

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

There are no significant social or economic implications that could arise from adopting the recommendation.

The easements are on Council reserves with the water mains being underground and the pump station structure being in place for some time. It is not considered likely that the ecological systems of the area will be significantly affected.

**CONSULTATION**

- 1) Hunter Water Corporation.
- 2) Property Officer.
- 3) Land Development & Acquisition Manager.
- 4) Community & Recreation Co-ordinator.
- 5) Civil Assets Section Manager.
- 6) Senior Survey & Land Information Manager.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Locality Map - Council Communtiy Land - Fern Bay.
- 2) Aerial Photo Vardon Road Fern Bay.
- 3) Draft Survey Plan.

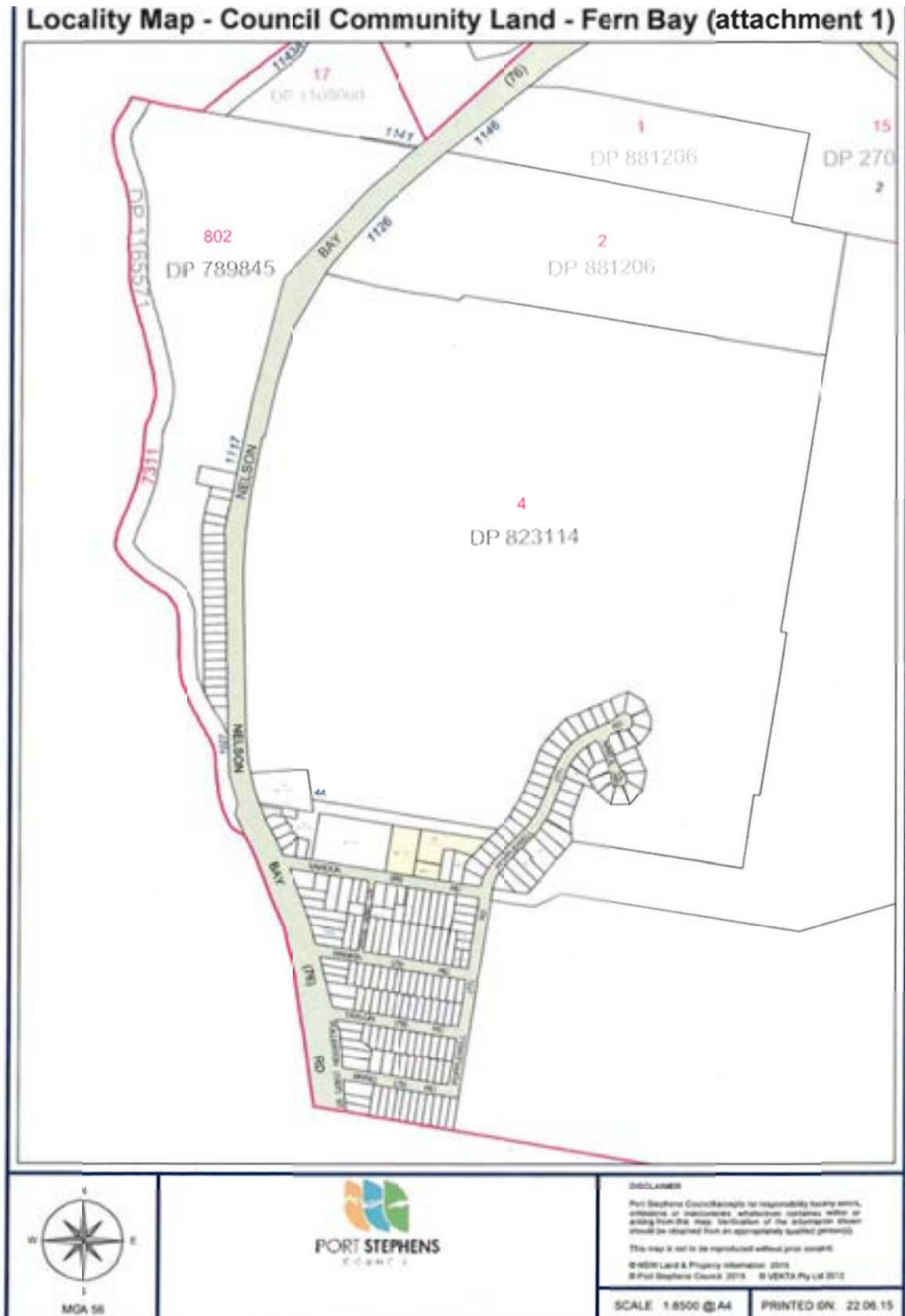
**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

ITEM 8 - ATTACHMENT 1 LOCALITY MAP - COUNCIL COMMUNITY LAND - FERN BAY.



Aerial photo Vardon Road, Fern Bay (attachment 2)



118 Adelaide Street, Raymond Terrace NSW 2264. Phone: (08) 4380233 Fax: (08) 4380232 Email: [enquiries@portstephens.nsw.gov.au](mailto:enquiries@portstephens.nsw.gov.au)

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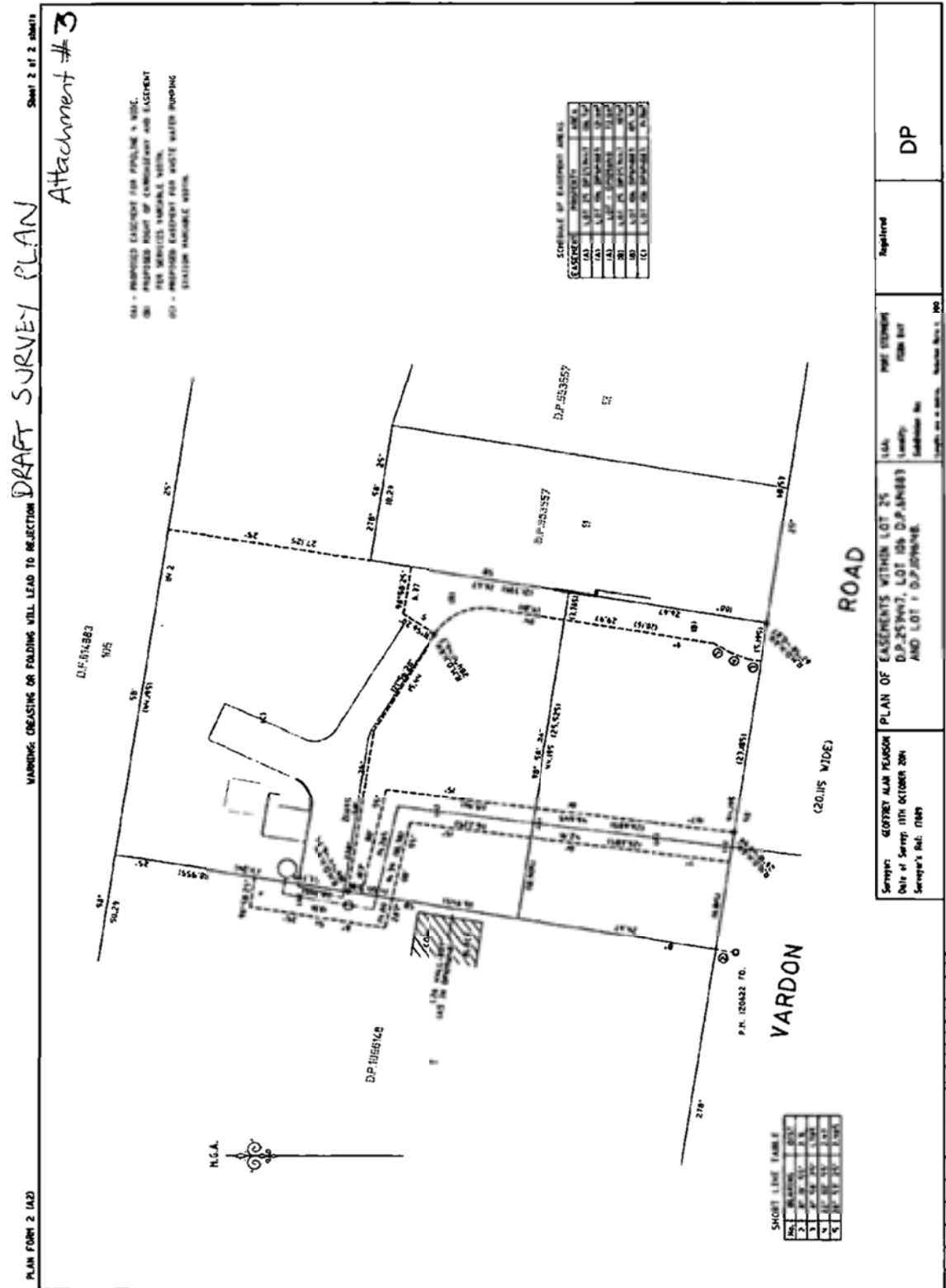
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SCALE 1:750 @ A4

PRINTED ON: 22.06.15

**SHEET LOCALITY**





## MINUTES ORDINARY COUNCIL - 28 JULY 2015

Councillor Ken Jordan left the meeting at 07:28pm.

### ITEM NO. 9

FILE NO: PSC2015-01000/591  
TRIM REF NO: PSC2008-3848

### 398 CABBAGE TREE ROAD, WILLIAMTOWN

REPORT OF: GLENN BUNNY - PROPERTY SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Rescind the resolution determined by Council on 25 November 2014, Minute No. 309 (**ATTACHMENT 1**) described as follows:
  - "1) Consent to the Assignment of the Agreement for Lease and Lease from Castle Quarry Products Pty Ltd to Benelli Holdings Pty Ltd.
  - 2) Authorise the Mayor and General Manager to sign all relevant legal documentation."
- 2) Assign the Agreement for Lease to Williamtown Sand Syndicate Pty Ltd (WSS) (ABN 56 606 820 875) subject to the following:
  - a) WSS to meet all obligations under the current Agreement for Lease;
  - b) WSS to provide Council with adequate security including a \$250,000 security deposit or bank guarantee on terms acceptable to Council; and
  - c) WSS to undertake to pay any liabilities of Castle Quarry Products Pty Ltd.
- 3) Authorise the Mayor and General Manager to negotiate and execute all necessary documents on behalf of Council to enable the assignment to proceed.

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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<p><b>Councillor Paul Le Mottee</b> <b>Councillor Chris Doohan</b></p> <p>That the recommendation be adopted including the amendments noted in the supplementary information received and noted on 28 July 2015.</p>
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Mayor MacKenzie adjourned the meeting for 15 minutes at 7.50pm.  
The meeting recommenced at 8.05pm. Cr Ken Jordan remained out of the room.

**ORDINARY COUNCIL MEETING - 28 JULY 2015  
MOTION**

<b>217</b>	<p><b>Mayor Bruce MacKenzie</b> <b>Councillor Steve Tucker</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Rescind the resolution determined by Council on 25 November 2014, Minute No. 309 (<b>ATTACHMENT 1</b>) described as follows:<ol style="list-style-type: none"><li>"1) Consent to the Assignment of the Agreement for Lease and Lease from Castle Quarry Products Pty Ltd to Benelli Holdings Pty Ltd.</li><li>2) Authorise the Mayor and General Manager to sign all relevant legal documentation."</li></ol></li><li>2) Assign the Agreement for Lease to Williamtown Sand Syndicate Pty Ltd (WSS) (ABN 56 606 820 875) subject to the following:<ol style="list-style-type: none"><li>a) WSS to meet all obligations under the current Agreement for Lease;</li><li>b) WSS to provide Council with adequate security including a \$250,000 security deposit or bank guarantee on terms acceptable to Council; and</li><li>c) WSS to undertake to pay any liabilities of Castle Quarry Products Pty Ltd.</li></ol></li><li>3) Authorise the Mayor and General Manager to negotiate and execute all necessary documents on behalf of Council to enable the assignment to proceed.</li><li>4) Include the following as per the Supplementary Information received and noted on 28 July 2015<ol style="list-style-type: none"><li>a) Extend the Sunset Date referred to in the Agreement for Lease for six months to 28 January 2017.</li><li>b) Authorise the Mayor and General Manager to negotiate and execute all necessary documents on behalf of Council to enable the extension of time.</li></ol></li></ol>
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**BACKGROUND**

The purpose of this report is to seek Council resolution to assign the Agreement for Lease between Council and Castle Quarry Products Pty Ltd (CQP) to Williamtown Sand Syndicate Pty Ltd over Council owned lands at 282, 282A, 282B and 398 Cabbage Tree Road, Williamtown (the site).

Following an Open Tender process, Council entered into an Agreement for Lease (AFL) with Castle Quarry Products Pty Ltd (CQP) on 15 July 2013 for the purpose of

## **MINUTES ORDINARY COUNCIL - 28 JULY 2015**

extracting sand from the site. A \$250,000 security deposit was provided by CQP to Council as required by the AFL, which also included a number of milestones to be met for the preparation, lodgement and approval of relevant applications and licences. CQP has met the agreed milestones and the Sunset Date of 14 July 2016 remains unchanged.

Upon meeting all Conditions Precedent in the AFL, a 15 year Lease is to be entered into with CQP for a base rent of \$100,000 per annum plus a royalty of \$5.00 per tonne of sand extracted. Over 15 years the base rent would amount to at least \$1.5M. The expected amount of sand to be extracted is between 4M and 4.6M tonnes which would equate to between \$20-\$23M in royalties. The Base Rent and the Royalty Rate will be reviewed annually to CPI movements. A "Ratchet Clause" in the lease will prevent both amounts reducing below the previous year's amounts.

In August 2014 CQP approached Council about assigning the AFL to Benelli Holdings Pty Ltd (Benelli). Following legal advice a Deed of Assignment was prepared and was executed by both CQP and Benelli that included conditions. Benelli was required to demonstrate that it had control of extraction projects at Fullerton Cove, Eagleton and the site. At its ordinary meeting on 25 November 2014, Council resolved to proceed with the assignment. The conditions required by Council for the consent of the assignment have not been met by Benelli therefore the Deed of Assignment has not been executed by Council.

In early July 2015, Council was again approached by CQP about assignment, this time to a new entity, Williamtown Sand Syndicate Pty Ltd (WSS). This Company comprises one of the shareholders of the existing CQP and two new shareholders who are long standing successful Newcastle business people. Council has been advised that the shares in CQP will transfer to WSS if Council consents to assignment of the lease.

WSS has indicated that it has initial equity sufficient to pay out existing creditors of CQP and fund completion of the approval process. It also has substantial equity pledges which it considers sufficient to move into the operational phase of sand extraction.

A formal written request for assignment was received by Council on 10 July 2015 from WSS and additional information was sought by Council. The submission indicated that:

- WSS would meet all obligations under the current AFL;
- The investors in WSS included well known and reputable Newcastle business people;
- WSS had initial capitalisation adequate to meet liabilities of CQP as disclosed and meet the Conditions Precedent in the Agreement for Lease with Council;
- WSS would continue to provide the agreed security deposit or bank guarantee of \$250,000 along with potential additional security;
- WSS will employ staff with adequate practical experience to undertake the project; and



## MINUTES ORDINARY COUNCIL - 28 JULY 2015

- WSS will satisfy any liabilities of CQP and will ultimately acquire those shares to avoid any potential issues.

A draft Deed of Consent for execution by both parties has been legally drafted in advance, should Council resolve to proceed with the assignment from CQP to WSS.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Port Stephens Council's services and assets are sustainable in the longer term.	Council will reduce its underlying deficit to break even in 2014-2015 financial year. Council will increase its revenue from non-rates sources.

### FINANCIAL/RESOURCE IMPLICATIONS

The assignment will require further Council resources in the form of legal advice and this cost will be borne by WSS. As a result of the proposed action Council will have more certainty to the completion of the approval process and, subject to consent conditions, more certainty to the commencement of rental and royalty payments to Council.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	Yes	\$1.5M - rent \$20-23M - royalties	

### LEGAL, POLICY AND RISK IMPLICATIONS

Council has received legal advice in relation to the assignment and is satisfied with the proposal that will include a Deed of Consent with conditions.

