

# Annual Report

2022 to 2023

Strong **foundations.**



## GUUDJI YIIGU

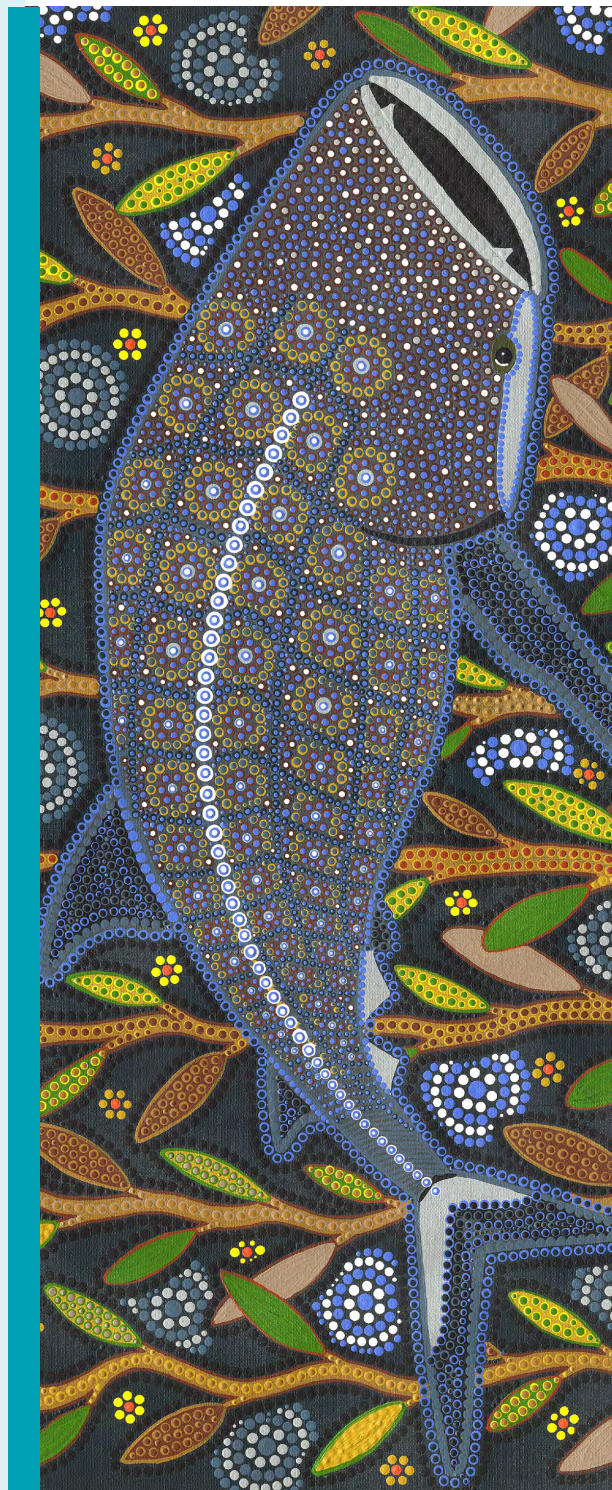
(GOO-JEE IK-KOO)

We welcome you to Port Stephens – part of the Worimi Aboriginal Nation. Port Stephens Council acknowledges the Worimi people as traditional owners and custodians of the lands and waterways on which we all live, learn, work and play.

We value and respect the Worimi people and the legacy 60,000 years of Aboriginal Nation traditions and culture brings with it. As part of Council's culture of acceptance, diversification and harmony we walk alongside the Worimi people on a journey of listening and learning.

Together we will strive to make this a better place for all people. As guardians of these lands, we ask that you tread lightly to help preserve the biodiversity and respect those who came before as well as those who will follow.

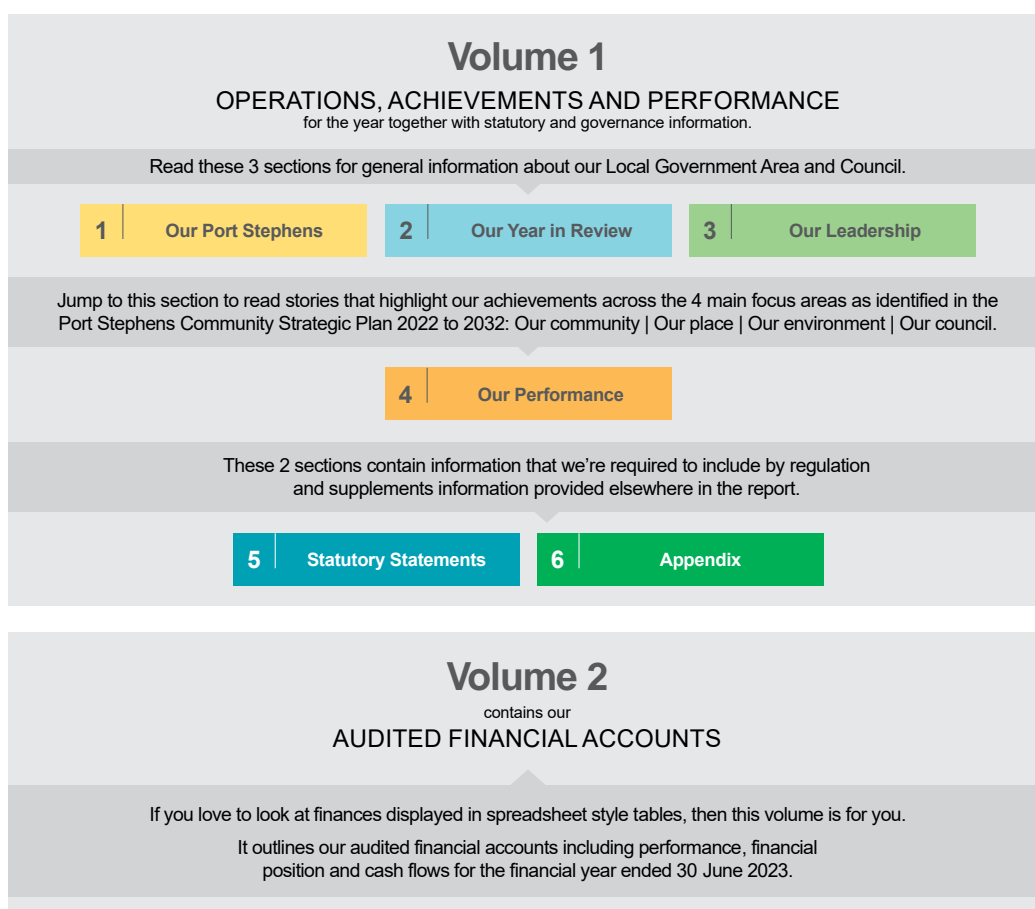
Artwork by Regan Lilley.



## Welcome to the 2022 to 2023 Port Stephens Council Annual Report.

This report is designed to share our highlights, challenges and performance between 1 July 2022 and 30 June 2023. It also provides a guide for the year ahead.

We're committed to a transparent reporting and accountability process. We want our community to understand the organisation, our opportunities and constraints and help guide decision making. The report takes a plain English, honest and authentic approach.



We use the integrated Planning and Reporting framework in the Local Government Act 1993 to regularly report on our progress towards implementing our Delivery Program 2022 to 2026. This Annual report is the first year of our Delivery Program 2022 to 2026 following Council's adoption on 28 June 2022 of the revised Community Strategic Plan 2022 to 2032, Delivery Program 2022 to 2026, Operational Plan 2022 to 2023 and Resourcing Strategy 2022 to 2032.

You can read the full documents at [portstephens.nsw.gov.au](http://portstephens.nsw.gov.au).

We acknowledge the Worimi people as the traditional custodians of this land.

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This report has been prepared in line with Section 428 of the Local Government Act 1993 and section 217 of the Local Government (General) Regulation 2021.

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## Our favourite stories

Read our favourite stories that highlight key achievements across the 4 main focus areas as identified in the Port Stephens Community Strategic Plan 2022 to 2032: Our community | Our place | Our environment | Our council.



Mobile library  
refresh and refurb

58



Mayoral Academic  
Scholarships

66



Bringing events  
back to life

78



Stronger emergency  
management plans

88



Green light for  
green bins

105



Sustainably safeguarding  
our future

108

# Our Port Stephens

## Section 1

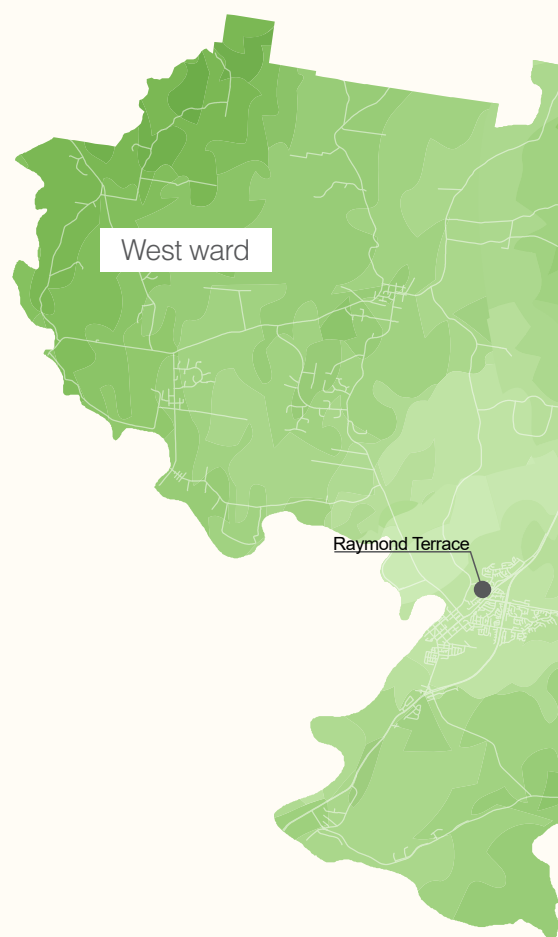
This section includes an overview of the city's history, our population, economy, location, and our people.

### 06 | Port Stephens snapshot

- Our location
- Our Council
- Our people
- Our economy
- Our stakeholders

### 11 | Who are we?

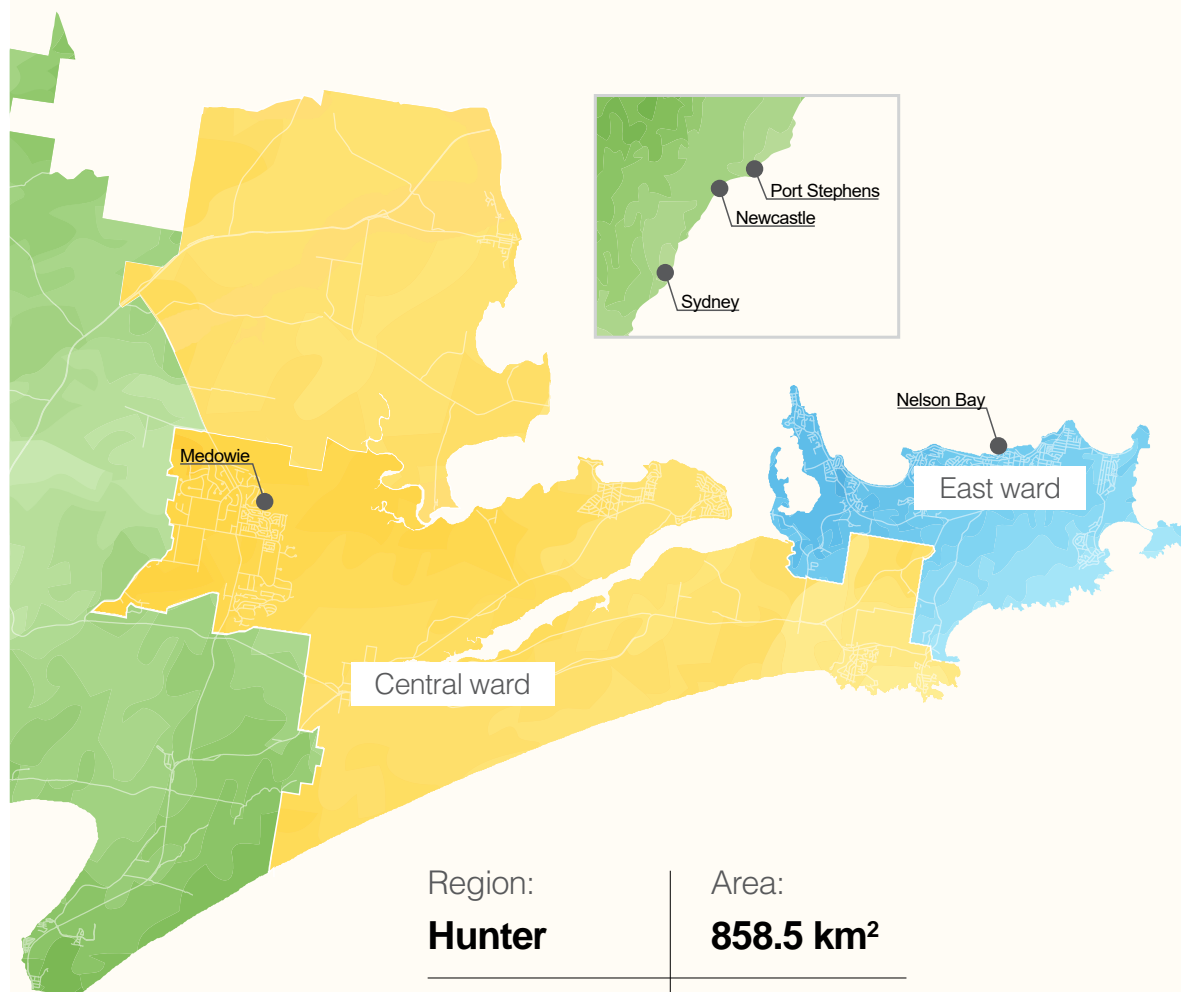
- Community's vision
- Council's vision
- Council's purpose
- Values





## Our location

Located on the east coast of Australia about 2 hours north of Sydney, Port Stephens is known for its incredible natural beauty, diverse economy and its distinct towns and villages. It's these unique characteristics that make it such a great place to live, work and visit.



Region:  
**Hunter**

Area:  
**858.5 km<sup>2</sup>**

Population  
density:  
**89  
persons/km<sup>2</sup>**

Major centres:  
**Raymond Terrace  
Medowie  
Nelson Bay**

## Our Council

Port Stephens Council's history stretches back almost

# 200

YEARS



TO THE EARLY  
**1800's**

when the Raymond Terrace and  
Dungog District Council was formed.



IN  
**1937**

Port Stephens Shire Council amalgamated with Raymond Terrace  
Municipal Council to form the modern Port Stephens Council.

Port Stephens has



A POPULARLY  
ELECTED  
MAYOR AND



**9** COUNCILLORS  
REPRESENTING



**3** WARDS

They are supported by

# 581

EQUIVALENT  
FULL-TIME  
EMPLOYEES

who work hard to deliver  
our community's vision  
of a great lifestyle in a  
treasured environment.



## Our people

POPULATION

# 76,672



(2022 Estimated  
Resident Population)



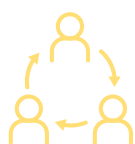
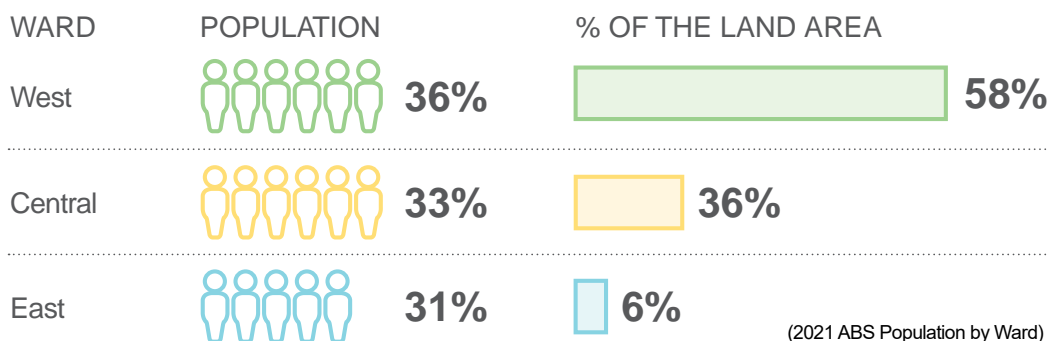
POPULATION  
PROJECTION

# 93,658

  
by 2041

(NSW Government  
Department of Planning)



Our **people**

MEDIAN AGE

**47 years**

(Remplan)



OLDER THAN NSW MEDIAN AGE OF

**39 years**

(2021 Census)



ABORIGINAL AND  
TORRES STRAIT  
ISLANDER  
POPULATION

**4,887**

(2021 Census)

Our **economy****31,070**

Number of jobs in  
Port Stephens  
(Remplan)

**5,073**

businesses trading  
in Port Stephens  
(as at June 2022, Remplan)

**3.8%**

Unemployment  
(June 2023, Remplan)

**\$6.109** BILLION

Gross Regional Product  
(Remplan)

## MAIN EMPLOYING INDUSTRIES

Public Administration and Safety **14%**    Manufacturing **11%**    Construction **11%**



You can read more about Port Stephens in our economic and community profiles:  
[portstephens.nsw.gov.au/community/our-profile](http://portstephens.nsw.gov.au/community/our-profile)

Source: Remplan 2023

## Our stakeholders

We work with a diverse range of stakeholders in delivering projects and services for our community. Understanding why each stakeholder is important and our importance to them is vital in working together to shape our place.

We use a range of methods to communicate and engage with our stakeholders. Methods differ across stakeholder groups depending on the level of influence they may have. This is outlined in our Communication and Engagement Strategy.







## Who are we?

### Community's vision

A great lifestyle in a treasured environment.

### Council's vision

Engaged and resilient people in strong healthy relationships, working collaboratively enhancing community wellbeing.

### Council's purpose

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

### Values

**Respect** – creating a unique, open and trusting environment in which each individual is valued and heard.

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

**Teamwork** – working together as one Council, supporting each other to achieve better results for everyone.

**Excellence** – improving the way we work to meet the challenges of the future.

**Safety** – providing a safety focused workplace culture to ensure the wellbeing of staff, their families and the community.

# Our Year in Review

## Section 2

This section includes a snapshot of our highlights, challenges, performance and what's been happening in the community.

- 14** | Highlights and challenges
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- 30** | Having your say
- 31** | Awards and recognition





## Strong foundations

In Port Stephens, we're proud of our strong sense of identity and community spirit. It's our strong foundations that have allowed us to endure several years of frequent lockdowns and natural disasters. This year has been about building on these foundations, continuing to make them stronger as we set a path for the future.

Our ongoing commitment to securing long term financial sustainability and ensuring services across Port Stephens were retained. During this time, we reviewed our Delivery Program, Operational Plan and Resourcing Strategy – the nuts and bolts of what we do. Making sure the structure of our organisation was stable and strong.

With this strong foundation, we've been able to enjoy the character and design of our community. It's the community's values and priorities that underpin the work that we do to make Port Stephens a great place to live, work and visit.

Within these strong foundations, our teams have been able to focus on making our community great, working hard to deliver core services and facilities – with a willingness and perseverance, to get the job done.

We hope you'll enjoy reading about how we've reinforced our Strong Foundations in preparation for a new year. We proudly present our Port Stephens Annual Report 2022 to 2023.

## Our community highlights



114,222

CHILDCARE PLACES

provided throughout Port Stephens. Places takes into account the total number of sessions delivered across the year. For example, if a child attended OOSH every morning and afternoon for 40 weeks of the year it would be counted as 400 placed filled.



1,602

NEW LIBRARY MEMBERS



296,365

LIBRARY  
COLLECTION ITEMS

127,011

AQUATIC CENTRE VISITS



21,452

CUSTOMER  
REQUESTS RAISED

with 82% closed within 21 days

## Our place highlights



59,000+

POTHoles REPAIRED



827

DEVELOPMENT  
APPLICATIONS

determined with a median turnaround time of 22 days and a total capital investment value of \$326 million



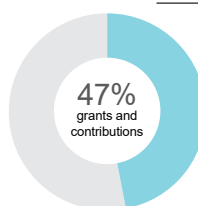
86

IT'S ON! ACTIVATIONS

held across the LGA



\$39

MILLION  
OF CAPITAL  
EXPENDITURE

including amenities, depot upgrades, shared pathways, and significant road upgrades for Clarence Town Road, Tanilba Road and Gan Gan Road (this does not include Newcastle Airport, dedicated assets or land under roads)



\$10M

FUNDING FOR ROADS

Commitment secured through NSW Election



**Our environment** highlights

**5,664**  
TREES PLANTED



**32,000**  
GARDEN ORGANIC  
BINS ROLLED OUT



**5,930**  
TONNES OF  
RECYCLING



**200m<sup>3</sup>**  
OF EXPANDED  
POLYSTYRENE  
RECYCLED

and converted into 500KG of  
reusable plastic.



**Stage 3**  
COASTAL MANAGEMENT  
PROGRAM (CPM)  
ENGAGEMENT  
COMPLETE

With letters delivered to 4,500+  
impacted residents

**Our Council** highlights

**8,000**  
PEOPLE PARTICIPATED

in our Rate Rise Options community  
engagement campaign  
Special Rate Variation application  
approved as part of our financial  
sustainability strategy



**5**  
AWARDS WON

from place planning to PSCare



**\$19**  
MILLION  
OPERATING GRANT  
FUNDING

received mostly from State and  
Federal Governments



AT LEAST  
**645**  
COMMUNITY  
MEMBERS ENGAGED  
FACE TO FACE

through 28 formal community  
engagement opportunities





## Challenges

- We started the financial year with another natural disaster in July 2022, closing over 20 roads. Ongoing flooding, off the back of previous natural disasters, and increasing prices continued to put a strain on our finances. Due to other weather events we also had to postpone various events, including the highly anticipated Illuminate Raymond Terrace Festival.
- We also experienced delays to our major project schedule as we continued to get back on track following the weather event of July 2022. We had to focus our efforts on repairing infrastructure. Our road network was suffering due to extended periods of severe wet weather, with limited funding available to repair and maintain it to the required standard. With our limited resources we've prioritised projects, sought additional funding for our roads and reviewed our ongoing financial sustainability.
- Like many other government and private sector organisations, we've faced challenges in managing and delivering both ongoing and new projects due to supply chain issues with people, materials and equipment. Since the unfolding of the Covid-19 pandemic, the Australian construction industry has experienced a significant constraint on the growth of its workforce. This has contributed to increased labour costs and made it difficult for contractors to resource projects at reasonable rates, putting projects under stress. Simultaneously, material costs have soared due to global supply chain disruptions and limitations, making it more difficult, costly, and timely to procure material. This is increasing project costs and delaying project timelines.
- As has been felt by many business, we experienced staff shortages and vacancies across all our sections. We've done our best to reprioritise our resourcing, delivering our services with less.



### What's next?

- We'll continue planning and voicing the need for further funding for our community. Our Community Advocacy priorities focused on financial sustainability, grant funding opportunities, funding for road maintenance and responses to natural disasters.
- We're committed to playing our part to protect our environment, with a focus on our koala population and our coastlines. With the support of government funding we'll roll-out a number of initiatives to better understand koala habitats within Port Stephens. We'll also finalise our Coastal Management Program.
- Employees are one of the strongest pillars of our foundations. We're focused on letting the job market know the personal and professional benefits of working and are developing an Employee Value Proposition (EVP) to strengthen our brand and values in a competitive labour market.
- With the successful SRV, we'll be able to increase resources to meet current services levels. We'll continue to report back to the community about how we're using the SRV funds through our reporting.
- The 2023 to 2024 financial year budget will be spent on key major projects, like upgrading our town centres and the work being undertaken at Little Beach, Nelson Bay, as well as delivering our core community services. From 2024 to 2025, the community will also see additional funding for the delivery of road repairs along with improvements to public spaces and the natural environment.
- We'll be finalising a number of projects, programs and strategies that required further investigation, including the Wellbeing Strategy, and Carbon Neutral Action Plan.



## Mayor's message

Over the past 6 years, I've been fortunate enough to be Mayor of Port Stephens. Although tough at times, I feel very privileged to have had the opportunity to lead our Council and work closely with a very dedicated and passionate group of people.

It's very easy to underestimate the work that our Council delivers. I know before I was elected to Council, I really only had a small inkling of the size and scale of the projects and services Council provided. From our libraries, waste, roads, parks and sports grounds to events, business support, childcare, emergency services and planning – Port Stephens Council is a large and complex organisation.

The past year, with our new Council in place, we've worked hard to make sure the services we deliver are aligned with the community's needs. We've sharpened our focus and rebuilt the strength in our foundations.

In April and May of 2022, our Council worked closely together to delve deeper into what we do and how we do it. We worked hard to engage with our community and understand their priorities. We used this feedback to build our Integrated Plans and Reports – a technical name for all the strategies that guide our 10 year plan. We bundled all of this up to inform our Community Strategic Plan – which we aptly named 'Our place. Our plan. Our future'.

### Planning for our Places

As a Council, we're committed to developing plans that create genuine outcomes for our community – we don't want documents that sit on a shelf – we want plans that deliver outcomes, help us access funding and most importantly, improve the wellbeing and liveability of all our communities.

Our Public Domain Plans provide the blue print for our two major town centres – Raymond Terrace and Nelson Bay. They guide the delivery of big projects like the removal of the overhead bridge in Nelson Bay and smaller projects like new wayfinding signage and street furniture in Raymond Terrace.

Our Place Plans are focused on our unique towns and villages. We've recently completed Place Plans for Karuah, Medowie and soon Shoal Bay. We also have a new Hinterland Place Plan on the way and will commence engaging with our community on the Tilligerry Place Plan.

These Place Plans can cover everything from land use to building heights, pathways and roads to events and activation. As a Council, we know that with an action-oriented plan in place, amazing things can happen. Many actions are community-led and we've seen great outcomes already in Karuah since this plan was completed like the Karuah Bridge Mural project

completed in December 2022 and the Mainstreet Beautification project planned for July 2023.

#### **Building a stronger future**

Like many regional communities across Australia, Port Stephens has faced a huge challenge – the trifecta of housing supply, diversity, and affordability. If not managed now, it has the potential to threaten the long term sustainability of our communities.

The NSW Government has suggested that Port Stephens need to find housing for an additional 20,000 residents over the next 20 years. With increasing investment in Tomago and Heatherbrae and the expansion of Newcastle Airport to accommodate international flights, it would be naïve to think more people wouldn't want to choose Port Stephens as a place to call home.

With limited opportunity for new housing developments, we've seen housing prices increase – pushing low to middle income families out of the market. This not only causes significant social impacts but also, economic impacts. As we lose our students, our young professionals and in some cases retirees who can no longer afford to live in our community, we struggle to find people to fill jobs. Aged care facilities, health, hospitality and trades are all looking for more people to fill more and more vacancies. Unless we find solutions, these problems will only get worse over time.

As a community, we're facing a critical point in time, where our collective actions and decisions will shape the future of our communities for years to come. We must face this challenge head on.

As a start, to help us address these issues, Council will be reviewing our Housing Strategy. This strategy will guide future land use planning decisions for new housing throughout Port Stephens in all our unique towns and villages, particularly Raymond Terrace.

In partnership with the community, we'll seek solutions to how we can enable a move away from the standard detached home, how we encourage more town houses and apartments around our town centres, how

we encourage developers to invest in a mix of housing types and what we need to do, as a community, to drive this change.

#### **The revitalisation of Raymond Terrace**

Over the last year, we've been rolling out a program of works to create better places and spaces. This year, we've been reinvigorating the William Street Precinct by installing new shade structures, decking with seating, planter boxes and pavement stamping to highlight the William Street crossing area.

We also kicked off our Streets as Shared Spaces program working with local aboriginal artists and students to bring vibrancy and colour to the town centre. You'll see street art on furniture, walls and other underutilised spaces, pavement art and a new community corner that will bring the old Fire Station site to life.

We also invested in road and traffic improvements to slow down cars and increase safety and built a new shared path to better connect the community to the town centre.

Through grant funding, we were also able to bring events to the Streets of Raymond Terrace. After lots of planning, the much anticipated Illuminate Festival was cancelled at the last minute due to bad weather but in a few months, we look forward to holding the Raymond Terrace Festival.

So, our journey is far from over. Together, we'll keep shaping the bright future of Port Stephens, fuelled by our shared vision and determination. Thanks for your support and commitment to this incredible place we call home.



**Ryan Palmer**  
Mayor of Port Stephens





## General manager's message

This year, we've had the opportunity to strengthen our foundations – the bedrock that kept us strong during some tough times over the past few years. These foundations have enabled us to withstand multiple storm events and the far-reaching impacts of a worldwide pandemic.

Over the past year, we've worked to further secure these foundations. We've focused on making sure we're financially stable, that we deliver services valued by our community and that we include our community in our decision making.

### **A resilient and connected community**

Despite kicking off the new financial year with another natural disaster, we supported the community by helping to close local roads and provide resources where needed, and most importantly maintained the Emergency Dashboard.

With over 20 roads closed during the flooding event, Council played a key role in assisting the SES, Police and other emergency services.

Our support continued after the floodwaters receded as we collaborated with Resilience NSW and other Government agencies to establish 5 Rapid Assistance Points across Raymond Terrace and Hinton.

The beginning of 2023 saw us celebrating our most significant Australia Day yet, during which we welcomed 83 new citizens. The 'It's On!' activation program continued and major events like Karuah by Night and the Raymond Terrace Festival became a reality thanks to external funding.

These grants allowed us to implement a comprehensive program of events and activations across Port Stephens all of which helped build community connections and increase the vibrancy of our public places.

Leading up to the NSW Election, we continued our advocacy work by voicing our community priorities. With the support of the incoming NSW Government, we secured a commitment of \$10 million for the repair and rehabilitation of our local roads.

We also established the Homelessness Stakeholder Advocacy Group to help with addressing the impacts of homelessness in Port Stephens. Together with key agencies, we're working on both short and long term solutions to help those struggling to find a place to live in Port Stephens.



### Responsible Resource Management

One of the most important roles we have here at Council is the responsible management of our resources – balancing the needs of our growing community and our Council's long term financial sustainability is always a challenge but one that we continue to improve.

