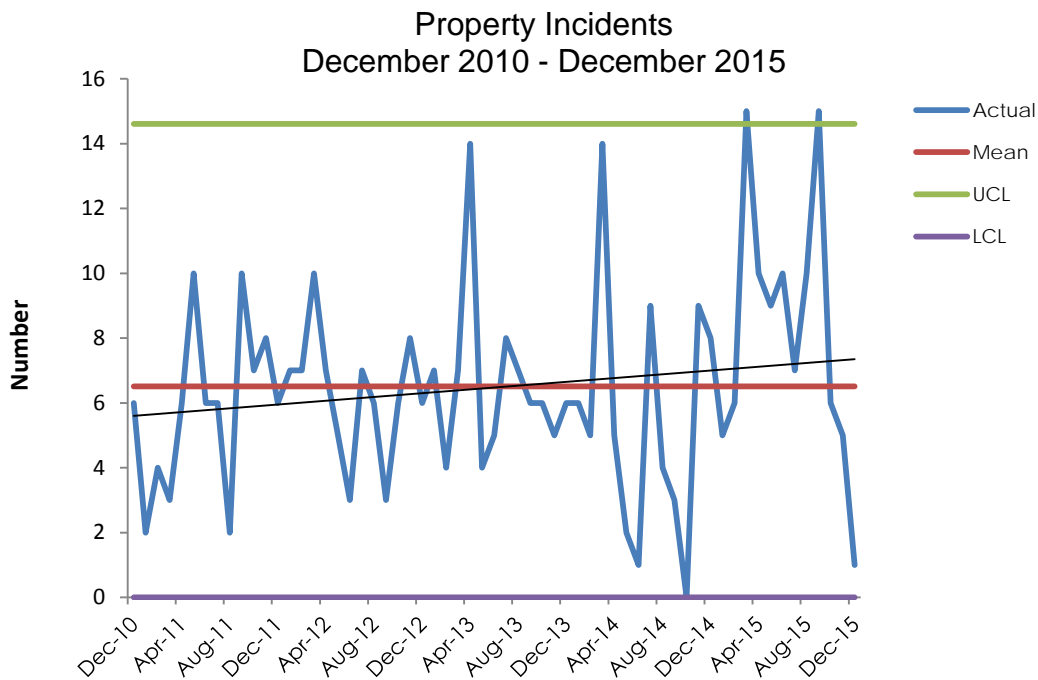
Motor Vehicle Incident

The YTD average per month is 6.5, 0.1 above the average for 2014-2015. This is disappointing given the reduction in the overall number of vehicles in the fleet.



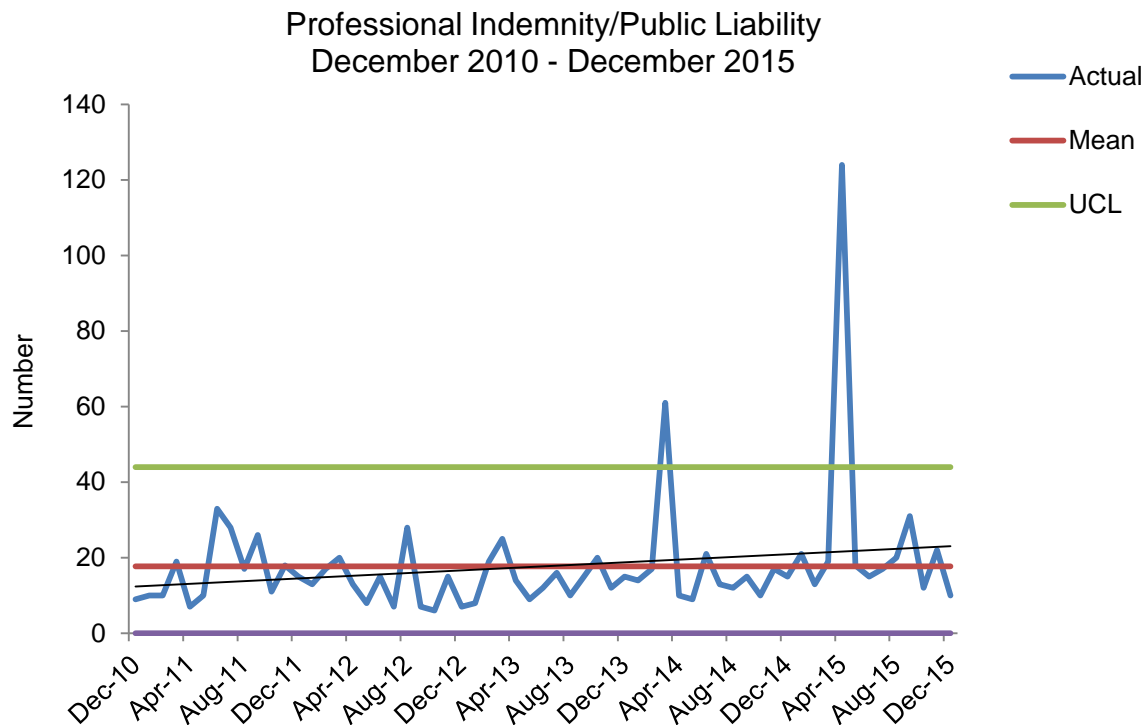
Property Incidents

The YTD average per month is presently 1.5 less than in 2014/2015.



Professional Indemnity and Public Liability Incidents

The YTD average is 18 incidents per month compared to 24 per month in 2014-2015.



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 the convening of regular meetings of the Port Stephens Community Interagency, Cultural Interagency, Education and Employment Interagency and the Strategic Arts 355c Committee. These were supported by the allocation of funding for 19 cultural projects through the Cultural Projects Fund totalling \$51,450.

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

- assisting in NAIDOC week celebrations;
- convening the Aboriginal Strategic 355c 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 355c Committee, Aboriginal Strategic 355c Committee and the Heritage Advisory 355c Committee in December 2015 to further promote relationships between Council's committee members.

In July 2015 Council conducted its annual customer satisfaction survey, which was held over from April due to the storm events. The satisfaction level was recorded at 79% – a very high figure for a local government entity and above the target of 75% satisfaction.

Overall Satisfaction Trend