There are no known Policy implications as Council can resolve to assign the AFL without the need to go through a new Public Tender process.

If the assignment does not proceed, there is a high risk that CQP will not be able to fund the outstanding approval process or the start up of the project and the site might eventually revert to Council and require a new Tender process, delaying the start of rent and royalty payments to Council.



<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that CQP will not be able to fund the outstanding approval process or the start-up of the project	High	Adopt the recommendations	Yes
There is a risk that CQP may be placed into administration.	High	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Social, economic and environmental implications have been addressed by CQP in its applications for consent to extract sand from the site and will be considered by the Director General of NSW Department of Planning in making his determination on the application.

**CONSULTATION**

- 1) Harris Wheeler Lawyers.
- 2) Property Development Coordinator.
- 3) Land Acquisition & Development Manager.
- 4) Group Manager Corporate Services.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Minute No. 309 - Ordinary Meeting of Council - 25 November 2014.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

**ITEM 9 - ATTACHMENT 1      MINUTE NO. 309 - ORDINARY MEETING OF  
COUNCIL - 25 NOVEMBER 2014.****ORDINARY COUNCIL – 25 NOVEMBER 2014****ITEM NO. 2****FILE NO: PSC2008-3848****398 CABBAGE TREE ROAD, WILLIAMTOWN****REPORT OF: BRETT FIELD – ACTING PROPERTY SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES****RECOMMENDATION IS THAT COUNCIL:**

- 1) Consent to the Assignment of the Agreement for Lease and Lease from Castle Quarry Products Pty Ltd to Benelli Holdings Pty Ltd;
- 2) Authorise the Mayor and the General Manager to sign all relevant legal documentation.

**ORDINARY COUNCIL MEETING – 25 NOVEMBER 2014  
COMMITTEE OF THE WHOLE RECOMMENDATION**

Cr Paul Le Mollee left the meeting at 6.33pm, during Item 2.

	<b>Mayor Bruce MacKenzie</b> <b>Councillor Steve Tucker</b>
	That the recommendation be adopted.

**MOTION**

<b>309</b>	<b>Councillor Steve Tucker</b> <b>Councillor Sally Dover</b>
	It was resolved that Council: <ol style="list-style-type: none"><li>1) Consent to the Assignment of the Agreement for Lease and Lease from Castle Quarry Products Pty Ltd to Benelli Holdings Pty Ltd;</li><li>2) Authorise the Mayor and the General Manager to sign all relevant legal documentation.</li></ol>

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

ITEM NO. 10

FILE NO: PSC2015-01000/245  
TRIM REF NO: PSC2011-02312

### POLICY REVIEW - SIGNS AS REMOTE SUPERVISION POLICY

REPORT OF: JOHN MARETICH - CIVIL ASSETS SECTION MANAGER  
GROUP: FACILITIES & SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the amendments to the draft Signs as Remote Supervision Policy shown at **(ATTACHMENT 1)**.
  - 2) Place the draft Signs as Remote Supervision Policy as amended on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended without a further report to Council.
  - 3) Revoke the Signs as Remote Supervision Policy dated 20 December 2005 (Min No. 383), should no submissions be received **(ATTACHMENT 2)**.
- 

#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Chris Doohan</b> <b>Councillor Paul Le Mottee</b>  That the recommendation be adopted.
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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 MOTION

<b>218</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Endorse the amendments to the draft Signs as Remote Supervision Policy shown at <b>(ATTACHMENT 1)</b>.</li><li>2) Place the draft Signs as Remote Supervision Policy as amended on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended without a further report to Council.</li><li>3) Revoke the Signs as Remote Supervision Policy dated 20 December 2005 (Min No. 383), should no submissions be received <b>(ATTACHMENT 2)</b>.</li></ol>
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**BACKGROUND**

The purpose of this report is to seek Council's endorsement of the reviewed Signs as Remote Supervision Policy. The policy's intent is to ensure clear and concise directions as to the location, content and frequency of signs installed at Council facilities. This will in turn minimise the public liability exposure arising from the provision of these facilities to the community.

This revised policy (**ATTACHMENT 1**) does not change the existing policy's (**ATTACHMENT 2**) intent and only updates the format of the policy.

The intent of the policy is achieved by adopting the methods described in the Best Practice Manual – Signs as Remote Supervision. This was developed by Council's insurer Statewide Mutual and has been used at Port Stephens Council since 2005. While the manual has undergone a number of revisions, these changes have been minor.

The principles of the policy are that:

- Council will aim to satisfy its duty of care by using a systematic, factual and repeatable approach to the provision of signs as set out in the Statewide Mutual Best Practice Manual – Signs as Remote Supervision.
- Signs are intended to perform the function of imparting information to the public that would otherwise require the presence of a staff member. Appropriate signage should allow a person to make an informed decision about entering/using a particular facility under Council control or responsibility.

**COMMUNITY STRATEGIC PLAN**

Strategic Direction	Delivery Program 2013-2017
Provide passive and active recreation and leisure services and facilities.	Maintain and develop recreational facilities for residents and visitors.

**FINANCIAL/RESOURCE IMPLICATIONS**

Councils without a current adopted policy increase the risk of being unable to defend public liability claims and hence increase the financial and reputational risk to Council. Increased claims can result in increased insurance costs, indirectly through premium increases and directly through payment of excesses and under excess claims.

The continuation of this policy requires resources to update signage throughout Council's facilities. Resources required to carry out the existing policy are already allocated and funded through the road, drainage and parks maintenance recurrent budget respectively.

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

Signage that has been installed since the first iteration of this policy in 2005 still meets the requirements of this policy and a large scale replacement of signage is not required.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

A sign brings foreseeable risks to the attention of the person at that location. It adds to the knowledge of the person who views the sign. However, the sign must be appropriate to the location and potential hazard while also placed in an appropriate position to satisfy Council's duty of care.

The policy is to provide a framework for Council to deliver an adequate level of public safety through the provision of signage and reduce Council's exposure to public liability claims. An appropriate adopted policy helps Council to be able to rely on relevant sections of the Civil Liability Act 2002 as a defence to claims. Without an adopted policy, Council's ability to defend against a public liability claim is diminished.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
There is a risk that failure to adopt a policy that accurately reflects our requirements in regards to facility signage will result in unsafe facilities leading to injuries to users.	High	Adopt the Signs as Remote Supervision Policy and continue to allocate the required resources to ensure signage is installed at all Council facilities.	Yes
There is a risk that failure to adopt a policy that accurately reflects our requirements in regards to facility signage will lead to Council being compromised to defend Public Liability claims.	Med	Adopt Recommendations and implement the Signs as Remote Supervision Policy.	Yes
There is a risk that	High	Adopt the Signs as Remote	Yes

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

Council does not meet the requirements of the best practice manual leading to insufficient signage at Council facilities.		Supervision Policy and continue to allocate the required resources to make the installations.	
There is a risk that signs will not be placed leading to reputation damaged and community dissatisfaction.	Med	Adopt the Signs as Remote Supervision Policy and continue to allocate the required resources to make the installations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

It is Council's responsibility to provide safe facilities for all users whether they are local community or visitors to the area. While personal injury claims are more commonly litigated and more costly to Council and its insurer than other claims, the cost to the claimant and wider community can't be ignored. The claimant suffers the physical, mental and financial manifestations of their injury. Their incapacity often takes away their independence, work, leisure and social pursuits and create an impost on family and friends who provide care and assistance to the injured party. Council and its insurer may successfully deny or defend these claims on a legal liability basis however there is still a significant reputation risk to Council.

**CONSULTATION**

- 1) Public Domain and Services Section.
- 2) Civil Assets Section.
- 3) Corporate Risk Management Team.

**OPTIONS**

- 1) Adopt the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Proposed Signs as Remote Supervision Policy
- 2) Existing Signs as Remote Supervision Policy.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

ITEM 10 - ATTACHMENT 1 PROPOSED SIGNS AS REMOTE SUPERVISION POLICY

Policy



**FILE NO:** PSC2011-02312

**TITLE:** SIGNS AS REMOTE SUPERVISION POLICY

**POLICY OWNER:** COMMUNITY & RECREATION CO-ORDINATOR

**PURPOSE:**

To ensure clear and concise directions as to the location, content and frequency of signs installed at Council facilities. This will in turn minimise the public liability exposure arising from the provision of these facilities to the community.

**CONTEXT/BACKGROUND:**

Statewide Mutual first produced the Signs As Remote Supervision Best Practice Manual (Version 1) in 1997 in response to results of an audit undertaken in 1995 of members of the Statewide Mutual Liability Scheme to ascertain their level of activity in areas of risk that were traditionally causing liability exposures and claims. The Best Practice Manual has been reviewed at various times, most recently in 2012 (Version 8). Statewide Mutual have been subject to liability claims attributed to signage on many occasions. Claims generally centre on complaints from, or injuries to, third parties due to the absence of appropriate signage, insufficient signage, or the wording or the location of signage being deficient.

**SCOPE:**

1. Council will aim to satisfy its duty of care by using a systematic, factual and repeatable approach to the provision of signs as set out in the Statewide Mutual Best Practice Manual – Signs as Remote Supervision.
2. Signs are intended to perform the function of imparting information to the public that would otherwise require the presence of a staff member. Appropriate signage should allow a person to make an informed decision about entering/using a particular facility under Council control or responsibility.

**Policy**

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The logo for Port Stephens Council, featuring a stylized graphic of three curved shapes to the left of the text "PORT STEPHENS COUNCIL".

Issue Date: 11/08/2015      Printed: 11/06/2015      Review Date: 11/08/2017      Page: 1 of 3



ITEM 10 - ATTACHMENT 1 PROPOSED SIGNS AS REMOTE SUPERVISION POLICY

## Policy



### DEFINITIONS:

**Sign** - The structure upon which a message is being conveyed and displayed by way of a symbol. This may also relate to a structure where an individual symbol is the structure and the only message being depicted.

**Signage** - Collective group of symbols displayed within a sign structure to convey a message to warn, prohibit, etc.

**Symbol** - The graphical representation of a message displayed within a geometrical shape.

### POLICY STATEMENT:

1. Signs will be used to direct, advise or warn members of the public of inherent dangers in the facility that they are visiting.
2. Regular inspection of Council's facilities will be undertaken to assess the risks associated with each facility and ensure any signage in place remains appropriate to the situation, placed in an appropriate position, legible and in good condition.
3. Areas of public liability exposure at Council facilities inadequately signposted will, when Council becomes aware of a potential risk, be assessed with a view to eliminating, reducing or accepting the risk using signs as remote supervision.
4. Signs in existence currently not meeting the current best practice and/or Australian Standards will be replaced as funds permit in priority order based on public usage of the respective areas and the rating formula detailed in the procedures.
5. Council will adhere to Australian Standard 2416-1995 in relation to water safety signs. This Standard sets out requirements for the design and application of flags and safety signs including signs incorporating graphic symbols, intended for use where water sports may be undertaken or where there are other activities close to bodies of water such as seashores, rivers, creeks, dams and open drains.

### POLICY RESPONSIBILITIES:

**Council's Asset Owners** – Responsible for the overall implementation of the policy for their respective assets.

ITEM 10 - ATTACHMENT 1 PROPOSED SIGNS AS REMOTE SUPERVISION POLICY

Policy



RELATED DOCUMENTS:

Assessment and Maintenance of Roads Policy  
Assessment and Maintenance of Footpaths and Cycleways Policy

CONTROLLED DOCUMENT INFORMATION:

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TRIM container No	PSC2015-01000	TRIM record No	289
Audience	Port Stephens Residence, Visitors, Risk Management Unit and Assets Section		
Process owner	Community & Recreation Co-ordinator		
Author	Brendan Callander		
Review timeframe	Every 4 years	Next review date	11/08/2017
Adoption date	11/08/2015		

VERSION HISTORY:

Version	Date	Author	Details	Minute No.
1	20/12/2005	Peter Matwijow		383

**ITEM 10 - ATTACHMENT 2 EXISTING SIGNS AS REMOTE SUPERVISION POLICY.**



Adopted: 20/12/2005  
Minute No: 383  
Amended:  
Minute No:

**FILE NO: PSC2005-5427**

**TITLE: SIGNS AS REMOTE SUPERVISION**

**RESPONSIBLE OFFICER: PETER MATWIJOW**

**BACKGROUND**

Statewide Mutual produced the Signs As Remote Supervision Best Practice Manual (Version 2) in August 1999 in response to results of an audit undertaken in 1995 of members of the Statewide Mutual Liability Scheme to ascertain their level of activity in areas of risk that were traditionally causing liability exposures and claims. Numerous claims have been received by Statewide Mutual that have involved signs. The claims centre around complaints or injuries sustained to third parties due to there being no signs, lack of signs, wording of signs or the location of signs.

**OBJECTIVE**

To ensure clear and concise directions as to the location, content and frequency of signs at Council facilities to minimise public liability exposure arising from the provision of these facilities to the community. For the purpose of this policy and the supporting procedures, facility is defined as *"a parcel of land that may include reserves, parks, beaches, pools and where applicable waterways, either owned, operated or under the care and control of Council"*.

**PRINCIPLES**

- 1) Council has prepared a set of procedures in relation to signs as remote supervision. These procedures are based on current best practice. Signs will be used to direct, advise or warn members of the public of inherent dangers in the facility that they are visiting.
- 2) Council will maintain a full and detailed inventory of all facilities owned, operated or entrusted to the care and control of Council.
- 3) Regular inspection of Council's facilities will be undertaken to assess the risks associated with each facility and ensure any signage in place remains appropriate to the situation, placed in an appropriate position, legible and in good condition.
- 4) Areas of public liability exposure at Council facilities inadequately signposted will, when Council becomes aware of a potential risk, be assessed with a view to eliminating, reducing or accepting the risk using signs as remote supervision.
- 5) Signs in existence currently not meeting the current best practice and/or Australian Standards will be replaced as funds permit in priority order based on public usage of the respective areas and the rating formula detailed in the procedures.
- 6) Council will adhere to Australian Standard 2416-1995 in relation to water safety signs. This Standard sets out requirements for the design and application of flags and safety signs including signs incorporating graphic symbols, intended for use where water sports may be

**ITEM 10 - ATTACHMENT 2 EXISTING SIGNS AS REMOTE SUPERVISION POLICY.**

undertaken or where there are other activities close to bodies of water such as seashores, rivers, creeks, dams and open drains.

- 7) Group Manager, Facilities and Services will seek an annual budget allocation from Council to be used for the replacement of old signs and the installation of new signs where areas of high risk are identified as per the procedures.

**POLICY STATEMENT**

Council will aim to satisfy whatever duty of care might arise with respect to each facility by using a systematic, factual and repeatable approach to the provision of signs for the information of people using facilities under Council's care and control.

**RELATED POLICIES**

Risk Management Policy  
Assessment and Maintenance of Roads Policy  
Assessment and Maintenance of Footpaths and Cycleways Policy

**SUSTAINABILITY IMPLICATIONS**

**SOCIAL IMPLICATIONS**

Legally, the benefit of a sign is that it brings the foreseeable risk to the attention of the person at that location. It is supposed to add to the knowledge of the person who views the sign. If the person then elects to enter the area and suffers injury, then arguably Council has satisfied its duty of care and no liability will be incurred. The sign must be appropriate to the situation and placed in an appropriate position.

**ECONOMIC IMPLICATIONS**

Signs are often the cheapest and most direct method that Council can employ for supervision of a remote location.

**ENVIRONMENTAL IMPLICATIONS**

Location and size of signs is considered for each facility to ensure the visual aesthetics are maintained, but still ensuring compliance with Policy.