This year, we've worked with our community to identify ways to build our financial sustainability. We focused on finding efficiencies, reviewing our fees and charges, increasing smart parking revenue, asset sales and focus on obtaining state and federal grants. We also resolved to apply for a Special Rate Variation to support the ongoing delivery of our services.

On 15 June 2023, IPART announced that our application was successful. The new rates commenced on the 1 July 2023 and will support the reduction of projected budget shortfalls and ensure services across Port Stephens can be retained.

This outcome from IPART followed extensive engagement with the community. Over the past year, we heard more than 16,000 active responses via our community drop in sessions, presentations to community groups, through social media or our online surveys.

This is not the end, though. We'll continue to make sure we have our foundations right; we'll continue to focus on our service review program and where we find savings, we'll use these to improve services that are important to our community; fixing our roads, protecting our environment, and improving our public spaces.

This year, through savings made within our Waste Services, we've been able to introduce our new Green Bin system. By separating and recycling our green waste we've been able to generate significant cost savings allowing us to provide this service – you can find out more about this as you read on page 105.

### Delivering outcomes that matter

As the financial year came to a close, we finalised one of one of our largest capital works programs to date. We repaired more than 12,802m<sup>2</sup> of road, filled more than 59,000 potholes, welcomed 170,142 people to our libraries and held more than 86 events and activations with the support of external funding.

Over the next year, we'll continue to work closely with our community and focus on issues we know are a priority. Housing, resource management, town centre improvements economic development and infrastructure improvements will be front of mind as we plan for the future.

I want to acknowledge and thank our Mayor and Councillors for their commitment to our community and our teams for their dedication to delivering outcomes that matter.

I am exceptionally proud to lead such a strong and committed group of people and look forward to an even bigger and better year ahead.



**Tim Crosdale**

General Manager of Port Stephens Council

## Scorecard

Our 7 key result measures underpin everything we do at Port Stephens Council.

At the end of each focus area, we've included a detailed scorecard of our performance in that area, showing our aspirational measures and what we actually achieved.

Aspirational measures are the goals we set ourselves to make sure we deliver our services. Sometimes these goals are big, and for one reason or another, we can't meet them within the financial year. Even if these specific goals aren't met, we're still delivering our core services. Sometimes we have to extend a project to make sure it's delivering the best outcomes for the community. We're all about doing the right thing, the best way possible.

We review our aspirational measures each year, learning from our previous progress and aiming to create achievable targets moving forward.



For more information, visit  
[portstephens.nsw.gov.au/integrated-plans](https://portstephens.nsw.gov.au/integrated-plans)

### 1. Service delivery

**Target** Over 95%  
**Result** 93.5%



**Target:** Over 95% of Integrated Plans delivered on time  
**Result:** 93.5% as at 30 June 2023

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	97	97	97	97	97	98	98	100	98	94	94

### 2. Community satisfaction

**Original Target** Over 75%  
**Result** Baseline reset



**Original 2022-2023 target:** Over 75% satisfaction score

**Result:** Baseline reset

Following a Council resolution on 13 December 2022, we've changed our Community Satisfaction Survey. This means we aren't able to compare this year's results with previous years, but will use this as a benchmark for years to come. Refer to page 117 for more information.

### 3. Employee wellbeing

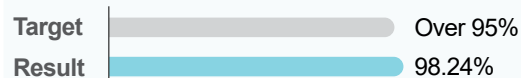
**Target** Over 75%  
**Result** 83%



**Target:** Over 75% employee engagement  
**Result:** 83%  
Read more about the result on page 120

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	52	63	70	69	70	68	74	81	83	83

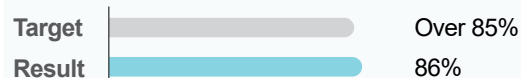
## 4. Governance



**Target:** Over 95% Governance Health Check  
**Result:** 98.24% as at June 2023

2015	2016	2017	2018	2019	2020	2021	2022	2023
94.6	N/A	96.1	96.9	98.1	98.2	98.2	98.2	98.24

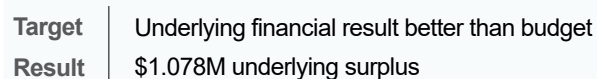
## 5. Risk management



**Target:** Over 85%  
**Result:** 86% as at August 2023

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
57	68	74	83	83	86	86	86	87	87	86

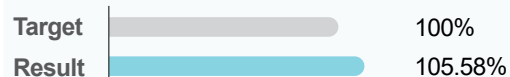
## 6. Financial sustainability



**Target:** Underlying financial result better than budget  
**Result:** \$1.078M

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
\$313K	\$2.74M	\$1.144M	\$1.287M	\$1.414M	\$1.078M	\$1.003M	-\$185K	\$583K	\$586K	\$1.078M

## 7. Asset management



**Target:** 100% asset maintenance ratio  
**Result:** 105.58%

2022	2023
97%	106%

## Financial summary

Port Stephens Council has achieved an underlying operating surplus of \$1.078 million. The underlying result excludes non-operational transactions and is a component of Council's financial sustainability measures along with a range of other indicators. The 2022-2023 financial year was challenging due to a number of factors including rising inflation, State Government cost shifting and rate pegging. The surplus has been achieved through tight cost control measures, which didn't impact on community service levels and favourable investment portfolio results.

### Financial overview 2022 to 2023

The income statement summarises Port Stephens Council's total income and operating expenditure. The 2022-2023 operating result was a surplus of \$40.9 million, which includes income from capital grants and contributions. This income is restricted for the purpose of constructing new assets and renewing existing assets as shown in the statement of financial position.

When capital grants and contributions are excluded, the operating result is a surplus of \$8.5 million for the 2022-2023 financial year. This is lower than the surplus of \$8.9 million for the 2021-2022 financial year. Income levels increased due to improved patronage at the Holiday Parks and Newcastle Airport. Both of these operations were significantly affected in the prior year due to COVID-19 and are now returning to normal operations. Expenditure levels increased due to rising inflation and the operating costs associated with the improved visitation at the Holiday Parks and Newcastle Airport.

Income statement \$'000	2018 to 2019	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023
Total income from continuing operations	147,497	146,900	160,410	172,936	188,430
Total expenses from continuing operations	122,293	126,833	127,601	131,154	147,553
Operating result from continuing operations	25,204	20,067	32,809	41,782	40,877
Net operating result for the year before grants and contributions provided for capital purposes	3,892	-4,251	2,817	8,853	8,535

The statement of financial positions provides a snapshot of Port Stephens Council's assets, liabilities and net wealth (equity) at 30 June 2023. Council's total asset base increased primarily for 2 reasons. We undertook asset revaluations to reflect the renewal cost of public infrastructure and our capital works program grew during the year thanks to successful grant applications. Council's liabilities increased due to bank loans being sourced to assist in the funding strategy of the Newcastle Airport terminal expansion.

Balance sheet \$'000	2018 to 2019	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023
Total current assets	63,701	53,939	70,007	62,737	87,157
Total current liabilities	35,876	37,093	41,692	48,999	51,198
Total non-current assets	1,015,884	1,064,256	1,095,591	1,249,305	1,366,387
Total non-current liabilities	15,806	37,635	36,501	40,117	53,484
Total equity	1,027,903	1,043,467	1,087,405	1,222,926	1,348,862

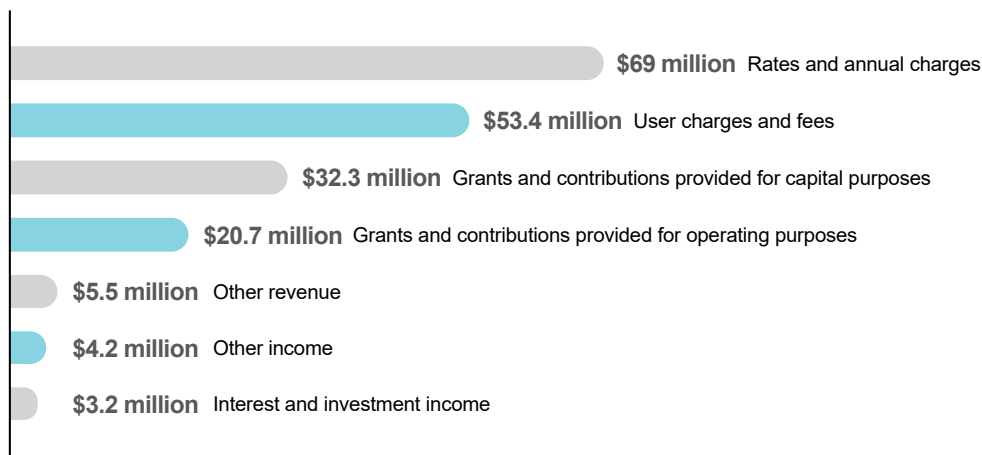
For detailed information on our financial performance, refer to Volume 2 of this report.



## Our revenue – where the money came from

We received \$188.4 million in revenue in the 2022-23 financial year. The largest income sources were rates and annual charges which totaled \$69 million and user charges and fees which totaled \$53.4 million. Rates and annual charges and user charges and fees were also our largest sources of income in 2021-2022.

Rates and annual charges such as domestic waste management service charges are crucial income sources for Council. User charges and fees such as holiday park fees and Transport for NSW works charges are also important sources of income.







## Our expenses – where the money was spent

We spent \$147.6 million during the year on operations.

### Major Infrastructure spending included:

	Roads, bridges, footpaths and car parks <b>\$14 million</b>
	Drainage <b>\$3.1 million</b>
	Buildings <b>\$2.8 million</b>
	Newcastle Airport <b>\$18.6 million</b>
	Other open space or recreational assets <b>\$2.3 million</b>

The above figures include assets that have been dedicated to Council. The total value of assets dedicated to Council in 2022-2023 is \$7.1 million.

## Total equity

### What we own, minus what we owe

	Port Stephens Council community equity (defined as our net worth) was \$1.3 billion at 30 June 2023.
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## Our assets – what we own

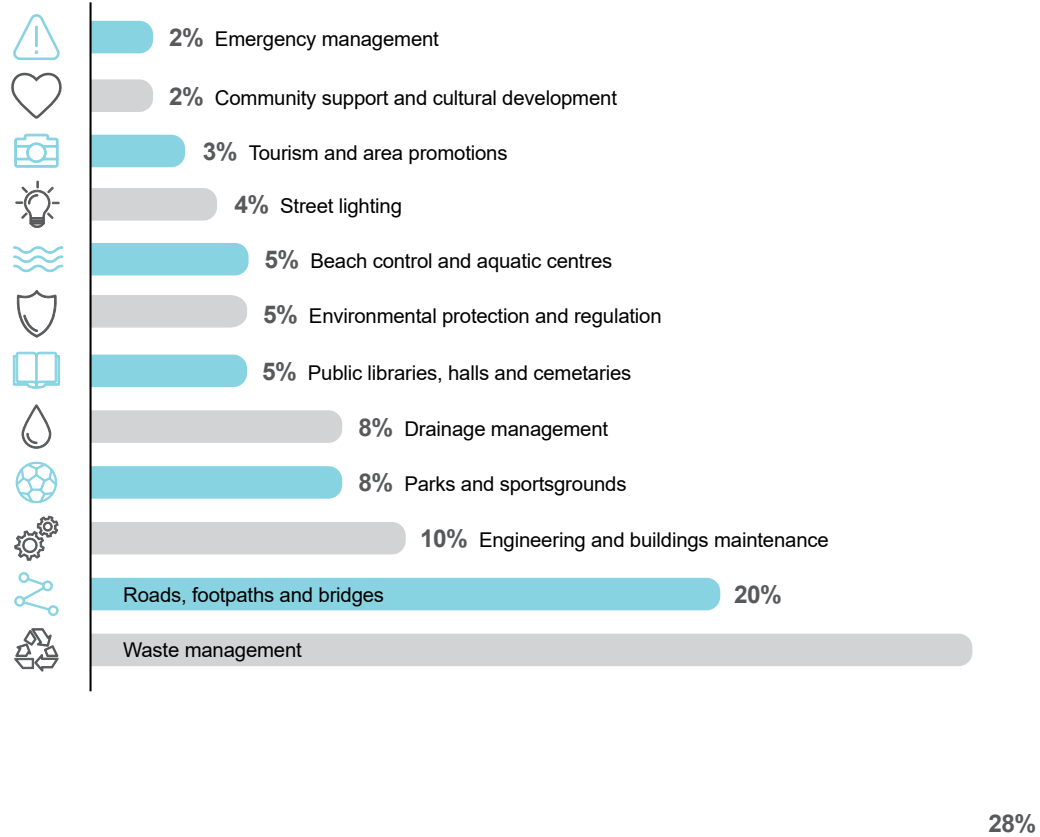
Our infrastructure, property, plant and equipment was valued at \$1.3 billion and our investment property assets were valued at \$28 million at 30 June 2023. The value of our infrastructure is:

	Plant and equipment <b>\$9.5 million</b>
	Office equipment, furniture and fittings <b>\$1.2 million</b>
	Land <b>\$161.5 million</b>
	Land improvements <b>\$8 million</b>
	Roads, bridges, footpaths and carparks <b>\$542 million</b>
	Buildings <b>\$167 million</b>
	Drainage <b>\$247 million</b>
	Other infrastructure <b>\$47.7 million</b>
	Other assets <b>\$1.9 million</b>
	Newcastle Airport <b>\$73.9 million</b>



Where your rates go

The diagram below outlines the contribution rates and charges had to the following key service areas.



## Major events

### Jul 2022



#### NAIDOC Week

Snak n Rap

My Little Ecosystem workshops x 4

Whale Tales x 4

### Aug 2022

Adrenaline Junkie Adventure Race Fingal Bay

2022 Rugby League Final Series – Raymond Terrace

### Sep 2022

Outdoor sunset cinema Raymond Terrace and Medowie

Friday Flavours Nelson Bay

2022 TreX Multisport Festival – Fingal Bay

### Oct 2022

Outdoor Sunset Cinema Nelson Bay

Hunter Surf Life Saving Carnival – Fingal Bay

King of the Box – Surfing event – Box Beach

Homegrown Medowie

#### Friday Flavours Raymond Terrace



### Nov 2022



#### Remembrance Day Nelson Bay and Raymond Terrace

Friday Flavours Raymond Terrace

Nelson Bay Super Sprint Triathlon

NSW Beach Volley Ball Tour – One Mile

Tilligerry Festival

### Dec 2022

Tastes Like Summer Karuah, Fern Bay and Lemon Tree Passage

Seaham Community Carols

Nelson Bay Carols

Swim, Bike, Run Port Stephens

Medowie Christmas Carnival

It's On! This Season – Christmas Activations Raymond Terrace and Nelson Bay

Tilligerry Christmas Twilight Market

#### NYE Fireworks Nelson Bay



## Jan 2023



### Australia Day Celebration and Pool Parties

Port Stephens Annual Awards

Tastes Like Summer Karuah, Fern Bay, Raymond Terrace and Lemon Tree Passage

Snak n Rap x 4

It's On! Kids Zone Hinton, Medowie, Karuah, Raymond Terrace, Nelson Bay

Australian Flying Eleven National Championship, Soldiers Point

Ultimate Frisbee – Newy Gold Cup 2023

## Feb 2023

Mayoral Academic Scholarship Ceremony

Tastes Like summer Karuah, Fern Bay, Raymond Terrace and Lemon Tree Passage

Peter Wilson Memorial Cup – Tomaree

HSLs 2022 Age branch Champs – Fingal Bay

Garmin Billfish Shootout Nelson Bay

NSW Game Fish Championship Nelson Bay

Port Stephens Pro QS1000 (Surfing Event) Anna Bay

### Seniors Week 1 to 12 Feb



## Mar 2023

Port Stephens Produce Market Launch

Tastes Like Summer Lemon Tree Passage

International Women's Day Scholarship

Clean Up Australia Day

Port Stephens SUP Challenge 2023 Anna Bay

2023 ILCA Oceanic and Australian Masters Championships (Sailing) Soldiers Point

Trailer Boat Fishing Tournament

## Apr 2023

Youth Week

Clean Up Australia Day

ANZAC Day

It's On! Outdoor Cinema Medowie, Raymond Terrace, Nelson Bay

Karuah by Night

Sail Port Stephens

Port Stephens Surf Festival

## May 2023

Medowie Town Teams Launch event

Illuminate Raymond Terrace (later cancelled due to weather)

National Volunteer Week

Aboriginal Elder Olympics

Sail Port Stephens W/L Series, featuring the NSW Yachting Championships and TP52 Gold

Port Stephens Triathlon 2023

### Local & Live (William St Stages)



## Jun 2023

NAIDOC Week

SBR Port Stephens

Local & Live (William St Stages)

## Having your say

We're committed to actively communicating and engaging with our residents, stakeholders and staff in the development of policies, plans and the delivery of services for our community.

Our Communication and Engagement Strategy recognises that community information sharing, consultation and participation are vital for effective decision-making. You can read it at [portstephens.nsw.gov.au/community-engagement-strategy](https://portstephens.nsw.gov.au/community-engagement-strategy)

There are many ways you can have your say on the governing of Port Stephens and the future of our place:

- Vote for Councillors every 4 years through the local government election for Port Stephens Council.
- Arrange to speak face to face with Councillors via public access prior to Council meetings.
- Write to or call elected members of the Council.
- Get social and connect with us on our social media channels, including Facebook, LinkedIn and Instagram.
- Make submissions on major projects or notified consents that are consulted or advertised throughout the year.
- Participate in the annual Community Satisfaction Survey.
- Via our online Report and Request tool.

Our major formal community engagements were on:



RATE RISE  
OPTIONS



COASTAL  
MANAGEMENT  
PROGRAM STAGE 3



SMART PARKING  
EXTENSION AT  
SHOAL BAY



THE LAUNCHING 3 NEW  
COMMUNITY ADVISORY GROUPS



PLACE PLANS AT MEDOWIE,  
SHOAL BAY, HINTERLAND  
AND TILLIGERRY

21

KEY FORMAL  
ENGAGEMENT  
PROJECTS

6,037

NUMBER OF SURVEYS  
COMPLETED LAST  
FINANCIAL YEAR

28

NUMBER OF FACE TO  
FACE (includes online)  
COMMUNITY  
OPPORTUNITIES  
PROVIDED

645

NUMBER OF FACE TO  
FACE (includes online)  
COMMUNITY  
ATTENDEES

We also spoke to the community about the Community Satisfaction Survey and Library Survey, Fingal Foreshore upgrade and Aliceton Reserve/Memorial Park, Karuah.

**Next Steps:** The following projects are in the planning phase and we'll be engaging with the community in the next financial year:

- Anna Bay Place Plan
- Wellbeing Strategy

- Green Waste drop off
- Dogs at Boat Harbour Beach Formal Review
- Hinterland Place Plan Public Exhibition
- Tilligerry Place Plan Workshops
- Smart Parking extension to other areas



Learn more at [haveyoursay.portstephens.nsw.gov.au](https://haveyoursay.portstephens.nsw.gov.au)



## Awards and recognitions

At Port Stephens Council, we believe in doing the right things in the best way. We're proud of our culture of excellence and the recognition we have received this year for achieving the best outcomes for Port Stephens.

Awarding body	Award
Australasian Reporting Awards	Gold – 2021–2022 Annual Report
2022 NSW Tourism Awards	Silver – Tourist Attractions – Koala Sanctuary
2023 Hunter Safety Awards	Win – Best Health and Wellbeing program (SME) for PSCare
2023 StateCover Awards	Win – Wellbeing Category for PSCare
2023 NSW Local Government Excellence Awards	Win – People, Workplace, Wellbeing Category for PSCare
2023 NSW Local Government Excellence Awards	Highly Commended – Community Partnerships Category for Karuah Place Plan
2023 NSW Local Government Excellence Awards	Finalist – Asset and Infrastructure Category for Stuart Park
2023 NSW Local Government Excellence Awards	Finalist – Special Project Initiative Category for Foreshore Drive

Every year, we recognise the contribution of community members as part of the Port Stephens Annual Awards. You can read about these on page 64.



# Our Leadership

## Section 3

This section includes an overview of our leadership and organisation

- 33** | Our elected Council
- 39** | Our governance
- 40** | Our Executive Team
- 42** | Organisation structure
- 43** | Our employees
  - Equity, diversity and inclusion
  - Work Health and Safety
- 45** | Our volunteers



## Our elected Council

Port Stephens Council has a popularly elected Mayor and 9 Councillors representing 3 wards – East, Central and West.



Learn more about our elected council at [portstephens.nsw.gov.au/mayor-and-councillors](https://portstephens.nsw.gov.au/mayor-and-councillors)



### **Ryan Palmer** **Mayor**

A lifetime resident of Port Stephens, Ryan was popularly elected as Mayor in 2017 and in 2021. He is passionate about the Port Stephens area and has brought a new level of transparency and consultation to the Council.

Since being elected, Ryan is proud of the actions he's taken to create a place for all generations to live an active and healthy lifestyle.

Ryan has a strong interest in economic development activities and believes in providing employment opportunities, not only for today but for future generations, like his 2 children, Bella and Knox.

PO Box 42  
Raymond Terrace NSW 2324  
0402 749 467  
[mayor@portstephens.nsw.gov.au](mailto:mayor@portstephens.nsw.gov.au)



**Councillor Chris Doohan**  
**Central Ward**

Chris Doohan has lived in Medowie for nearly 2 decades, and the greater Port Stephens region for more than 40 years. He was elected as a Central Ward Councillor in 2012 and has been Deputy Mayor in 2015, 2016, 2017, 2018 and 2020.

Chris is passionate about Port Stephens and is incredibly proud to represent his community, participating in many local committees, councils, associations and groups.

Chris has 2 children, Holly and Jaikie, who have been schooled locally and are active in local sporting teams.

PO Box 42  
Raymond Terrace 2324  
0434 601 957 or 0418 744 445  
chris.doohan@portstephens.nsw.gov.au



**Councillor Jason Wells**  
**Central Ward**

Jason has called Medowie home since 2006 where he lives with his wife and 2 children. He's worked in a local NSW public school for 19 years.

For the last 5 years Jason has held the role of President of Medowie Little Athletics Club, engaging with the local community and supporting young people.

Jason has a thorough understanding of the needs of local families of Central Ward and advocates strongly for the provision of high quality and cared for public spaces and safe and accessible pathways.

PO Box 42  
Raymond Terrace 2324  
0466 171 173  
jason.wells@portstephens.nsw.gov.au



**Councillor Steve Tucker**  
**Central Ward**

Steve was first elected to Council in 2004 and lives at Tanilba Bay.

He has served as Deputy Mayor on 2 occasions in 2006 and 2014.

A retired engineer, he is most interested in building community and sporting infrastructure to support local communities.

PO Box 42  
Raymond Terrace 2324  
0437 045 940  
steve.tucker@portstephens.nsw.gov.au



**Councillor Leah Anderson**  
East Ward

Leah relocated from her original home town of Camden to Port Stephens in 2005, where she's raised her 2 children and has been actively involved in the community for many years.

She founded and was President of Port Stephens Women In Business, is the past President of Business Port Stephens and was proud to be awarded Port Stephens Woman of the year in 2018.

Leah wants the best for the people of Port Stephens, and she will listen, care and act, to work hard for the community.

PO Box 306  
Nelson Bay 2315  
0448 354 668  
leah.anderson@  
portstephens.nsw.gov.au



**Councillor Glen Dunkley**  
East Ward

Glen is another lifetime Port Stephens resident. Married to Kate with 2 teenage children, Glen is in his second term on Council as a representative of the East Ward. The safety and environment manager holds a degree in Occupational Health and Safety.

A life member of the Fingal Bay Surf Lifesaving Club and President between 2007 and 2011, Glen has picked up a number of National Awards as a result of his outstanding service that stretches back to 1992.

PO Box 42  
Raymond Terrace NSW 2324  
0438 550 356  
glen.dunkley@portstephens.  
nsw.gov.au



**Councillor Matthew Bailey**  
East Ward

Matt Bailey is a first time Councillor on Port Stephens Council and has a background in financial planning and education.

Matt has spent most of his career as a financial planner and has a Bachelor of Business from the University of Newcastle where he majored in Human Resources and Management. He also has a Diploma in Financial Planning.

Matt is a father of 2 boys and grew up in Tamworth before moving to the Hunter Region in 2006. Matt is currently studying a Master of Primary Teaching at the University of Newcastle.

PO Box 42  
Raymond Terrace 2324  
0423 418 530  
matthew.bailey@  
portstephens.nsw.gov.au





**Councillor Giacomo Arnott**  
**West Ward**

Giacomo has lived and worked in Raymond Terrace his whole life. He is a Law and Business graduate and has his Diploma of Legal Practice.

He is a professional firefighter based at Raymond Terrace and volunteers with many local groups and community-based initiatives. He also works in industrial law, fighting for the rights of workers.

Giacomo has spent his time on Council delivering for the ratepayers of Port Stephens, standing up for what's right and improving communications with the Port Stephens community. He is continuing to try and improve transparency, while delivering valued services and infrastructure to the local community. Giacomo was the Deputy Mayor from 2022 to 2023.

PO Box 144  
Raymond Terrace NSW 2324  
0468 391 459  
giacomo.arnott@portstephens.nsw.gov.au



**Councillor Peter Francis**  
**West Ward**

Peter has been involved in communications, marketing, advocacy, sales, and influencing people's opinions for most of his professional career.

He's been granted several National and International awards in recognition of his various acts in the areas of diplomacy and humanitarian works.

Peter is a mental health advocate, presenter, facilitator, public speaker, blogger, writer, and master of ceremonies and his views on community consultation and advocacy are ones which are integral to bringing about a cohesive and integrated whole.

127 Richardson Road  
Raymond Terrace NSW 2324  
0493 217 117  
peter.francis@portstephens.nsw.gov.au



**Councillor Peter Kafer**  
**West Ward**

Peter and his family moved to Raymond Terrace in 2000 from Stockton and he is a former Port Stephens Councillor from 2008 to 2017. Peter is an active member of many community organisations in Stockton, Newcastle and Raymond Terrace including Aboriginal Corporations, Community Advocacy groups and Historical Societies.

He's had careers in Nursing, NSW State and Federal Police and teaching, as well as a mentor in High Schools for young Aboriginal and Torres Strait Islander men. Peter advocates for the mental health and awareness of the Aboriginal and Torres Strait Islander Community.

Peter is an Internationally recognised Aboriginal artist in USA and European Countries with active exhibitions in California and throughout Hunter Valley.

PO Box 42  
Raymond Terrace 2324  
peter.kafer@portstephens.nsw.gov.au



### Councillor attendance 1 July 2022 to 30 June 2023

Port Stephens Council is required to meet at least 10 times a year. These meetings are known as Ordinary Meetings and are presided over by the Mayor or in their absence, the Deputy Mayor.

Our Council meetings are held on the second and fourth Tuesday of the month at the Council Chambers in Raymond Terrace. Meetings are live-streamed online and the public is welcome to attend.

2 Way conversations are informal meetings held between the Mayor, Councillors and staff with specific subjects that the Mayor or Councillors wish to discuss. They form part of an elected members' ongoing professional development.

Port Stephens also has 20 community committees and a further 24 groups in which the Mayor and Councillors represent Council. These can be viewed on page 153.

**COUNCILLOR ATTENDANCE 1 July 2022 to 30 June 2023**

	Ordinary meeting	Extra ordinary meeting	All meetings combined	2 Way conversations
<b>Number of meetings</b>	<b>19</b>	<b>0</b>	<b>19</b>	<b>84</b>
Mayor Palmer	17	0	17	52
Councillor Anderson	19	0	19	84
Councillor Arnott	19	0	19	84
Councillor Bailey	14	0	14	62
Councillor Doohan	9	0	9	43
Councillor Dunkley	12	0	12	22
Councillor Francis	16	0	16	67
Councillor Kafer	16	0	16	28
Councillor Tucker	15	0	15	61
Councillor Wells	18	0	18	66



## Councillor induction and professional development

Our Councillor Induction and Professional Development Policy requires an annual report on all councillor induction programs, ongoing professional development and training sessions.

The following professional development opportunities were provided to all elected members. The table shows those who participated.

A councillor induction program was conducted following the Local Government election in December 2021.

For the total cost of professional development including accommodation and training for this period, refer to page 131. Travel costs for the Mayor are included in the provision of a Mayoral vehicle.

Professional development	Attendees
AICD Company Directors membership	Mayor Palmer, Cr Dunkley, Cr Tucker
ALGA National General Assembly	Mayor Palmer, Cr Anderson, Cr Kafer, Cr Tucker
LGNSW Annual Conference	Mayor Palmer, Cr Anderson, Cr Arnott, Cr Tucker
LGNSW Chairing Effective Meetings Training	Cr Anderson
LGNSW Media Training for Councillors	Cr Anderson
Locale Learning – Lift Off Coaching Package	Cr Anderson
Institute of Local Governance – Finance Course	Cr Anderson

## Our governance

Port Stephens Council is a body politic under the Local Government Act 1993. The elected Council must abide by this Act and the associated State and Federal legislation. Our governance framework is based on the Australian Public Service Commission's principles of public sector governance – accountability, transparency, integrity, stewardship, efficiency and leadership.

### Code of Conduct

The overarching element of governance in council is the Code of Conduct. Training in the Code of Conduct is compulsory for all staff, Mayor, Councillors and volunteers. The code sets high standards for ethical behaviour and decision-making. It states Mayor/Councillors' roles and responsibilities and outlines the process for making and investigating allegations of breaches. During 2022 to 2023, there were 10 Code of Conduct complaints about Councillors or the General Manager. Of the 10 complaints, 8 were addressed by alternate means and no action was taken on 2 complaints.

### Privacy and personal information

The Privacy Management Plan was reviewed and adopted by Council on 25 August 2020. There was 1 internal review under the Privacy and Personal Information Protection Act 1998 conducted by our Council this year. There were no other contraventions of any information protection principles, nor of privacy codes of practice or disclosure of personal information kept in a public register

## Audit Committee

Our Audit Committee aims to enhance the corporate governance of our Council. It provides independent oversight, review and advice on our governance, risk, control and compliance framework. The Audit Committee comprises 2 Councillors and 3 independent external representatives:

- Ben Niland
- Frank Cordingley
- Shaun Mahony
- Councillor Leah Anderson
- Councillor Chris Doohan
- Councillor Glen Dunkley (alternate)

The 2022 to 2023 Internal Audit program included 5 audits into:

- Environmental Risk Management
- Risk Management Framework
- Payment to Mayor and Councillors
- National Heavy Vehicle Accreditation Scheme compliance audit
- RMS Drives compliance report.