**RELEVANT LEGISLATIVE PROVISIONS**

Civil Liability Act, 2002  
Civil Liability Amendment (Personal Responsibility) Act, 2002

**IMPLEMENTATION RESPONSIBILITY**

Implementation of this Policy is the responsibility of the Group Manager, Facilities and Services.

**REVIEW DATE**

July 2006

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

Councillor Ken Jordan returned to the meeting at 08:06pm.

ITEM NO. 11

FILE NO: PSC2015-01000/246

TRIM REF NO: PSC2005-2767

### POLICY REVIEW - ASSESSMENT AND MAINTENANCE OF FOOTPATH AND CYCLEWAYS

REPORT OF: JOHN MARETICH - CIVIL ASSETS SECTION MANAGER

GROUP: FACILITIES & SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the amendments to the Assessment and Maintenance of Footpaths and Cycleways Policy shown at **(ATTACHMENT 1)**.
- 2) Place the amended Assessment and Maintenance of Footpaths and Cycleways Policy on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.
- 3) Revoke the Assessment and Maintenance of Footpaths and Cycleways Policy dated 27 November 2001 (Min No. 498, should no submissions be received. **(ATTACHMENT 2)**.

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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Sally Dover</b> <b>Councillor Paul Le Mottee</b>  That the recommendation be adopted.
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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 MOTION

<b>219</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Endorse the amendments to the Assessment and Maintenance of Footpaths and Cycleways Policy shown at <b>(ATTACHMENT 1)</b>.</li><li>2) Place the amended Assessment and Maintenance of Footpaths and Cycleways Policy on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.</li></ol>
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## MINUTES ORDINARY COUNCIL - 28 JULY 2015

	3) Revoke the Assessment and Maintenance of Footpaths and Cycleways Policy dated 27 November 2001 (Min No. 498, should no submissions be received. <b>(ATTACHMENT 2)</b> ).
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### BACKGROUND

The purpose of this report is to seek Council's endorsement of the reviewed Assessment and Maintenance of Footpaths and Cycleways Policy. The intent of the policy is to improve pedestrian safety, prolong footpath asset life and reduce the risk of public liability claims against Council through the assessment and maintenance of Council's footpath, cycleway and paved areas such as Central Business Districts.

This revised policy **(ATTACHMENT 1)** does not change the existing policy's **(ATTACHMENT 2)** intent and only updates the format of the policy.

The intent of the policy is achieved by adopting the footpath and cycleway assessment and maintenance methods described in the Footpath Best Practice Manual. This manual was developed by Council's insurer, Statewide Mutual and has been used at Port Stephens Council since 2001. Whilst the manual has undergone a number of revisions, these changes have been minor.

The objectives of the Footpath Best Practice Manual are to:

- Provide a systematic method of identification, evaluation and prioritisation of maintenance works on Council's footpath network that will assist Council's decision-making process.
- Establish procedures that provide a simple, systematic and readily usable risk management approach to the maintenance of footpath, cycleway and paved area related infrastructure.

Adopting this policy will result in Council:

- Undertaking a rolling inspection program on the footpath and cycleway assets to identify any defects.
- Calculating the defect risk rating using the Footpath Best Practice Manual criteria.
- Completing works in a prioritised order based on the defect risk rating.

The recurrent footpath and cycleway maintenance works include concrete surface grinding, concrete and paver replacement.

New footpath and cycleways are created and prioritised through the Capital Works Program criteria and hence are not managed under this policy.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens' infrastructure and utilities meet the needs of all sections of the community.	Reduce the infrastructure backlog on all Council assets.

**FINANCIAL/RESOURCE IMPLICATIONS**

The proactive identification and repair of footpath asset defects results in safer footpaths and cycleways and prevents the defect from worsening.

Defects left untreated will spread causing the footpath to further deteriorate increasing the volume of repairs required in the future. Therefore undertaking early repairs is a cost effective method lowering Council's future repair liability.

Councils without a current adopted policy increase the risk of being unable to defend public liability claims and hence increase the financial and reputational risk to Council. Increased claims can result in increased insurance costs; indirectly through premium increases and directly through payment of excesses and under excess claims.

The continuation of this policy requires resources to undertake the rolling inspection program. Resources required to carry out the existing policy are already allocated and funded through the footpath and cycleway maintenance recurrent budget. This resource allocation is in the order of \$30,000.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		Cost to undertake the inspection program.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

It is up to Council to undertake a proactive inspection of the condition of its assets and undertake the necessary works to repair the defects within the Council's resources. This in turn will maintain public safety and reduce Council's risk to litigation. With the abolition of the non-feasance rule in the early 2000's, NSW Councils can no longer use the "lack of having asset condition", or the excuse they "didn't know" as a defence argument in a public liability legal claim. That is, Councils are responsible for proactively knowing and documenting the defect condition of Council's assets. Once a defect is found, Council is then required to undertake the



**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

maintenance, repairs or works on the asset in a prioritised manner within the organisation's resources. It should be noted that documenting the absence of asset defects through this assessment can also be used as evidence in a defence argument in a public liability legal claim.

The policy is to provide a framework for Council to deliver an adequate level of public safety, provide maintenance in a timely manner and reduce Council's exposure to public liability claims. An appropriate adopted policy helps Council to be able to rely on relevant sections of the Civil Liability Act 2002 as a defence to claims. Without an adopted policy and documented defects register, Council's ability to defend against a public liability claim is diminished.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that failure to adopt a policy that accurately reflects our inspection, maintenance and resource requirements will result in an unsafe road network leading to injured footpath users.	High	Adopt the Assessment and Maintenance of Footpath and Cycleway Policy and continue to allocate the required resources to make the required defect repairs.	Yes
There is a risk that failure to adopt a policy that accurately reflects our inspection, maintenance and resource requirements will lead to Council being compromised to defend Public Liability claims.	Med	Adopt Recommendations and implement the Assessment and Maintenance of Footpath and Cycleway Policy.	Yes
There is a risk that Council does not meet the inspection and prioritisation requirements of the best practice manual leading to the footpath assets deteriorating faster than predicted and costing more to repair in the future.	High	Adopt the Assessment and Maintenance of Footpath and Cycleway Policy and continue to allocate the required resources to make the required defect repairs.	Yes
There is a risk that assets defects will not be	Med	Adopt the Assessment and Maintenance of Footpath and	Yes

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

maintained in a prioritised order leading to reputation damaged and community dissatisfaction.		Cycleway Policy and continue to allocate the required resources to make the required defect repairs.	
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### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

As the custodian, it is Council's responsibility to provide a safe footpath and cycleway network for all users. Providing a safe network reduces slips, trips and falls and in turn improves the network user's satisfaction.

Unsafe footpaths may result in personal injury. While personal injury claims are more commonly litigated and more costly to Council and its insurer than other claims, the cost to the claimant and wider community cannot be ignored. The claimant suffers the physical, mental and financial manifestations of their injury. Their incapacity often takes away their independence, work, leisure and social pursuits and create an impost on family and friends who provide care and assistance to the injured party. Council and its insurer may successfully deny or defend these claims on a legal liability basis however there is still a significant reputation risk to Council.

### CONSULTATION

- 1) Public Domain and Section.
- 2) Civil Assets Section.
- 3) Corporate Risk Management Team.

### OPTIONS

- 1) Adopt the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### ATTACHMENTS

- 1) Proposed Assessment and Maintenance of Footpath and Cycleways Policy
- 2) Existing Footpath and Cycleway Assessment and Maintenance

### COUNCILLORS ROOM

Nil.

### TABLED DOCUMENTS

- 1) Statewide Mutual, Footpath Best Practice Manual.

ITEM 11 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE  
OF FOOTPATH AND CYCLEWAYS POLICY

Policy



FILE NO: PSC2005-2859

TITLE: ASSESSMENT AND MAINTENANCE OF FOOTPATHS AND  
CYCLEWAYS

POLICY OWNER: ASSETS SECTION MANAGER

**PURPOSE:**

The purpose of this policy is to:

- Provide an adequate level of public safety for the users of the footpath and cycleway network and paved areas such as Central Business Districts.
- Extend the life of the footpath and cycleway by timely maintenance.
- Reduce Council's exposure to public liability claims associated with these assets.

This is achieved through the implementation of a systematic method of identification, evaluation and prioritisation of maintenance works on Council's footpath and cycleway network that will assist Council's decision-making process.

**CONTEXT/BACKGROUND:**

With the abolition of the non feaseance rule in the early 2000's, NSW councils can no longer use the absence of asset condition knowledge as a defence argument in a public liability legal claim. That is, Councils are responsible for proactively knowing and documenting the condition of Council's assets. If a defect is found while collecting condition data, Council is then required to undertake the maintenance, repairs or works on the asset in a prioritised manner within the organisation's resources. Gaining the proactive asset condition knowledge is described in the Statewide Footpath Mutual Best Practice Manual

As Council is the custodian for the footpath and cycleway network, it is Council's responsibility to provide a safe asset for community and visitors to use. Providing a safe network reduces pedestrians accidents through slip, trip and falls and in turn improves user's satisfaction.

**Policy**

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Issue Date: 26/07/2015      Printed: 11/06/2015      Review Date: 28/07/2017      Page: 1 of 3



**ITEM 11 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE  
OF FOOTPATH AND CYCLEWAYS POLICY**

**Policy**



**SCOPE:**

To fulfil Council's obligation under this policy Council shall adopt the Statewide Mutual's Best Practice Manual for Footpaths, for the systematic method of identification, evaluation and prioritisation of maintenance works on Council's footpath and cycleway network.

**DEFINITIONS:**

Non feassance - failure to perform duty or obligation.

**POLICY STATEMENT:**

This policy, together with the related operational procedures, provides the guidelines for identifying the location, nature, inspection frequency, treatment options and repair priorities of potential hazards to users of the footpath and cycleway network. The implementation of this policy aims to minimise public liability exposure and provide a best value service to the community.

**POLICY RESPONSIBILITIES:**

Assets Section Manager: Responsible for framework, implementation and monitoring.  
Public Domain and Services Section Manager – Responsible for inspections, data collection, maintenance and reporting.

**RELATED DOCUMENTS:**

AS/NZS ISO 31000:2009 Risk management – Principles and guidelines  
Local Government Act 1993  
Roads Act 1993  
Civil Liabilities Act 2002

ITEM 11 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE OF FOOTPATH AND CYCLEWAYS POLICY

Policy



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TRIM container No	PSC2015-01000	TRIM record No	246
Audience	Community, Public Domain and Services, Assets Section and Corporate Risk Management		
Process owner	Assets Section Manager		
Author	John Maretich		
Review timeframe	Every 4 years	Next review date	28/07/2017
Adoption date	27/11/2001		

VERSION HISTORY:

Version	Date	Author	Details	Minute No.
1	27/11/2001	John Maretich		498

**ITEM 11 - ATTACHMENT 2    EXISTING FOOTPATH AND CYCLEWAY  
ASSESSMENT AND MAINTENANCE**

*Port Stephens*  
**C·O·U·N·C·I·L**  
**POLICY**

Adopted: 27/11/2001  
Minute No: 458  
Amended:  
Minute No:

**FILE NO:    5255.000**

**TITLE: ASSESSMENT AND MAINTENANCE OF FOOTPATHS AND CYCLEWAYS**

**BACKGROUND**

Council has not previously had a formal policy supporting the investigation, assessment and maintenance of footpaths and cycleway. The increasing cost of public liability claims against Council for incidents on footpaths and cycleways, and the ongoing need to prolong the life of Council's assets as well as providing as safe a level of service from these facilities as can be realistically possible, has highlighted the need to formalise a policy and procedure to assist in reducing Council's liability in this area.

This policy refers to formed concrete, asphalt, and paved footpaths and cycleways.

**OBJECTIVE**

- To support procedures for the inspection, evaluation, and maintenance of footpaths and cycleways.

**PRINCIPLES**

To provide an adequate level of public safety for users of the footpath and cycleway networks.

To extend the life of the footpath and cycleway asset by timely maintenance and rehabilitation.

To reduce Council's exposure to public liability claims associated with these assets.

**POLICY STATEMENT**

- Port Stephens Council aims to provide a safe network for pedestrians and cyclists to utilise. The Engineering Services section is committed to documenting, improving and administering the adopted procedures for assessment and maintenance of these facilities.
- The policy, together with the procedures, provides the guidelines for managing the footpaths and cycleways, and is aimed at reducing the number and value of public liability claims resulting from incidents on these networks.

**ITEM 11 - ATTACHMENT 2    EXISTING FOOTPATH AND CYCLEWAY  
ASSESSMENT AND MAINTENANCE**

- Council will within its budgetary constraints, endeavour to provide a level of funding each year to meet the maintenance requirements documented in the "Footpath and Cycleway Assessment and Maintenance Strategy."
- By adopting the policy, Council is working towards enhancing Port Stephens' image in keeping with Council's Vision and Mission.

**RELATED POLICIES AND DOCUMENTS**

Footpath and Cycleway Assessment and Maintenance Strategy.

**REVIEW DATE**

This policy will be reviewed within 18 months of it being adopted by Council.

**RELEVANT LEGISLATIVE PROVISIONS**

Local Government Act 1993 and the Roads Act 1993.

**IMPLEMENTATION RESPONSIBILITY**

The Engineering Service Section is responsible for the implementation of this policy.



## MINUTES ORDINARY COUNCIL - 28 JULY 2015

ITEM NO. 12

FILE NO: PSC2015-01000/294  
TRIM REF NO: PSC2005-2859

### POLICY REVIEW - ASSESSMENT AND MAINTENANCE OF ROADS

REPORT OF: JOHN MARETICH - CIVIL ASSETS SECTION MANAGER  
GROUP: FACILITIES & SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the amendments to the Assessment and Maintenance of Roads Policy shown at **(ATTACHMENT 1)**.
  - 2) Place the amended Assessment and Maintenance of Roads Policy on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.
  - 3) Revoke the Assessment and Maintenance of Roads Policy dated 27 August 2002 (Min No. 353, should no submissions be received. **(ATTACHMENT 2)**.
- 

#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Paul Le Mottee</b> <b>Councillor Sally Dover</b>  That the recommendation be adopted.
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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 MOTION

<b>220</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Endorse the amendments to the Assessment and Maintenance of Roads Policy shown at <b>(ATTACHMENT 1)</b>.</li><li>2) Place the amended Assessment and Maintenance of Roads Policy on public exhibition for a period of 28 days and should no submissions be received, the policy be adopted as amended, without a further report to Council.</li><li>3) Revoke the Assessment and Maintenance of Roads Policy dated 27 August 2002 (Min No. 353, should no submissions be received. <b>(ATTACHMENT 2)</b>.</li></ol>
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**BACKGROUND**

The purpose of this report is to seek Council's endorsement of the reviewed Assessment and Maintenance of Roads Policy. The policy's intent is to improve road user's safety, prolong road asset life and reduce the risk of public liability claims against Council through the assessment and maintenance of Council's road assets. These road assets include road pavement, kerb and gutter, line marking and road verge.

This revised policy (**ATTACHMENT 1**) does not change the existing policy's (**ATTACHMENT 2**) intent and only updates the format of the policy.

The intent of the policy is achieved by adopting the road asset assessment and maintenance methods described in the Roads Best Practice Manual. This manual was developed by Council's insurer, Statewide Mutual and has been used at Port Stephens Council since 2002. While the manual has undergone a number of revisions, these changes have been minor.

The objectives of the Roads Best Practice Manual are to:

- Provide a systematic method of identification, evaluation and prioritisation of maintenance works on Council's road network that will assist Council's decision-making process.
- Establish procedures that provide a simple, systematic and readily usable risk management approach to the maintenance of public roads and road related infrastructure.

Adopting this policy will result in Council:

- Undertaking a rolling inspection program on the road assets to identify any defects.
- Calculating the defect risk rating using the Roads Best Practice Manual criteria.
- Completing works in a prioritised order based on the defect risk rating.

The recurrent road maintenance works include pothole patching, heavy patching, kerb and gutter repair, line marking and road verge repair.

Road reseal and pavement rehabilitation/reconstruction are created and prioritised through the Capital Works Program criteria and hence are not managed under this policy.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens' infrastructure and utilities meet the needs of all sections of the	Reduce the infrastructure backlog on all Council assets.

community.

**FINANCIAL/RESOURCE IMPLICATIONS**

The proactive identification and repair of road asset defects results in safer roads and prevents the defect from worsening.

Defects left untreated will spread causing the road pavement to further deteriorate increasing the volume of repairs required in the future. Therefore undertaking early repairs is a cost effective method of lowering Council's future road repair liability.

Historically, pot holes and road surfaces are some of the main causes of Public Liability claims against Council. Councils without a current adopted policy increase the risk of being unable to defend public liability claims and hence increase the financial and reputational risk to Council. Increased claims can result in increased insurance costs; indirectly through premium increases and directly through payment of excesses and under excess claims.

The continuation of this policy requires resources to undertake the rolling inspection program. Resources required to carry out the existing policy are already allocated and funded through the road maintenance recurrent budget. This resource allocation is in the order of \$150,000.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		Cost to undertake the inspection program.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

It is up to Council to undertake a proactive inspection of the condition of their assets and undertake the necessary works to repair the defects within the Council's resources. This in turn will maintain public safety and reduce Council's risk to litigation. With the abolition of the non-feasance rule in the early 2000's, NSW councils can no longer use the "lack of having asset condition", or the excuse they "didn't know" as a defence argument in a public liability legal claim. That is, Councils are responsible for proactively knowing and documenting the defect condition of Council's assets. Once a defect is found, Council is then required to undertake the maintenance, repairs or works on the asset in a prioritised manner within the organisation's resources. It should be noted that documenting the absence of asset

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

defects through this assessment can also be used as evidence in a defence argument in a public liability legal claim.

The policy is to provide a framework for Council to deliver an adequate level of public safety, provide maintenance in a timely manner and reduce Council's exposure to public liability claims. An appropriate adopted policy helps Council to be able to rely on relevant sections of the Civil Liability Act 2002 as a defence to claims. Without an adopted policy and documented defects register, Council's ability to defend against a public liability claim is diminished.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources ?</b>
There is a risk that failure to adopt a policy that accurately reflects our inspection, maintenance and resource requirements will result in an unsafe road network leading to injured road users.	High	Adopt the Assessment and Maintenance of Roads Policy and continue to allocate the required resources to make the required defect repairs.	Yes
There is a risk that failure to adopt a policy that accurately reflects our inspection, maintenance and resource requirements will lead to Council being compromised to defend Public Liability claims.	Med	Adopt Recommendations and implement the Assessment and Maintenance of Roads Policy.	Yes
There is a risk that Council does not meet the inspection and prioritisation requirements of the best practice manual leading to the road assets deteriorating faster than predicted and costing more to repair in the future.	High	Adopt the Assessment and Maintenance of Roads Policy and continue to allocate the required resources to make the required defect repairs.	Yes

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources ?</b>
There is a risk that assets defects will not be maintained in a prioritised order leading to reputation damaged and community dissatisfaction.	Med	Adopt the Assessment and Maintenance of Roads Policy and continue to allocate the required resources to make the required defect repairs.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

As the custodian, it is Council's responsibility to provide a safe road network for all road users including community, visitors and businesses that use the roads. Providing a safe network reduces road user's accidents, wear and tear and maintenance on their vehicles. This in turn improves the road user's satisfaction.

Unsafe roads may result in personal injury. While personal injury claims are more commonly litigated and more costly to Council and its insurer than other claims, the cost to the claimant and wider community can't be ignored. The claimant suffers the physical, mental and financial manifestations of their injury. Their incapacity often takes away their independence, work, leisure and social pursuits and create an impost on family and friends who provide care and assistance to the injured party. Council and its insurer may successfully deny or defend these claims on a legal liability basis however there is still a significant reputation risk to Council.

In addition to the road user's costs as already noted, poor road pavement, defects and accidents reduce traffic flow causing the road users delays in reaching their destination. Conversely safe smooth roads increases traffic flow and allows businesses to move their goods and services in a timely manner reducing their own business cost.

**CONSULTATION**

- 1) Capital Works Section.
- 2) Civil Assets Section.
- 3) Corporate Risk Management Team.

**OPTIONS**

- 1) Adopt the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

<b>MINUTES ORDINARY COUNCIL - 28 JULY 2015</b>
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**ATTACHMENTS**

- 1) Proposed Assessment and Maintenance of Roads Policy
- 2) Current Assessment and Maintenance Roads Policy.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

- 1) Statewide Mutual, Roads Best Practice Manual.

ITEM 12 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE  
OF ROADS POLICY

Policy



FILE NO: PSC2005-2859

TITLE: ASSESSMENT AND MAINTENANCE OF ROADS

POLICY OWNER: ASSETS SECTION MANAGER

PURPOSE:

The purpose of this policy is to:

- Provide an adequate level of public safety for the users of the road network.
- Extend the life of the road by timely maintenance.
- Reduce Councils exposure to public liability claims associated with these assets.

This is achieved through the implementation of a systematic method of identification, evaluation and prioritisation of maintenance works on Council's road network that will assist Council's decision-making process.

CONTEXT/BACKGROUND:

With the abolition of the non feaseance rule in the early 2000's, NSW councils can no longer use the absence of asset condition knowledge as a defence argument in a public liability legal claim. That is, Councils are responsible for proactively knowing and documenting the condition of Council's assets. If a defect is found while collecting condition data, Council is then required to undertake the maintenance, repairs or works on the asset in a prioritised manner within the organisation's resources. Gaining the proactive asset condition knowledge is described in the Statewide Roads Mutual Best Practice Manual

As Council is the custodian for the road network, it is Council's responsibility to provide a safe road network for all road users including community, visitors and businesses that use the roads. Providing a safe network reduces road user's accidents, wear and tear and maintenance on their vehicles. This in turn improves the road user's satisfaction.

In addition to the road users costs; poor road pavement, defects and accidents reduce traffic flow causing the road users delays in reaching their destination. Conversely safe smooth roads increases traffic flow and allows businesses to move their goods and services in a timely manner reducing their own business cost.

**Policy**

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ITEM 12 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE  
OF ROADS POLICY

Policy



**SCOPE:**

To fulfil Council's obligation under this policy Council shall adopt the Statewide Mutual's Best Practice Manual for Roads, for the systematic method of identification, evaluation and prioritisation of maintenance works on Council's road network.

**DEFINITIONS:**

Non feissance - failure to perform duty or obligation.

**POLICY STATEMENT:**

This policy, together with the related operational procedures, provides the guidelines for identifying the location, nature, inspection frequency, treatment options and repair priorities of potential hazards to users of the Road Network. The implementation of this policy aims to minimise public liability exposure and provide a best value service to the community in relation to provision of road infrastructure services.

**POLICY RESPONSIBILITIES:**

Assets Section Manager: Responsible for framework, implementation and monitoring.  
Capital Works Section Manager: Responsible for inspections, data collection, maintenance and reporting.

**RELATED DOCUMENTS:**

AS/NZS ISO 31000:2009 Risk management – Principles and guidelines  
Local Government Act 1993  
Roads Act 1993  
Civil Liabilities Act 2002

ITEM 12 - ATTACHMENT 1 PROPOSED ASSESSMENT AND MAINTENANCE OF ROADS POLICY

Policy



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TRIM container No	PSC2015-01000	TRIM record No	294
Audience	Road Users, Risk Management and Assets Sections		
Process owner	Assets Section Manager		
Author	John Mareitch		
Review timeframe	Every 4 Years	Next review date	28/07/2017
Adoption date	27/08/2002		

VERSION HISTORY:

Version	Date	Author	Details	Minute No.
1	27/08/2002	John Mareitch		353

Policy

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**ITEM 12 - ATTACHMENT 2      CURRENT ASSESSMENT AND MAINTENANCE  
ROADS POLICY.**

**ATTACHMENT 2**

*Port Stephens*  
**C·O·U·N·C·I·L**

**POLICY**

Adopted: 27 August 2002  
Minute No:353  
Amended:  
Minute No:

**FILE NO:     5255.000**

**TITLE: ASSESSMENT AND MAINTENANCE OF ROADS**

**BACKGROUND**

Council has not previously had a formal policy supporting the inspection, assessment and maintenance of roads. The increasing cost of public liability claims against Council for incidents on roads, and the ongoing need to prolong the life of Council's assets as well as providing as safe a level of service from these facilities as can be realistically possible, has highlighted the need to formalise a policy and procedure to assist in ensuring the safety of road users and reducing Council's liability in this area.

**OBJECTIVE**

To acknowledge Council's support for the procedure of inspection, evaluation and maintenance of roads.

**PRINCIPLES**

- \* To provide an adequate level of public safety for users of the road network.
- \* To extend the life of the road by timely maintenance and rehabilitation.
- \* To reduce Council's exposure to public liability claims associated with these assets.

**POLICY STATEMENT**

Port Stephens Council aims to provide a safe network for motorists to utilise. The Council is committed to documenting, improving and administering the adopted procedures for assessment and maintenance of these facilities.

The policy, together with the procedures, provides the guidelines for managing the roads, and is aimed at ensuring the safety of road users and reducing the number and value of public liability claims resulting from incidents on these networks.

**ITEM 12 - ATTACHMENT 2     CURRENT ASSESSMENT AND MAINTENANCE  
ROADS POLICY.**

Council will within its budgetary constraints, endeavour to provide a level of funding each year to meet the maintenance requirements documented in the "Road Assessment and Maintenance Strategy."

By adopting the policy, Council is working towards enhancing Port Stephens' image in keeping with Council's Vision and Mission.

**RELATED POLICIES AND DOCUMENTS**

Roads Assessment and Maintenance Procedure.

**REVIEW DATE**

This policy will be reviewed within 18 months of it being adopted by Council.

**RELEVANT LEGISLATIVE PROVISIONS**

Local Government Act 1993 and the Roads Act 1993.

**IMPLEMENTATION RESPONSIBILITY**

The Engineering Services Section is responsible for the implementation of this policy.

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

ITEM NO. 13

FILE NO: PSC2015-01000/295  
TRIM REF NO: PSC2015-01929

### POLICY REVIEW - COMMERCIAL OPERATORS ON COUNCIL LAND

REPORT OF: STEVEN BERNASCONI - COMMUNITY SERVICES SECTION  
MANAGER  
GROUP: FACILITIES & SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Endorse the draft Commercial Operators policy shown at **(ATTACHMENT 1)**.
- 2) Place the draft Commercial Operators policy on public exhibition for a period of 28 days and should no submissions be received, adopt the policy without a further report to Council.
- 3) Revoke the Commercial Operators policy dated 28 August 2007 (Min No. 236) as shown at **(ATTACHMENT 2)** upon adoption of the new Commercial Operators policy.
- 4) Revoke the Use of Council Reserves for Commercial Fitness Groups and Personal Trainers policy dated 26 March 2013 (Min No. 73) as shown at **(ATTACHMENT 3)** upon adoption of the new Commercial Operators policy.

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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Ken Jordan</b> <b>Councillor Peter Kafer</b>  That the recommendation be adopted.
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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 MOTION

<b>221</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Endorse the draft Commercial Operators policy shown at <b>(ATTACHMENT 1)</b>.</li><li>2) Place the draft Commercial Operators policy on public exhibition for a period of 28 days and should no submissions be received, adopt the policy without a further report to Council.</li></ol>
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## MINUTES ORDINARY COUNCIL - 28 JULY 2015

	<p>3) Revoke the Commercial Operators policy dated 28 August 2007 (Min No. 236) as shown at (<b>ATTACHMENT 2</b>) upon adoption of the new Commercial Operators policy.</p> <p>4) Revoke the Use of Council Reserves for Commercial Fitness Groups and Personal Trainers policy dated 26 March 2013 (Min No. 73) as shown at (<b>ATTACHMENT 3</b>) upon adoption of the new Commercial Operators policy.</p>
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### BACKGROUND

The purpose of this report is to endorse the draft Commercial Operators policy and place it on public exhibition. This draft policy is designed to replace two existing policies that serve similar functions, namely the Commercial Operators policy (of 2007) and the Commercial Fitness Groups and Personal Trainers policy (of 2013).

Council leases and licenses land to commercial operators for a variety of purposes. Commercial operators are generally involved in the tourism, fitness and recreation industries through the adventure, fishing, fitness, nature and aquatic leisure markets. Demand for Council owned and managed land to conduct commercial activities generally fluctuates with the health of the tourism and fitness industries. In the context of this policy it is the peaks in demand for land that need to be properly managed to ensure that the process around land allocation is fair and that the rights and responsibilities between the stakeholders are clearly defined.

The new policy aims to encourage a diversity of users on Council owned and managed land to encourage a vibrant addition to the local tourism and fitness industry.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2013-2017
Port Stephens has a sustainable and diversified economy.	Provide processes and services that deliver benefit to tourism in Port Stephens. Provide Economic Development services to local business.

### FINANCIAL/RESOURCE IMPLICATIONS

The leasing and licensing of Council land for commercial operators raises approximately \$90,000 in external income. This income is used to offset the cost of maintaining public open space and the subsequent cost to ratepayers. The implementation of this policy falls to the Community Services Section with the support of the Property Services Section.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes	90,000	Income from commercial operator leases and licences.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Any activity on Community land requires formal approval (Local Government Act 1993, Sections 47 and 47(A)).

This policy has similar objectives to the Events policy and Community and Cultural Markets policy in that it aims to create diverse economic opportunities through the equitable distribution of Council land and the clear understanding of the rights and responsibilities of all stakeholders.

This policy differs from the Community Leasing and Tenancy policy in that this policy focuses on commercial activities whereas the draft Community Leasing and Tenancy policy focus is on commercial lease reductions for community based groups and sporting clubs.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that not having a Commercial Operators policy may result in commercial operators conducting unapproved and unsuitable business on Council land resulting in safety, legal, financial, environment and reputation damage.	Medium	Adopt the recommendations.	Yes
There is a risk that not having a Commercial Operators policy may result in conflict between prospective operators and the general community resulting in	Low	Adopt the recommendations.	Yes

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

safety and reputation damage.			
There is a risk that not having a Commercial Operators policy may result in lengthy decision making processes when assessing requests for use of Council land resulting in added costs to small business and reputation damage to Council.	Low	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Adopting the recommendations creates opportunities for people to participate in fun, healthy and educational activities on Council owned and managed land. Managing the allocation of foreshores and park areas needs to be carefully considered through this policy as these areas attract large numbers of people at peak times and the interaction between passive users and commercial operators has the potential to create conflict.

The local economy benefits from this policy because small to medium enterprises are able to access Council owned and managed land and conduct their businesses at reasonable rates for their customers.

This policy and the conditions contained in standard leases and licenses ensure that environmental constraints at any given site are fully considered and managed.

**CONSULTATION**

- 1) Executive Leadership Team.
- 2) Contracts and Services Coordinator.
- 3) Tourism and Events Coordinator.
- 4) Parks Coordinator.
- 5) Community and Recreation Assets Coordinator.
- 6) Investment and Asset Manager.
- 7) Property Officer – Community Leasing.

**OPTIONS**

- 1) Adopt the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.



**ATTACHMENTS**

- 1) Proposed commercial operators policy
- 2) Commercial Operators Policy dated 280807.
- 3) Use of Council Reserves for Commercial Fitness Groups and Personal Trainers Policy.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

## Policy



**FILE NO:** PSC2015-01929

**TITLE:** COMMERCIAL OPERATORS POLICY

**POLICY OWNER:** COMMUNITY SERVICES SECTION MANAGER

**PURPOSE:**

The purpose of the Commercial Operators Policy ('Policy') is to establish a streamlined approach to the approval of Commercial Operators on Council owned and managed land. It aims to achieve well managed commercial operations that complement the other uses of the locations, adds value to the local tourism and fitness sector and minimises negative impacts on neighbouring property owners and other site users.