Find out more about our audit committee at [portstephens.nsw.gov.au/committees](https://portstephens.nsw.gov.au/committees)

## Our Executive Team

Port Stephens Council is led by General Manager Tim Crosdale, who is supported by 3 group managers.



Learn more about our Executive Team at [portstephens.nsw.gov.au/executive-team](https://portstephens.nsw.gov.au/executive-team)



### **General Manager** Tim Crosdale

#### **Appointed 2022**

Tim joined Port Stephens Council as Group Manager Development Services in 2018 and since 2020 was Group Manager of Corporate Services.

With extensive experience at senior and executive level management across private consulting and in local government, Tim has a successful track record in leadership, professional services provision, business and staff management.

He brings extensive skills and experience in development and strategic planning, project delivery, and business operations including HR, marketing, financial management and business development.

Tim is focused on working collaboratively with stakeholders to ensure the delivery of valued services to the Port Stephens community.





**Facilities and Services  
Group Manager Greg Kable**

**Appointed 2016**

Greg joined Port Stephens Council in 2011 and soon became Section Manager Capital Works in 2013.

With over 30 years experience in local government and 20 years managing large operational workforces, Greg enjoys leading and motivating multi-disciplinary teams to deliver building, engineering and maintenance programs.

He holds postgraduate qualifications in Commerce, Engineering and Management.

Greg is passionate about the delivery of quality infrastructure and customer service to the people of Port Stephens.



**Corporate Services  
Group Manager  
(Acting) Zoë Pattison**

**Appointed (Acting) July 2022**

Zoë has worked at Port Stephens Council for nearly 25 years, providing strategic Senior and Executive leadership across the Corporate Services Group, including Human Resources, ICT, Corporate Reporting, Strategic Property and Business Improvement.

With a number of post graduate qualifications including a Master of Business Leadership, Zoë is a Graduate Member of the Australian Institute of Company Directors and holds 2 Board positions.

With a focus on building capability and capacity amongst our people, in alignment with the future direction of the organisation, Zoë is passionate about providing strategic leadership to improve the services we deliver to our customers.



**Development Services Group  
Manager Steven Peart**

**Appointed 2020**

Steven joined Port Stephens Council as Strategy and Environment Section Manager in 2018.

He was appointed Acting Development Services Group Manager in 2020 and after a competitive recruitment process, was appointed permanently to the role in May 2021.

Over the past 13 years, Steven has held senior leadership positions in local government, environmental and engineering consulting firms, and major mining companies.

Steven is focused on building a team culture of innovation and excellence to create the best outcomes for our customers while respecting our broader community and the environment.

# Our organisation structure



## Our employees

We're committed to ensuring our workforce has the skills and experience to deliver valued services to our community. Our Workforce Plan outlines how we'll achieve our community's vision while our Enterprise Agreement 2022-2025 sets out our commitment to our Employer Value Proposition, which allows us to attract, engage and retain our employees.

Our Employer Value Proposition has a people first approach and promotes employee

health, fosters their wellbeing and supports their lifestyle. It's important that our Council's workforce reflects the community we serve.

As at 30 June 2023, we employed:

**3** GROUP MANAGERS **11** SECTION MANAGERS  
2 MALE, 1 FEMALE 7 MALE, 4 FEMALE

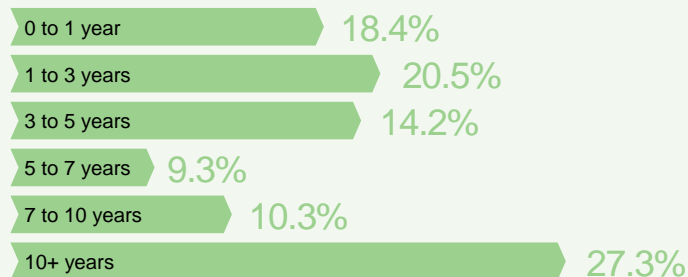
**581** EQUIVALENT FULL-TIME POSITIONS IN OUR STRUCTURE (618 EMPLOYEES)

**51%** ARE FEMALE **49%** ARE MALE

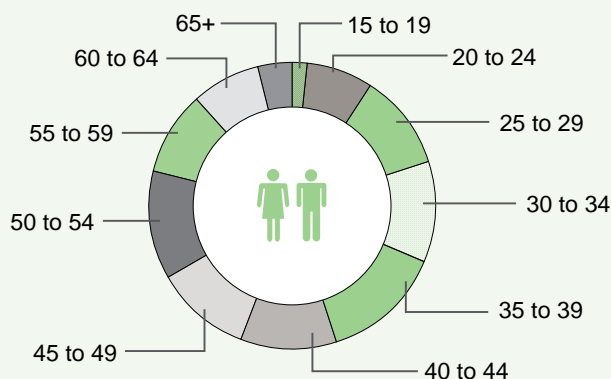
Almost 3 quarters of our workforce are employed on a full-time basis.



46.9% of employees have been with Port Stephens Council for 5 or more years.



Our workforce is made up of people of all ages – from 15 to over 65. We've worked hard to attract younger employees over recent years.



## Equity, diversity and inclusion

We're committed to creating a workplace that values diversity and is fair, equitable and inclusive for all employees. Our Equity, Diversity and Inclusion (EDI) Committee highlights for 2022 to 2023:

- We have almost a full complement of EDI representatives covering most teams and locations across Council.
- We partnered with other Local Government Areas to promote Pride month, which held events in the Newcastle and Lake Macquarie areas.
- We promoted Harmony Week to employees in celebration of inclusiveness, respect and belonging for everyone. We asked our staff to share a story, photo, recipe or anything else relevant to explain what Harmony Day means to them via Social Pinpoint.
- We celebrated NAIDOC Week with employees and our community, recognising the valuable contribution Aboriginal and Torres Strait Islander people make.
- Celebrated International Women's Day by supporting an event for scholarship applicants. These scholarships support our Council's efforts to create a community where women are safe, healthy, equally represented and valued for their contribution to society.

## Work health and safety

We're committed to providing a safe workplace that ensures the wellbeing of our employees, their families and our community.

### Safety observations

Our Safety Observation Program aims to proactively prevent workplace injuries by positively reinforcing safe behaviour and providing constructive feedback. To deliver a consistent view of safe work practices, all managers target at least 2 safety observations per month. This year, we conducted 1,476 Safety Observations that identified 286 Actions to enhance worker safety.

### Employee consultation

Our Health and Safety Committee (HSC) and Health and Safety Representatives (HSR's) have an important role in consulting with employees on health and safety matters. The committee consists of 12 employees – half appointed by management and half appointed by employees – and met 6 times during this financial year to provide oversight on safe work practices and initiatives at Council.

### Workers compensation

Our Workers Compensation Premium continues to improve as a result of improved safety performances in recent years. The number of workers compensation claims decreased 30% this financial year. We remain focused on workforce injury prevention and the wellbeing of our workers, delivered through various initiatives and our award-winning PSCare employee wellness programs.

### Our injury profile

WHS risk events (operational incidents and near misses) increased 4%, with the following key movements in causes observed:

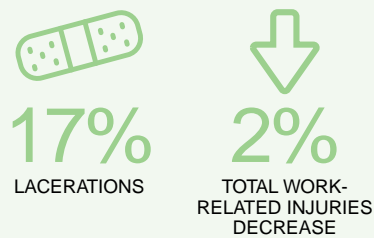
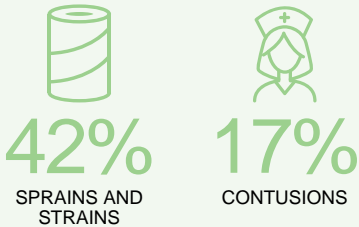
- Human error increased by 18%.
- Aggressive behaviour by members of the public decreased by 25%.
- Technology and process failures decreased by 44%.
- Accidents caused by third parties (involving Council staff) increased by 100%.

Total work-related injuries increased 2%, with the main injury types observed as:

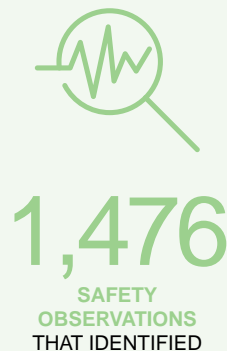
- Sprains and strains (43%)
- Contusions (16%)
- Lacerations (16%)

Lost time injury hours (for workers injured in the year) has decreased 73%, noting a general reduction in the severity of new injuries.

## Incidents – 2022 to 2023



## Safety observations



## Our volunteers

Our volunteers give their time and energy to make Port Stephens a better place. Without them, many of our services and programs couldn't exist. They contribute to:

- Keeping our parks, reserves and cemeteries pristine
- Improving our natural bushland areas
- Participating in our sports councils and cultural committees
- Participating in our halls, libraries, Koala Sanctuary and Visitor Information Centre

There's a volunteer opportunity for everyone at Port Stephens Council. We regularly encourage new volunteers to join us at [portstephens.nsw.gov.au/volunteer](https://portstephens.nsw.gov.au/volunteer)

## Supporting our volunteers

We know that giving back is just as beneficial for our volunteers as it is for our community. Volunteering gives people a sense of purpose, a strong social network and the chance to contribute to our community. Our volunteers also have access to a comprehensive learning and development program to improve their skills and knowledge. We're currently reviewing how we can provide a better model of supporting our volunteers.



# Our Performance

## Section 4

This section includes an overview of each of our Delivery Program Focus Areas.

**47** | Our planning process

**48** | Our focus areas

**50** | Our community

**72** | Our place

**96** | Our environment

**112** | Our Council



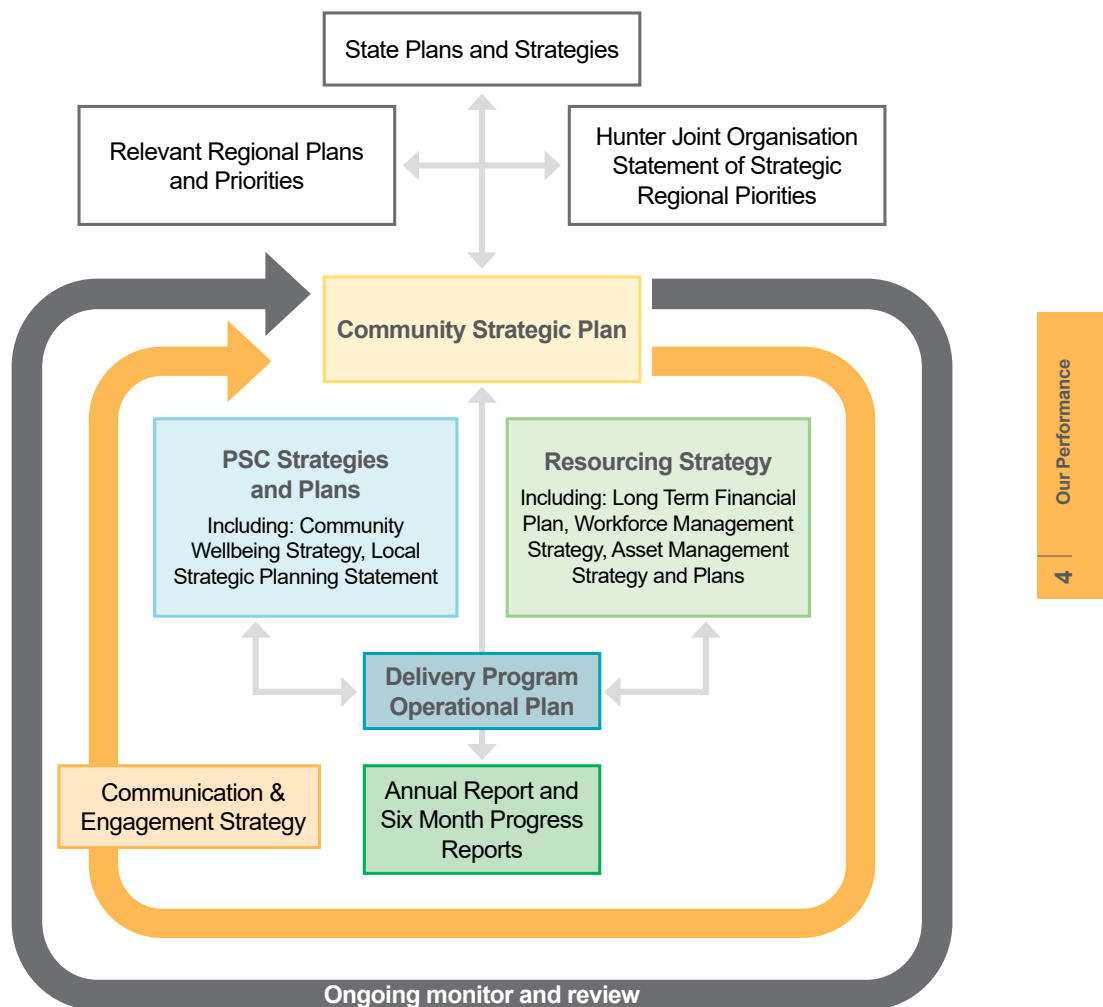
## Our planning process

We use the Integrated Planning and Reporting (IP&R) Framework. It comprises:

- **Community Strategic Plan** – our community's long-term vision.
- **Council's Delivery Program** – our Council's objectives for the elected term to help achieve the community's vision.
- **Operational Plan** – yearly actions to implement the Delivery Program.



Learn more about our integrated planning process at [portstephens.nsw.gov.au/integrated-plans](https://portstephens.nsw.gov.au/integrated-plans)



## Overview: our focus areas

The Port Stephens Council **Community Strategic Plan 2022 to 2032** outlines our 4 main focus areas. Each goal is a key direction in our **Delivery Program 2022 to 2026**.



### Our community

An accessible and welcoming community respecting diversity, heritage and culture

#### **C1 Community wellbeing**

Improve wellbeing for our diverse community supported by services and facilities

#### **C2 Recognised traditions and lifestyles**

Our community supports the richness of its heritage and culture



### Our place

A liveable and connected place supporting community wellbeing and local economic growth

#### **P1 Strong economy, vibrant local businesses, active investment**

Our community has an adaptable, sustainable and diverse economy

#### **P2 Infrastructure and facilities**

Our community's infrastructure and facilities are safe, convenient, reliable and environmentally sustainable

#### **P3 Thriving and safe place to live**

Our community supports a healthy, happy and safe place



## Our environment

Port Stephens's environment is clean, green, protected and enhanced

### **E1 Ecosystem function**

Our community has healthy and dynamic environmental systems that support biodiversity

### **E2 Environmental sustainability**

Our community uses resources sustainably, efficiently and equitably

### **E3 Environmental resilience**

Our community is resilient to environmental risks, natural hazards and climate change



## Our Council

Port Stephens Council leads, manages and delivers valued community services in a responsible way

### **L1 Governance**

Our Council's leadership is based on trust and values of Respect, Integrity, Teamwork, Excellence and Safety (RITES)

### **L2 Financial Management**

Our Council is financially sustainable to meet community needs

### **L3 Communication and engagement**

Our Council is committed to enabling an engaged and informed community

## Our community

An accessible and welcoming community respecting diversity, heritage and culture



### Goal 1: Community wellbeing

Improved wellbeing for our diverse community supported by services and facilities

#### Community wellbeing combines with disability action

We're developing a Port Stephens Wellbeing Strategy to help create a more inclusive and healthy community.

We've completed 2 phases of community and stakeholder engagement and through our research, we've learned that wellbeing means different things to different people. It ranges from fundamental basic needs such as access to food, water and shelter through to the ability to get from A to B, time with family and friends and universal access to facilities.

As the closest level of government connected to our community, we play a key role in planning, advocating, partnering and delivering projects and services that have a lasting impact on the wellbeing of our community.

Our Strategy represents our commitment to making Port Stephens a place where wellbeing is prioritised and people can lead happy, healthy and connected lives. It also incorporates our Disability Inclusion Action Plan (DIAP), so there is a strong focus on universal access and inclusion.

#### Next steps

The draft Strategy will be reported to Council and placed on public exhibition for final review.



Keep up to date here [portstephens.nsw.gov.au/wellbeing-strategy](https://portstephens.nsw.gov.au/wellbeing-strategy)



## Access for all at Little Beach

Little Beach is one of our most popular destinations, attracting visitors from near and far, that's why we're so excited about the improvements made here over the last 12 months.

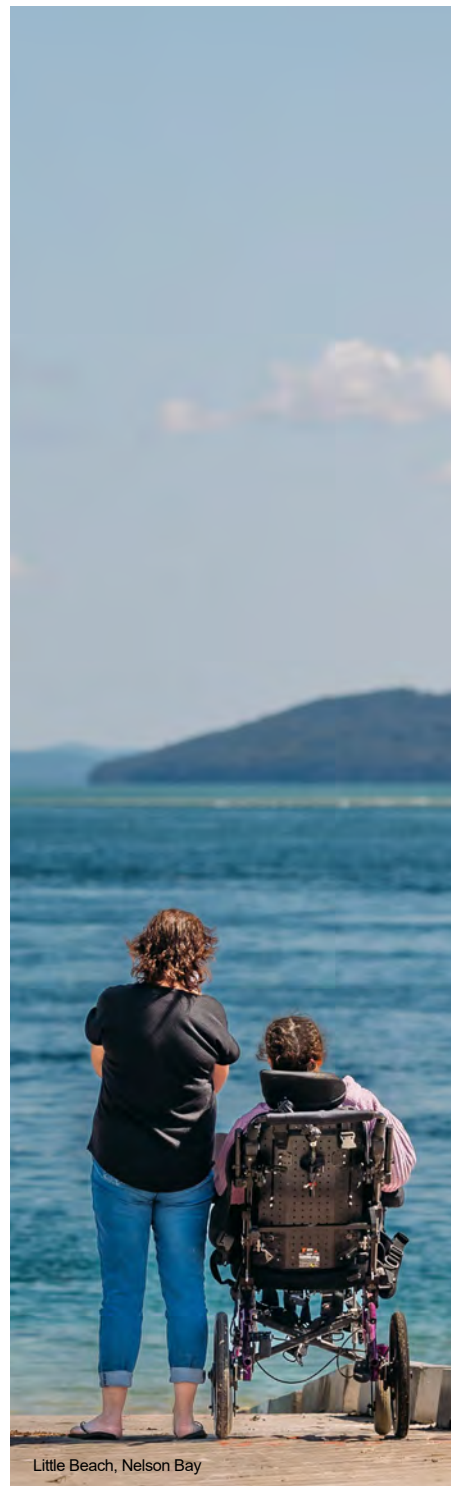
We're trying to make Little Beach a special precinct that is inclusive and easily accessed by all. To help deliver this, we secured grants to complete a suite of upgrades including:

- an inclusive play space with new play equipment, a water fountain, improved paths and bench seating
- a beach wheelchair access ramp and storage for two beach wheelchairs
- new 'Changing places' amenities with a ceiling hoist, adult sized changing table, privacy screen and additional circulation space to meet the needs of people with complex disabilities and their carers.

The nearby Halifax Holiday Park has also embraced this approach by providing accessible cabins with dedicated wheelchair access, manoeuvring space and accessible bathrooms.



Learn more and keep up to date  
at [portstephens.nsw.gov.au/  
little-beach-upgrades](https://portstephens.nsw.gov.au/little-beach-upgrades)



Little Beach, Nelson Bay



## Karuah Konnect on demand

Collaboration is key to delivering many of our services and our Karuah Konnect project is a great example of just that. With \$93,560 funding secured from the NSW Government, we were able to trial an on-demand community bus service for Karuah utilising the Karuah RSL courtesy bus.

During the trial, the on-demand service carried:

 **267**

**PASSENGERS,**

COMPLETED 413 TRIPS AND  
COVERED 1,325 KILOMETRES.

Due to the smaller population of Karuah, a regular transport service isn't available. The grant from Transport for NSW allowed us to fill this service gap until the population of Karuah grows and a regular service can be implemented.

We know this is important to our community, and we're proud to support the delivery of the Karuah Konnect service to support improved movement, creating connected communities.

The initiative aligns with the Karuah Place Plan, designed to improve liveability, increase wellbeing and deliver economic growth to create more vibrant places for people to connect, discover and enjoy with their community.



Learn more about the Karuah Place Plan at [portstephens.nsw.gov.au/karuah-place-plan](https://portstephens.nsw.gov.au/karuah-place-plan)

## Homelessness Stakeholder Advocacy Group

Following a Council resolution earlier this year, the Homelessness Stakeholder Advocacy Group (HSAG) was created to provide a forum for discussion and collaboration on solutions to support homelessness and housing affordability.

Core members include the Member for Port Stephens and Member for Paterson, NSW Police, NSW Department of Communities and Justice, key community sector organisations, Local Aboriginal Land Councils and community members.

The HSAG is helping all stakeholders better understand the broader needs of individuals, facilitate connections to social, health and community services, explore increased opportunities for affordable and social housing supply, develop policy frameworks and improve advocacy at all tiers of government.

While Local Government isn't best placed to act in the role of direct service providers, we're well placed to bring stakeholders together to collaborate towards solutions that are more likely to see real results in our community.



Learn more about housing in Port Stephens at [portstephens.nsw.gov.au/local-housing-strategy](https://portstephens.nsw.gov.au/local-housing-strategy)

## Events to promote connection

We continued to deliver a diverse cultural program to showcase creativity and diversity across Port Stephens and enable community to connect with one and another. Guided by Our Incredible Place Strategy, these programs are delivered either directly by us, by business or community organisations through our funding programs or through our advocacy for delivery by key partners.

Our events have started incorporating an inclusive tent, a safe space designed to accommodate and celebrate various identities, abilities, and backgrounds. It's an important step

towards creating an event that is truly welcoming and inclusive. The space may have sensory, vision, mobility and communication aids and supports and is a safe space to retreat to making the event accessible to a wider range of people.

These initiatives are helping to make our place incredible for everyone and complement the support we provide through Community Event Development fund, the Strategic Arts Committee and activations and events like the Yacaaba art walk, Terrace reflections and Australia Day.



Learn more about the Our Incredible Place Strategy at [portstephens.nsw.gov.au/arts-culture-heritage](https://portstephens.nsw.gov.au/arts-culture-heritage)

## Seniors Festival

Our annual Seniors Festival was a great opportunity to get together, celebrate the wisdom and experience that comes with age, and meet new people.

During February we held a series of events and activities, including:

- launching a Senior's Events Guide
- free art classes in Raymond Terrace, Nelson Bay and Lemon Tree Passage
- a Seniors Festival Concert featuring a cabaret performance and a free 2 course lunch at the Nelson Bay Bowling Club
- hosting the Rite to the Finish course, compassionately covering aspects of end of life, with topics ranging from organ donation to funeral planning.



Learn more about how we support our seniors at [portstephens.nsw.gov.au/seniors](https://portstephens.nsw.gov.au/seniors)



## Raymond Terrace community connections

We partnered with Wahroonga Aboriginal Corporation to deliver the Raymond Terrace Community Connect day. The event included service providers from health, community groups, local business and services for people at risk and vulnerable.

The event offered a one-stop-shop of human and community services for everyone in the community to access.

From assistance and advice with legal matters, birth certificates, employment and education to health screenings and support for social and emotional wellbeing – we brought all the best services together in one spot for our people to access.

We complemented this event with a Raymond Terrace Youth Engagement Program – a collaboration between our Vibrant Places team PCYC, NSW Police, Wahroonga Aboriginal Corporation and Up&Up to deliver youth activities during winter. Youth workers and service providers were there to get to know local young people with positive engagement and support.





## Youth channels for better conversations

We support our local youth by creating opportunities to get together with local community groups and agencies, and to also have a say in decisions that affect them to make Port Stephens a great place for young people.

We engage with our youth in multiple ways including through targeted youth engagement, events, social media and meetings. During this period we revised our youth communications approach to improve reach amongst young audiences. These were all part of our Youth Strategy which provided insights into the priorities and values of young people across our community.

Port Stephens Youth Instagram is an account for young people aged 12 to 25 to learn about fun local events, places

to hang, youth services, scholarships, employment opportunities and training.

We used this to encourage participation in a bumper line up of free events for Youth Week 2023, to help connect young people, build skills, and inspire the next generation of community leaders. This included 3 outdoor cinemas in Medowie, Raymond Terrace and Nelson Bay attended by over 400 community members.

The Snak N Rap events, as part of the It's On! program continued to be popular with youth mentoring, music and art events at Seaham Skate Park, Anna Bay Skate Park, Salt Ash Pump Track and Mallabula Skate Park.

We recruited for new Youth Advisory Panel (YAP) members via an online and school campaign as well as promoted youth involvement in events/advocacy at Tomaree and Hunter River Student Representative Councils.



Learn more about how we support our young people at [portstephens.nsw.gov.au/young-people](https://portstephens.nsw.gov.au/young-people)



## Back to the books... and all the other great things at your local library

We're pleased to report that our loan and visitation numbers continue to rise and attendance at programs, activities and events is almost at pre-Covid levels.

Plenty of work happened behind the scenes to ensure our libraries are keeping pace with what our visitors expect and strengthening relationships across branches.

Initiatives included:

- introducing a new Library Management System with Newcastle Libraries
- developing a 'Seasonal Program of Events'
- starting a staff rotation program, and
- establishing working groups for library led initiatives.

Our libraries also celebrated Children's Book Week 2022. The theme was 'Dreaming with eyes open' with Tomaree Library showcasing displays and holding nine special story time sessions for approximately 260 children. The sessions highlighted some amazing Australian authors and illustrators, and the children were entertained by the puppet shows, bubbles, tigers, shoes and songs!

Raymond Terrace Library also hosted 10 groups of primary school children from St Brigid's and Raymond Terrace Primary School from kindy to year 2. Staff ran interactive sessions for 280 children using puppets, masks, games and delivering presentations with animated graphics.

Our programs weren't just for kids, we also celebrated Adult Learners Week 2022 with a terrific program of activities and events including Tech Connect sessions, Brain Training for Adults, Virtual Reality Armchair Travel, a watercolour workshop, Knitting Knatters and movie screenings.

The inaugural Port Stephens Library Literary Picnic was held. The event included a 3 day program of author talks and creative writing workshops. Presenters included Janette Paul (aka Jaye Ford), Paula Morrow, Kaz Delaney and Todd Alexander.

Our Mobile Library received a facelift with a fresh new look inside and out including new exterior artwork, updated computers, improvements to joinery, new lighting, carpet and furniture. The project was funded through a library infrastructure grant from the State Library of NSW.

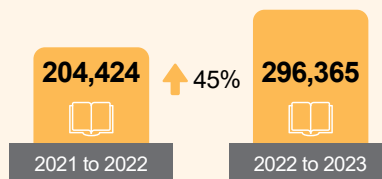
Lastly, we launched a 'Grab and Go collection' with multiple copies of new and popular titles available for immediate loan. Customers are now able to avoid reservation cues and take items straight from the shelves to borrow.



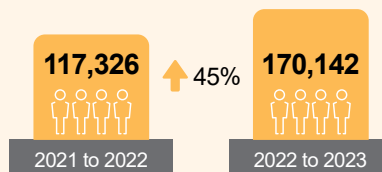
Learn more about our libraries at [portstephens.nsw.gov.au/libraries](https://portstephens.nsw.gov.au/libraries)



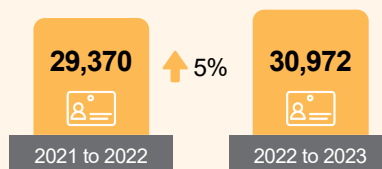
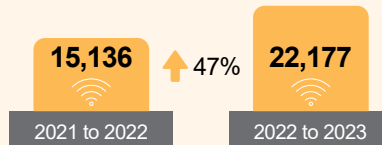
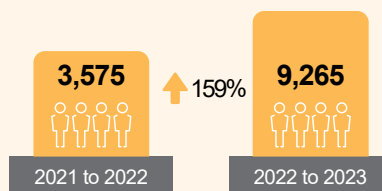
## Loaned items



## People visited



## Total library members

Used the internet and wifi  
(Raymond Terrace and Tomaree libraries)Attendance at programs  
activities and events



## Our community FEATURE STORY



### Mobile Library refresh and refurb

The Port Stephens Mobile Library Service, nearly 15 years old, has undergone a revitalisation funded by a Library Infrastructure grant from the State Library of NSW.

This grant has extended the Mobile Library's lifespan, enabling it to continue its valuable role in the community. As part of its refresh, the truck has updated computers, new carpet, lighting and furniture as well as improved joinery. The highlight of the project, however, is the incredible artwork designed and painted by Hunter artist, Jordan Lucky that represents the diversity of the ecosystems across Port Stephens.

The Mobile Library is an essential part of Port Stephens Library Service and plays a vital role in the community by supporting the information, education and recreational needs of our LGA.

The Mobile Library visits members of the community living in remote areas within the LGA, providing borrowers with a collection of over 10,000 resources, facilitating access to technology with 2 public computers on board, Wi-Fi, scanning, printing, and photocopying services, as well as offering tech-help programs for seniors.



Link to read more [portstephens.nsw.gov.au/mobile-library](https://portstephens.nsw.gov.au/mobile-library)

## Goal 2: Recognised traditions and lifestyles

Our community supports the richness of its heritage and culture

### Yabang Gumba-Gu

We're working on better outcomes for Aboriginal people as we walk along Yabang Gumba-Gu – the road to tomorrow.

This is the name of the unique agreement our Council signed with the local Worimi and Karuah Land Councils during NAIDOC Week in July 2018.

It's now a living roadmap that outlines one-off and ongoing actions to achieve our shared vision for the future of Port Stephens. This year we've worked with our Aboriginal community to achieve several important actions including:

- convening the Aboriginal Strategic Committee and jointly hosting the annual dinner at the Murrook Cultural Centre
- NAIDOC Week activities
- relaunching the Aboriginal project fund in August 2022, first established in 2002
- a workshop with Worimi LALC to discuss dual naming of landmarks, places and spaces in Port Stephens

Celebrations for 2022 NAIDOC Week centred around the theme Get up! Stand up! Show up! - calling for systematic change and reforms

by continuing to show up. For the first time, a flag raising ceremony, cultural activities and native plant giveaways were part of the activities across the Port Stephens LGA.

Six local community groups also shared in \$29,712 via our Aboriginal Projects Grants to empower the Aboriginal community.

The successful projects ranged from connecting children to country, the creation of digital resources and keeping culture alive through song, dance, art and products.

#### **Worimi Knowledge holders Aboriginal Corporation: Cultural Fishing Ground | \$3,000**

Advocating for the Worimi people of Port Stephens to access their cultural fishing grounds, resulting in positive outcomes for the health and wellbeing of the Aboriginal community.

#### **Seaham Pre-school: Connecting to Culture | \$3,712**

Learning sessions with Murrook Culture Centre to increase children, families and educators' knowledge and understanding of Worimi culture. The sessions will share with dance, language, art, song, traditions, food, culture and history.

#### **Anna Bay Public School: Supportive safe space for Aboriginal students | \$6,000**

Create a safe space in partnership with Aboriginal students and families where children can connect with culture and feel their cultural identity is supported. The space will create a welcoming environment for community and their cultural group to meet with cultural educators.





**Midnight Dreaming Studio: Midnight Dreaming Creative Showcase | \$6,000**

This project will help the Aboriginal Community through providing digital cultural resources to keep culture alive and strong through song lines, stories, dance, art and products.

**Capital Chemist Raymond Terrace: Aboriginal artwork for shop entrance | \$6,000**

Capital Chemist Raymond Terrace are working in partnership with Wahroonga Aboriginal Corporation and Awabakal Medical Service to deliver a health program where visiting Allied Health services utilise the chemist's consulting rooms free of charge. This project will fund the creation of Aboriginal artwork at the entrance to create a safe and welcoming cultural space for Aboriginal clients.

**Salamander Childcare Centre: Wayapa Program | \$5,000**

The project proposes to engage the services of Sarah Corrigan from Rainbow Crow Cultural Collective to run weekly sessions with multiple groups of children at the centre. The Wayapa Program focusses on wellbeing and connecting children to Country through movement, stories and walks.



Learn more at [portstephens.nsw.gov.au/aboriginal-projects-fund](https://portstephens.nsw.gov.au/aboriginal-projects-fund)

**Birubi cultural works**

With the world's largest moving sand dunes, an incredible surf break and thousands of years of Aboriginal heritage – Birubi Point is truly a special place.

Our love for Birubi can sometimes be overwhelming and this can result in congested roads, traffic jams and reduced access.

Last year we reported on our long term solution of creating the Birubi Point Aboriginal Place Tourism Transport Interchange.

The interchange will provide better access to the incredible Worimi Conservation Lands and sand dunes and ultimately improve the experience of locals and visitors and protect the cultural significance of this place.

A sand management plan has been incorporated into the design. This will improve the physical protection of culturally significant and sensitive heritage material in addition to minimising the ongoing maintenance associated with windblown sand.

We're working in partnership with Worimi Local Aboriginal Land Council (LALC), Worimi Conservation Lands Board of Management, Crown Lands and the NSW National Parks and Wildlife Service.

This is possible thanks to funding from the Australian Government's Building Better Regions Fund, the NSW Government's investment and Council investment.



To stay up to date with the progress of the interchange visit [portstephens.nsw.gov.au/birubi-information-centre](https://portstephens.nsw.gov.au/birubi-information-centre)

**Walks of art: Yacaaba and Terrace Reflections**

We've had another successful year of walls of art. Terrace Reflections and Yacaaba Walk of Art are ongoing place activation initiatives that support artists to display artwork in an outdoor environment for the whole community to enjoy and experience in Raymond Terrace and Nelson Bay.

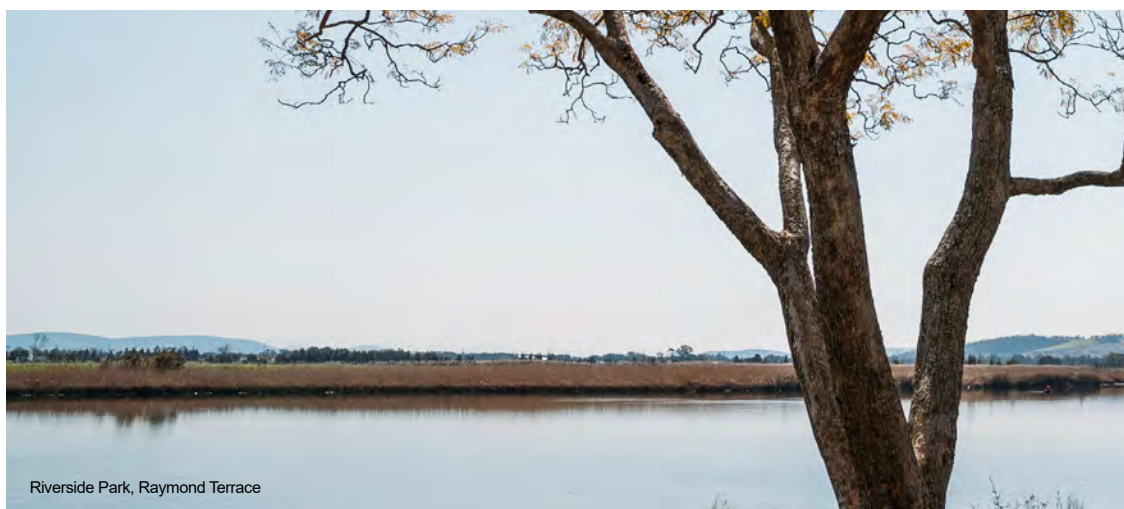
The program aims to:

- inspire the community's imagination, allowing them to engage with arts and culture beyond the confines of a museum or gallery
- enhance the built environment and create a vibrant gateway to the main streets of both areas
- reinforce the unique identity and history of both areas
- provide a highly visible platform for creative expression and development

Works from 4 local artists were delivered.







Anna Webster's Belonging and Place artworks, installed at Yacaaba Street, are semi-abstract landscapes to express not only the beauty of the Port Stephens environment but also how Anna feels about Port Stephens and her sense of place in this society and the environment.

Rena Lamb's art exhibition was installed as part of the Terrace Reflections program. The story of each artwork is told through the local Worimi Gathang language. These artworks are also now being used as designs for our banner flags in Raymond Terrace William Street.

Michael Brind's art exhibition was featured in Christmas 2022 at both Yacaaba Street Nelson Bay and Terrace Reflections. The artwork featured a celebration of the native fauna of Port Stephens as a tongue in cheek look at the everyday animals as they prepare for the festive season.

Angela Van Dam's art exhibition, installed at Yacaaba Street centre around how Angelea feels about living in 'The Bay'. It's her perspective of what she sees, and she also considers what she thinks the local wildlife might see when they see us. Angelea says the works are of 'local life through my eyes.'

### Next steps

We've created vibrant laneways with murals around the Nelson Bay CBD and plan on linking them together, creating the Nelson Bay Art Walk. The Walk celebrates the vibrancy and colour of the spectacular murals and artworks dotted around Nelson Bay and showcases the skills and talents of the local Port Stephens artists who created them. There are 14 artworks included in the Art Walk.

This is part of Our Incredible Place Strategy to use public space to showcase innovative, temporary and permanent art which promotes our local identity.



Learn more at [portstephens.nsw.gov.au/artwalk](https://portstephens.nsw.gov.au/artwalk)

### Finding your way in Raymond Terrace

Raymond Terrace Public Domain Plan is guiding a program of works aimed at improving the streets and public areas in Raymond Terrace.

We received funding through the NSW Government's Streets as Shared Spaces Program and as part of the program we're working with local aboriginal artists and students to bring vibrancy and colour to





existing furniture, walls and other underutilised spaces, implementing pavement art designs within the William Street precinct and installing new wayfinding signage – all with the aim of linking key sites across the town.

Read more about these improvements in Our Place on page 73.

### Advisory groups established for heritage, environment and engagement

By listening to our community and providing genuine opportunities for engagement, we'll create a greater sense of community ownership and ultimately, improve the delivery of Council services that are aligned to community needs. During the last year, we've established 3 new advisory groups to provide community representation for consultation, advice and advocacy across three key areas:

- heritage
- environment
- communications and engagement

The advisory groups will work with both Council and staff to share knowledge, build a common understanding, identify opportunities for community-based projects and promote

the importance of the environment, heritage, communications and engagement.

Each group is made up of representatives who are selected through an expression of interest and assessment process.

#### Next steps

Each group will meet for the first time in the later part of 2023 and will then continue to meet 4 times per year. These advisory groups are a step in the right direction for the community and Council to find ways to work together to protect our amazing assets for future generation.



Learn more at [portstephens.nsw.gov.au/committees](https://portstephens.nsw.gov.au/committees)

### Australia Day festivities celebrate community

With events across 4 locations across the local government area, Port Stephens celebrated its biggest Australia Day yet, with citizenship ceremonies, live music, markets, marching bands, pool parties and fireworks. The theme was Reflect. Respect. Celebrate. which encouraged locals to reflect on our history, respect the stories of others, and celebrate Port Stephens, our achievements and our people.



Australia Day 2023

We welcomed our region's 83 newest Australians as part of an Australian Day citizenship ceremony and we thanked local groups and individuals for their service and generosity through our 2022 Port Stephens Annual Awards.

Each of our Annual Award recipients stand out as shining lights, whether it's through donating their time to community programs, championing local sports, or raising environmental awareness.

The 2022 Port Stephens Annual Award recipients are:

#### **Freeman of Port Stephens – Darrell Dawson**

Darrell has been prominent in protecting native wildlife and habitat for the benefit of the Port Stephens community. Through his involvement in numerous committees, he's been instrumental in the development of some of the most iconic environmental features of Port Stephens. This includes the protection of the Tomaree National Park and working towards protecting the waters of Port Stephens from pollution and large scale

commercial aquaculture development. He was also instrumental in the protection of the Mambo Wetlands and large areas of local Koala habitat.

#### **Citizen of the Year – Brooke Roach**

Brooke has dedicated his life to creating a better future for everyone in the local community, with a particular focus on young Aboriginal people.

Brooke works as the Aboriginal Liaison Officer at Hunter River High School and has volunteered his time to lead the Raymond Terrace Magpies Rugby League Football Club as its President, co-coach the premierships-winning C-Grade Men's team, worked with community organisations, and introduced sports and the associated discipline to many people's lives. Brooke is an advocate for better access to services for Aboriginal people across our whole community and continues to inspire.

**Young Citizen of the Year – Emma Newcombe**

Emma is an outstanding student, contributing positively to the local community through a wide range of activities and volunteer work. Emma has been a driving force in the development of the Café Alesco, becoming an integral part of its operation and management. Alesco aims to reduce barriers to accessing education, so students can engage and participate in education to the best of their abilities, whilst gently challenging their potential.

**Port Stephens Medals**

The Port Stephens Medal is awarded to individuals, organisations or groups for distinguished service to the community.

**Heather Buckingham**

For the last 30 years, Heather Buckingham has played a major role at the St John's Parish Pantry. Heather is a continual force, collecting donations and volunteering every week to provide food and kindness to needy families. For most of her 30 years with the pantry, Heather has coordinated Christmas Hampers for families who can't afford to buy gifts.

**Robert Bull**

Robert Bull was a founding member of the Raymond Terrace Men's shed in 2010 and has been president of the shed nine times. He's now an active and lifetime member in Raymond Terrace and a member of Australian Men's Shed Association. As initiator of the Raymond Terrace men's shed band, works closely with the Raymond Terrace RSL in planning Anzac Day ceremonies and instigated the men's shed contributions at the Back to King Street Heritage Festival. He's also a major contributor in providing meals at a local cafe for members of the community in need.

**Sportsperson of the Year — Jodi Cassar**

Jodi has been an active role model for netball in Port Stephens for over three decades now and is the current President of Port Stephens Netball Association. Jodi spends many hours of her time ensuring that grassroots participation in the game of netball is provided for girls and

boys, young and old across our community.

Accessibility and inclusion is an important role of the game that Jodi promotes with all programs offered under Netball NSW, being offered at Port Stephens Netball Association including the Inclusive Netball Uniforms policy introduced by Netball Australia and the growth in boys and mens pathways.

**Cultural Endeavour — Gabrielle Carrick**

For the last two years, Gabrielle Carrick has been the graphic designer for all Tomaree Museum Association (TMA) exhibitions and artistic presentations. Gabrielle leads the design exhibition team for TMA pop up museums, such as D'albora Nelson Bay, Port Stephens Art Competition and the exhibition at the Nelson Bay Visitor Information Centre.

Gabrielle has volunteered her time and used her considerable expertise gained through a lifetime of work in this area to produce very professional results for the TMA and the Port Stephens Community.

**Environmental Award — Casey Freeman**

Casey is a passionate Koala carer, volunteering with the Koala rescue team at Port Stephens Koala Hospital. With her work, she actively contributes to the Conservation of the Port Stephens Koala population.

Casey along with her daughters, has developed, manufactured and installed Koala signage across the LGA to help drive Koala awareness. These signs were recognised and supported across the LGA.



For more information about the Port Stephens Annual Awards, visit [portstephens.nsw.gov.au/annual-awards](https://portstephens.nsw.gov.au/annual-awards)





## Our community FEATURE STORY



### Mayoral Academic Scholarships – supporting our students

For the fourteenth year in a row, local students have the opportunity to win a \$2,000 scholarship. This great opportunity is thanks to a long standing partnership between Port Stephens Council, local businesses and our local schools.

This year, 17 local businesses joined forces, contributing \$40,000 altogether, creating a total of 20 scholarships to help students with their studies. When a local business offers a scholarship, it makes a big difference to a young student. It could cover costs like textbooks, a laptop, or living expenses. This support goes a long way in helping students follow their dreams and keep learning.

Each winning student is allocated a scholarship from a sponsor who will continue to mentor and offer work placement, helping the student build professional connections and a future career here in Port Stephens.

In the past 13 years, more than 150 students received scholarships worth over \$300,000. Local businesses are committed to investing in our future leaders because they understand how important it is for the long term. This partnership between the council, local businesses and schools is truly making a positive impact on students' lives and our future workforce.



Learn more at [portstephens.nsw.gov.au/  
mayoral-academic-scholarships](https://portstephens.nsw.gov.au/mayoral-academic-scholarships)

## International Women's Day Scholarships

For the past 6 years through our International Women's Day scholarship program, we've encouraged local women to achieve an important goal, whether it's related to the arts, culture, environment, business, community, health or sport.

This year there were 4 scholarships awarded, with the fourth scholarship sponsored by the Rotary Club of Salamander Bay. The scholarships, worth \$1,000 each, are a way of recognising the important contribution women make to our community. The recipients were:

### Tara Kirby-Campbell

Tara owns a music education company for students in Newcastle and Port Stephens with the goal of making music accessible to all, regardless of monetary or other barriers. After struggling with a disability herself as a young person, Tara ensures that barriers of chronic health, disability, sexuality and finance are seen as learning opportunities, rather than a struggle. Tara currently offers three scholarships to students who show great potential and will award an additional three scholarships to encourage young women, particularly those who have autism and ADHD to pursue music lessons, not only as a lifelong skill, but also for therapeutic measures.

### Menindee Simon

Menindee plans on using her scholarship to start the first Women's Aboriginal basketball team in Karuah. She hopes that the women who play will be role models for their kids, showing them it's ok to have a go. There's already a team of eight ready to play and with this scholarship, they'll be able to subsidise the cost of registration, game fees and uniforms and access transport to get to and from the training facilities.

### Morgan Martin

Morgan wants to support young woman to find their first job through a program called Resume Recuperation. Using this scholarship, Morgan will launch the program, and run low cost workshops

to assist young women find their first job and navigate their career pathway. From resume writing to career planning, how to search for a job and interview skills training, Morgan will hire a venue, advertise and prepare the materials for the workshops and will also offer each participant a follow-up service with 1 free 15 minute individual coaching session post-interview.

### Simone Jolly

Simone is an audiologist and her business, Jolly Good Hearing, provided mobile hearing testing service for children in Port Stephens and the Hunter Regions to try and help reduce the long waiting lists for hearing tests for children. With this scholarship, Simone will expand her services to offer a mobile earwax removal service to the ageing population in both nursing homes and private residences. The aim is to reduce GPs workloads, provide faster results, and allow the opportunity for ear pathologies to be detected quicker.



Learn more about our International Women's Day Scholarships, including past winners at [portstephens.nsw.gov.au/international-womens-day-scholarship](https://portstephens.nsw.gov.au/international-womens-day-scholarship)

## Beautiful beaches bring the crowds

Port Stephens is home to some of the best beaches, foreshores and reserves in the country. In the last year, our beaches attracted more than 790,000 visitors with people returning in droves, especially during the December school holiday period, as families and beachgoers made the most of the ideal weather.

Keeping swimmers safe is a priority and we were pleased to keep working with Surf Life Saving Services with the tender awarded for beach patrols for a period of five years.



Learn more about our beaches at [portstephens.nsw.gov.au/beaches-and-foreshores](https://portstephens.nsw.gov.au/beaches-and-foreshores)

## Karuah by Night

Karuah transformed into an immersive night time experience of neon lights and a laser light show on the water in April thanks to funding from the NSW Government.

Neon installations of marine life came to life in a kaleidoscope of colour along the foreshore, in addition to special cultural elements including a language tree. The evening culminated with a spectacular light show over the water, incorporating laser lights, smoke and special effects. The event featured live music, food trucks and children's entertainment providing a fresh perspective on Karuah for locals and visitors alike.

The event was the first of its kind for Karuah and fulfilled some of the actions outlined in the Karuah Place Plan, such as advocating for local events, and showcasing Karuah's heritage.

## Grant funding for events

We secured funding to deliver major events across Port Stephens. These events are directly linked to actions within the My Incredible Place Strategy, Karuah Place Plan and are aimed at improving the liveability and wellbeing of residents across Port Stephens.



\$311,000 from Reconnecting Regional NSW and \$100,000 from Multicultural NSW.

The 3 events are Karuah By Night, Illuminate Raymond Terrace, and Night at the Beach, which will be held in September 2023 at Robinson Reserve, Anna Bay.

## Thriving with our kids

Like many employers, we've been experiencing staff shortages, and for our childcare services this meant challenges in meeting our educator to children ratios. Our staff from Family Day Care and administration stepped in to work in Outside School Hours Care to meet the needs of families. Our administration team were valiant in their efforts to meet the high demand of entering enrolments for 2023 at the same time as managing bookings for vacation care.

The hard work paid off with Family Day Care and Clarence Town, Raymond Terrace and Shoal Bay OOSH achieving their assessment and rating evaluations with all services meeting national quality standards.

Additionally, Family Day Care teamed up with our Waste Services team to host a sustainability conference for 26 educators and our mobile preschool contracted Murrook to implement an indigenous cultural experience program for the children.






Learn more about Thrive Kids at [portstephens.nsw.gov.au/thrive-kids](https://portstephens.nsw.gov.au/thrive-kids)














# Our community performance

## Aspirational measures

-  **On track**  
Target achieved or on track to be achieved
-  **Monitor**  
< 5% off the target
-  **Off track**  
> 5% off the target

## C1 | Community wellbeing

What we said we'd do	How effective were we?	Target	2022 to 2023	
C1.1.1.1 Identify and plan for the needs of youth and the ageing population and provide support to community agencies to deliver services for vulnerable people and families	Actions completed in the Family & Community Services Delivery Schedule	≥ 95%	100%	
	Number of actions completed in the ageing strategy	Refer to below comment		
	<b>Comment:</b> The Ageing Strategy was until 2019, with the previous Ageing Strategy actions now to be included in the Disability Inclusion Action Plan (DIAP) and the Community Wellbeing Strategy (CWS) to be considered by Council			
	Develop and adopt CWS by 30 June 2023	New	70%	
	<b>Comment:</b> Community engagement complete by August 2023 with Wellbeing Strategy to be adopted in 2024			
C1.1.2.1 Identify and plan for an inclusive and access friendly community	Actions completed in the DIAP	Number completed	23	
	Adopt revised DIAP by June 2023	New	70%	
	<b>Comment:</b> Currently being reviewed and developed as an appendix to the Community Wellbeing Strategy. Refer C1.1.1.1.			
C1.2.1.1 Deliver early education and care for children	Customer satisfaction with Thrive Kids	≥ 90%	N/A	
	<b>Comment:</b> Children Services Survey conducted in September 2023, result was 95.3%			
	Annual accreditation	Compliant	Compliant	
C1.3.1.1 Initiate and manage contracts with recreational, leisure and community services	Community satisfaction score with Council swimming pools	≥ 90%	Not comparable*	
	Maintain a score above NSW 3 year average in the Royal Life Safety Assessment Audit	> 3 year average	88%	

\*Community Satisfaction Survey conducted in September 2023, rating scale changed.



## C2 | Recognised traditions and lifestyles

What we said we'd do	How effective were we?	Target	2022 to 2023	
C2.1.1.1 Support initiatives and projects to promote Aboriginal culture and protect Aboriginal places	Number of actions implemented and services delivered in accordance with the Yabang Gumba-Gu Agreement	Number completed	9 of 16	⊖
	<b>Comment:</b> On review of the agreement, it's identified that more extensive actions are required to ensure we're adequately meeting the agreements purpose			
C2.2.1.1 Support local, cultural and civic events that highlight and foster the creative and diverse nature of our community	Number of meetings held for the Aboriginal Place Advisory Panel	New	2	✓
	Number of community-run events supported and managed by Council	New	15 (used the community event grant funded events)	✓
	Number of actions completed in Our Incredible Place Strategy	>90%	34 of 47 (72%)	✗
	<b>Comment:</b> Proposed aspirational target was not achieved in part due to lack of artist availability and funding opportunities not being available to complete projects. It's envisaged that the unfinished projects will be completed within 2023/2024 period			
C2.3.1.1 Provide support for the preservation of Port Stephens heritage	Number of DA referrals to heritage consultant	New	3 referrals	✓
	Number of non-DA enquiries to heritage consultant	New	1 enquiry	✓
C2.4.1.1 Deliver public library services, programs and resources	Library user satisfaction score	>90%	94%	✓
	Customer satisfaction with outreach and homebound services	New	80%	✓
	Number of visits to Library branches	>230,000	170,142	✗
	Internet and Wi-Fi usage at Raymond Terrace and Tomaree Library branches	>45,000	22,177	✗
	<b>Comment:</b> Usage has continued to rise, but is not quite at pre-COVID levels			
	Increase in Community Satisfaction with Library programs, activities and events	New	N/A*	✓
	Attendance at programs, activities and events	>8,300	9,265	✓
	Use of library resources (collection items borrowed)	>300,000	296,365	⊖

\*Specific question not included in the 2023 Community Satisfaction Survey.

## Our place

A liveable and connected place supporting community wellbeing and local economic growth



### Goal 1: Strong economy, vibrant local businesses, active investment

Our community has an adaptable, sustainable and diverse economy

#### Sailing into the Port Stephens economy

Events and activations are a really important part of what makes Port Stephens a great place to live – they showcase our natural environment, attract visitors outside of our peak holiday periods, support business, and most importantly, they create social connection and pride in our place.

Following a challenging few years of lockdowns and natural disasters, events are returning to Port Stephens. This year, in April and May, we welcomed back one of the biggest events on our calendar – Sail Port Stephens. It was wonderful to see friends old and new, back on the beautiful waters of Port Stephens once again.

We began our partnership with Sail Port Stephens back in 2007, being witness to the growth into one of the best regattas on the Australian sailing calendar. This year, we welcomed back over 1,000 people from around the world for a festival over 3 weekends of sailing.

Each year, Sail Port Stephens leaves a very valued and positive impact on our local economy, injecting more than \$2 million into the local economy.

From hotels and marinas to local cafes, restaurants and boutiques – our community is grateful for the boost this amazing event provides.

#### It's all happening in Raymond Terrace!

Road improvements, upgrades to the town centre, events and activations have come to life after several years of planning.

In 2020, we asked the community about their vision for Raymond Terrace. This led to the Raymond Terrace Public Domain Plan – a plan for how we'll improve public space in Raymond Terrace over the next 20 years.

The 3 biggest priorities of the Raymond Terrace community are healthy streets, lively spaces and unique experiences, particularly in William Street, Adelaide Street and the river foreshore.

This year, we've rolled out a program of works to create better places and spaces. We've been reinvigorating the William Street Precinct by installing new shade structures, decking with seating, planter boxes and pavement stamping to highlight the William Street crossing area.

Thanks to funding from the NSW Government Streets as Shared Spaces program, we were able to extend this program of works, working with local Aboriginal artists and students to bring vibrancy and colour to existing furniture, walls and other underutilised spaces, implementing pavement art designs within the William Street precinct and installing new wayfinding signage – all with the aim of linking key sites across the town.

We created the Community Corner at the old Fire Station site at the corner of William and Sturgeon Street, featuring a court area, special seating, art installations and fresh new landscaping and planting.

We've acknowledged and celebrated the historical importance of the Marriage Trees and King Street area, improving the vibrancy of the site with improved signage, temporary seating, lighting and a play feature. We'll also be using this space for community events and activations.

Finally, to encourage social cohesion and to celebrate our reinvigorated spaces we've held a range of community events and activations like the Raymond Terrace Festival.



Learn more about our plans for Raymond Terrace at [portstephens.nsw.gov.au/raymond-terrace-strategy](https://portstephens.nsw.gov.au/raymond-terrace-strategy)





## Strong support for Koala Sanctuary

We're proud to be home to koalas and we're working hard to protect them for future generations. We opened the Port Stephens Koala Sanctuary in 2020 in partnership with Port Stephens Koala Hospital and the NSW Government with a focus on koala conservation. This innovative facility includes a hospital for sick, injured, or orphaned Koalas and it's also a tourism and accommodation destination, giving us the opportunity to educate our community about the conservation of koalas.

With travel restrictions easing in the last year, we've focused on building on our foundations, welcoming local, interstate and international day visitors. We also enjoyed our highest accommodation occupancy in January 2023.

It's really important to us that we're offering a destination that's considered 'world class', promoting both the importance of koala conservation, while providing a unique and special experience of Port Stephens to those that visit us.

We're proud to say that over the last year, we've achieved an incredible customer satisfaction standard with an average Net Promotor Score of above 90%. Scores above 70% are considered world-class so we're delighted the Sanctuary achieved this result.

To continue to raise awareness and welcome more visitors to the Sanctuary, we've started broadening our relationships with key industry stakeholders in the international market and have welcomed decision makers and influencers from India, Hong Kong, the UK and China.

### Next steps

In the next 6 months, we have the opportunity to establish and develop relationships with travel agents and tourism operators across Singapore, Malaysia, Indonesia and Southern India at the Tourism Australia's Meeting Place events held in Singapore and India.



Learn more about the Koala Sanctuary at [portstephenskoalas Sanctuary.com.au](https://portstephenskoalas Sanctuary.com.au)



## Events contribute to making great places

Community events are an important factor in contributing to the Port Stephens cultural identity. They reflect our values and a sense of place and they provide a platform for our community to connect and come together.

Our Community Event Development Fund supports events that create a social outcome for the Port Stephens community – that bring people together to celebrate, learn, share experiences and grow new opportunities.

Our focus is on not only funding the events but also providing strategic support to help community events grow, become self-funding and sustainable.

Over the last year, we've supported a total of 15 events, including:

- Tillifest 2022
- Elders Olympics
- Woodville Community Family Fun Night
- Twilight Cinema, Lemon Tree Passage
- Whale Season Launch
- Medowie Arts and Craft Show
- Emergency Services Sailing Regatta
- PSFM 40th Birthday event
- Human Whale Community event
- Bullarama at Hinton Pub
- Carols by the Bay
- Karuah Oyster and Timber Festival (postponed)
- Medowie Christmas Carols
- Seaham Carols

By providing funding, logistical and promotional support for these events, we're working towards the delivery of Our Incredible Place Strategy.

It's our blueprint for how to work in partnership with business and residents to celebrate our unique identity, increase investment in our communities and deliver more economic opportunities for our people.



Learn more at [portstephens.nsw.gov.au/arts-culture-heritage](https://portstephens.nsw.gov.au/arts-culture-heritage)

## Doing Business After Hours

Our community is passionate about developing a liveable and vibrant place that supports local economic growth. We're leading an integrated approach to this, focusing on creating results that help make Port Stephens a better place to live, work and play.

By building relationships and growing trust with the community, business and government we can create an environment that supports business growth, injects vibrancy into our communities and drives tourism.

This year, we launched Raymond Terrace Business After Hours – a free after hours business networking opportunity where the hosting business showcases their business, services, and facilities to their local business community peers.

Businesses also receive updates about developments in and around Raymond Terrace and have the opportunity to discuss local concerns with our staff.

So far, we've held 2 successful Business After Hours events in Raymond Terrace at Atwea College and Capital Chemist, where the businesses have enjoyed making connections in a casual and relaxed atmosphere.

We look forward to meeting with our local businesses again in 2024.



## A centre for locals and visitors – the new VIC events program

Right in the middle of Nelson Bay, you'll find the Visitor Information Centre (VIC), your go-to place for everything about Port Stephens. Now that COVID restrictions have eased, we're back to the strong foundations of helping tourists find great places to stay and exciting things to do and giving locals info about events and activities. While the foundation of the VIC has always been to assist tourists, we understand that our local community is equally important.

In the last year, we've transformed the VIC into more than just an information centre. With 2 new stunning murals painted by local Worimi artist Jason Russel, we've created a dedicated space for hosting events, activities, and local exhibitions. Our aim is to build the VIC's profile as a place where locals can seek information and also engage with their community.

We've introduced school holiday activities and activations within the VIC, which have been a hit with visitors and locals alike. Additionally, our April Anzac Day exhibition had significant interest and participation from the community.

We're committed to enhancing awareness and the value of the VIC for both our visitors and the local community. We want Nelson Bay residents to see the VIC as more than just a tourist information centre but a space for learning, enjoyment, and community engagement.



Learn more at [portstephens.nsw.gov.au/visitor-information-centre](https://portstephens.nsw.gov.au/visitor-information-centre)



Visitor Information Centre, Nelson Bay







Our place

## FEATURE ARTICLE



## Bringing events back to life

Events and activations are a really important part of what makes Port Stephens a great place to live – they showcase our natural environment, attract visitors outside of our peak holiday periods, support business, and most importantly, they create social connection and pride in our place. Over the last year, we delivered 86 events and activations across the LGA with the support of external funding.