**CONTEXT/BACKGROUND:**

Port Stephens has a diverse range of open space including parks, sports fields, foreshores, beaches, and bushland reserves. These open spaces are well suited to a wide range of passive and active recreation activities. As these open spaces have become more popular, a demand has arisen for the use of Council owned and managed land to conduct commercial operations specifically activities centred on tourism, education and healthy lifestyles. The total open space deemed suitable for these activities is 367 hectares or approximately 28% of Port Stephens Council's total open space provision (refer to Table 1).

**SCOPE:**

The Commercial Operators Policy applies to the management of Commercial Operators on Council owned and managed land within the Port Stephens Council local government area.

The Commercial Operators Policy does not apply to commercial operations on land that is not owned or managed by Council. Commercial operations on land that is not owned or managed by Council may require other development approvals.

The Policy applies to land based activities and water based activities.

The Policy does not apply to the following activities that may be subject to separate approval processes:

- Commercial activities deemed to be an event;
- Commercial activities subject to a lease arrangement;

**Policy**

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## Policy



- Commercial use of community halls;
- Commercial use of sporting facility buildings;
- Commercial activities where a development application is required;
- Markets on Council owned and managed land; and
- Activities not considered to be a commercial activity.

### DEFINITIONS:

Commercial operator	A person or entity that intends to conduct an activity for profit or personal gain on Council owned and managed land.
Commercial operators licence	A contract to operate across and or on Council owned and managed land.
Council owned and managed land	Land that is owned or managed by Port Stephens Council, including Crown Land that Council is the corporate trust manager.
Event	An activity on Council owned and managed land that is defined in the Events Policy or any related policy.
Land based activity	Activities that are conducted on Council owned and managed land. Examples of land based activities include but are not limited to: personal fitness trainers, group fitness, hiring of bicycles and tricycles, dog obedience schools.
Licensing terms and conditions	This includes guidelines, processes and other internal documents used by Council staff in the assessment and approval of Commercial Operator licence applications.
Market	An activity on Council owned and managed land that is defined in the Community and Cultural Markets Policy or any related policy.
Water based activity	Activities that are conducted mostly in waterways but require access to the waterway from Council owned and managed land. Examples of water based activities include but are not limited to: dive sites, learn to surf schools, hire of water craft, lessons in water craft use, sport adventure activities.

## Policy



### POLICY STATEMENT:

Council is committed to:

- 1) Permitting the use of Council owned and managed land for commercial operations that meet the purpose of the land as defined in the Local Environment Plan, any Plan of Management for the land, the *Crown Lands Act 1989*, the *Local Government Act 1993* and the licensing terms and conditions of any specific site;
- 2) Encouraging commercial operations on Council owned and managed land that encourages tourism, healthy lifestyles and education;
- 3) Ensuring Council owned and managed land is used in a safe manner;
- 4) Permitting bi-annual licences for the use of Council owned and managed land by commercial operators;
- 5) Ensuring security of tenure for approved Commercial Operators. Accordingly, those Commercial Operators shall be offered the first right of refusal for any new licence subject to all requirements of the *Local Government Act 1993* and the *Crown Lands Act 1989*;
- 6) Council is committed to implementing and keeping current terms and conditions that ensure that occupiers of licenced sites do not cause nuisance to neighbours and other stakeholders;
- 7) The assessment and apportioning of licence fees that are determined by market demand and the Setting of Fees and Charges Management Directive;
- 8) Providing the locations listed in Table 1 as locations that may be licensed for commercial operations.

**Table 1: Council owned and managed land that may be licensed for commercial operations.**

SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Anna Bay	Birubi Beach	Lot 7325, DP 1156724	2	1
Anna Bay	Robinson Reserve	Lot 7325, DP 1156724	1	0
Boat Harbour	Fisherman's Bay Foreshore Reserve	Lot 7324, DP 1205289	0	1

**Policy**

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SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Corlette	Bagnall Beach Reserve, corner of Sandy Point Road and Pantawarra Street	Lot 540, DP 823768	1	0
Corlette	Bagnall Beach Foreshore Reserve, adjacent corner of Pantawarra Street	Lot 540, DP 823768	0	1
Corlette	Conroy Park	Lot 256, DP 27048	1	0
Fingal Bay	Fingal Bay Foreshore Reserve	Lot 473, DP 728137	2	0
Fingal Bay	Fingal Bay Oval	Lot 418, DP 257378	2	0
Fingal Bay	Fingal Beach (A)	Lot 475, DP 728127	1	1
Fingal Bay	Fingal Beach (E) Boat ramp end	Lot 473, DP 728137	1	1
Fingal Bay	Tom O Dwyer Oval	Lot 402, DP 753204	1	0
Fisherman's Bay	Fisherman's Bay Park	Lot 278, DP 753204	1	0
Hinton	Foreshore Reserve	Lot 28, DP 109540	1	0
Hinton	Stuart Park	Lot 1, DP 915417	2	0
Karuah	Aliceton Reserve	Lot 61, DP 24364	2	0
Karuah	Lionel Morton Oval	Lot 153, DP 753196	1	0
Lemon Tree Passage	Koondah Park	Lot PT93, DP 217567	3	0
Mallabula	Caswell Reserve	Lot 93, DP 11392	0	1

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Policy



SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Mallabula	Mallabula Sports Complex	Lot 398, DP 1142139	4	0
Medowie	Boyd Oval	Lot 1, DP 408155	2	0
Medowie	Ccachwood Drive Reserve 2	Lot 37, DP 807956	1	0
Medowie	Ferodale Sports Park	Lot 22, DP 1021843	2	0
Medowie	Kindlebark Oval	Lot 59, DP 730472 and Lot 129, DP 710216	2	0
Medowie	Yulong Oval	Lot 49, DP 249781	2	0
Nelson Bay	Bill Strong Oval, Shoal Bay Road	Lot 101, DP 1175980	2	0
Nelson Bay	Dutchman's Beach Reserve	Lot 7318, DP1138620	3	0
Nelson Bay	Dutchman's Beach Foreshore	Lot 7318, DP1138620	0	2
Nelson Bay	Fly Point Reserve	Lot 101, DP 1175980	3	0
Nelson Bay	Little Beach Reserve	Lot 101, DP 1175980	1	0
Nelson Bay	Neil Carroll Park	Lot 101, DP 1175980	2	0
Nelson Bay	Nelson Bay Foreshore adjacent to the Nelson Bay public wharf amenities	Lot 559, DP 1033413	1	0

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## Policy



SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Nelson Bay	Nelson Bay Foreshore adjacent Nelson Bay Kiosk and carpark	Lot 559, DP 1033413	0	1
Nelson Bay	Nelson Bay Foreshore, Victoria Parade adjacent Fly Point amenities	Lot 550, DP 1033413	0	1
Nelson Bay	Tomaree Sports Complex	Lot 1, DP 1136350	4	0
One Mile	One Mile Beach	Lot 7311, DP 1120641	1	1
Raymond Terrace	Alton Park Reserve	Lot 2, DP 618769	1	0
Raymond Terrace	Boomerang Park	Lot 1, DP 1018979	3	0
Raymond Terrace	Fitzgerald Bridge Boat Ramp area	Lot 131, DP 1120122	0	1
Raymond Terrace	King Park Sports Complex	Lot 1, DP 733011 and Lot 131, DP 1120122	3	0
Raymond Terrace	Lakeside Reserve 2	Lot 281, DP 263821	1	0
Raymond Terrace	Lakeside Reserve 3	Lot 116, DP 262378	1	0
Raymond Terrace	Lakeside Sports Complex	Lot PT2, DP 502401	2	0
Raymond Terrace	Ross Walbridge Reserve	Lot 1, DP 115898	2	0
Raymond Terrace	Vi Barnett Oval	Lot 131, DP 1120122	1	0

Policy



SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Salamander Bay	Bagnall Beach Road Detention Basin	Lot 5072, DP 841259	1	0
Salamander Bay	George's Reserve	Lot 1, DP 852661	0	1
Salamander Bay	Joe Redman Reserve	Lot 356, DP 27845	1	0
Salamander Bay	Korora Oval	Lot 541, DP 27274	3	0
Salamander Bay	Roy Wood Reserve	Lot 356, DP 27946	0	1
Salamander Bay	Salamander Sports Complex	Lot 1, DP 1117732	2	0
Seaham	Brandon Park	Lot 11, DP 26452	2	0
Seaham	Seaham Park	Lot 1, DP 758899	3	0
Shoal Bay	Shoal Bay Foreshore - Boat Ramp (A)	Lot 7022, DP 1126832	0	1
Shoal Bay	Shoal Bay Foreshore Adjacent public wharf (B)	Lot 7022, DP 1126832	0	1
Shoal Bay	Foreshore – Beach Road adjacent to Harbourside Haven	Lot 432, DP 41582	0	1
Shoal Bay	Foreshore (D) intersection of Harwood Avenue and Beach Road	Lot 432, DP 41582	0	1
Soldiers Point	Everitt Park	Lot 322, DP 636840	1	0
Tanilba Bay	Forster Park	Lot 1, DP 265326	0	1
Tanilba Bay	Peace Park	Lot 1, DP 265326	0	1

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## Policy



SUBURB	LOCATION	Lot/DP	NUMBER OF SITES	
			Land based activities	Water based activities
Taylors Beach	Taylors Beach Foreshore	Lot 637, DP 27626	0	1
Wallalong	Bowthorne Park	Lot 1, DP 703382	1	0

**POLICY RESPONSIBILITIES:**

Overall review and evaluation of this policy lies with the Community Services Section Manager.

Key areas for implementation are delegated to the following positions:

- 1) Contracts and Services Coordinator – implement the policy, review and update the Licensing Terms and Conditions and supporting documents relating to this policy; issuing of licence approvals under delegation; internal and external relationship management;
- 2) Property Officer Community Leasing – prepare and administer licence documentation;
- 3) Community and Recreation Assets Coordinator and the Parks and Programs Coordinator – provide advice on the implementation of the policy, asset planning and scheduled improvements, liaison with Sports Councils;
- 4) Events and Tourism Coordinator – liaison relating to coordination of events and markets bookings on Council owned and managed land.

**RELATED DOCUMENTS:**

- 1) Setting of Fees and Charges Management Directive (PSC)
- 2) Events Policy (PSC)
- 3) Event Guidelines (PSC)
- 4) Advertising signs Policy (PSC)
- 5) Alcohol in Parks and Reserves Policy (PSC)
- 6) Temporary Structures on Footways Policy (PSC)
- 7) Port Stephens Council Plans of Management for community land (PSC)
- 8) *Local Government Act 1993 (NSW)*
- 9) *Crown Lands Act 1989 (NSW)*

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## Policy



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TRIM container No	PSC2015-01929	TRIM record No	001
Audience	Existing and potential commercial operators, Sports Councils; Parks and Reserves 355c Committees; local business associations and their members; Destination Port Stephens and their members.		
Process owner	Contracts and Services Coordinator		
Author	Contracts and Services Coordinator		
Review timeframe	Bi-annually	Next review date	June 2017
Adoption date			

## VERSION HISTORY:

Version	Date	Author	Details	Minute No.
0.1	23/6/2015	I. Crawford	Draft version for review by Executive Leadership Team	n/a
0.2	7/7/2015	S. Bernasconi	Draft version for Public Exhibition	n/a

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ITEM 13 - ATTACHMENT 2 COMMERCIAL OPERATORS POLICY DATED 280807.

ATTACHMENT 1

*Port Stephens*  
C·O·U·N·C·I·L  
POLICY

Adopted:  
Minute No:  
Amended:  
Minute No:

FILE NO: PSC2005-3687

TITLE: COMMERCIAL OPERATORS POLICY

REPORT OF RECREATION SERVICES MANAGER

**BACKGROUND**

There is currently no Commercial Operator Policy that has been adopted by Council to date.

A review of this current system is required in order to ensure that fair, equitable and consistent processes are in place and that commercial activities on our reserves are managed effectively whilst increasing income to contribute to the costs of maintenance and improvements of these assets.

The Commercial Operators Licensing system has been based on a process that Recreation Services have administered over the years and this process has been the unwritten policy for approving licenses.

This process requires applicants to submit a written management plan outlining:-

- Proposed Activity
- Proposed Location
- References/Past experience in the industry
- Risk Management Plans/Safety Plans
- Rubbish Control Methods
- Insurance
- First Aid
- Other Authority Approval eg NSW Maritime

The criteria used to assess the applications and consider approval is based on:

- Availability of a vacant site
- Plans of Management for the site

ITEM 13 - ATTACHMENT 2 COMMERCIAL OPERATORS POLICY DATED 280807.

- Is the activity appropriate for the proposed site,
- Any Environmental impacts
- Any similar activities within the same area
- Any implications of small local business in the same area
- Restrictions to other public recreation users
- Provision of service to local community and visitors
- Correct insurances
- Reference checks

Licences are currently issued for a 12 month term starting from 1 October and terminating on 30 September of each year.

**OBJECTIVE**

- To allow for commercial activities on reserves to support tourism and provide recreational activities for our visitors whilst ensuring use of public reserves is not compromised for other recreational users.
- To ensure a safe and controlled system for both commercial and recreational users.
- To ensure that activities on our beaches comply with insurances and safety standards to minimise accidents/liability to users of Council Reserves.
- To ensure a minimal impact on existing business throughout Port Stephens.

Policy will be achieved if:

- Both Commercial & Recreational Users are educated on requirements of the policy and licensing system.
- The Policy is enforced.
- Administration of the Policy is managed effectively.
- Policy is equitable with clear guidelines.(Criteria for Assessment).
- ***To ensure that commercial operators pay a fair and reasonable commercial rent for use of public land.***

**PRINCIPLES**

- Controlled Management of Commercial Activities
- Licensed Operators will ensure safe & more attractive Recreational space.

**ITEM 13 - ATTACHMENT 2 COMMERCIAL OPERATORS POLICY DATED 280807.**

- Revenue from License Fees will assist in:
  - Foreshore Maintenance and Asset Management
  - Provision of Environmental Management Strategies

**POLICY STATEMENT**

- All Commercial users of reserves will hold a License with Council.
- Holders must have insurance of a minimum of \$10 million public liability, other authority approvals eg Waterways Aquatic License, Management Plans.
- Payments of fees on commencement of license.
- No reduction in fees or payment plans unless otherwise approved by Council.
- State and Federal Government bodies exempt from requirements of Policy.
- Holders must comply with park rules eg driving of vehicles on reserves, parking, rubbish, dogs and as agreed by Parks Co-ordinator.
- Term of the licence will be 2 years with an annual review after the first 12 months.
- Prior to termination date of licences, all sites will go out to an Expression of Interest or similar \*\*\*process. Current holders will have the opportunity to resubmit a tender for the existing site. All sites will be tendered at the same time to ensure consistency.
- There will be no means for pre existing rights for previous licence holders.
- Essential Criteria will be:
  - a) Management Plan (proposed activity, location, safety management plan, proposed licence fee, benefits to Port Stephens community and tourism, rubbish control methods etc).
  - b) Public Liability Insurance of not less than \$10million noting Port Stephens Council as an interested Party as well as the Minister for Lands where it is crown land.
  - c) Other Authority approvals
  - d) Current First Aid Certificates.