Through the It's On program, we've been working to build vibrancy and connections in our community – our streets aren't just movement corridors, but more a stage for festivals, street art, busking or pop-up dining, while our parks are used for live site events like pop up cinemas, bootcamps, yoga and Zumba.

We'll continue to apply for grants and funding to support these programs and together, with business and community, we'll continue to strengthen events and activations across our place, enabling us all to experience the long term benefits they have to offer.



Find out what events are happening near you at  
[portstephens.nsw.gov.au/events](https://portstephens.nsw.gov.au/events)

## Goal 2: Infrastructure and facilities

Our community's infrastructure and facilities are safe, convenient, reliable and environmentally sustainable

Potholes and road maintenance education – lots of roads, blackspot projects

We know that the repair and maintenance of our roads is one of the biggest priorities for our community and the damage to our roads during the weather of both March 2021 and July 2022 impacted residents, business and visitors alike. Our road maintenance journey has seen its fair share of challenges and achievements.

Despite limited resources, we've been strategic in our approach, carefully prioritising projects and actively seeking additional funding for our roads. This approach ensures that we can make the most of what we have and deliver the best results for our community.

Thanks to a number of dry spells, our dedicated teams have managed to catch up on road maintenance, making pothole and road repairs a top priority, filling over 59,000 potholes over the last year.

During this time, we've also taken a step towards community education. We believe that knowledge is power, so we've released a series of educational videos. These videos answer some of the frequently asked questions and help our community understand how we build and maintain roads while effectively managing those pesky potholes.

We've secured a substantial commitment of \$10 million for local road repairs. Our plan is to deliver this over the next two financial years, which means more improvements are on the horizon.

Our advocacy for roads funding is also starting to bear fruit. Recent funding announcements have given us additional resources to tackle the extensive road pavement failures across our local government area.





## Avenue of the Allies

Avenue of the Allies is historically significant as Tanilba's gateway to the waterfront and it's a well-used residential road and school bus route that connects Tanilba to the surrounding communities. The unique gateways at either end of the Avenue were built in the 1930's with different types of rock and artefacts from the HMAS Sydney.

With funding secured from the NSW Government's Fixing Local Roads program and Federal Government funding from Local Road Community Infrastructure Grant and Roads to Recovery, we will be widening and reconstructing the road between Poius Parade and King Albert Avenue as well as:

- completing drainage works including kerb and gutter from Poius Parade to King Albert
- reshaping roadside swale drains to maximize stormwater infiltration into the natural ground
- formalising intersections with kerb returns
- adjusting the shared path at intersections to tie into the new kerbs

- reconstructing driveways will be reconstructed with a concrete v-drain allowing water to drain across each driveway and
- installing electrical conduits for future lighting at both of the gates.

This is a much-needed improvement for the Tilligerry Peninsula and the Avenue of the Allies project has been part of the capital works 10 year work plan.

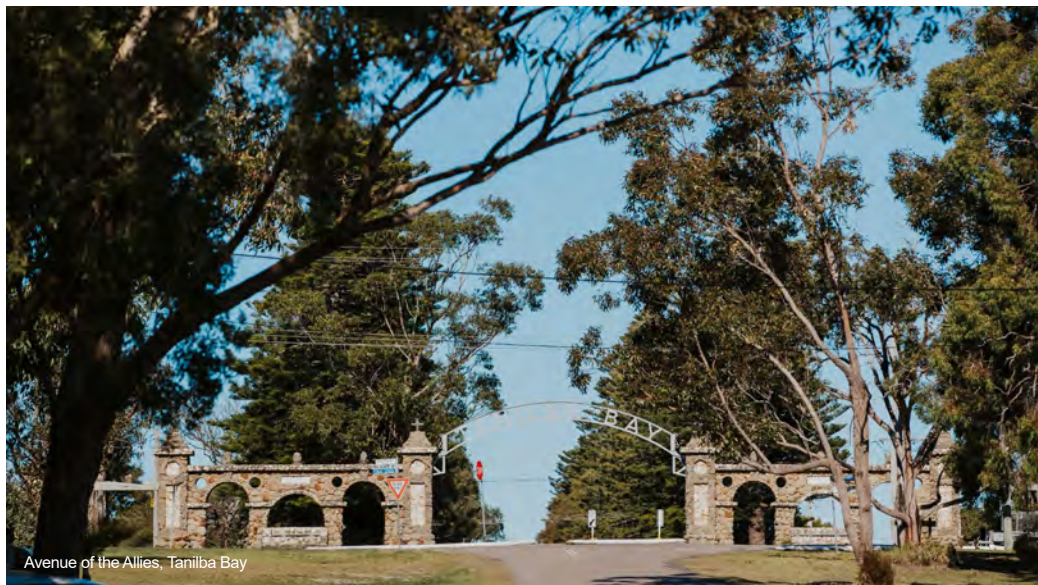
This Fixing Local Roads funding, combined with previous funding we've received through the Australian Government Roads to Recovery Program, means we can deliver this project as planned.



Keep up to date with the project at [portstephens.nsw.gov.au/avenue-of-the-allies](https://portstephens.nsw.gov.au/avenue-of-the-allies)



NSW Government's Fixing Local Roads program and Federal Government funding from Local Road Community Infrastructure Grant and Roads to Recovery





## Looking after what's important to our community

We were successful in securing \$9.7 million in grant funding for infrastructure and facilities, meaning that we've been able to deliver essential upgrades to our buildings, amenities, sports grounds, fences, roads, bin enclosures and all the other infrastructure that is often seen but not heard of – unless it's damaged.

While some grant funding is coming to an end due to its association with a post-COVID infrastructure stimulus, we continue to find new grants with similar infrastructure outcomes. This means that an expanded capital works program is likely to continue.

With better weather conditions we have made good progress on our backlog of works associated with natural disasters and wet weather over the year.

Key road projects that have been completed include:

- Intersection improvements at Gan Gan Road and Nelson Bay Road
- Traffic calming at Ferodale Road and Brocklesby Road
- Pavement reconstruction at Tanilba Road, Mallabula
- Widening of Swan Bay Road (Seg 50-60)
- Pavement rehabilitation at Clarencetown Road (Wattle Creek Bridge to Langlands Road and Mooghin Road to Dixon Street)
- Road rehabilitation at Six Mile Road (Seg 10-20) road rehabilitation

## Making places for people

The foundation of any public space is prioritising people and that means making our most popular areas easy to navigate for pedestrians. Part of our public domain planning includes identifying high pedestrian activity areas (HPAA). These are areas of high pedestrian activity, near shopping strips, railway stations, bus interchanges, beach-sides and services such as medical centres. The

maximum speed limit is 40km/h at all times.

The different road environment helps to alert drivers to the lower speed limit and makes them aware of the presence of pedestrians moving about or near the road. This creates a safer road environment for all road users, particularly for pedestrians, cyclists and children.

Raymond Terrace is a regional centre within the Hunter Region. Substantial growth of the surrounding area has seen expansion of the town centre for goods, services and traffic.

The original high pedestrian activity area (HPAA) created in 1995 covered one block of Raymond Terrace town centre, adjacent to the Pacific Highway prior to bypassing the town centre in 1998. Crashes are occurring at the perimeter of the existing zone and expansion has been highlighted in the strategic plan for a reduced speed limit to improve pedestrian connectivity and safety.

With our focus on enhancing liveability and commercial activity in the town centre with the completion of the Raymond Terrace Public Domain Plan, connectivity and safety concerns were highlighted along with a desire to revitalise the historical river sections of town to link with more developed commercial areas.

The existing HPAA in Raymond Terrace town centre has been extended to include the following streets, which are being investigated and designed:

- William Street (extension of existing)
- Port Stephens Street (extension of existing)
- Glenelg Street (extension of existing)
- Jacaranda Avenue
- Bourke Street
- King Street
- Hunter Street (partial)

Works involve improving deflection on roundabout approaches to slow vehicles down and extending the existing 40KPH.

Next Steps: HPAA works in Nelson Bay also from July 2023

Nelson Bay CBD is the main commercial centre for eastern Port Stephens LGA and a thriving place for visitors and locals. We want to make the area is a place for people where it's easy to move around on foot, with mobility aids or by bike.

There has also been a history of crashes in the Nelson Bay CBD involving pedestrians and vehicles so we need to address this issue by reducing vehicle speeds and improving pedestrian crossing facilities.

The existing HPAA in the Nelson Bay town centre has been extended to include the following streets:

- Magnus Street – from existing 10K shared zone to Donald Street
- Yacaaba Street – from existing 10K shared zone to Tomaree Street
- Stockton Street – from existing 10K shared zone to Dowling Street
- Layman Street
- Church Street – Government Street to Layman Street
- Government Road – Church Street to Layman Street
- Donald Street
- Tomaree Street

### Award winning amenities

Amenities buildings aren't usually associated with award winning design but the new amenities building and kiosk at Stuart Park, Hinton is an exception.

The project, which included the 'retirement' of the existing public amenities, sports change room and associated 'temporary' kiosk with a more modern facility, won the Small Project Architecture Commendation at the 2023 Newcastle Architecture Awards.

The project included building new change room facilities, progressive unisex shared bathrooms, a standalone kiosk and associated storage, first aid and referees change rooms, and an accessible public toilet.

Aside from meeting the needs of an expanding user base in Hinton Rugby, Cricket and Tennis Clubs, the upgrade also considered the site's natural and historic values, and its "backyard" setting have been maintained – a key criteria of the brief.

The Stuart Park amenities and kiosk was a culmination of extensive heritage planning, a rigorous design process and engagement with the community and sporting clubs to make sure the design options met the needs of all the users, and it paid off. It's become the pride of the community and was a designated safe spot during the extreme weather events in June 2022.

The Architectural Team presented much needed modern features and inclusions for the new facility, along with robust materials that could withstand the frequent use of sporting teams and school groups, reducing maintenance demands and increasing resilience to damage/graffiti.

The scale and relationships of the buildings were carefully considered throughout the design phase with input from the local community with the new facilities accommodating multiple user groups.

Notable architectural features of the building include the distinctive dual pitched roof forms, thermally treated timber soffits and ceiling linings, the exposure of structural steel sections within the façade of the buildings to articulate and soften the elongated forms, patterned brickwork, perforated mesh doors and screening elements used to reduce vandalism and improve ventilation and the use of softer materials such as locally sourced spotted gum.



Learn more about Stuart Park at [portstephens.nsw.gov.au/stuart-park](https://portstephens.nsw.gov.au/stuart-park)





### Goal 3: Thriving and safe place to live

Our community supports a healthy, happy and safe place

#### Housing plans to meet needs of a growing community

As jobs, town centres and economies evolve and our population changes, we're committed to a balanced approach to planning.

Following the adoption of the Port Stephens Local Strategic Planning Statement in 2020, which sets out the vision for land use in Port Stephens over the next 20 years and identifies the special character and values of our area that we should preserve and how we'll manage change, we have moved our focus to a preparing the plans and strategies we need to support housing supply. We are:

- amending the Port Stephens Local Environmental Plan 2013 (LEP) which guides planning decisions for our local government area by providing a framework for the way land can be used
- amending the Local Infrastructure Contributions Plan
- distributing the Housing Opportunities in Raymond Terrace brochure

- finalising planning agreements to deliver community infrastructure
- developing a housing supply plan
- improving our geographic information system to align with other government systems.

We also secured grant funding for master planning work in partnership with NSW Land and Housing Corporation in Raymond Terrace.

#### Next steps

The next 6 months are set to be equally as busy as we review our land holdings that might be suitable for housing. This includes an LEP Amendment to reclassify community land to operational for housing purposes.

We'll be updating the Local Housing Strategy, which will be informed by a range of related strategic planning work for example including for example the detailed Housing Supply Plan work that is substantially progressed.

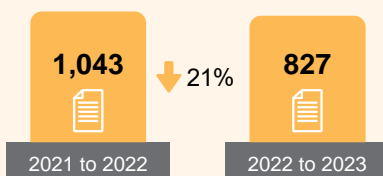




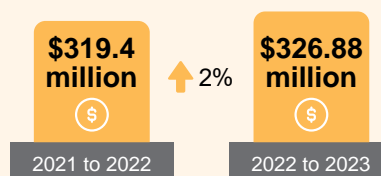
## Development and planning highlights

We still achieved a fast turnaround time averaging 22 days thanks to process improvements

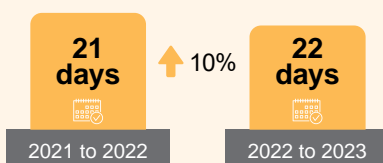
Development applications (DAs) determined



Value of development approved



Net median determination time (days)



This was under the Premier's target of

**40 DAYS**



**ONLY 37 DAs**  
ON THE 100-DAY LIST  
was achieved by processing larger scale developments more efficiently

**334**  
CONSTRUCTION  
CERTIFICATES  
ISSUED



Building certification market share

**42.7%**

with a turnaround time (net median) of under

**4 DAYS**





## Planning for our place

We're planning for the future of our places in a way that makes it easy for you to understand and get involved. Place plans start with our community – your values and priorities for your place. This is the foundation and together, we identify the unique local character of a place and the ways our community can shape, enhance or protect these aspects.

A place plan is guided by strategic documents – we put a local filter on all of our existing strategies to make one easy-to-read, action-oriented plan. It also includes analysis of potential opportunities for a place in line with the community's vision.

Every place is unique and so is every place plan. A place plan may include events and activities, projects and works, actions for community, land use changes and more. A place plan is an easy-to-read plan for the future of a place – it outlines the community's vision for their place and actions to achieve that vision.

We're rolling a program out to develop Place Plans and Place Strategies for key areas. Here's where it's up to:

1. Karuah and surrounds (adopted March 2022)
2. Hinterland (underway)
3. Medowie and surrounds (adopted April 2023)
4. Shoal Bay (underway)
5. Fullerton Cove and surrounds  
Place Strategy (underway)
6. Nelson Bay East Place Strategy (underway)
7. Tilligerry (underway)

Other centres may be subject to future Place Plans. We'll keep you up to date as the program progresses.

**Highlight project: Karuah Place Plan**

Karuah is moving forward with new housing developments, bringing an increasing number of young families to the town. Future planning is focused on driving social wellbeing, creating a more connected town centre, better accessibility to the waterfront and improved community facilities for all to enjoy.

Actions continue to be implemented after the plan was adopted in March 2022.

Highlights so far have been:

1. Main Street Beautification
2. Karuah Bridge Mural
3. Town entry signage and Google map references
4. Karuah by Night event
5. Aliceton Reserve upgrades

**Highlight project: Medowie Place Plan**

Medowie provides a wide range of local community and sporting facilities and is within close proximity to key employment areas like Williamstown, Raymond Terrace and Newcastle. Referred to as the Place of Tall Trees, the open space and bushland setting define the identity of the place.

The Medowie Place Plan was adopted in April 2023. We've started working with the community to implement actions including:

1. The creation of Town Teams model
2. Establishing a Park Run
3. National Tree Planting Day
4. National Ride 2 School Day celebrations

In May 2023, Port Stephens Council joined forces with the Town Teams Movement, a non-profit company that enables local communities and governments to connect, organise and act to regenerate the fabric of their neighbourhoods and to create better places.

Port Stephens Council was the first Council in NSW to actively promote the Town Teams approach, and we're proud to be working with the local community to create vibrant places that support social wellbeing and enhance liveability.

A series of Town Team launch events were held at Medowie throughout May, with over 65 people attending the information sessions to discuss their ideas for community projects. Casual meetings are currently being held in the community to progress some of these ideas.

We're committed to developing plans that create genuine outcomes for our community – we don't want documents that sit on a shelf – we want plans that deliver outcomes, help us access funding and most importantly, improve the wellbeing and liveability of all our communities.

**Next steps**

Hinterland, Shoal Bay and Tilligerry Place Plans are being developed and scheduled for adoption during the 2023 to 2024 financial year.



Learn more at [portstephens.nsw.gov.au/place-plans](https://portstephens.nsw.gov.au/place-plans)



Our place

## FEATURE ARTICLE



## Building stronger emergency management plans

When things don't go as planned, it can be difficult to know where to turn. At our organisation, we believe it is our responsibility to support our emergency services and connect our community with the help they need when they need it the most.

Over the past year, we've worked hard to strengthen our resilience by reviewing and updating some key emergency management plans.

Following the July 2022 floods, we developed and implemented the Port Stephens Post Event Recovery Plan. This plan focuses on the National Principles for Disaster Recovery, including the social, build, economic, and natural environments.

Using what we've learned from past disasters and emergencies, we also reviewed and updated our Port Stephens Local Emergency Management Plan. We used our knowledge to build a strong plan that outlines the roles and responsibilities of emergency services and supporting organisations before, during, and after an emergency.

Looking ahead to 2023, we plan to continue our work in supporting the wider community and local emergency services. This includes further emergency preparation and awareness activities, as well as the development of the Pre-Event Emergency Recovery Plan.

We're committed to being there for our community when they need us the most, and we'll continue to work hard to ensure that we're prepared for any emergency or disaster that might come our way.



Learn more about what to do in an emergency at  
[portstephens.nsw.gov.au/emergency](https://portstephens.nsw.gov.au/emergency)



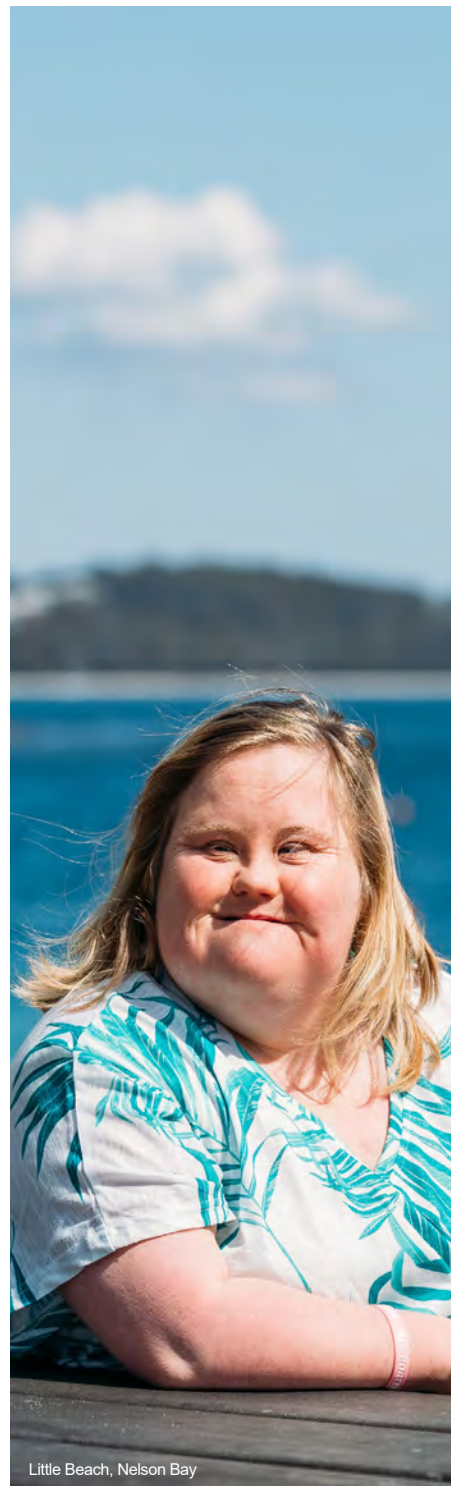
## Supporting our community to make a positive impact

We understand that some projects are best delivered by our community, that's why we provide financial assistance to our community to support a diverse range of services and projects that directly benefit the local people. Each year, our Councillors receive an allowance of \$2,000.

During this period, over \$67,000 was dispersed from Mayoral and Ward Funds. These funds help support community programs and initiatives that have a positive impact on Port Stephens and that do not meet the criteria for other funding streams.

This year, 26 groups benefited from Mayoral funds including organisations such as Wahroonga Aboriginal Corporation, Raymond Terrace Historical Society, Salamander Bay Child Care Centre, Port Stephens Family & Neighbourhood Services, Anna Bay Public School, Riding for the Disabled and Nelson Bay Junior Cricket Club.

The same number received Ward Funds/ Rapid Response including Meals on Wheels, Nelson Bay Football Club, RT RSL Sub branch, Rivergum Parents as Grandparents Group.



Little Beach, Nelson Bay

## Out on the range

Our team of rangers have extensive knowledge and expertise. Their understanding of various legislation and Council policies means they can enforce and educate across a broad spectrum of activities. This includes overgrown vegetation, asbestos, illegal dumping, erosion and sediment control, weight-limited roads, abandoned vehicles, backyard burning, and companion animals. The key activities they focused on during this year included:

### **Restricted, Dangerous and Menacing Dogs**

Ranger's conducted inspections of all known dogs subject to an Order within our LGA. This was done to ensure compliance with the requirements of owning a dog subject to an Order. A number of warnings and infringements were issued to those who didn't comply.

### **School Safety**

Rangers undertook 2 rounds of visits to each school across our LGA to educate and provide a positive interaction between rangers, staff, parents and carers to help ensure safe and legal parking practices.

### **Construction Site Compliance**

Rangers conducted high visibility proactive patrols and inspections of construction sites across Port Stephens to provide an education opportunity for builders and contractors and to investigate any breaches of the conditions of consent.

### **Illegal Camping**

Due to the increase in customer requests in relation to illegal camping, Rangers conducted late afternoon and early morning targeted patrols focusing on known hotspot areas for illegal camping. Rangers took an educative approach, talking to visitors/holiday makers about making use of appropriate accommodation and moving on those who were illegally camping.

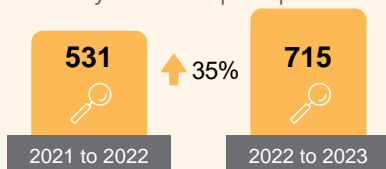
### **Disability Parking Enforcement**

Ranger's focused on parking enforcement in relation to the mobility parking scheme to ensure disabled parking spaces are available to those who need them and aren't being abused by those who don't.



## Environmental health stats

## Primary food shop inspections

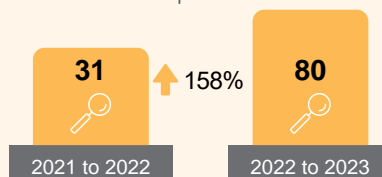
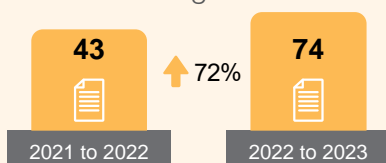


**20** PRIMARY  
FOOD SHOP  
IMPROVEMENT  
NOTICES

UP FROM 17 IN 2021-2022

**165**

PUBLIC SWIMMING  
POOL INSPECTIONS

Primary food shop  
reinspectionsPrimary food shop  
warning letters

**3** PRIMARY FOOD SHOP  
PENALTY  
NOTICES




↓ 50%














## Our place performance

### P1 | Strong economy, vibrant local businesses, active investments

#### Aspirational measures

-  **On track**  
Target achieved or on track to be achieved
-  **Monitor**  
< 5% off the target
-  **Off track**  
> 5% off the target

What we said we'd do	How effective were we?	Target	2022 to 2023	
P1.1.1.1 Support sustainable business and provide funding support to business initiatives that create economic benefit	Number of active businesses in Port Stephens	Increase	415 increase (total 5,802)	
	Business satisfaction survey score – Port Stephens is a good place to conduct business	Increase	N/A	
	<b>Comment:</b> Business Health Check undertaken every 2 years			
	Number of articles of business collateral	New	11 Your Business newsletters	
	Number of enquiries through business concierge service	New	Ongoing	
	Quarterly meeting of Economic Development Advisory Panel (EDAP)	New	N/A	
	<b>Comment:</b> The EDAP is no longer an advisory committee of Council			
	Undertake a land audit of Council owned land in collaboration with Assets and Strategic Property	New	Complete	
	Number of actions delivered in the Economic Development Strategy	New	46 actions. 33 ongoing, 5 complete and 9 not started	
	Facilitating monthly meetings and information sharing sessions with businesses and business associations across the LGA, with agenda items strategically aligned to current and relevant initiatives and priorities	New	Ongoing	
P1.1.2.1 Manage the Nelson Bay Visitor Information Centre	Create and report on the distribution of a range of marketing collateral to businesses and business associations monthly	New	9	
	Develop and maintain a current and exhaustive list of key stakeholders at all businesses across the Local Government Area	New	Ongoing	
	Maintain the number of tour and accommodation bookings on behalf of operators	Maintain	5,106	
	<b>Comment:</b> Challenges experienced between the different booking systems used by Council and tourist operators when systems are upgraded creating incompatibilities and impacting the number of the bookings taken			



What we said we'd do	How effective were we?	Target	2022 to 2023	
P1.1.2.2 Provide strategic and financial support to Destination Port Stephens	Financial support for Destination Port Stephens	Funding as per the financial agreement	N/A	✓
	Visitor expenditure per annum	Increase	\$283.7M	✓
	Number of actions completed by Destination Port Stephens from the financial agreement	New	Ongoing	✓
	Develop a business events marketing campaign to grow low and shoulder visitation	New	Ongoing	✓
	Number of new tourism experiences	Increase	Ongoing	✓
P1.1.3.1 Attract and facilitate major events that deliver economic benefit	Economic benefit from major events (\$7.2M in 2021 to 2022)	Increase	\$7.1M	—
	<b>Comment:</b> The figure shown is the economic value of events sponsored through our Major Event Sponsorship only			
	Number of event applications processed	New	245	✓
	Number of unique new events	New	3	✓
	Value of sponsorship income	New	\$311K	✓

## P2 | Infrastructure and facilities

What we said we'd do	How effective were we?	Target	2022 to 2023	
P2.1.1.1 Provide, manage and maintain community assets	Progress completion of civil, community and corporate asset program inspection	>90%	82.5%	✗
	<b>Comment:</b> 86% of scheduled Civil Assets inspections were completed and 79% of scheduled Community Assets inspections were completed. While inspections were slightly below the target, higher risk assets have been prioritised and inspections are forecasted to be within target for the next period			
P2.1.2.1 Provide asset and engineering services	Engineering development, flooding and drainage development application referrals are completed to the agreed service standards	>90%	93.5%	✓
	<b>Comment:</b> 98% of all flooding and drainage engineering development application referrals were assessed within the agreed service standards. 89% of all engineering development application referrals were assessed within the agreed service standards			
P2.1.3.1 Implement Council's adopted annual capital works program	Projects completed on time and within budget	>95%	100%	✓
	Maintain average Transport for NSW contractor performance grading	Good	Good	✓

What we said we'd do	How effective were we?	Target	2022 to 2023	
P2.1.4.1 Maintain Council's civil and community infrastructure	High priority road defects fixed on time	100%	95%	⊖
	<b>Comment:</b> Externally funded, heavy patching defects will be completed in the first half of 2023-2024 financial year			
	High priority roadside drainage and maintenance defects fixed on time	100%	80%	⊗
	<b>Comment:</b> Defects have increased due to austerity measures and capital project workload as we needed to prioritise road repairs			
	High priority open spaces and foreshore maintenance defects fixed on time	100%	95%	⊖
	High priority actions for Building Trades fixed within the required time frame	100%	95%	⊖
	Mechanical services carried out in line with the manufacturer's specifications	New	100%	✓

### P3 | Thriving and safe place to live

What we said we'd do	How effective were we?	Target	2022 to 2023	
P3.1.1.1 Develop, implement and monitor land use plans and strategies	Number of actions completed in LSPS	13 of 28 actions	15 actions completed	✓
	Number of actions completed in LHS	8 of 23 actions	13 actions completed	✓
	No overdue planning certificates (certificates issued within 7 days)	None overdue	3% overdue	⊖
	Number of actions completed in Town Centre Strategies Medowie (M), Nelson Bay (NB), Raymond Terrace & Heatherbrae (RTH)	>Baseline	M 11 of 20 NB 28 of 27 RTH 23 of 35	✓
	Number of planning proposals assessed within DPE timeframes	100% compliant	All planning proposals have been assessed in accordance with DPE timeframes	✓
	Number of LIC referrals completed within the agreed timeframe	New	80	✓
	Number of LIC funding requests processed	New	28	✓
P3.2.1.1 Provide development services	Median net determination time for Development Applications	<40 days	22	✓
	Maintain certification market share	44% (2021-2022)	43%	⊖
	Increase the number of premises added to the fire safety program	Annual increase	62	✓

What we said we'd do	How effective were we?	Target	2022 to 2023	
P3.2.1.2 Provide compliance and ranger services	Development compliance customer requests closed as a proportion of number received	≥ 95%	100%	✓
	Ranger customer requests closed as a proportion of the number received	≥ 95%	99%	✓
P3.2.1.3 Provide environmental health services	Environmental health customer requests closed as a proportion of the number received	>95%	100%	✓
P3.3.1.1 Support and monitor the delivery of Place Plans across centres and coordinate place management and activation	Adoption of plans: Hinterland – December 2022 Shoal Bay – June 2023 Meadowie – June 2023	Adoption	70% complete	✗
	<b>Comment:</b> Meadowie adopted. Hinterland to be considered by Council in November 2023; Shoal Bay scheduled to be exhibited in early 2024. Additional time was required to ensure we adequately engaged with the community			
	Implement Place Plan actions	New	Ongoing. Refer to page 86	✓
P3.3.2.1 Provide financial assistance for the community	Provide an annual community financial assistance program	Program continued	Refer to page 89	✓
P3.4.1.1 Deliver emergency management services, programs and resources	Contractor's performance against the agreed program	100%	100%	✓
	Completion of annual objectives identified in the Emergency Management Strategic Objectives	100%	100%	✓

## Our environment

Port Stephens' environment is clean, green, protected and enhanced



### Goal 1: Ecosystem function

Our community has healthy and dynamic environmental systems that support biodiversity conservation

#### Steering koala protection in the right direction

Our community understands the value of the natural environment – our economy, our residents and our place are all deeply connected to our local environment. We're proud to be home to one of the last remaining koala populations on the east coast of Australia and we're working hard to protect them for future generations.