**ITEM 13 - ATTACHMENT 2 COMMERCIAL OPERATORS POLICY DATED 280807.**

- e) Suitability/Viability of proposed operation. A detailed business plan showing expected income and expenditure to be included.
- f) Impact on existing businesses
- g) References (professional and personal)
- h) Signage must comply with Port Stephens Council Signs Policy
- Annual License fees will be subject to CPI increases.
- Park Rules signs will include requirement to hold license with Council for commercial activities on reserves.
- Failure to comply with Policy will result in enforcement action. (Failure to Comply with Public Notice \$110 Fine).
- Licenses are not transferable. Should an operator wish to sell their equipment & revoke their license before termination date, the license does not go with the sale of the equipment. The purchaser will be required to submit their application following Expressions of Interest being advertised for the vacant site.
- Licenses must have the consent of the Minister for Lands where appropriate.
- At its meeting of 28 November 1995, Council resolved to delegate to the General Manager the execution and approval of Licenses and Temporary Licenses.
- Holders must provide a surety in the form of a performance bond and/or directors guarantee (if a company) to ensure the ongoing performance of the terms and conditions of the licence including payment of licence fees and any clean up/remediation expenses on termination of the licence.

**RELATED POLICIES**

Crown Lands Act 1989  
Local Government Act 1993

**SUSTAINABILITY IMPLICATIONS**

All future applications for commercial licences will be assessed using defined criteria which will ensure sustainability on social, economic and environmental grounds.

**SOCIAL IMPLICATIONS**

**ITEM 13 - ATTACHMENT 2 COMMERCIAL OPERATORS POLICY DATED 280807.**

The interaction/balance between the general public recreation use of public land and commercial activities needs to be managed. This draft policy recognises and allows for this.

**ECONOMIC IMPLICATIONS**

The optimisation of Commercial Operator activities should contribute positively to the general economic health of the municipality.

**ENVIRONMENTAL IMPLICATIONS**

Nil. All commercial activities will be managed to ensure there is no environmental impacts.

**RELEVANT LEGISLATIVE PROVISIONS**

Local Government Act 1993

**IMPLEMENTATION RESPONSIBILITY**

Recreation Services Manager

**REVIEW DATE**

Annual

**ITEM 13 - ATTACHMENT 3 USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY.**

**POLICY - USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY**

**FILE NO: PSC2005-3687**

**TITLE: USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY.**

**RESPONSIBLE OFFICER: COMMUNITY SERVICES MANAGER**

**BACKGROUND**

Personal fitness training is a growth segment in the fitness industry. Increasing numbers of commercial fitness trainers using Council reserves have raised a number of issues including:

- Equity of access issues, eg, potential conflict with displaced users, management of demand, noise, domination and monopolisation of areas and unpaid use of Council land by commercial operators.
- Impact on the asset, eg, trainers, especially of large groups, are causing wear and tear.
- Public liability concerns, eg, trainers with insufficient insurance.

**OBJECTIVE**

- 1) Ensure equity of access to Council parks and reserves;
- 2) Manage the impact of commercial fitness activities on reserves asset condition and maintenance; and
- 3) Manage public liability and risk exposure to Council in relation to commercial operations on Council owned community land and Crown land which is under Council's care and control.

**PRINCIPLES**

The following principles guide the application of this policy.

- 1) Council has a responsibility to its ratepayers to manage its risk exposure.
- 2) Council has a responsibility to manage the use of open spaces in an equitable way.
- 3) Council must consider the potential impacts of the use of public open space by commercial operators on other users, neighbouring property owners and residents and those with vicarious interests.
- 4) Council must endeavour to reduce the cost of open space management to ratepayers through partial cost recovery.
- 5) Council must endeavour to encourage small business development and public health.

**POLICY STATEMENT**



**ITEM 13 - ATTACHMENT 3 USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY.**

- 1) Commercial fitness groups and personal fitness trainers must have a permit to operate at any public reserves.
- 2) Fitness instructors are restricted to 20hrs per week of use on PSC public reserves under the licence arrangements.
- 3) No commercial fitness training will be permitted in high activity areas and/or areas of cultural, environmental or natural significance.
- 4) Specific areas where these activities are prohibited include, but are not limited to, the following:
  - Watercourses and wetland areas
  - High conservation bushland (eg, supporting threatened species)
  - 20 metres from memorials
  - 20 metres from any playground or park furniture
  - 20 metres from any public change room, toilet or kiosk areas
  - 50 metres from any neighbouring residential property
  - 50 metres from any flagged area of beaches and/or as directed by the duty lifeguard
  - Any designated sport ground/reserve when occupied by an approved hirer or allocated user
  - Any beach/foreshore when occupied by an approved hirer
- 5) Council may exclude other public areas at its discretion in the interests of meeting legislative responsibilities for the management of community land.
- 6) Council does not warrant that any public reserve is suitable for the conduct of personal training or any other purpose. The permit holder must take steps to ensure that the area to be used is suitable for the intended purpose and use.
- 7) Permissible fitness activities under the policy (subject to Council approval)
  - Resistance training
  - Boxing and pad training
  - Organised aerobic activity
  - Yoga, Tai Chi and Pilates classes and like activities
  - Circuit training
  - A combination of any of the above
  - Other industry endorsed fitness activities having been submitted and approved by Council.
- 8) Excluded activities include:

**ITEM 13 - ATTACHMENT 3 USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY.**

- Any activity that is deemed to be aggressive or intimidating in nature whether real or perceived by participants or the general public.
  - Any activity that involves amplified music or amplified audio (voice) equipment and loud shouting
- 9) To be eligible for a permit applicants must provide evidence of the following at the time of application:
- Current Senior First Aid Certificate
  - Current public liability insurance which indemnifies Port Stephens Council to a minimum of \$20,000,000.
  - Recognised qualifications (Certificate III or IV in Fitness) and/or registration with Fitness Australia.
- 10) Applications for permits and the number of permits to be issued will be determined by the Reserves Booking Officer taking into account the following factors:
- Usage demand, intensity of use of the area and times requested.
  - Number of approved trainers already using the area.
  - Other activities (passive and active) being undertaken in the area.
  - Type of activities being undertaken and the potential impact on other users and neighbouring residents during the times requested.
  - Whether the activities will contribute to increasing congestion or user conflict in the area requested.
- 11) In considering the above factors, the Reserves Booking Officer may decide to:
- Approve an application and issue a permit.
  - Issue a limited permit with restrictions on the number and type of activities, group size and time and location of the activities.
  - Not approve the application.
- 12) One trainer only will be authorised by Council to operate at any one time under the permit issued. Other trainers providing assistance will be included as part of the training group number. In the event that the nominated trainer is unable to operate under the approved permit a replacement may be approved subject to meeting the eligibility requirements of this policy.
- 13) All trainers must be insured and eligible to operate under the permit in accordance with the policy.
- 14) Applicants can choose from a "one-off" annual permit fee or alternatively seasonal quarterly permit of 12 week duration. The fees for these permits are set out in the Council adopted Fees and Charges and are available on the Council website [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au)

**ITEM 13 - ATTACHMENT 3 USE OF COUNCIL RESERVES FOR COMMERCIAL FITNESS GROUPS AND PERSONAL TRAINERS POLICY.**

**RELATED POLICIES**

- 1) Crown Lands Act 1989
- 2) Local Government Act 1993

**SUSTAINABILITY IMPLICATIONS**

**SOCIAL IMPLICATIONS**

The interaction/balance between the general public recreation use of public land and commercial activities needs to be managed. This Policy recognises and allows for this.

**ECONOMIC IMPLICATIONS**

The optimisation of Commercial Group Fitness activities should contribute positively to the general economic health of the municipality.

**ENVIRONMENTAL IMPLICATIONS**

Nil. Group fitness activities will be managed to ensure there is no environmental impacts.

**RELEVANT LEGISLATIVE PROVISIONS**

- 1) Local Government Act 1993
- 2) Local Government (General) Regulations 2005

**IMPLEMENTATION RESPONSIBILITY**

- 1) Community and Recreation Services Manager

**REVIEW DATE**

Within one year of first being adopted and then once every Council term.

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

ITEM NO. 14

FILE NO: PSC2015-01000/354  
TRIM REF NO: PSC2012-01155

### SUSTAINABILITY REVIEW - PUBLIC DOMAIN & SERVICES SECTION - FLEET & DEPOT SERVICES UNIT

REPORT OF: PETER MATWIJOW - PUBLIC DOMAIN & SERVICES SECTION  
MANAGER  
GROUP: FACILITIES & SERVICES

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#### RECOMMENDATION IS THAT COUNCIL:

- 1) Note the information contained in the Sustainability Review – Fleet and Depot Services Unit Service Strategy and endorse the findings of the review **(ATTACHMENT 1)**.

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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 COMMITTEE OF THE WHOLE RECOMMENDATION

	<b>Councillor Chris Doohan</b> <b>Councillor Sally Dover</b>  That the recommendation be adopted.
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#### ORDINARY COUNCIL MEETING - 28 JULY 2015 MOTION

<b>222</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  1) Note the information contained in the Sustainability Review – Fleet and Depot Services Unit Service Strategy and endorse the findings of the review <b>(ATTACHMENT 1)</b> .
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#### BACKGROUND

The purpose of this report is to seek Council endorsement of the recommendations from the Fleet & Depot Services Unit sustainability review.

Fleet and Depot Services Unit deliver a range of services to both internal and external customers. Services include but are not limited to: procurement of light and

heavy fleet, auto mechanical services, running of the Store (Raymond Terrace and Nelson Bay), procurement of materials and equipment for Council operations, provision of fuel and the management of depots.

Internal service delivery is detailed in Service Level Agreements across the organisation that clearly outlines our key customer expectations on service delivery. Further, all services delivered from the Unit have extensive interactions with the external environment of Council which broadens our key customer base as well as necessitates service delivery to be responsive to external changes and expectations.

Integral to the completion of the sustainability review has been the definition of the Unit's purpose and key services. This has been achieved through the comprehensive review of the Systems View, which has focussed on a number of critical aspects, being:

- The purpose of Fleet & Depot Services being to "provide an effective and efficient service to enhance the social and financial sustainability of the Council and the Port Stephens community whilst maintaining the integrity and safety of all personnel".
- Identification of key services delivered by each area of the business unit with associated key process metrics for each service to inform continuous review and establishment of quarterly reporting on these metrics.

The Service Strategy details the key metrics that have been established and monitored to measure the effectiveness of our services to our customers. In addition, there are a range of emerging trends that are a critical consideration in this review of our services. Notable emerging trends are technological changes and environmentally friendly products:

It is proposed to implement the changes as detailed in the sustainability review to enhance internal efficiencies that can be used in alternative initiatives and enhance the service delivery of the Section, for example:

- Implementation of an automated stock system;
- Stock items that are commonly purchased in the Stores to reduce reliance on corporate credit cards;
- Incorporate vendor held inventory to reduce stock items not commonly used that can be delivered within 24 hours;
- Consolidate Store counter with other administrative functions;
- Expand the delivery service to include field supplies required by crew's onsite as well as the usual diesel delivery;
- Continue the use of re-refined lubricants;
- Continue to engage the services of Valley Truck Parts to provide more cost effective products with free delivery;
- Initiate process reviews 2 years ahead of the scheduled replacement of all major items;

**MINUTES ORDINARY COUNCIL - 28 JULY 2015**

- Investigate the integration of software programs FLEETMEX and AUTHORITY;
- Develop a green fleet strategy for operational plant.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens Council's services and assets are sustainable in the longer term.	Council will reduce its underlying deficit to break even in 2014-2015 financial year. Council will increase its revenue from non-rates sources. Manage risks across Council. Attract, retain and develop staff to meet current and future workforce needs. Provide enabling business support services for Council's operations.

**FINANCIAL/RESOURCE IMPLICATIONS**

There will be direct savings of approximately \$80,000 (\$60,000 reduction in cost of parts due to alternative supplier arrangement and \$20,000 utilising re-refined lubricants). This saving has already been removed from the Fleet Budget during the 2015/16 budget preparation. A possible future saving in wages of \$56,000 will be determined in the next 12 months following monitoring of the impact of the transfer of the passenger fleet.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		Current budget allocation that will accommodate proposed changes.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

There are no legal or policy impediments to adopting the recommendations. The sustainability review has established that the risk of alternative models for operational based services for fleet and depot functions would increase Council's operational, legal and financial risk exposure.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources ?</b>
There is a risk that implementing alternate models for operationally and financially based services would increase Council's risk exposure through increased service costs and cycle times.	Low	Adopt the recommendations.	Yes
There is a risk that the procurement of an unsuitable replacement plant item may result decrease productivity and increased cost.	Low	Adopt the recommendations.	Yes
There is a risk that not replacing plant items may result in increased maintenance costs and more time off the road.	Medium	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

There are no social implications associated with adopting the recommendation.

Adopting the recommendation will ensure continuation of external suppliers and customers in the local area, thus adding the local economy.

The increased use of products with lower emissions and higher recycled content adds to Council's overall approach to having a reduced ecological footprint.

**CONSULTATION**

- 1) Two Way Conversation with Mayor and Councillors – 16 June 2015.  
General Manager.
- 2) Executive Leadership Team.
- 3) Public Domain & Services Section staff - Toolbox Meetings.
- 4) Internal and external customers through the sustainability review process.

**OPTIONS**

- 1) Adopt the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Excerpt of Service Strategy - Summary of Options and Recommendations of Fleet & Depot Services Unit.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

- 1) Sustainability Review – Fleet & Depot Services Unit Service Strategy.



## ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET &amp; DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW

## SERVICE STRATEGY

Service Package Name: Fleet &amp; Depot Services

SUMMARY OF OPTIONS:

## Stores

Option 1	Details	Prioritisation (refer matrix)
Continue on, however seek to continuously improve the service	Decrease effective store operating hours and actively seek to reduce organisational reliance on corporate cards by stocking any commonly purchased item that is not currently stocked to increase customer value.	High
	Stock Control Automation - Use bar-coded bins and scanning of items to permit automatic reorder to suppliers as well as increased inventory accuracy.	Medium
	PDSA Reviews - Create a habit of ongoing process review of key processes.	High
Option 2	Details	Prioritisation (refer matrix)
Change the way the service is delivered (i.e. process or supplier improvement)	Increase Vendor Held Inventory to be incorporated into on-hand inventory by major suppliers to minimise slow moving stock items and create additional space to stock high turnover items. For example, the Store currently has 283 items of clothing valued at \$7,300 on hand at the RJ depot alone. With National Safety Solutions and Newcastle Mobile Workwear approving the practice of VHS, the stock on the shelf could be minimised by at least 75% or \$5,475.	High
	Job Pack Supply - Introduce boxed supply of scheduled service consumables to Building Trades and Mechanical Workshops to increase both Stores inventory utilisation and productivity of those areas.	High
	Customer Catalogue - Refine and provide a new and improved work unit itemised stock brochure to clarify stocked items for their particular areas.	High
	Expand Delivery Services - in addition to distributing fuel, expand service to include the field supply of oil, spare parts and other requested store items to both increase customer value and generate additional income to Store.	High

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



Option 3	Details	Prioritisation (refer matrix)
Spin off or restructure	Continued Regionalisation of Council Services for the provision of purchased goods via Hunter Council is considered desirable to improve purchasing power.	Low
	Fit For the Future is likely to provide a framework which would enable a regional approach to the provision of Stores services via Hunter Councils. This is seen as desirable but realistically a long term goal for local government in the Hunter Valley.	Low

Option 4	Details	Prioritisation (refer matrix)
Cease the service altogether	Benchmarking indicates this alternative service delivery model would adversely impact all key metric measures and consequently increase the cost Council of service provision to the community.	Not Recommended