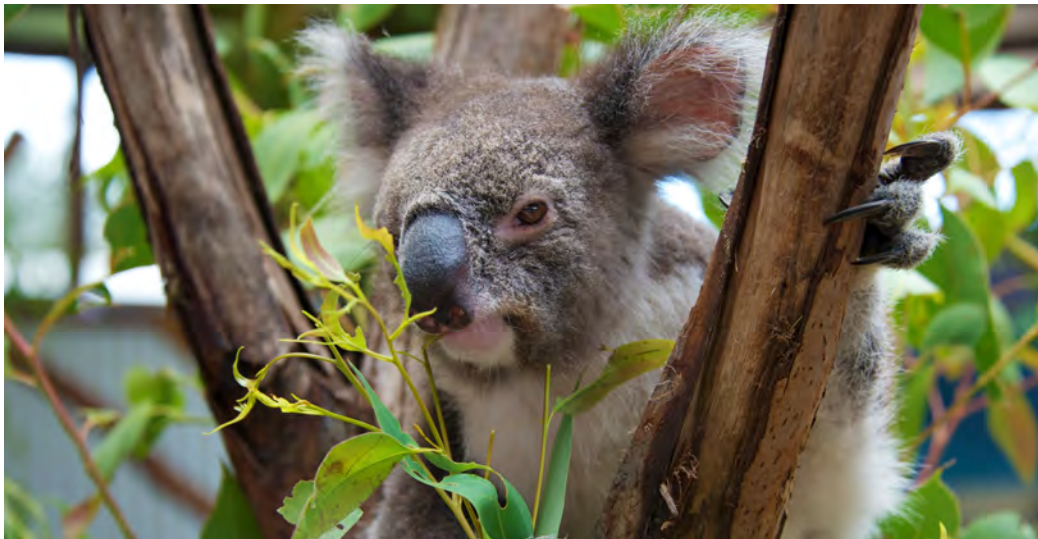
In 2002, the Port Stephens Council Comprehensive Koala Plan of Management (CKPoM) was approved by the Department of Planning. It helps manage community development and the conservation of Koalas in Port Stephens, but given it was developed over 20 years ago, it's due for a refresh. Unfortunately, due to restrictions in legislation, we're unable to revise it at this time.

To make sure we're doing everything we can to protect our koala population in ways that are up to date and relevant, we've developed a CKPoM Interim 2023 Action Plan with actions well underway.

Completed actions include:

- The development of educational koala factsheets
- Creation of a dedicated koala webpage to host the most up to date information
- Advocacy to state and federal ministers for motion in koala legislation progress





The CKPoM Steering Committee is made up of a number of representatives and organisations across the LGA who have an interest in or manage Koalas and their habitat. This committee oversees the implementation of the action plan, focusing on koala protection, enhancing their environment and education within the community over the next 12 months.

#### Next steps

A CKPoM 2024 Action Plan will be developed and implemented in collaboration with the Steering Committee.



Learn more at [portstephens.nsw.gov.au/koalas](https://portstephens.nsw.gov.au/koalas)

### Mapping for the future of koalas

In order to better protect our koala population, it is important to understand their movements and feeding habits, as well as where their habitat is located. This is where vegetation mapping comes in – it's a process that maps out different types of plants, vegetation classes, and formations across Port Stephens.

This process involves visiting the location in person to confirm and document the present species. Once we've conducted our visits across the LGA and the data has been finalised, a Geographic Information System (GIS) map will be produced. This will then feed into an updated Koala habitat map, in preparation for a new Koala Plan of Management (KPoM) after NSW State legislative updates are complete.

We're undertaking the mapping in stages, thanks to funding we've secured through external grants, with Stage 1 complete at the Tomaree Peninsula, funded through the State Flag Grant 2022.

#### Next steps

Stage 2 will be completed through the Federal Koala Conservation and Protection Community Grant 2022, which will cover the central part of the LGA. This grant will also allow us to conduct population density surveys, analyse the koalas' diet, and engage in bush regeneration efforts. All of these measures will help protect the Port Stephens Koala population and their habitat.

We'll continue to investigate funding opportunities to complete Stage 3 to map the western portion of the LGA.

## Keeping Port Stephens Drive koala safe

Port Stephens Drive is one of the most dangerous and has been identified as a blackspot under the NSW Koala Program. During a 10 year period in 2010-2020, a total of 89 Koalas fatalities were reported along this stretch of road.

Thanks to funding from the NSW Koala Program, we're delivering the Port Stephens Drive Koala Road Strike project, aiming to reduce the number of Koala deaths and injuries in this area.

The works involve the installation of 3.7km of koala-proof fencing, an underpass and koala grids. Koala-proof fencing helps direct Koalas away from the road and funnels them towards safe crossing points such as an underpass. The underpass provides a safe connectivity point for Koalas to move through habitats at Salamander Bay without having to cross the busy road. Additionally, Koala grids, similar to cattle grids, will be fixed where the fencing intersects roads. They're a deterrent to Koalas as their legs can slip through the gaps made by the grids. Finally, to allow Koalas that mistakenly end up near the roadside to escape, several one-way Koala escape poles will be installed along the fence line allowing them back over the fence safely into their habitat.

The project is bringing together a range of stakeholders and specialists including Port Stephens Council, the Port Stephens Koala Hospital, Koala Coalition, Transport for NSW and the NSW Koala Program to deliver an important project for conserving our local Port Stephens Koala population.

This project is expected to be delivered by October 2023, prior to the heights of the 2023 Koala breeding season.



Learn more about the project at [portstephens.nsw.gov.au/koala-strike-project](https://portstephens.nsw.gov.au/koala-strike-project)

## Restoring our environment one weed at a time

Our beautiful and unique region deserves to be preserved and enjoyed by everyone. That's why we put in the effort to keep our environment safe and weed-free. We take on the responsibility of managing weeds and pests on our land, including investigating, educating, controlling, inspecting, and enforcing compliance when necessary.

Thanks to a \$150,000 grant from the Crown Reserve Improvement Fund, we've been able to make great progress this year. Our efforts have focused on tackling priority weeds, feral pests, and promoting biosecurity compliance.

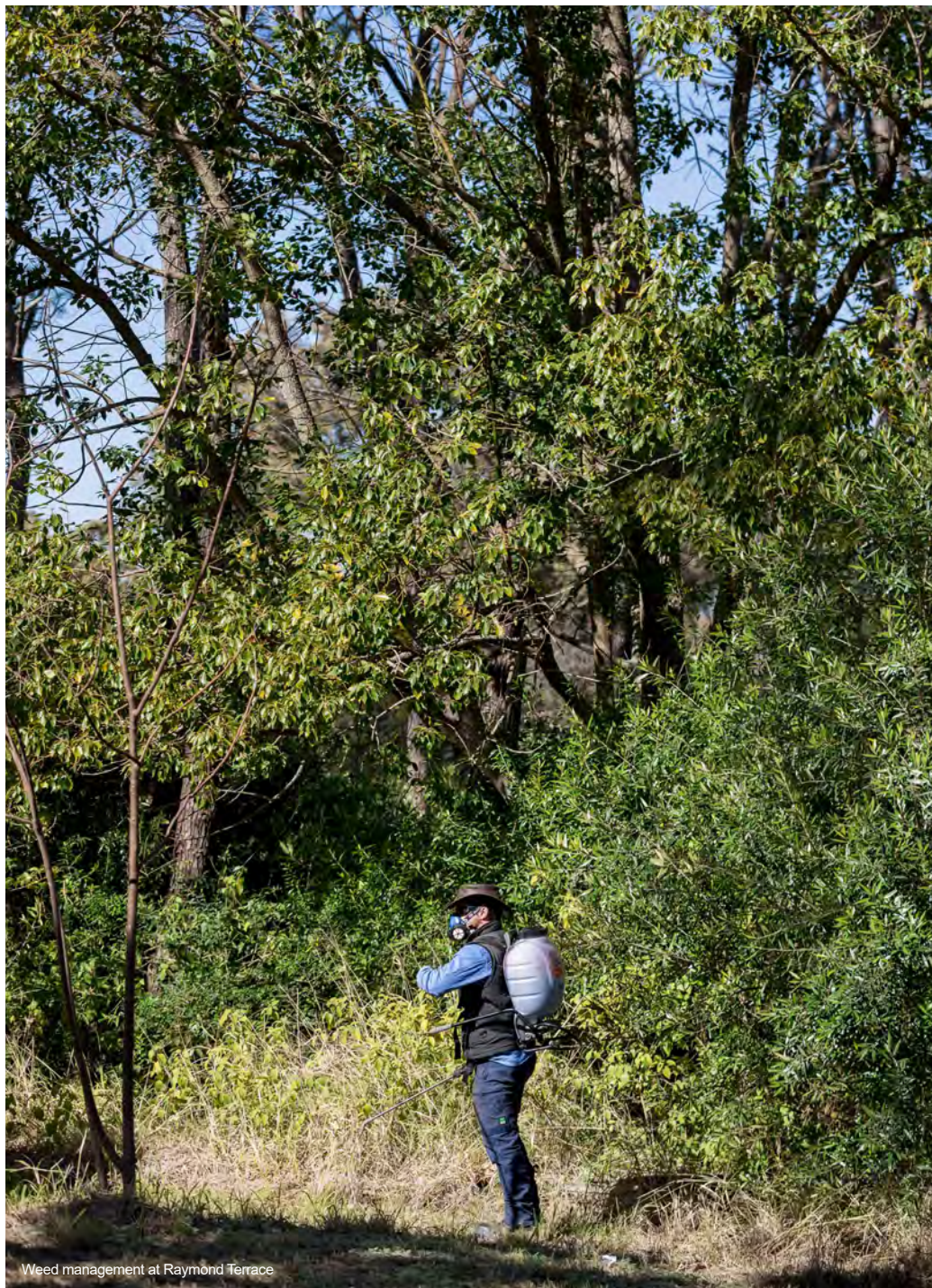
We conducted over 1,060 inspections for biosecurity compliance and issued 43 enforcement actions for breaches of the Biosecurity Act. We also treated 411 sites to control priority weeds.

We remain committed to environmental education and restoration programs to continue addressing priority weeds, feral pests, and Biosecurity compliance. Our goal is to maintain a safe and healthy environment for all to enjoy.



Learn more at [portstephens.nsw.gov.au/weeds](https://portstephens.nsw.gov.au/weeds)





Weed management at Raymond Terrace





Culturally informed cool burn at Mallabulla

### Community, culture and kinship come together in cool burns

We know the importance of the history and heritage of our land in Port Stephens and the ties our First Nations people have to the environment and the land.

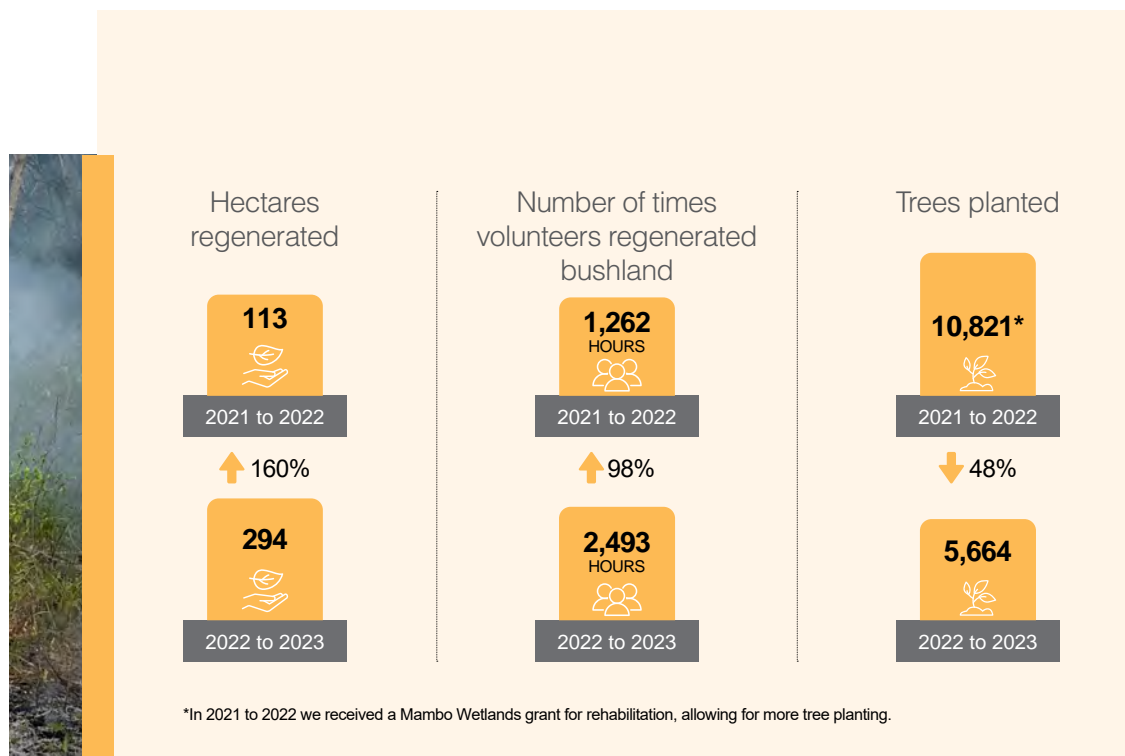
We're supporting an Aboriginal-led working group to develop a 'Culturally informed Cool Burn' fire management strategy.

A culturally informed cool burn involves lighting low fires in small areas on foot, with matches or, traditionally with fire sticks.

The focus is on improving koala habitat, re-establishing appropriate fire regimes and reducing the risk and impact of wildfires. Ultimately, they help with long term bush fire fuel reduction to support communities and ecosystems.

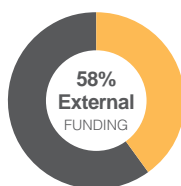
In June, the first in a series of burns was undertaken at Mallabulla in partnership with Worimi Local Aboriginal Land Council, Firesticks Alliance and Hunter Local Land Services.





The projects aim to address key issues affecting the areas in 3 ways:

- Restores ecological kinship and care for Country while improving the core health of the site, significantly reducing the risk of wildfire and supporting a diverse flora community.
- Removes invasive weeds, such as lantana, to help reduce potential movement barriers for native fauna and encourages a diverse range of native plants to return to the sites.
- Community workshops to educate and engage the community.



NSW Government  
Environmental Trust  
funding program

#### Next steps

- The projects will run over a 3 year period and will deliver:
- 6 culturally informed Cool Burns within Anna Bay and Mallabula
- 6 community education workshops teaching community about culturally informed cool burns
- 3 community education workshops detailing the importance of the Anna Bay Koala Hub
- Over 700 hours of regenerative weed control.



Learn more about other methods of bushfire management at [portstephens.nsw.gov.au/bushfire-management](https://portstephens.nsw.gov.au/bushfire-management)

## Goal 2: Environmental sustainability

Our community uses resources sustainably, efficiently and equitably

### Keeping track of all things waste

We know our community want us to use green alternatives wherever possible. One way we've done this is to introduce the Port Stephens Waste app. Not only have we made it easier than ever to keep track of all things waste, but we'll also be able to reduce the number of paper waste calendars we print – contributing towards our carbon neutrality goals.

The new app is a one-stop-shop for residents to access information about bin days, kerbside collections, problem waste drop off days, and service impacts. The best part is, the app can be personalised according to location, with the waste calendar and reminders for bin day.

With this app, we can communicate more efficiently and provide clarity to our community, especially during severe weather events that may impact waste services.

As we look to launch our new garden organics waste service in the new financial year, the app will be an excellent tool to inform residents about the roll out of the new green bins across the LGA.



Learn more at [portstephens.nsw.gov.au/household-waste](https://portstephens.nsw.gov.au/household-waste)

### Educating for a greener future

Council facilitates several waste education programs to support the current waste collection service and other waste initiatives within the community including. Whether it's partnering with education companies or heading out on our own, we've developed flyers, run workshops, visited schools and community groups and participated in events across the LGA.

#### Education and behaviour change workshops

- Less Mess
- reusable nappies
- composting and recycling
- rethinking your wardrobe

#### Community group talks

- Sunny field disability group
- Nelson Bay Gardening Club
- Tomaree Probus
- Tanilba Bay Community
- Recycling 101 Presentation during recycle week at Raymond Terrace and Tomaree Library
- EcoNetwork Movie Screening Event at Latitude 1 for Sustainable Futures Festival
- Business Breakfast presentation at Medowie
- Murrook Fun day Event
- Soldiers Point Public School Fair
- Soldiers Point Fair

#### Schools and preschool education program

- 11 preschools with a truck visit for the waste and recycling talk
- Waste Audit with Tomaree High School
- Partnering with EnviroMentors and Keep Australia Beautiful to rollout presentations to 481 students from 7 schools over 5 days.

#### Next steps

We're hoping to expand our community education programs including the delivery of recycling, upcycling, repair, community farming, composting, and worm farming workshops.



Learn more at [portstephens.nsw.gov.au/waste-strategy](https://portstephens.nsw.gov.au/waste-strategy)





### From polystyrene to picture frames

We're always considering new Circular Economy initiatives to reduce our impact on the environment. Circular economy looks at how we can reuse and regenerate materials or products, especially as a means of continuing production in a sustainable or environmentally friendly way.

This year, we're proud to initiate expanded polystyrene (EPS) recycling at the Salamander Bay Waste Transfer Station. Due to its low weight, high volume nature, polystyrene has traditionally been a waste that's difficult to store and transport. Using an onsite shredder and densifier, the polystyrene's volume is reduced by 90%, enabling effective transportation and considerably reducing the landfill space.

The 100% recyclable block is then stored and stacked on a pallet to be shipped to our third party supplier to be remanufactured into new products such as picture frames, architraves and construction materials.

So far, we've accepted 200m<sup>3</sup> of un-densified EPS bound for landfill and converted it into 500kg of reusable plastic.

This initiative directly links to our Community Strategic Plan and Operational Plan, with the Circular Economy being one of 2 drivers of our Waste Management Strategy.



Learn more at [portstephens.nsw.gov.au/waste-strategy](https://portstephens.nsw.gov.au/waste-strategy)





Our environment

## FEATURE ARTICLE



## Green light for green bins

The new garden organics waste collection service was endorsed, enabling and encouraging residents to separate their garden organics, to reduce the amount of general waste collected.

Up to 25% of the waste collected in general waste red bins, is actually green waste, so the new garden organics service will redirect green waste from landfill, to be processed into an environmentally sustainable compost product.

By separating and recycling our green waste we've been able to generate significant cost savings allowing us to provide this service. In June, we rolled out 32,000 green bins to all Port Stephens residents in preparation for the service to begin from 3 July 2023.

We'll be working with the community to educate people about what can and can't go in their new bin, with lots of information available on the website, at Council facilities, and on Council's Waste App.

Residents will be able to dispose of prunings, lawn and grass clippings, cut flowers, weeds, sticks, twigs, leaves, bark and branches no bigger than 10cm in diameter, in their new bin.

Plastic bags, plastic, bio plastic or compostable bin liners, paper, food scraps of any kind, household items, bricks, rocks or soil, pot plants or any kind of priority weeds, treated timber and building materials are not permitted in the new green bin.



Learn more at [portstephens.nsw.gov.au/garden-organics](https://portstephens.nsw.gov.au/garden-organics)

### Goal 3: Environmental resilience

Our community is resilient to environmental risks, natural hazards and climate change

#### Caring for our coastline

The coast is one of our greatest assets. Our community values the coast for its environmental, social and economic benefits. But there are also many threats that have the potential to impact how we enjoy the coast both now and in the future.

A Coastal Management Program (CMP) sets the long-term strategy for managing our coast. It identifies risks to our coast and how to manage these now and into the future, so we can all continue to enjoy the benefits of the coast for years to come.

This year, thanks to \$200,000 in funding from the Department of Planning and Environment, we completed Stage 3 community engagement of the CMP process. We worked with our community to identify options for the management of our coastal areas in a way that supports the environmental, social and economic values that make Port Stephens a great place to live, work and play.

#### Next steps

The information collected from the drop-ins, workshops and the online mapping tool is now being reviewed and will be used to help draft the CMP which will be available for further comment in early 2024.



Learn more about the Coastal Management Program at [portstephens.nsw.gov.au/cmp](https://portstephens.nsw.gov.au/cmp)



Seaham Swamp Nature Reserve, Seaham







Our environment

## FEATURE ARTICLE



Williams River, Seaham

## Sustainably safeguarding our future

Our efforts to reduce our carbon footprint are ongoing as we develop a Carbon Neutral Action Plan, outlining the initiatives and changes needed to achieve our goal of being carbon neutral by 2025.

We've established key internal groups to explore a range of sustainability initiatives, strategies and actions including options to reduce energy usage and waste-to-landfill, as well as improving the efficiency of our fleet vehicles.

Although a change in regulations delayed the commencement of a hydrogen fuel cell trial on our trucks, we're excited about the rapid improvement in electric vehicle and battery technology, which provides huge potential for change to our fleet portfolio.

We're confident that the draft Carbon Neutral Action Plan will be completed by the end of 2023, with the final plan expected to be considered by Council in early 2024.

We're committed to working closely with our staff and suppliers to influence behavioural change, reduce energy demand, and ensure sustainable decision making.





## Futureproofing the risk of flooding

Over the last few years, we've unfortunately experienced flooding events across our LGA, including the storms of March 2021 and July 2022. Following this, we've been responding to and investigating lots of drainage and flooding related enquiries.

We continuously work on updating and improving our understanding of flood risk within the Port Stephens area using the NSW government's Floodplain Management Program.

This year, we've progressed with the Anna Bay and Tilligerry Creek Floodplain Risk Management Study and Plan and Lower Hunter Floodplain Cumulative Development Impact Study and Plan.

Drainage investigation and improvement projects have been completed at Boat Harbour, Hinton, Karuah, Medowie, Raymond Terrace, Williamtown, Anna Bay, Lemon Tree Passage, Nelson Bay and Tanilba Bay.

We're continuing to investigate catchment drainage issues at Salamander Bay and Little Beach, along with reviewing and updating the Shoal Bay drainage model.

### Next steps




Our focus over the next year will be on the progression of the Anna Bay Floodplain Risk Management Study and Plan, the Lower Hunter Floodplain Cumulative Development Impact Study and Plan and drainage improvement works in Nelson Bay.








Learn more at [portstephens.nsw.gov.au/flood-safety](https://portstephens.nsw.gov.au/flood-safety)

# Our environment performance



## Aspirational measures

-  **On track**  
Target achieved or on track to be achieved
-  **Monitor**  
< 5% off the target
-  **Off track**  
> 5% off the target

## E1 Ecosystem function

What we said we'd do	How effective were we?	Target	2022 to 2023	
E1.1.1.1 Develop and monitor environmental policies, strategies and technical information	Biodiversity Strategy (stage 1 offset policy) by June 2023	Adoption	Commencement of Stage 1 Offset Policy	
	Revised Tree Management Framework by June 2023	Adoption	Commencement of Tree Management Framework	
<b>Comment:</b> Tree Management documentation review complete with actions for improvement underway				
E1.1.1.2 Provide environmental impact assessment services and a range of nature conservation, biosecurity and rehabilitation programs	Number of Environmental Impact Assessments conducted within agreed timeframes	100%	59% Environmental Planning Assessments were conducted within the agreed timeframes	
<b>Comment:</b> Resourcing issues and additional environmental projects have impacted the timely delivery of Environmental Assessments				
	Scheduled actions completed in the natural asset management program	Completed	100%	
	Number of environmental education programs developed and implemented	Maintain	18	

## E2 | Environmental sustainability

What we said we'd do	How effective were we?	Target	2022 to 2023	
E2.1.1.1 Develop a Sustainability Strategy	Council's annual energy usage	Reduce	25% reduction in total energy usage	
	Strategy to address carbon neutrality by 30 June 2023	Adopted	Commencement of Carbon Neutral Action Plan	
<b>Comment:</b> Development of Carbon Neutral Action Plan is nearing completion and is expected to be finalised in 2024				

What we said we'd do	How effective were we?	Target	2022 to 2023	
E2.2.1.1 Implement the Waste Management Strategy 2021 to 2031	Community satisfaction score for: <ul style="list-style-type: none"> <li>garbage collection</li> <li>access to waste depot / transfer stations</li> </ul>	>90%	Not comparable*	⚠
	Participation in 'problem waste days'	Increase	47%	✓
	Waste diverted from landfill	≥ 40%	21%	✗
<b>Comment:</b> Although diversion from landfill is not where we would like it to be, these results should markedly improve with the introduction of the Green Bin				

\*Community Satisfaction Survey conducted in September 2023, rating scale changed.

## E3 | Environmental resilience

What we said we'd do	How effective were we?	Target	2022 to 2023	
E3.1.1.1 Review and implement the Coastal Management Program (CMP) incorporating climate change risks	Progress of delivery for stage 3 of PSC CMP	New	Stage 3 is underway. Stage 3 community engagement complete, 3 internal workshops and 1 external stakeholder workshop	✓
	Progress of delivery for stage 2 of Hunter Estuary CMP	New	Stage 2 commenced. Working groups for each Stage 2 study nominated	✓
E3.1.1.2 Implement Climate Change Adaptation Action Plan encompassing mitigation and adaptation for Council and Community	Development and implementation of actions in the Climate Change Adaptation Action Plan	26 of 35 actions	Delivery of actions from the Climate Change Adaptation Action Plan continues across the organisation	✓

## Our council

Port Stephens Council leads, manages and delivers valued community services in a responsible way



## Goal 1: Governance

Our Council's leadership is based on trust and values of Respect, Integrity, Teamwork, Excellence and Safety (RITES)

### Advocating for our future at the NSW election

A key role of our Council is championing the region and its residents, ensuring readiness to meet evolving community needs. This involves seeking financial backing and support from the NSW Government for various priority projects spanning healthcare, housing, transportation, and education.

As the New Year unfolded, Port Stephens geared up for growth, advocating for vital funding to bolster our community. In consultation with Councillors, the revised Community Advocacy Priorities were developed to target key issues for the upcoming NSW Government election.

Our voice carried weight as the NSW Government election approached in March 2023, resulting in a substantial \$10 million commitment earmarked for local road repair over the next 2 financial years. Other notable successes include securing nearly \$5 million in competitive grant funds and bolstering crucial services and projects. From road enhancements to better interconnecting regional cities, these initiatives contribute to a thriving community fabric.

The success of this year highlights the importance of working together, planning for the future, and staying committed to the wellbeing of our community. Our combined efforts are paving the way for a brighter future, where advocacy and dedication go hand in hand.



Learn more at [portstephens.nsw.gov.au/community-advocacy-priorities](https://portstephens.nsw.gov.au/community-advocacy-priorities)





Raymond Terrace Library

## The nuts and bolts of our foundation

Port Stephens is taking a thoughtful path to plan for the future through what's called an Integrated Planning and Reporting (IP&R) Framework. We're continuing to focus on what our community wants over the next 10 years. This approach involves three important plans: the Community Strategic Plan, the Delivery Program, and the Operational Plan. These plans guide us from 2022 to 2032 and beyond.

The main idea behind the IP&R Framework is simple but important: we're not just thinking about what the Council wants. We're listening to what the community wants for the future. These plans help us understand the big picture, set goals, and figure out how to achieve them.

In the last year, we reviewed and shared our Delivery Program, Operational Plan, Resourcing Strategy, and Fees and Charges with the public. These documents are the nuts and bolts of what we do – the services we provide, and how we manage money.

We start this planning journey with the Community Strategic Plan. This plan shows what the community's priorities are, and it guides us on how to work with other parts of the government to

make it happen. This plan is like a map that helps everyone shape the future of Port Stephens.

The Delivery Program is the next step. It tells us what the Council will do over the next four years to help deliver on the Community Strategic Plan. This program breaks down the big goals into practical actions over four years. We check in on our progress every six months by reporting to our elected Council (for the community) on how things are going.

Then comes the Operational Plan, our annual action plan that explains how we'll do what's in the 4 year Delivery Program. It tells us what we're going to work on, who's responsible, and through our budget (contained in the Long Term Financial Plan) how much it will cost, and how we'll pay for it.

Port Stephens' Integrated Planning and Reporting Framework is like a home. The community's priorities are the home where we all want to be, and Council's plans and resources the nuts, bolts, bricks and mortar providing the crucial foundations. By working together to make a better home, we're building a future together – a home that grows and improves for many years to come.



Learn more at [portstephens.nsw.gov.au/integrated-plans](https://portstephens.nsw.gov.au/integrated-plans)



## Spreading our wings – Airport upgrades

Newcastle Airport is set to soar with even more funding secured as part of the terminal expansion project.

The new terminal building and upgrade to the Newcastle Airport runway is a genuine game changer for our region – the ability to accommodate long range domestic and international flights will open Port Stephens and the Greater Hunter to the world.

The benefits of this project are far reaching; business will be boosted by year-round visitor markets and producers will have access to new freight routes and opportunities for trade and our growing manufacturing, renewable energy and aerospace industries will have a greater ability to attract skilled workers to the region.

With the improvements at Newcastle Airport, we should expect an influx of new business and investment – hotels and accommodation, transport options and retail stores will follow. Freight facilities will be required and of course, new jobs will be created providing exciting career opportunities for young people across Port Stephens.

Over the next two decades, the upgrade and expansion of the runway and new terminal will be expected to generate approximately \$12.7 billion in economic activity –



it will create over  
500 jobs during  
construction and an  
extra 4,410 full-time  
jobs once complete.

As a Council, we're committed to ensuring Port Stephens is ready for this transformation. We're working on upgrading our road networks, improving the vibrancy of our town centres, and advocating to all levels of government for ongoing support.

We're also working closely with business to foster connections, supporting new training and educational opportunities.

By 2025, this project will be complete. We'll continue to work in partnership with Newcastle Airport, attending bi-monthly meetings with the Board of the Newcastle Airport Pty Ltd, jointly owned by Port Stephens and Newcastle Councils.



As a community, this is a project we should all be very proud of and one that will drive economic and social benefits for our place and our people for many decades to come.

### Respect is everyone's role

Over the past year, incidents of aggression and abuse towards Council workers have been on the rise across the region, so in a joint effort, we partnered with 8 other Hunter Councils to develop the "Respect is Everyone's Role" campaign. The goal is to raise awareness and emphasise that everyone deserves respect and a safe work environment.

Customer aggression affects a diverse range of Council employees including customer service officers, lifeguards, road crews, rangers and parking inspectors.

It happens at worksites, in public spaces, and even via email and over the phone.