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



**Fabrication**

Option 1	Details	Prioritisation (refer matrix)
Continue on, however seek to continuously improve the service	<p>Although the Fabrication unit currently source materials at a competitive price and maintain assets with the best charge out rate in the area, they can continuously improve on current service delivery by continually improving the definition of customer expectations (job scoping) prior to works commencing.</p> <p>By utilising the PDSA process to continuously improve service delivery and internal processes, Fabrication can minimise non-value adding rework by optimising resource usage.</p>	<p>Medium</p> <p>Medium</p>
Option 2	Details	Prioritisation (refer matrix)
Change the way the service is delivered (i.e. process or supplier improvement)	Continue to outsource peak demand or specialist works such as galvanising works in the Fabrication unit.	Low
Option 3	Details	Prioritisation (refer matrix)
Spin off or restructure	Fit For the Future is likely to provide a framework which would enable a regional approach to the provision of Workshop services via Hunter Councils. This is seen as desirable but realistically a long term goal for local government in the Hunter Valley.	Low
Option 4	Details	Prioritisation (refer matrix)
Cease the service altogether	Benchmarking indicates this alternative service delivery model would adversely impact all key metric measures and consequently cost Council if this were to occur.	Low

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



**Mechanical**

Option 1	Details	Prioritisation (refer matrix)
Continue on, however seek to continuously improve the service	By utilising the PDSA process to continuously improve service delivery and internal processes, the Workshops can minimise non-value adding rework by optimising resource usage.	Medium
	The investigation of Leading indicators of Manufactures service hours as an efficiency companion against actual hours within the Mechanical Workshop.	High
	Investigate and adopt a fixed price servicing regime for the external vehicle market as a consistent approach to securing the private/ novated vehicle users.	High
	The outsourcing of all passenger vehicles completely could allow for the elimination of one Fleet EFT completely dependent on processing efficiency gains achieved and will be reviewed and reported upon in August 2016 after a full year of implementation.	Medium
Option 2	Details	Prioritisation (refer matrix)
Change the way the service is delivered (ie. process or supplier improvement)	To increase our private/ novated vehicle users capacity, continue to outsource peak demand or specialist works such paint, body, wheel alignment etc. in the Mechanical Workshop	Low
Option 3	Details	Prioritisation (refer matrix)
Spin off or restructure	Fit For the Future is likely to provide a framework which would enable a regional approach to the provision of Workshop services via Hunter Councils. This is seen as desirable but realistically a long term goal for local government in the Hunter Valley.	Low
Option 4	Details	Prioritisation (refer matrix)
Cease the service altogether	Benchmarking indicates this alternative service delivery model would adversely impact all key metric measures and consequently cost Council if this were to occur.	Low

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



**Fleet Management**

Option 1	Details	Prioritisation (refer matrix)
Continue on, however seek to continuously improve the service	Plant Replacement Schedule – Initiate process reviews 2 years ahead of scheduled replacement of all Major items to avoid exposure to uneconomic repair costs and assurance of capital required. Further refine the 10 Year Fleet Replacement program.	High
	Develop and implement Green Fleet Vehicles Strategy to respond to increasing fuel costs	High
	Cost Modeling, Analysis & Benchmarking – Direct resources into the analysis of current available data to "test" the effectiveness of cost models, fleet management practices and actual performance to date.	Medium
	Integration of Fleetnexus & Authority would considerably reduce administration costs.	High
	Fleetnexus to Cloud would considerably reduce ICT resourcing and provide a stable environment for Fleetnexus	High
	Improve Supply Chain – Engage with customers and suppliers through PDSA process improvement activities to eliminate rework and non-value adding activities.	Medium
	Review processes as a direct result of the new financial model	High
	The outsourcing of all passenger vehicles completely could allow for the elimination of one Fleet IFT completely dependent on processing efficiency gains achieved and will be reviewed and reported upon in August 2016 after a full year of implementation.	Medium
Option 2	Details	Prioritisation (refer matrix)
Change the way the service is delivered (i.e. process or supplier improvement)	Improve Supply Chain – Fleet's performance is dependent on other internal suppliers such as Council's Workshop, Stores and Fabrication services and the quality of facilities that support these services and external suppliers such as local vehicle dealers. Since these suppliers contribute significantly to Fleet's value adding process, it is imperative that these suppliers recognise Fleet as their customer and Fleet engages with these suppliers to improve the supply chain performance for the benefit of all stakeholders.	High

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



Option 3	Details	Prioritisation (refer matrix)
Spin off or restructure	The transfer of PSC101 Fleet Administration Officer and PSC099 Fleet Management Supervisor to Civil Assets for asset management consistency as per the structural review recommendations has been recently completed.	Low

Option 4	Details	Prioritisation (refer matrix)
Cease the service altogether	Not a feasible option as plant and vehicles are a necessary element in the provision of Council services.	N/A

## ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET &amp; DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEWRECOMMENDATION:

## Stores

Service	Details	Net One off costs/savings	Recurrent costs/savings
Procurement & Distribution of Supplies	<p><u>Increase Store Turnover</u> - actively seek to increase store turnover by 10% by July 2015 by:</p> <ul style="list-style-type: none"> <li>Stocking any commonly purchased item that is not currently stocked and is being currently purchased on corporate cards.</li> <li>Raising the profile of the Store and its services by advertising and other promotions within the organisation.</li> <li>Provide a customer by customer itemised stock brochure to clarify stocked items.</li> <li>Increase Vendor Inventory to minimise slow moving stock items and create additional space to stock higher turnover items.</li> <li>Expand Delivery Services - in addition to distributing fuel, expand service to include the field supply of oils, spare parts and other requested store items.</li> <li>Introduce "Job Packs" of boxed supply of scheduled service consumables to Building Trades and Mechanical Workshops.</li> <li>Provide an on-line ordering service</li> </ul> <p>(Cost saving based on turnover increasing from \$1.2M to \$1.32M)</p>	Nil	Achieving a 10% increase in turnover by 2016/17 would achieve a 3% saving in the cost of items to customers or a saving of \$40,000 per annum directly to the organisation.
Stock Control	<p><u>Stock Control Automation</u> - Use bar-coded bins and scanning of items to permit automatic reorder to suppliers as well as increased inventory accuracy.</p> <p><u>Promapp Processes</u> - Ensure all key processes are documented.</p> <p><u>PDSA Reviews</u> - Create a habit of ongoing process review of key processes.</p>	Currently Unknown	Currently Unknown
Depot Support Services	<p><u>RT Depot lighting retrofit project</u> - The utilisation of lighting efficiency technology will reduce resource usage, CO2 emissions and ultimately an estimated 30,000 kWh.</p>		\$15,800 per annum at the current rate with a simple payback period of 3 years.

ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET & DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW



**Fabrication**

Service	Details	Net One off costs/savings	Recurrent costs/savings
Fabrication Maintenance - Assets and Plant	<u>Lead &amp; Lag Indicators</u> - develop indicators to monitor the efficiency of workshop. For example comparing Manufacturer's specified service hours against actual hours within the Mechanical Workshop.	Nil	Nil
	<u>PDSA Process Improvement</u> - continuously improve service delivery and internal processes to minimise waste and non-value adding.	Nil	Nil

**Mechanical**

Service	Details	Net One off costs/savings	Recurrent costs/savings
Mechanical - Scheduled/ Unscheduled Maintenance	<u>Lead &amp; Lag Indicators</u> - develop indicators to monitor the efficiency of workshop. For example comparing Manufacturer's specified service hours against actual hours within the Mechanical Workshop.	Undetermined	Undetermined
	<u>Re-Refined Lubricants</u> - Use re-refined oils from Enviro-lube to reduce of embodied emissions by up to 42% at lower cost and where permitted by vehicle manufacturer specifications and warranties.		\$20,000 on current utilisation rate and regime consequently reducing running costs of plant items across Council
	<u>Valley Truck Parts</u> - Use of a new parts supplier that delivers more cost effective products free of charge		\$60,000 on current utilisation rate and regime consequently reducing running costs of plant items across Council
	<u>PDSA Process Improvement</u> - continuously improve service delivery and internal processes to minimise waste and non-value adding.		Undetermined
	<u>Outsourcing of all passenger vehicles</u> - Could allow for the elimination of one Fleet EFT completely dependent on processing efficiency gains achieved and will be reviewed and reported upon in August 2016 after a full year of implementation		Undetermined. Potentially \$56,000



## ITEM 14 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF FLEET &amp; DEPOT SERVICES UNIT.

SUSTAINABILITY  
REVIEW

## Fleet Management

Service	Details	Net One off costs/savings	Recurrent costs/savings
Procure, manage and dispose of operational plant and equipment.	Major Plant Replacement Schedule – Initiating process reviews 2 years ahead of scheduled replacement of all Major items to avoid replacement delays and exposure to uneconomic repair costs. These savings are significant but currently unquantifiable as an annual ongoing saving.	Nil	Nil
	<u>Plant &amp; Equipment Purchases</u> - Continue the practice of procuring plant & equipment through Local Government Procurement for transparency and efficiency.	Nil	Nil
	<u>Integration of Fleetmex &amp; Authority</u> - would considerably reduce administration costs.	Nil	Nil
	<u>Develop Green Fleet Strategy for Operational Plant</u> – As above	Nil	Nil

**ITEM NO. 15**

**FILE NO: PSC2015-01000/523**  
**TRIM REF NO: PSC2012-01155**

**SUSTAINABILITY REVIEW - BUILDING TRADES**

REPORT OF: PETER MATWIJOW - PUBLIC DOMAIN & SERVICES SECTION  
MANAGER  
GROUP: FACILITIES & SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Note the information contained in the Sustainability Review - Building Trades Service Strategy and endorse the findings of the review **(ATTACHMENT 1)**.
- 

**ORDINARY COUNCIL MEETING - 28 JULY 2015**  
**COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Chris Doohan</b> <b>Councillor Peter Kafer</b>  That the recommendation be adopted.
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**ORDINARY COUNCIL MEETING - 28 JULY 2015**  
**MOTION**

<b>223</b>	<b>Councillor Geoff Dingle</b> <b>Councillor Paul Le Mottee</b>  It was resolved that Council:  1) Note the information contained in the Sustainability Review - Building Trades Service Strategy and endorse the findings of the review <b>(ATTACHMENT 1)</b> .
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**BACKGROUND**

The purpose of this report is to seek Council endorsement of the recommendations from the Building Trades sustainability review.

The Building Trades unit forms part of the Public Domain and Services Section. Its purpose is to supply maintenance and construction of projects in the trades of painting, carpentry, plumbing and electrical.

During the review, it was identified that the Building Trades Unit should continue to provide asset maintenance, graffiti removal, test and tagging of electrical equipment and construction of projects to Councils internal and external customers using contractors during peak periods of work. To assist with the asset maintenance, it is recommended that specific electrical and plumbing infrastructure inspections be performed by Council staff.

To assist with the scheduling and prioritisation of works, the Building Trades Unit has introduced the workflow software called REFLECT. This allows for a higher level of prioritising work requests, allows for better contractor and staff performance management and improved reporting.

### **COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens' infrastructure and utilities meet the needs of all sections of the community.	Reduce the infrastructure backlog on all Council assets.

### **FINANCIAL/RESOURCE IMPLICATIONS**

By accepting the recommendations there are potential savings by using contractors during peak work periods. There will be no human resource issues as all current staff employed within the unit will be retained.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes	1,175,425	Building Trades Management and Maintenance budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

### **LEGAL, POLICY AND RISK IMPLICATIONS**

There are no legal or policy impediments to adopting the recommendations.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that if this review is not accepted	High	Accept the recommendations outlined in the review.	Yes

## MINUTES ORDINARY COUNCIL - 28 JULY 2015

there may be an adverse effect to the maintenance and upgrade of Council Assets			
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### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The Building Trades Unit plays a key role in supporting the organisation to ensure assets are maintained in a manner that ensures the safety of the community.

### CONSULTATION

- 1) General Manager.
- 2) Executive Leadership team.
- 3) Building Trades unit.
- 4) Two way conversation held with Mayor and Councillors on 16 June 2015.
- 5) Internal and external customers as part of the sustainability review process.

### OPTIONS

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### ATTACHMENTS

- 1) Excerpt of Service Strategy - summary of options and recommendations of Building Trades Services Unit 2015

### COUNCILLORS ROOM

Nil.

### TABLED DOCUMENTS

- 1) Sustainability Review: Service Strategy - Building Trades.

ITEM 15 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF BUILDING TRADES SERVICES UNIT 2015

SUSTAINABILITY  
REVIEW



**SERVICE STRATEGY**

Service Package name: Building Trades

**SUMMARY OF OPTIONS:**

**Building Trades**

Option 1	Details	Prioritisation (refer matrix)
Continue on, however seek to continuously improve the service	<ul style="list-style-type: none"> <li>Continue with the delivery of agreed capital and reactive maintenance works through improved work scheduling, processes, contract management and customer service.</li> <li>Continue with the delivery of quotations and scope of work through improved and agreed SLAs and updated quoting and variation processes.</li> <li>Continue with Graffiti removal through improved processes and better alignment with graffiti action team.</li> </ul>	high
Option 2	Details	Prioritisation (refer matrix)
Change the way the service is delivered (i.e. process or supplier improvement)	<ul style="list-style-type: none"> <li>Test and tag service of electrical equipment through engagement of contractor to perform service.</li> <li>Monitor current set up of all electrical works to be performed by contractor to ensure this method is the most efficient and effective form of delivery.</li> <li>Implement Electrical and Plumbing specific asset inspections delivered in a proactive routine to agreed SLA.</li> </ul>	high
Option 3	Details	Prioritisation (refer matrix)
Spin off or restructure	<ul style="list-style-type: none"> <li>Implement structure as per structure review.</li> </ul>	low
Option 4	Details	Prioritisation (refer matrix)
Cease the service altogether	N/A	low

ITEM 15 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF BUILDING TRADES SERVICES UNIT 2015

SUSTAINABILITY  
REVIEW



**RECOMMENDATION:**

Service	Details	Net One off costs/savings	Recurrent costs/savings
Delivery of agreed capital and reactive maintenance works (all trades including Project Management)	<ul style="list-style-type: none"> <li>• Current Painting, Electrical, Carpentry and Painting Team Leader position descriptions to include increased contract management responsibilities.</li> <li>• Identify potential for increased contractor engagement and review usage.</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of \$3550 per year for salary increase if salary point is assessed to go to Salary Point 13 level 3. (Painting Team Leader only as all other trades are currently at Salary Point 13 level 3). This increase in salary will be absorbed through the charge out rates of the Painting team Leader.</li> <li>• Potential savings in service delivery by utilising contractors during peak periods.</li> </ul>
Delivery of quotations and scope of works (all trades)	<ul style="list-style-type: none"> <li>• Continue to supply quotations and scope of works when requested as per SLAs.</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>
Test and Tagging service of electrical equipment	<ul style="list-style-type: none"> <li>• Review current process and look to engage contractors to supply service including the provision of administration and upkeep of data base.</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>	<ul style="list-style-type: none"> <li>• Nil</li> </ul>

ITEM 15 - ATTACHMENT 1 EXCERPT OF SERVICE STRATEGY - SUMMARY OF OPTIONS AND RECOMMENDATIONS OF BUILDING TRADES SERVICES UNIT 2015

SUSTAINABILITY  
REVIEW



Service	Details	Net One off costs/savings	Recurrent costs/savings
Graffiti Removal	<ul style="list-style-type: none"> <li>Continue to supply this service and utilise the Port Stephens Graffiti Action Team.</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
Asset Inspections	<ul style="list-style-type: none"> <li>Perform proactive maintenance inspections on specific infrastructure under the current Building Trades maintenance budgets and provide expert trade audits on other PSC Assets such as Commercial properties.</li> <li>Provide proactive inspection services to customers such as Assets, Childcare etc.</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>

**MINUTES ORDINARY COUNCIL - 28 JULY 2015****ITEM NO. 16****FILE NO: PSC2015-01000/601  
TRIM REF NO: PSC2015-00381****INFORMATION PAPERS****REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE****RECOMMENDATION IS THAT THAT COUNCIL:**

Receives and notes the Information Papers listed below being presented to Council on 28 July 2015.