The 'Respect is Everyone's Role' campaign features 24 real Council staff members from across the Hunter. By showcasing the human side of this workforce and sharing their interests, hobbies, and passions, the campaign aims to remind everyone that aggression is not acceptable behaviour.

With over 5,400 Hunter Council employees who live, work, and socialise in local communities, these individuals are dedicated to meeting community needs and expectations through quality service while upholding organisational values and policies.



Learn more at [portstephens.nsw.gov.au/respect-everyone](https://portstephens.nsw.gov.au/respect-everyone)

## Refining the way we go about business – service reviews

Since 2011 we've been building on our strong foundation of reviewing all of our business and our services. The purpose of the Service Review Program is to ensure that our services reflect the local community needs and expectations, both in terms of quality and cost whilst ensuring sustainability.

The service reviews are completed over a 4 year program, allowing for every service package (60 service packages) to be reviewed once in 4 years. In 2017 we introduced an additional condensed Mid-point review, allowing for a review and check-in of all of our 60 service packages every 2 years.

The service review process establishes, through the use of fact and data, a common understanding of how services fit in to the big picture and a framework for sustainable decision making.

It assists us to better manage our scarce resources, while improving what we do and how we do it.

The process has evolved and improved over the years, with the 3 fundamental questions being:

1. What do we deliver?
2. What level of service is required?
3. How can we do it better?

We've made substantial savings in reviewing our services over the years and have reinvested those savings into delivering services for our community.

The benefits also include non-financial results too, such as improvements in: employee consultation, understanding of the process, understanding and delivery of service levels, cross organisation communication, integration with the internal service delivery teams such as HR and Finance, the business cases subjected to a full peer review prior to final

presentation to our Senior Leadership Team.

We've also provided significant benefits to the broader local government industry and other Councils through frequent advice and support.

After 12 years of this process, we've identified and improved inefficiencies in our services,

**which has resulted in over \$7 million in savings (hard and reinvested efficiency savings).**

We're now in our 5th round of service reviews and are trialling end to end reviews of our processes to look at how we can better identify improvements between the outputs and inputs of the full value stream as opposed to the discrete service package.

For the 2022 to 2023 financial year the following scheduled service reviews were undertaken.

- Office of General Manager (1)
- Governance (4)
- Office of Group Manager Facilities & Services (1)
- Community Services (5)
- End to End - Infrastructure Delivery (9 – still in progress)
- Financial Services

None of these resulted in a change to the level of service, however a number of efficiency savings were realised through digital transformation, realignment of the structure and process improvement.

A number of additional unscheduled service review, mid-point reviews and structural reviews were also unscheduled during this time.

As with other projects at Council, we're not fixed in our outlook for completing reviews simply according to an arbitrary date within the financial year. We're focused on delivering the right outcome, the best possible way for our community. Not all of our plans, projects and review programs fit neatly into the financial year with complexities and further investigations required.





## Strong foundation for Community Satisfaction going forward

We're committed to delivering outcomes that improve the wellbeing and liveability of our community. Our Community Satisfaction Survey is an important part of delivering these outcomes and helps us to understand what's working well and what's not.

Over September and October 2023, we invited residents to complete the survey and have their say. We used social media, newspaper advertisements, flyers and our website to reach as many people as we could.

This year we simplified our approach, asking residents what they think of our core services, resetting the rating scale to a score out of 5.

Respondents rated their overall satisfaction with the performance of Council's services as a mean score of 2.94 out of 5. This translates to 45% satisfied, 42% dissatisfied and 13% neutral.

We've evaluated our results and heard from residents that out of our 20 core services surveyed, only 7 were below a neutral score of 3. The remaining 13 services were either neutral or above.

The highest score was Waste and Recycling with a mean score of 3.96 out of 5, which translates to 81% of respondents satisfied, 9% dissatisfied and 10% neutral. With the Garden Organics waste service being rolled out this year, we can understand why residents have shown a high satisfaction with these services.

We knew that roads was still the biggest area to work on with a mean score of 2.15 out of 5, equating to 21% satisfied, 72% dissatisfied and 7% neutral.

We've continued to listen to the community on this matter and successfully secured a commitment of \$10M for local road repairs that we're planning to deliver over the next 2 financial years.

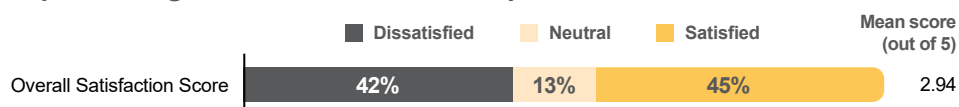
The results of the 2023 survey are important in setting internal benchmarks and foundations for measuring future Community Satisfaction and Council performance.

On the next page, we've provided a summary of the satisfaction ratings for Council's: overall performance, core services, user services and Councillors.

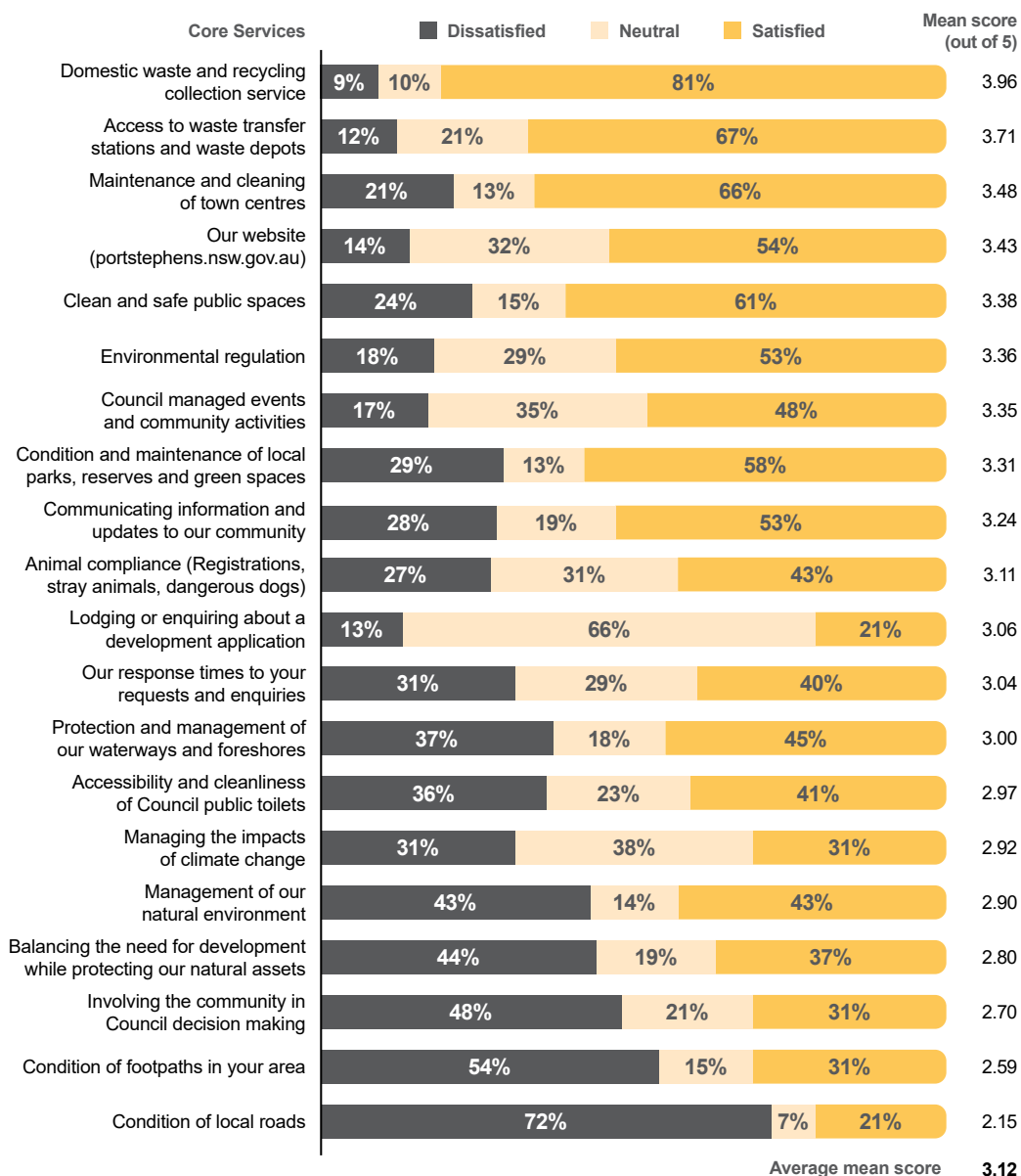


Learn more about our Community Satisfaction Survey at [portstephens.nsw.gov.au/community-satisfaction-survey](https://portstephens.nsw.gov.au/community-satisfaction-survey)

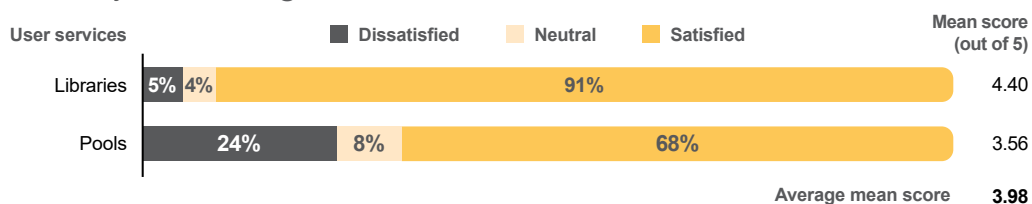
## Summary of ratings for overall community satisfaction



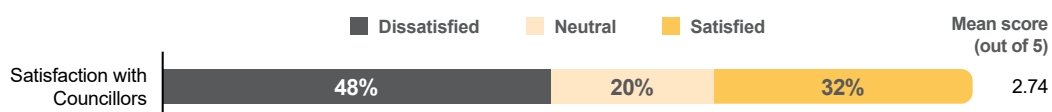
## Summary of all ratings for Council's core services



### Summary of all ratings for Council's user services



### Summary of all ratings for Councillors





## Our Council FEATURE ARTICLE



### PSCare: Caring for our crew

As an organisation, we can only deliver and support our community if our employees are looked after, engaged and happy. This year, Port Stephens Council was recognised as a leader in local government for our staff wellbeing program PSCare.

Our people are at the heart of everything we do and there's a strong commitment across the organisation to providing a workplace that is highly valued by our employees.

The PSCare program is internally developed and centres around three pillars of health and wellbeing – mind, body and culture.

The last few years of pandemic disruption have taught us that if employers aren't providing a workplace that supports mental and physical wellness, then staff will start looking elsewhere.

By focusing on the wellbeing, our employees are staying put. Our employee engagement data shows an increase from 39% in 2011 to 83% in 2022 and our staff retention is strong with the average length of service sitting at just under eight years.

Programs like PSCare are a key part of our strategic approach to recruit, retain, develop and inspire our people.

In the last financial year, PSCare was recognised by:

- Winning the Wellbeing Category at the StateCover Awards 2023
- Winning the Best Health and Wellbeing for Large Organisation in the 2023 Hunter Safety Awards
- Winning at the Local Government Excellence Awards 2023



## Goal 2: Financial Management

Our Council is financially sustainable to meet community needs

### Funding our future

A key priority of Council in the last year has been on finding a balance between the needs of our community and Council's long term financial sustainability. We talked extensively with the community about the options of a Special Rate Variation and in November 2022, Council resolved to apply for a 9.5% increase per year for three years, with a cumulative impact of 31.29%.

On 15 June 2023, IPART announced that we were successful in our application for a Special Rate Variation, ensuring we can continue to deliver a broad range of important services to the Port Stephens community and of course, support the reduction of our expected budget shortfall. Over time, we'll be able to generate additional revenue to enhance a range of services the community, have identified as important – roads being the priority.

Community engagement was a key part of this process. This included a series of face to face community information and drop in sessions, surveys, a Facebook Q&A session and presentations and discussions with over 12 special interest groups.

The Special Rate Variation commenced on 1 July 2023 and will be a permanent increase that will be retained within the rate base.



Learn more at [portstephens.nsw.gov.au/rate-rise-options](https://portstephens.nsw.gov.au/rate-rise-options)

### Next steps

We'll continue to report back to the community about how we're using the funds through our future Annual Reports. From the 2024 to 2025 financial year, the community will also see additional funding for the delivery of road repairs along with improvements to public spaces and the natural environment.

### Leading the way in eInvoicing

Collaborating with the Australian Tax Office (ATO), we've helped to prepare for the launch the first eInvoicing Regional Hub. As part of the hub, we'll be leading the country in efficiency, productivity and cyber security through awareness, adoption and use of the eInvoicing.

It'll also mean no more manual entry or risk of losing one of the 25,000 invoices we process each year!

As a business excellence organisation, we've been at the forefront of this initiative by participating in the pilot program prior to the regional launch. This process will spread across the country, as it has already done internationally, and as an organisation, we've done an excellent job positioning ourselves to fully embrace this change.

### Next steps

The eInvoicing Hub will be launched in July 2023 thanks to the collaboration between the ATO and local business groups and is poised to position the Hunter region as a leader in efficiency, productivity, and cybersecurity through the promotion of eInvoicing.



Learn more at [ato.gov.au/eInvoicing](https://ato.gov.au/eInvoicing)

### Goal 3: Communication and engagement

Our Council is committed to enabling an engaged and informed community

#### Building on our communication and engagement blueprint

In December 2022, we embraced a fresh vision for communication and engagement with our community. The new Communication and Engagement Strategy is more than just a document; it's a roadmap to fostering trust, inclusivity, and meaningful involvement in decision-making processes.

At the heart of this strategy is the commitment to transparent and timely communication, as well as fostering genuine engagement that includes diverse voices. The ultimate goal is to keep the community well-informed and deeply connected. It's about putting the community front and centre in all that Port Stephens Council does.

This year, since the adoption of the Strategy we've:

- Developed a community engagement process, integrating this into the Project Management Framework used across Council.
- Increased opportunities for the community to engage with our leaders through quarterly Community Catch Ups.
- Ensured that our communications are diverse and accessible to everyone and direct people to our website as the single source of truth.
- Reviewed our templates and branding guidelines to ensure our documents are visually consistent, easy to read and accessible.

#### Next steps

##### Communication and Engagement Advisory Group

Excitingly, we've also established a Communications and Engagement Advisory Group (CEAG) to further enhance and strengthen the framework of the Communications and Engagement Strategy. With the group to meet in July 2023, they'll work with us to design communications and engagement programs for Council's projects and initiatives that have a significant social impact on the community. They'll work through the planning process with us, making sure we're meeting the principles and key objectives of our Community and Engagement Strategy. Most importantly, we're ensuring we have a diversity of voices participating in decision making for their place.

#### Forming a streamlined and seamless process

Since the initiation of the Online Forms Project in 2021, we've been continuously working to improve the way customers interact with us online. When it comes to customer service, we know that efficiency and effectiveness ensure a seamless experience for both our internal and external customers. We now have a total of 62 live online forms, each tailored to meet specific customer needs. These forms cover a wide range of services, from facility bookings at Tomaree Library and Community Centre Rooms to business registration and Vibrant Places event applications.

Our primary goal has always been to enhance the customer experience, and our recent improvements have certainly achieved that. We've worked on integrating the online forms with our internal customer request forms allowing us to capture and manage customer information more effectively, leading to quicker response times and personalised assistance. Customers can now receive more targeted support, ensuring that their needs are met promptly.

We've also introduced payment functionality into our forms, allowing customers to complete transactions online, and reducing the need for manual payments and paperwork.

Our journey to enhance online services is far from over. We remain committed to reviewing and improving our forms regularly. Customer feedback continues to be a valuable source of insight, helping us identify areas where we can further streamline processes and enhance the overall experience.

Our ongoing efforts are to provide top-notch service to our customers. We're excited about the positive impact these changes will have on the efficiency and satisfaction of both our internal and external customers.

### Development application awareness increases

We want everyone in our community in Port Stephens to know about our programs and services. We know that not everyone uses social media or email, so we came up with a campaign to make sure more people hear about development applications (DAs).

With this campaign, we made it really easy for people to find DAs near their homes and businesses by offering an e-subscription service and re-instating ads in the Examiner and News of the Area newspapers.

Our goal was to be transparent and give everyone a chance to have a say in what's happening in our community.

The campaign ran from January 9 to June 30, 2023 thanks to funding by both the Council and the NSW Government's Faster Local Assessment Grant Program.

#### Next steps




A report will be provided to Council about the effectiveness of the campaign who will then make a decision about whether we continue to advertise the DAs lodged in our local papers.















King Street, Raymond Terrace

# Our council performance

## Aspirational measures

	<b>On track</b> Target achieved or on track to be achieved
	<b>Monitor</b> < 5% off the target
	<b>Off track</b> > 5% off the target

## L1 | Governance



What we said we'd do	How effective were we?	Target	2022 to 2023	
L1.1.1.1 Implement the Workforce Management Strategy	Employee Engagement Score of 75% or above	83% 2021	83%	
L1.2.1.1 Coordinate and deliver Councillor and executive support services	Maintain Elected Member's satisfaction with executive support services	100%	Councillor and Executive support services were conducted successfully in the last year	
L1.2.1.2 Conduct citizenship ceremonies	Citizens conferred	100%	150 citizens from 56 countries	
L1.2.1.3 Advocate for community priorities and work with other levels of government and stakeholders	Maintain participation in consultation/ advocacy activities with other levels of government or agencies	Maintain	Maintained	
	Maintain participation in NAPL/ GNAPL Board meetings	Maintain	Maintained	
L1.2.1.4 Develop shareholder value through an effective partnership with Newcastle Airport	Maintain Airport dividends received per dividends policy	Maintain	Maintained (nil received)	
	Airport traveller numbers per annum	Increase	1.09M	
L1.2.1.5 Work with Hunter Councils to enhance the Hunter Region	Maintain participation in Hunter Joint Organisation meetings	Yes	Yes	
L1.3.1.1 Deliver governance and legal services and enterprise risk management	Maintain Governance Health check score	≥ 95%	98%	
	Maintain Risk maturity score	≥ 80%	86%	
	Decrease in the rolling projected workers' compensation deposit premium (rounded)	Pay < base and <100%	Refer comment below	
	<b>Comment:</b> The measure for this metric is not considered an appropriate reflection of performance. A revised metric measure is being developed for future performance considerations			
L1.3.1.2 Coordinate and report on the internal audit process	Percentage of Audit-identified issues resolved within the expected timeframe	100%	100% of actions completed on time	



What we said we'd do	How effective were we?	Target	2022 to 2023	
L1.3.2.1 Undertake a community satisfaction survey	Undertake a community satisfaction survey	≥ 75%	Not comparable*	⊖
	<b>Comment:</b> The 2023 Community Satisfaction Survey was conducted in September/October 2023 following a revision of the baseline. The results cannot be compared against previous years – refer to page 117			
L1.3.2.2 Implement the legislative requirements of the Integrated Planning and Reporting Framework	Integrated Plans delivered on time	≥ 95%	93.5%	⊖
L1.3.3.1 Implement the annual service review program	Progress of the service review program, % completed on time	New	Refer page 116 for progress	✓
L1.3.4.1 Implement annual actions of the Corporate Systems and Data Management Strategy	Maintain system uptime	99.99%	100%	✓

## L2 | Financial management

What we said we'd do	How effective were we?	Target	2022 to 2023	
L2.1.1.1 Manage Council's financial resources in accordance with the Financial Services Work plan	Underlying financial surplus is better than the budget	Achieved	Achieved	✓
	Maintain Unqualified Annual Financial Statements	Achieved	Achieved	✓
L2.1.2.1 Manage the property portfolio in accordance with the Strategic Property work plan	Maintain yield on the commercial investment portfolio at or above the Australian All Property Index	8%	Current yield is 7.29%	✓
	Maintain property vacancy rate below the Newcastle industry standards	6%	Vacancy rate of lettable properties at 0%	✓
	All projects are delivered in accordance with Property Investment Strategy	New	Two major projects delivered in accordance with the Strategy	✓
	Sites maintained in accordance with the biodiversity agreements	Compliant	Compliant	✓

What we said we'd do	How effective were we?	Target	2022 to 2023	
L2.1.3.1 Implement the annual actions of the Beachside Holiday Parks and Koala Sanctuary Operational Plan	Maintain Net Promoter Score (NPS) for Council's	Beachside Holiday Parks >70.1%	Beachside Holiday Parks 73.89%	
		Koala Sanctuary >75.2%	The Koala Sanctuary 91.75%	
	Progress of actions under the Beachside Holiday Parks and Koala Sanctuary Operational Plan	New	Budget - achieved Budget Targets	
			Capital work - implement capital program / On track and ongoing	
			Guest Experience results were excellent and exceeded targets	

### L3 | Communication and engagement

What we said we'd do	How effective were we?	Target	2022 to 2023	
L3.1.1 Deliver the 4-year Customer Experience Roadmap and action plan	Use of online services	Increase	5,759	✓
	Number of phone calls received by Customer Service Desk	Reduction	38,571	✓
L3.2.1.1 Manage Council's communications and community engagement activities	Number of visits to the PSC website	Increase from 270K	244,220	✗
	Social media (Facebook) engagement	Increase from 331K	369,000	✓
<b>Comment:</b> Our website visits were higher last year due to significant weather events and COVID lockdowns, requiring people to seek information online.				



# Statutory Statements

## Section 5

The following information is required by such instruments as Local Government (General) Regulation 2021 and other NSW government acts. The relevant section is highlighted beside each report.



Shoal Bay



## Statutory information

Our Council is committed to open and transparent reporting. The information in this section is legislated and supplements the information provided elsewhere in the report.

Our general reporting requirements are set out in section 428 of the Local Government Act 1993 (the Act) and section 217 of the Local Government (General) Regulation 2021 (the Regulations). To access copies of the Act and Regulations visit [legislation.nsw.gov.au](http://legislation.nsw.gov.au)

### Overview of reporting requirements

Below is an overview of reporting requirements that have been achieved, reported elsewhere, aren't required or the service wasn't provided.

Legislation	Achieved
Implementing the Delivery Program 2022 to 2026 – Section 428(1) the Act	Yes
Implementing the Community Strategic Plan 2018 to 2028 – Section 428(2) the Act	Not applicable for 2022 to 2023. Reported in Volume 2 of 2020-2021
Integrated Planning and Reporting Guidelines – Section 428(3) the Act including council's progress on the delivery of the service reviews council has committed to undertake, the results of those reviews and any changes made to levels of service.	Yes, refer page 47 and page 113
Audited financial reports - Section 428(4)(a) the Act	Yes – see Volume 2
Other information as the IP&R Guidelines or the regulations may require - Section 428(4)(b) the Act	Yes
Annual report copies – Section 428(5) the Act	Yes Copies will be made available on our website, at our libraries and provided to the Minister for Local Government's office.
Induction training and ongoing professional development of Mayor and Councillors - Section 186 the Regulations	Yes – read our report on page xx
Overseas travel undertaken by Mayor, Councillors and staff – Section 217(1)(a) the Regulations	No overseas travel undertaken during the financial year.
Private works resolutions – Section 217(1) (a4) the Regulations	No work carried out on private land requiring a resolution under section 67 of the Act.
Equal employment opportunities activities – Section 217(1)(a9) the Regulations	Yes – read our report on page xx
Coastal protection – Section 217(1)(e1) the Regulations	Council did not levy an annual charge for coastal protection services
Stormwater management services – Section 217(1)(e) the Regulations	Council did not levy an annual charge for stormwater management services as it received a special variation to its general income from 1997 to 1998 for stormwater management activities.
Special Variation to Rates Expenditure – Section 508(2) and 508A	Not levied in 2022-2023
Condition of Civil Assets	Yes – view special schedule 7 of Volume 2
Carers Recognition Act 2010	Did not provide service



## Overview of reporting requirements continued

Legislation	Achieved
Environmental Upgrade Agreements – Section 54P(1)	Council did not levy any charges to repay advances under an environmental upgrade agreement
Disability Inclusion – Disability Inclusion Act 2014, Section 13(1)	Yes – read our report on page 70
Privacy & Personal Information Protection Act 1998	Read our report on page 39

## Rates and charges written off during 2022 to 2023

### Section 132 the Regulations

Type	Amount	Type	Amount
Pensioner concessions	\$1,492,680	Uneconomical to recover	\$1,286
Postponed rates	\$3,525	Ratepayer's hardship (interest charges)	\$920
Small debts	\$1,334	Not legally recoverable	\$809
Conservation agreements	\$2,583	<b>Total</b>	<b>\$1,503,137</b>

## Mayoral and Councillors' fees and provision of facilities

### Section 217(1)(a1) the Regulations

A summary of the expenses incurred in performing the functions of Mayor and Councillors and associated allowances.

Our policy recognises the Mayor and Councillors, in performing their civic functions, are entitled to be provided with certain facilities and be reimbursed for certain expenses. The policy was adopted on 11 January 2022 and will be reviewed again in September 2024.

Allowances	Costs	Expenses	Costs
Mayoral allowance	\$85,042	Mobile phone rental	\$0
Councillor's fees and allowances	\$230,568	Mobile phone calls	\$1,751
Councillor's superannuation	\$24,213	Landline phone rental	\$0
Councillor's expenses (see below)	\$46,159	Landline phone calls	\$0
Cost of catering	\$44,000	Fax rental	\$0
Cost of Mayoral vehicle	\$6,409	Fax calls	\$0
<b>Total</b>	<b>\$436,391</b>	Internet	\$1,982
		Intrastate travel	\$9,638
		Intrastate out of pocket expenses	\$0
		Interstate travel (out of NSW)	\$0
		Interstate out of pocket expenses	\$0
		Interstate accommodation (out of NSW)	\$0
		Intrastate accommodation	\$3,851
		Conferences	\$8,141
		Training	\$0
		Partners' expenses	\$70
		Computers	\$8,666
		Stationery	\$453
		Awards and ceremonies	\$861
		Child care expenses	\$2,243
		Communications bundle	\$2,599
		Councillor's uniforms	\$5
		Professional development	\$5,899
		<b>Total</b>	<b>\$46,159</b>

## Contracts awarded greater than \$150,000

## Section 217(1)(a2) the Regulations

Name of contractor	Contract details and purpose	Number	Contract value
Adbuild Extensions & Kitchens	Mallabula Soccer Athletics Amenities Renovation	RFQ-017	\$259,753.00
Rhelm Pty Ltd	Coastal Management Program Stages 3 and 4	T051	\$261,740.00
Image Air Conditioning	Supply and Install of Swimming Pool Heat Pumps	T063	\$259,800.00
Collaborative Construction Solutions	King Park and Tomaree Sports Amenities Upgrades	T075	\$936,437.46
Surf Life Saving Services	Surf Lifesaving Services	T080	\$2,932,183.00
Scone Outdoors	Supply and Delivery of Four (4) x 72" Side Discharge Zero Turn Mower's #512, #518, #387, #503	RFQ085	\$193,169.48
MRW Building	Little Beach Amenities Replacement	T087	\$572,225.00
Rosmech Sales & Services Pty Ltd	Supply of Two (2) x Truck Mounted Twin Engine Street Sweepers	RFQ098	\$836,376.20
Boral Constructions	TfNSW Reseals	RFQ110	\$311,770.36
Drumderg Services Aust	Victoria Parade Footbridge Stage 2 Demolition	RFQ122	\$247,200.00
ANA Asphalt	TfNSW Asphalt and Heavy Patching	RFQ123	\$381,920.00
ANA Asphalt	PSC Reseal Asphalt Program	RFQ125	\$327,771.40
Newcastle Commercial Vehicles	Supply of Two (2) x Truck Cab Chassis to include attachment of AH Peters Tipping Body as per quote AHPQ5784-01	RFQ135	\$573,532.00
MBR Electrical	Brandon Park Upgrade - Field Lighting and Sports Court Lighting	RFQ136	\$194,225.90
Adbuild Extensions & Kitchens	Brandon Park Seaham Accessible Amenities Addition	RFQ138	\$152,874.15
Accurate Asphalt & Road Repairs	PSC Insitu Stabilisation Patching	RFQ001	\$852,088.99
ANA Asphalt	Asphalt - Seaham and Hinton Road Intersection	RFQ003	\$303,264.53
Glascott Landscape & Civil Pty Ltd	Little Beach Foreshore Reserve Upgrade	T015	\$647,577.52
HiDrive Group	Supply of One (1) x Field Service Body to suit MY22 Hino 330 Series 817 4x4 Single Cab	RFQ024	\$160,627.85
Kobelco Construction Machinery Australia Pty Ltd	Supply and Delivery of 1 x 12-13T Excavator	RFQ027	\$377,132.60
Fencing Installers Australia	Port Stephens Drive - Salamander Bay and Taylors Beach - Fauna Fencing	T028	\$549,700.00
ANA Asphalt	PSC – Ferodale Road, Medowie, Kindlebark Road Medowie and Gan Gan Road - Nelson Bay Road Intersection – Asphalt Works	RFQ029	\$183,209.40
ANA Asphalt	PSC Recycled Asphalt Works	RFQ031	\$228,323.70



Name of contractor	Contract details and purpose	Number	Contract value
Baker Built Pty Ltd	Lemon Tree Passage Town Square Upgrade	T034	\$535,120.51
Byrne Pipe & Civil	Sturgeon St Raymond Terrace - Road Reconstruction	T035	\$1,019,906.23
Environmental Lighting Australia	Tomaree Sports Complex - Lighting Upgrade	RFQ037	\$205,964.00
Reino International Pty Ltd	Parking Meter Network and Guidance Monitoring System	T044	\$763,535.78
MRW Building	Halifax Holiday Park - Deck & Handrail Replacement	RFQ048	\$210,465.66
Fenworx t/a Newpave Asphalt	Government Road Nelson Bay - Asphalt	RFQ049	\$237,375.02
Bay Projects	Fingal Bay Holiday Park - 2 Bedroom Villa Kitchen Replacements	RFQ050	\$226,195.20
Fenworx t/a Newpave Asphalt	Adelaide Street Raymond Terrace - Asphalt	RFQ051	\$155,760.00
Bolte Civil Pty Ltd	Avenue of The Allies Tanilba Bay - Road Reconstruction	T052	\$2,867,626.67
Complete staff solutions	Labour hire and recruitment services	T053	\$940,702.68
Peoplefusion Pty Ltd			\$189,558.98
Ensign services (aust) Pty Ltd	Linen services - holiday park	T085	\$271,474.79
Whiteline road services (hunter)	Provision of line marking services	T02	\$156,989.43
Treeserve Pty Ltd	Tree services	T004	\$173,049.25
Active tree services Pty Ltd			\$341,015.58
Terrace painting services	Painting & graffiti removal services	T003	\$185,608.59
Valley civil Pty Ltd	Geotechnical consultancy services	T001	\$379,909.09
Traffic logistics Pty Limited	Traffic control services	T020	\$700,942.28
Watchout training & traffic control			\$1,192,839.96
Combined 360 services group Pty Ltd			\$159,832.47

## Legal proceedings

### Section 217(1)(a3) the Regulations

A summary of the amounts incurred in relation to legal proceedings taken by and or against Council from 1 July 2022 to 30 June 2023.