<b>No:</b>	<b>Report Title</b>	<b>Page:</b>
1	Cash and investments held as at 30 June 2015	186

**ORDINARY COUNCIL MEETING - 28 JULY 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Ken Jordan Councillor Paul Le Mottee</b>  That the recommendation be adopted.
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<b>224</b>	<b>Councillor Paul Le Mottee Councillor Steve Tucker</b>  It was resolved that Council move out of Committee of the Whole.
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**ORDINARY COUNCIL MEETING - 28 JULY 2015  
MOTION**

<b>225</b>	<b>Councillor Geoff Dingle Councillor Paul Le Mottee</b>  It was resolved that Council received and noted the Information Papers listed below being presented to Council on 28 July 2015.  <hr/> <table><tr><th><b>No:</b></th><th><b>Report Title</b></th></tr><tr><td>1</td><td>Cash and investments held as at 30 June 2015</td></tr></table>	<b>No:</b>	<b>Report Title</b>	1	Cash and investments held as at 30 June 2015
<b>No:</b>	<b>Report Title</b>				
1	Cash and investments held as at 30 June 2015				



# INFORMATION PAPERS

ITEM NO. 1

FILE NO: PSC2015-01000/476  
TRIM REF NO: PSC2006-6531

## **CASH AND INVESTMENTS HELD AS AT 30 JUNE 2015**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

### **BACKGROUND**

The purpose of this report is to present Council's schedule of cash and investments held at 30 June 2015.

### **ATTACHMENTS**

- 1) Cash and investments held as 30 June 2015.
- 2) Monthly cash and investments balance June 2014 to June 2015.
- 3) Monthly Australian term deposit index June 2014 to June 2015.

**ITEM 1 - ATTACHMENT 1 CASH AND INVESTMENTS HELD AS 30 JUNE 2015.**

**CASH AND INVESTMENTS HELD AS AT 30 JUNE 2015**

ISSUER	BROKER	RATING*	DESC.	YIELD %	TERM DAYS	MATURITY	AMOUNT INVESTED	MARKET VALUE
<b>TERM DEPOSITS</b>								
SAW CREDIT UNION CO-OPERATIVE	CURVE	N/R	TD	3.65%	301	1-Jul-15	2,000,000	2,000,00
BANK OF SYDNEY LTD	RIM	N/R	TD	3.58%	182	15-Jul-15	2,000,000	2,000,00
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.50%	182	29-Jul-15	1,000,000	1,000,00
ME BANK	ME	BBB+	TD	3.45%	182	29-Jul-15	1,000,000	1,000,00
MP BANK LTD	FARQUHARSON	A+	TD	3.50%	266	12-Aug-15	2,000,000	2,000,00
WATLAND MUTUAL BUILDING SOCIETY	RIM	NR	TD	3.10%	182	9-Sep-15	1,500,000	1,500,00
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.11%	182	23-Sep-15	2,000,000	2,000,00
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	2.99%	182	7-Oct-15	2,000,000	2,000,00
AB	IMB	BBB+	TD	2.80%	182	21-Oct-15	1,500,000	1,500,00
BANKWEST	BANKWEST	A-	TD	3.00%	153	21-Oct-15	2,000,000	2,000,00
BANKWEST	BANKWEST	A-	TD	3.00%	159	4-Nov-15	2,000,000	2,000,00
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.20%	266	18-Nov-15	1,000,000	1,000,00
BANK OF QUEENSLAND LTD	BOQ	A-	TD	3.00%	224	13-Jan-16	2,500,000	2,500,00
BANK OF QUEENSLAND LTD	BOQ	A-	TD	3.00%	224	27-Jan-16	1,500,000	1,500,00
<b>UB TOTAL (\$)</b>							<b>24,000,000</b>	<b>24,000,00</b>
<b>OTHER INVESTMENTS</b>								
<b>ANZ ZERO COUPON BOND ANZ</b>		<b>AA-</b>	<b>BOND</b>	<b>0.00%</b>	<b>9yrs</b>	<b>\$ 42,887.00</b>	<b>1,017,873</b>	<b>966,98</b>
<b>UB TOTAL (\$)</b>							<b>1,017,873.56</b>	<b>966,983.11</b>
<b>INVESTMENTS TOTAL (\$)</b>							<b>25,017,873</b>	<b>24,966,98</b>
<b>CASH AT BANK (\$)</b>							<b>4,421,660</b>	<b>4,421,66</b>
<b>TOTAL CASH AND INVESTMENTS (\$)</b>							<b>29,439,537</b>	<b>29,388,64</b>
<b>CASH AT BANK INTEREST RATE</b>				<b>0.022</b>				
<b>BBSW FOR PREVIOUS 3 MONTHS</b>				<b>0.022253</b>				
<b>AVG. INVESTMENT RATE OF RETURN</b>				<b>0.030642</b>				

FRN = FLOATING  
TD = TERM DEPOSIT RATE NOTE  
RATING

CDO = COLLATERALISED DEBT OBLIGATION

CERTIFICATE OF RESPONSIBLE ACCOUNTING OFFICER

I HEREBY CERTIFY THAT THE INVESTMENTS LISTED ABOVE HAVE BEEN MADE IN ACCORDANCE WITH SECTION 625 OF THE LOCAL GOVERNMENT ACT 1993, CLAUSE 212 OF THE LOCAL GOVERNMENT (GENERAL) REGULATION 2005 AND

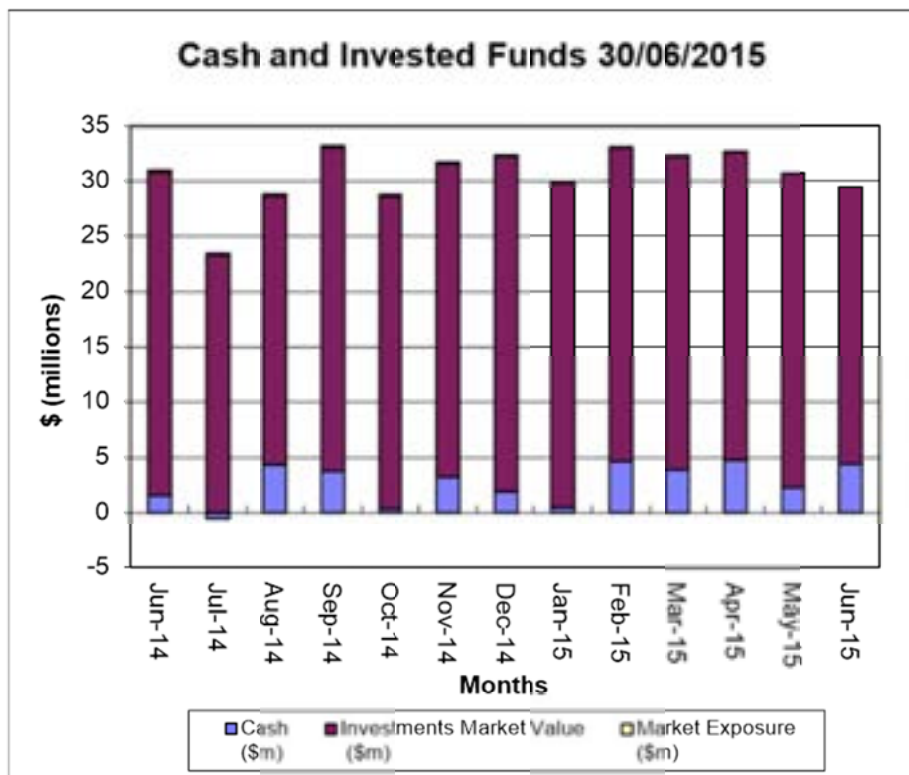
COUNCIL'S CASH INVESTMENT POLICY

V WALLIS

ITEM 1 - ATTACHMENT 2 MONTHLY CASH AND INVESTMENTS BALANCE  
JUNE 2014 TO JUNE 2015.

**CASH AND INVESTMENTS BALANCE**

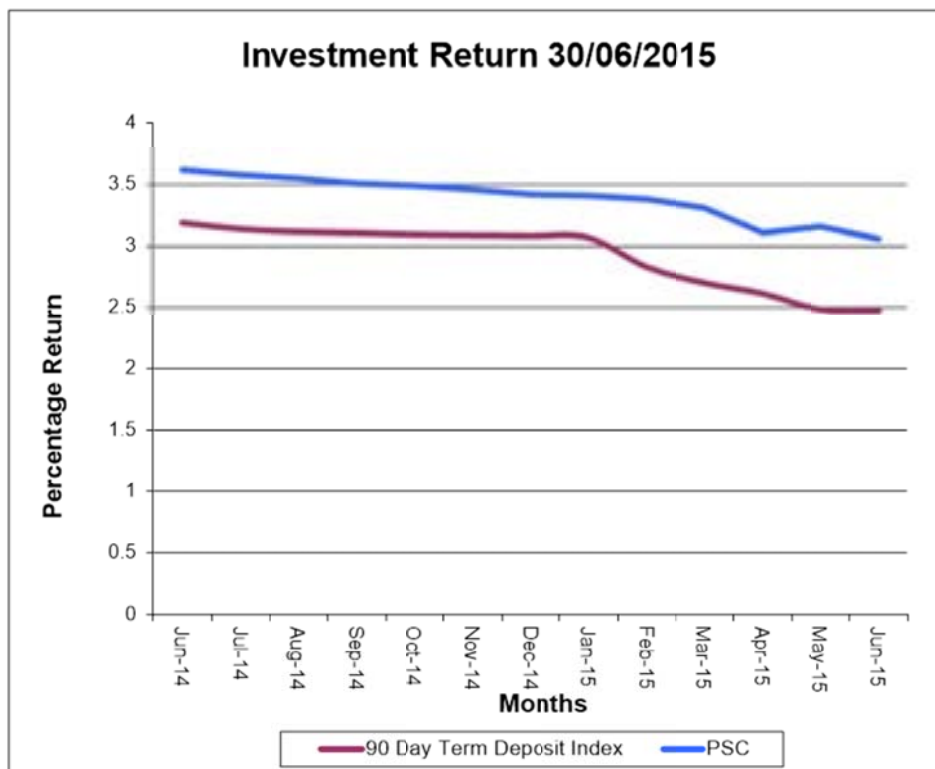
Date	Cash (\$m)	Investments Market Value (\$m)	Market Exposure (\$m)	Total Funds (\$m)
Jun-14	1.572	29.273	0.155	31.002
Jul-14	- 0.532	23.290	0.147	22.905
Aug-14	4.375	24.305	0.132	28.811
Sep-14	3.793	29.310	0.126	33.230
Oct-14	0.350	28.313	0.123	28.786
Nov-14	3.293	28.313	0.123	31.729
Dec-14	1.959	30.317	0.113	32.389
Jan-15	0.527	29.323	0.107	29.957
Feb-15	4.691	28.323	0.103	33.122
Mar-15	3.937	28.332	0.098	32.367
Apr-15	4.793	27.867	0.064	32.723
May-15	2.301	28.375	0.056	30.732
Jun-15	4.422	24.967	0.051	29.440



ITEM 1 - ATTACHMENT 3 MONTHLY AUSTRALIAN TERM DEPOSIT INDEX  
JUNE 2014 TO JUNE 2015.

AUSTRALIAN TERM DEPOSIT ACCUMULATION INDEX

Date	90 Day Term Deposit Index	PSC
Jun-14	3.1897	3.62
Jul-14	3.1389	3.58
Aug-14	3.1182	3.55
Sep-14	3.1082	3.51
Oct-14	3.0955	3.49
Nov-14	3.0886	3.46
Dec-14	3.0832	3.42
Jan-15	3.0697	3.41
Feb-15	2.8301	3.38
Mar-15	2.7035	3.31
Apr-15	2.6157	3.11
May-15	2.4841	3.16
Jun-15	2.4727	3.06



# NOTICES OF MOTION

**NOTICE OF MOTION**

**ITEM NO. 1**

**FILE NO: PSC2015-01000/656**

**TRIM REF NO: PSC2008/3848**

**FINANCIAL STATUS OF CASTLE QUARRY PRODUCTS**

**COUNCILLORS: GEOFF DINGLE & PETER KAER**

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**THAT COUNCIL:**

- 1) Investigate the current financial status of Castle Quarry Products based on reports that its parent company Buildev is in the hands of receivers Deloitte Touche Tomatsu. That CQP's listed resources include Fullerton Cove sand mine site and office and this was recently liquidated and sold. If CQP is found to be insolvent then secure the \$250,000 Bank Guarantee provided by CQP as part of its lease agreement with PSC.
- 

**ORDINARY COUNCIL MEETING - 28 JULY 2015  
MOTION**

	<b>Councillor Geoff Dingle Councillor Peter Kaer</b>
	1) Investigate the current financial status of Castle Quarry Products based on reports that its parent company Buildev is in the hands of receivers Deloitte Touche Tomatsu. That CQP's listed resources include Fullerton Cove sand mine site and office and this was recently liquidated and sold. If CQP is found to be insolvent then secure the \$250,000 Bank Guarantee provided by CQP as part of its lease agreement with PSC.

The motion was lost.

**BACKGROUND REPORT OF: CARMEL FOSTER – GROUP MANAGER  
CORPORATE SERVICES**

**BACKGROUND**

Council entered into an Agreement for Lease (AFL) over Council owned properties at 282, 282A, 282B and 398 Cabbage Tree Road, Williamstown with Castle Quarry Products Pty Ltd (CQP) on 15 July 2013 for sand extraction purposes.

## **MINUTES ORDINARY COUNCIL - 28 JULY 2015**

At this point all necessary documentation has been lodged with the Department of Planning (the approval authority) for the approval of the sand extraction and CQP have met all milestones and obligations associated with the AFL.

Council staff have been working closely with CQP and have been in regular contact with CQP officers through the AFL process. A new request for assignment of the AFL and Lease to a new entity, Williamstown Sand Syndicate Pty Ltd, has been received by Council with a Business Paper prepared recommending Council agree to the assignment.



# CONFIDENTIAL ITEMS

In accordance with Section 10A, of the Local Government Act 1993, Council can close part of a meeting to the public to consider matters involving personnel, personal ratepayer hardship, commercial information, nature and location of a place or item of Aboriginal significance on community land, matters affecting the security of council, councillors, staff or council property and matters that could be prejudice to the maintenance of law.

Further information on any item that is listed for consideration as a confidential item can be sought by contacting Council.

## ORDINARY COUNCIL MEETING – 28 JULY 2015 MOTION

226	<b>Councillor Steve Tucker</b> <b>Councillor Paul Le Mottee</b>  That Council Move into confidential session
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The following Council officers were present for the Confidential Session:

Communications Section Manager, Communications, Public Relations & Marketing Coordinator, Developmental Services, Community Development and Engagement Coordinator, Economic Development and Communications, Property Services Section Manager, Property Services and Community & Recreation Coordinator, Community and Recreation.

**CONFIDENTIAL**

ITEM NO. 1

FILE NO: PSC2015-00378/061

TRIM REF NO: PSC2014-03187

**ACQUISITION OF LAND FOR ROAD WORKS AT 1406B CLARENCE TOWN ROAD, SEAHAM**

REPORT OF: GLENN BUNNY - PROPERTY SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**ORDINARY COUNCIL MEETING - 28 JULY 2015  
MOTION**

<b>227</b>	<b>Mayor Bruce MacKenzie Councillor Paul Le Mottee</b>  It was resolved that Council:  <ol style="list-style-type: none"><li>1) Agree to pay compensation following negotiations for the acquisition of land required for road works.</li><li>2) Authorise the Mayor and General Manager to sign and affix the Seal of Council to all relevant documents.</li></ol>
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**ORDINARY COUNCIL MEETING – 28 JULY 2015  
MOTION**

<b>228</b>	<b>Mayor Bruce MacKenzie Councillor Paul Le Mottee</b>  That Council move out of confidential session
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There being no further business the meeting closed at 8.41pm.