Workers compensation and other employment matters, public liability and professional indemnity claims are not included. Our Council recovered \$172,103 in legal costs.

Legal matter	Details	Status	Cost
<b>Land and Environment Court</b>			
Kingshill Development No 1 and 2 Pty Ltd	Appeal against refusal by Hunter and Central Coast Regional Planning Panel to grant consent to residential subdivision concept development application.	Ongoing	\$64,950*
Ward & Ward	Appeal against Council refusal to grant development consent for single dwelling.	Ongoing	\$32,592
Connect Global Limited	Appeal against Development Control Order requiring cessation of use of premises as a transitional group home.	Ongoing	\$ 9,387
Kinala Pty Ltd	Appeal against Council refusal to grant development consent for 9 storey residential flat building.	Ongoing	\$70,289
Anna B Pty Ltd	Appeal against Council refusal to grant development consent for an aircraft facility including helipad and dual occupancy dwelling. Proceedings discontinued by consent.	Completed	\$27,419
Clippers Anchorage Pty Ltd	Appeal against Council refusal to grant development consent for alterations and additions to marina.	Ongoing	\$13,214
<b>Local Court</b>			
Davis	Prosecution for alleged waste offences.	Ongoing	\$ 2,265
CA Pickett Pty Ltd	Fail to provide information/records in relation to waste. Defendant found guilty, fined and ordered to pay Council professional fees.	Completed	\$ 4,486
Michalczyk	Dog not under effective control, dog which rushes at/attacks. Defendant pleaded guilty, received conditional release without conviction and ordered to pay Council professional fees.	Completed	\$ 980
Williams	Fail to prevent dog from escaping, dog which rushes at/attacks. Defendant found not guilty, proceedings dismissed.	Completed	\$ 2,486
<b>NSW Civil and Administrative Tribunal</b>			
"FHH"	Application concerning alleged privacy breach.	Completed	\$18,594
McEwan	Council costs application in relation to dismissed proceedings seeking revocation of orders. Costs awarded to Council.	Completed	\$17,940
McEwan	Appeal of Tribunal decision. Leave to appeal refused, appeal dismissed. Council application for costs dismissed.	Completed	\$18,281
Webb	Application for administrative review. Council decision affirmed by Tribunal. Costs awarded to Council.	Completed	\$30,980
Webb	Appeal of Tribunal decision. Leave to appeal refused, appeal dismissed. Council seeking costs in the matter.	Ongoing	\$17,471
<b>Total</b>			<b>\$331,328</b>

\*These costs were paid by Department of Planning and Environment



## Financial assistance

### Section 217(1)(a5) the Regulations

Each year, our Council provides financial assistance to community and cultural groups in Port Stephens in accordance with section 356 of the Act.

#### Community grants

Category	Amount
Mayoral fund and special events grants	\$44,202
Mayoral academic scholarship grant*	\$44,711
Ward fund grants	\$23,094
Aboriginal project grants	\$29,712
Community support grants	\$56,250
Environmental projects grants	\$20,005
<b>Total</b>	<b>\$217,974</b>

\*Thanks to sponsorships. Refer to page 66 to read more.

Council also provides funds as part of its sponsorship policy. These funds provide multiple benefits to Council and the community through promotion of tourism through to the activation of public space.

Category	Amount
Business growth	\$38,814
Major event sponsorship	\$155,868
My Incredible Place micro grants	\$4,500
Community event development sponsorship	\$38,372
Vibrant spaces sponsorship fund	\$41,000
<b>Total</b>	<b>\$278,554</b>

**Hardship rate relief and rate donations**

Our Council provided \$5,663 in hardship rate relief and rate donations under sections 601 and 356 of the Act in 2022 to 2023 consisting of \$2,750 under the Rates Assistance Program and \$2,913 under the Waste Assistance Program of the Debt Recovery and Hardship Policy.

**Waste services**

Under our Financial Assistance for the Disposal of Waste in Port Stephens Policy, \$51,101 was provided to the following organisations:

Organisation	Amount
1st Anna Bay Cubs And Scouts	\$3,956
State Emergency Services – Port Stephens Unit	\$112
Clean4shore NSW	\$74
Hunter Horse Haven Inc.	\$598
Lemon Tree Passage Rural Fire Service	\$72
Medowie Assembly Of God Fellowship	\$1,405
Port Stephens Community Woodworkers	\$326
Port Stephens Koalas	\$6,179
Raymond Terrace Early Education Centre	\$1,076
Port Stephens Uniting Church - Salamander	\$ 477
Raymond Terrace Men's Shed	\$205
Rotary Club Of Raymond Terrace	\$388
RTM Op Shop - Adventist Community Services Op Shop	\$208
Salamander Bay Recycling	\$9,475
Salamander Men Shed	\$4,328
Salvation Army Hope Centre	\$1827
Salvation Army Port Stephens	\$130
Scope Home Access Hunter Region	\$907
St Vincent De Paul Anna Bay	\$4,824
St Vincent De Paul Raymond Terrace	\$697
St Vincent De Paul Society - Nelson Bay	\$11,506
State Emergency Services - Port Stephens Unit	\$808
Marine Rescue NSW Port Stephens Units	\$131
Riding for the Disabled Association (NSW) – Raymond Terrace and Lower Hunter Centre	\$10
<b>Total</b>	<b>\$51,101</b>



## External bodies exercising the functions delegated by Council

### Section 217(1)(a6) the Regulations

There were no external bodies exercising the functions of our Council.

## External bodies of which Council has controlling interests

### Section 217(1)(a7) the Regulations

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

#### Newcastle Airport Partnership Company 3 Pty Ltd

#### Newcastle Airport Partnership Company 4 Pty Ltd

Following the corporate restructure of the Newcastle Airport Ltd on 9 October 2013, there are 4 partners of the Newcastle Airport Partnership. City of Newcastle owns Newcastle Airport Partnership Company 1 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 1) and Newcastle Airport Partnership Company 2 (as trustee for Newcastle Airport Partnership Trust 2). Port Stephens Council owns Newcastle Airport Partnership Company 3 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 3) and Newcastle Airport Partnership Company 4 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 4).

Following the incorporation of the Greater Newcastle Aerotropolis Pty Ltd on 20 December 2018, there are 4 partners of the Greater Newcastle Aerotropolis Partnership. City of Newcastle owns Newcastle Airport Partnership Company 1 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 1) and Newcastle Airport Partnership Company 2 (as trustee

for Newcastle Airport Partnership Trust 2).

Port Stephens Council owns Newcastle Airport Partnership Company 3 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 3) and Newcastle Airport Partnership Company 4 Pty Ltd (as trustee for Newcastle Airport Partnership Trust 4).

Port Stephens Council holds 100% interest in Newcastle Airport Partnership Company 3 Pty Ltd and Newcastle Airport Partnership Company 4 Pty Ltd.

## External bodies in which Council has participated

### Section 217(1)(a8) the Regulations

Our Council must report on all corporations, partnerships, trusts, joint ventures, syndicates or other bodies (whether or not incorporated) in which we participated during that year. These include:

- Newcastle Airport Pty Ltd (NAPL)
- Newcastle Airport Partnership (NAP)
- Greater Newcastle Aerotropolis Pty Ltd (GNAPL)
- Greater Newcastle Aerotropolis Partnership (GNAP)

Newcastle Airport Pty Ltd operates the Newcastle Airport as agent for the Newcastle Airport Partnership. City of Newcastle and Port Stephens Council hold the rights to their share of the assets and their share of the obligations in the partnership. Greater Newcastle Aerotropolis Pty Ltd manages the development of Astra Aerolab on behalf of the Greater Newcastle Aerotropolis Partnership. City of Newcastle and Port Stephens Council hold the rights to their share of the assets and their share of the obligations in the partnership. Port Stephens Council has a 50% interest in NAPL, NAP, GNAPL and GNAP and the City of Newcastle has an interest in the remaining 50%.

### Hunter Joint Organisation Group Entities

The Hunter Joint Organisation, and its group entities, are the hub for local government

collaboration, strengthening our communities by being the local voice on regional strategic issues in the Hunter and delivering tailored local government solutions. For over 60 years, local government in the Hunter has found significant benefit in working together through positive cooperation and resource sharing. Participating councils include: Cessnock City Council, Dungog Shire Council, Lake Macquarie City Council, Maitland City Council, MidCoast Council, Muswellbrook Shire Council, City of Newcastle, Port Stephens Council, Singleton Council, Upper Hunter Shire Council.

There are 5 key entities that operate as part of the current enterprise offering:

**Hunter Joint Organisation** – a statutory body under the *Local Government Act 1993*, established in 2018 to identify, advocate for and collaborate on regional strategic priorities for the Hunter. The Hunter Joint Organisation's statutory mandate includes identifying key regional strategic priorities, advocating for these priorities, and building collaborations around these priorities with other levels of government, industry and the community.

**Arrow Collaborative Service Limited** - (and its wholly owned subsidiaries Hunter Councils Legal Services Limited and Arrow Collaborative Communications) – companies limited by guarantee under the *Corporations Act 2001* and established to improve the quality and efficiency of local government services throughout the Hunter Region. These organisations offer tailored local government services through three divisions: Local Government Legal, GoodChat TV, and Regional Procurement; and the Hunter JO Policy and Programs Division (which delivers on the strategic priorities of the Hunter Joint Organisation, including the Hunter and Central Coast Regional Environment Program, on behalf of both Hunter Joint Organisation member councils and Central Coast Council).

**Hunter Councils Incorporated** – an incorporated association under the *Associations Incorporation Act 2009* that holds property assets for the Hunter Joint Organisation group.

Port Stephens Council has representation on each entity's board, and shares ownership and governance of the entities with the other nine councils of the Hunter Region.

#### **NSW Local Government Mutual Liability Scheme (Statewide)**

Our Council is a member of the NSW Local Government Mutual Liability Scheme, known as Statewide. It started in 1993 as a joint venture forming a 'self-insurance mutual' covering public liability and professional indemnity insurance. Membership includes 117 member councils across NSW.

#### **StateCover Mutual**

Our Council is a member of StateCover Mutual. This body was established as a not-for-profit workers compensation insurer to partner with the NSW local government in the management of workplace risk.

StateCover Mutual provides an integrated injury prevention and injury management service model to minimise the overall cost of members' workplace risk.

## Senior staff remuneration

### **Section 217(1) (b) and (c) the Regulations**

Our Council's senior staff consists of the General Manager and 3 Group Managers. All senior staff are employed under standard contracts.

- General Manager \$365,000\*
- Senior staff (excluding the General Manager) \$963,011.31\*

\*In accordance with the Total Remuneration Package (TRP) outlined in their senior staff contract.

## Companion animals

### **Clause 217(1) (f) the Regulations**

Companion Animals Act 1998, Companion Animals Regulation 2008.

Our Council provides an annual return to the Office of Local Government on activities to enforce and ensure compliance with

the Companion Animals Act 1998 and Companion Animals Regulation 2018, including lodgement of pound data collection returns. We also report information on an incident-by-incident basis in relation to dog attacks.

Our Council provides the full suite of companion animal functions. This year, the Companion Animals Register has collected the following information:

- 223 reported dog attacks – 51 dog attack incident reports entered into the Companion Animals Register, which is 11 more than the previous year.
- 362 companion animals were impounded.

Of the companion animals impounded:

- 126 were either collected by their owner or returned to their owner before being transported to the pound.
- 200 were sold to new owners or released to rescue organisations.
- 54 were surrendered to the pound by the public.

#### **Companion Animal management and activities**

For the year 2022-2023, we spent \$237,437 related to companion animal management and activities (excluding Ranger salaries and vehicle costs). Of this, \$4981 was spent on Community education programs, Personal Protective Equipment, Tools and training.

- We conducted a restricted, dangerous and menacing dog project this year. We conducted 2 rounds of inspections (31 total) of all declared dangerous, restricted or menacing dogs listed in the LGA. This helps ensure owners are complying with all mandatory control requirements for owning an animal subject to an order. During this project, owners are also educated on how to reduce the number of dog attack incidents.
- Rangers attended Williamstown Defence Family Group day. The Rangers had a chance to talk to people who have just posted into the local area about the NSW Companion Animal rules and regulations and how they can update their owner details to their new

address. It was also a perfect opportunity to talk to kids about looking after their pets and what to do when they approach a dog in the street. - Promotional and educational items were distributed – 100 interactions.

#### **Desexing Initiatives**

We promote the services of Hunter Animal Watch and the National Desexing Network, which carry out subsidised desexing of animals in Port Stephens.

#### **Alternatives to euthanasia**

To reduce euthanasia rates, we do our best to return animals to their owners before taking them to the pound. We also promote the sale of suitable unclaimed cats and dogs from our pound online and through partnerships with registered rescue organisations.

#### **Off-leash areas**

We continue to promote, improve and enforce the rules in our off lead areas in Port Stephens.

#### **Managing and Controlling Companion Animals**

Council collected \$37,533 in registration fees and forwarded to the Office of Local Government. We received \$291 for the hire of cat traps and produced an income amount of \$81,978 from the percentage return for registration fees (in our LGA) from the Office of Local Government. This number also includes fees and charges received from impound activities. This was put towards Companion Animal Register administration, impound facility functions, tools and equipment and other initiatives undertaken over the reporting period.



## Capital Expenditure Guidelines 2010

### Section 12, Division of Local Government Department of Premier and Cabinet

A summary of capital works in progress as of 30 June 2023.

Name of project	Progress	Budget as at 30 June 2022 (excluding GST)	Previous Financial Years Expenditure (excluding GST)	Expenditure 2022 to 2023 (excluding GST)
Birubi Information Centre	In progress	\$1.5M	\$984K	\$227K
Depot	In progress	\$9.5M	\$3.077M	\$7.79M

## Modern slavery

### Section 428(4)(c) & (d) the Act

We don't tolerate any forms of modern slavery or human rights violations in our organisation or from any of our suppliers.

Our organisation strives to maintain the highest standards of conduct and ethical behaviour in our operations as set out in our Code of Conduct.

Suppliers and contractors of Council are required to follow the ethical principles in our Statement of Business Ethics Policy. They're required to demonstrate fair and safe working practices, treat workers with respect and dignity, and to act ethically. Any serious violations of our expectations will lead to us terminating the relationship.

We're not aware of any issues raised by the Anti-slavery Commissioner during the year that require action by Council.

We're committed to implementing and improving our systems and processes concerning modern slavery and won't be

complicit in any human rights violations. We're currently reviewing the detail of measures required in our Procurement Policy in order to implement this across the organisation.

## Government Information (Public Access) (GIPA) Act 2009, Government Information (Public Access) (GIPA) Regulation 2018

### Clause 8, Schedule 2

The GIPA Act 2009 has a number of mechanisms to access information – mandatory, proactive, informal and formal release.

This year, our Council processed 1622 informal access for information requests, removing the need to make a formal application in most cases.





The following is our annual report as required under section 125 of the GIPA Act:

Agencies must review their programs for the release of government information at least once every 12 months to identify the kinds of information that can be made publicly available. Our program for the proactive release of information involves:

- reviewing all formal applications and informal requests to determine if the information sought should be released proactively in future
- aligning our Electronic Records Management systems categories to the GIPA Act and determining if any further records should be released proactively in future
- monitoring matters raised by employees and determining if the information should be released proactively in the future.

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

#### **Review of proactive release program – section 8(a)**

Details of the review carried out by the agency under section 7(3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review.

Reviews carried out by the agency	Information made publicly available by the agency
Yes	Yes

#### **Review of Formal GIPA requests received over the past 12 months**

A total of 27 GIPA Applications were reviewed in terms of what information was being requested and what information was considered for release. The flavour of the GIPA Applications reviewed included information subject to Copyright, concerned the business interests of third parties or significant personal information of third parties.

No 2 GIPA Applications sought the same information therefore no additional documents were released pursuant to this review. Any information considered within the public interest that was released, has been made known on Council's disclosure log.

#### **Review of Disclosure Log of own and neighbouring Council's**

A review of Council's Disclosure log and that of other neighbouring Council's revealed that information of particular interest in the Hunter Region involves specific projects or development applications which attracted a significant level of community interest.

#### **Review of Council Website**

All information other than information legislatively required to be published on Council's website (such as Public exhibition) is a reflection of Council's willingness to proactively release information of interest to the public. A review

of the website was undertaken which reflects that information and documents of particular interest are published on the website without the need for an application. One example of this is publishing specialist consultancy reports for various development applications over the past 12 months to permit greater transparency and encourage thorough review of proposed developments for the wider community. Council is not required to publish reports of this nature but do so, especially within the exhibition process, to encourage comment from the community from detailed review of documents.

#### **Agency Information Access Maturity Assessment Survey**

As part of Council's continued commitment to promote and embed best practice data collection principles, a review of Information held, released and refused was undertaken using the IPC's Agency Information Access Maturity Assessment Survey tool. This tool permits Council to understand the nature and effectiveness of our information access and open data practices.

The proactive release element of this matrix saw Council reach 'Embedded excellence' of Proactive release principles within the organisation. An area identified for improvement would be embedding the proactive release program principles more broadly within Council throughout the year by way of additional reviews (instead of once annually).

#### **Review of EDRMS Classifications**

Council uses classifications to categorise the information stored within the electronic management records system which in essence is reflective of all electronic data we hold (as prescribed by the State Records Act). The classifications which differ to those in the 2022 Review have been categorised accordingly.

No further information has been released subject to this review.

#### **Number of access applications received – section 8(b)**

The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications).

Total number of applications received
36

#### **Number of refused applications for Schedule 1 information – section 8(c)**

The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly because the application was for the disclosure of information referred to in Schedule 1 of the Act (information for which there is a conclusive presumption of overriding public interest against disclosure).

Number of Applications Refused	Wholly	Partly	Total
	0	4	4
% of total	0%	100%	100%

## Access application statistics – section 8(d) and schedule 2

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already held	Refuse to deal with an application	Refuse to confirm or deny whether the information is held	Application withdrawn	Total	Percentage of total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	0	1	1	1	0	0	0	5	8	14%
Not for profit organisations or community groups	0	0	0	0	0	0	0	1	1	2%
Members of the public (by legal representative)	2	2	0	0	1	0	0	0	5	9%
Members of the public (other)	2	6	4	7	4	1	0	18	42	75%
<b>Total</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>8</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>24</b>	<b>56</b>	
Percentage of total	7%	16%	9%	14%	9%	2%	0%	43%		

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

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with an application	Refuse to confirm or deny whether the information is held	Application withdrawn	Total	Percentage of total
Personal information applications**	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	4	9	5	8	5	1	0	24	56	100%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
<b>Total</b>	<b>4</b>	<b>9</b>	<b>5</b>	<b>8</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>24</b>	<b>56</b>	
Percentage of total	7%	16%	9%	14%	9%	2%	0%	43%		100%

\*More than one decision can be made in respect to a particular access application. If so, a recording must be made in relation to each such decision.

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

Table C: Invalid Applications

Reason for invalidity	Number of applications	Percentage of total
Application does not comply with formal requirements (section 41 of the Act)	0	0%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
<b>Total number of invalid applications received</b>	<b>0</b>	<b>0%</b>
Invalid applications that subsequently became valid applications	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

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

Reason for invalidity	Number of applications	Percentage of total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	4	80%
Excluded information	1	20%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Privilege generally — Sch 1 (5A)	0	0%
Information provided to High Risk Offenders Assessment Committee	0	0%
<b>Total</b>	<b>5</b>	<b>100%</b>

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

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

Reason for invalidity	Number of applications	Percentage of total
Responsible and effective government	2	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	10	0%
Business interests of agencies and other persons	14	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
<b>Total</b>	<b>26</b>	<b>100%</b>

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



Table F: Timeliness

Reason for invalidity	Number of applications	Percentage of total
Decided within the statutory timeframe (20 days plus any extensions)	42	98%
Decided after 35 days (by agreement with applicant)	1	2%
Not decided within time (deemed refusal)	0	0%
<b>Total</b>	<b>43</b>	<b>100%</b>

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

	Decision varied	Decision upheld	Total	Percentage of total
Internal review	2	0	2	25%
Review by Information Commissioner*	3	0	3	38%
Internal review following recommendation under section 93 of Act	2	0	2	25%
Review by NCAT	0	1	1	12%
<b>Total</b>	<b>7</b>	<b>1</b>	<b>8</b>	
Percentage of total	88%	12%	100	100%

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

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

	Number of applications for review	Percentage of total
Applications by access applicants	4	100%
Applications by persons to whom the information the subject of access application relates (section 54 of the Act)	0	0%
<b>Total</b>	<b>4</b>	<b>100%</b>

Table I: Applications transferred to other agencies

	Number of applications for review	Percentage of total
Agency-initiated transfers	0	0%
Applicant-initiated transfers	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>

## Public Interest Disclosures Act 1994

## Section 31

A summary of the number of disclosures received and to what the disclosures related, as reported to the NSW Ombudsman.

Statement	Number made by public officials performing their day to day functions	Number under a statutory or other legal obligation	All other public interest disclosures
Number of public officials who made public interest disclosures to your public authority	0	0	0
Number of public interest disclosures received by your public authority	0	0	0
Of public interest disclosures received, how many were primarily about:			
Corrupt conduct	0	0	0
Maladministration	0	0	0
Serious and substantial waste	0	0	0
Government information contravention	0	0	0
Local government pecuniary interest contravention	0	0	0
Number of public interest disclosures (received since 1 Jan 2012) that have been finalised in this reporting period	0	0	0
Have you established an internal reporting policy?			Yes
Has the head of your public authority taken action to meet their staff awareness obligations?			Yes

Employees have been made aware through:

- employees undertaking that they have read and understood our internal reporting policy
- links on intranet and website
- training to new employees during induction
- training package for all employees, principal officers and management.



## Code of Conduct

### Section 11.1, Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW

Our Council is required to report complaints relating to the Mayor, Councillors and the General Manager in the year to September. In addition to this, we provide the below details for 2022 to 2023.

Model Code of Conduct statistics from 1 July 2022 to 30 June 2023		
a)	The total number of Code of Conduct complaints made about councillors and the General Manager under the Code of Conduct in the year	10
b)	The number of Code of Conduct complaints referred to a conduct reviewer during the reporting period	0
c)	The number of Code of Conduct complaints finalised by a conduct reviewer at the preliminary assessment stage during the reporting period and the outcome of those complaints	0
d)	The number of Code of Conduct complaints investigated by a conduct reviewer during the reporting period	0
e)	Without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period	N/A
f)	The number of matters reviewed by the Office during the reporting period and without identifying particular matters, the outcome of the reviews	0
g)	The total cost of dealing with Code of Conduct complaints made about councillors and the General Manager during the reporting period, including staff costs	\$29,900

## Fisheries Management Act 1994

Our Council operates in accordance with and gives consideration to Fisheries Management Act related Threat and Recovery Abatement plans.

There are 2 ongoing Permits which have been active over the 2022-2023 financial year:

- Fisheries Permit and Marine Park Permit for infrastructure cleaning maintenance works within Port Stephens-Great Lakes Marine Park- issued March 2022 for 3 years.
- Fisheries Permit and Marine Park Permit for Tomaree Foreshore sand removal and replenishment- issued January 2022 for 3 years.

The following fisheries permit was sought in the 2022-2023 financial year:

- Lemon Tree Passage Foreshore Shared Path (Henderson park to Rudd Reserve)-issued 30 January 2023.

## Marine Estate Management Act 2014

The following marine park permit was sought in the 2022-2023 financial year:

- Lemon Tree Passage Foreshore Shared Path (Henderson park to Rudd Reserve)-issued 30 January 2023.

## Environmental Planning and Assessment Act 1979

### Section 7.5(5)

There was 1 planning agreement executed and in force during 2022 to 2023.

## Swimming pool inspections

### Swimming Pools Act 1992 section 22f(2), Swimming Pools Regulation 2018 section 18(b)(c)

Number of inspections of visitor accommodation	34
Number of inspections of premises with more than 2 dwellings	34
Number of inspections that resulted in the issuance of a Certificate of Compliance (section 22d)	194
Number of inspections that resulted in the issuance of a Certificate of Non-Compliance (under section 21 SP Reg)	109



## Annual Reporting of Labour Statistics

### Section 217 ((1) (d) (i)-(iv) the Regulations

Section 217 of the *Local Government (General) Regulation 2021* (the Regulation) requires Council to publish labour force data in the annual reports. This is designed to allow greater scrutiny of councils' employment practices by their governing bodies, their communities, and key stakeholders such as the unions.

Increased transparency around councils' employment practices will promote better compliance with the Act and the Local Government (State) Award, encourage a more strategic approach to workforce planning and allow better-informed decision making by councils in relation to the management of their workforces.

The Secretary DPIE will fix the relevant day for reporting purposes after the end of each year.

For the financial year 2022-2023, our council is required to report the total number of persons who performed paid work on 23 November 2022\*, including:

Number of persons directly employed by the council	
on a permanent full-time basis	413
on a permanent part-time basis	94
on a casual basis	14
under a fixed-term contract	29
Senior staff	4

- the number of persons employed by the council who are "senior staff" for the purposes of the Local Government Act 1993: 4 (1 General Manager & 3 Group Managers)
- the number of persons engaged by the council, under a contract or other arrangement with the person's employer, that is wholly or principally for the labour of the person: 43 Labour hire/contractors/agency staff
- the number of persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee: 10 (apprentice, trainees & cadets directly employed through PSC).

\*These figures differ to the figures on page 43 due to the date and reporting requirements.

## Developer Contributions and Levies

Environment Planning and Assessment Regulation 2021 (EPA Reg)

Section 218(1), 218(A) (2) (a-g) the Regulations

Contributions Plan	Project number / ID	Project description	Location
Port Stephens Local Infrastructure Contributions Plan	SRF17	King Park Sports Complex, Raymond Terrace – Implementation of Masterplan	All catchment areas
Port Stephens Local Infrastructure Contributions Plan	SRF19	Tomaree Sports Complex, Nelson Bay - Upgrade to Oval 1	All catchment areas
Port Stephens Local Infrastructure Contributions Plan	SP2	Brandy Hill Drive, Brandy Hill – shared path from Clarence Town Road to Seaham Road	Raymond Terrace - Rural
Port Stephens Local Infrastructure Contributions Plan	SP2	Brandy Hill Drive, Brandy Hill – shared path from Clarence Town Road to Seaham Road	7.12
Port Stephens Local Infrastructure Contributions Plan	OSF22	Henderson Park, Lemon Tree Passage – upgraded paths, landscaping, park furniture and BBQ	Central Growth Corridor
Port Stephens Local Infrastructure Contributions Plan	OSF35	Little Beach, Nelson Bay – playground facilities upgrade	Tomaree
Port Stephens Local Infrastructure Contributions Plan	OSF56	Boomerang Park, Raymond Terrace – playground upgrade, park facilities improvements and skate park improvements	All catchment areas
Port Stephens Local Infrastructure Contributions Plan	TCU3	Nelson Bay – Town centre upgrades	All catchment areas
Port Stephens Local Infrastructure Contributions Plan	SRF16	Tomaree Sports Complex, Nelson Bay – sports pavilion B1	All catchment areas
Port Stephens Local Infrastructure Contributions Plan	CAF1	Raymond Terrace Works Depot	Raymond Terrace
Port Stephens Local Infrastructure Contributions Plan	CAF1	Raymond Terrace Works Depot	7.12
Port Stephens Local Infrastructure Contributions Plan	CCF2	Library Resources	All catchment areas (except Fern Bay)
Port Stephens Local Infrastructure Contributions Plan	CCF2	Library Resources	7.12
Port Stephens Local Infrastructure Contributions Plan	FD21	Tomaree – construct and / or improve drainage and overland flow paths	Tomaree
Port Stephens Local Infrastructure Contributions Plan	SP2	Brandy Hill Drive, Brandy Hill – shared path from Clarence Town Road to Seaham Road	Raymond Terrace - Rural
Port Stephens Local Infrastructure Contributions Plan	SP2	Brandy Hill Drive, Brandy Hill – shared path from Clarence Town Road to Seaham Road	7.12
Port Stephens Local Infrastructure Contributions Plan	RW31	Ferodale Road, Medowie – Roundabout to 38 Ferodale Road	Central Growth Corridor
Port Stephens Local Infrastructure Contributions Plan	MTT29	Ferodale Road – upgrade pedestrian refuge island west of Medowie Road	Central Growth Corridor

## Section 218(A)(3)(a)(b)

Total value of all developer contributions received for financial year 2023 \$9,863,248

Total value of all developer contributions expended for financial year 2023 \$2,134,048

Note: No new borrowings have been expended for another purpose under the same or another Contributions Plan

	Purpose	Fy22/23 Actual Dev Cont Expenditure	Contribution expended to date	Project status	Percentage of costs funded by Developer Contributions
	Sports & Leisure Facilities	\$ 87,363	\$87,363	Underway	Only relevant if project is complete
	Sports & Leisure Facilities	\$150,000	\$150,000	Complete	36%
	Shared Paths	\$4,142	\$60,142	Underway	Only relevant if project is complete
	7.12	\$ 34,858	\$34,858	Underway	Only relevant if project is complete
	Public Open Space, Parks & Reserves	\$ 33,355	\$70,000	Complete	43%
	Public Open Space, Parks & Reserves	\$ 76,919	\$76,919	Complete	51%
	Public Open Space, Parks & Reserves	\$15,000	\$15,000	Complete	88%
	Town Centre Upgrades	\$225,000	\$225,000	Complete	83%
	Sports & Leisure Facilities	\$166,679	\$416,679	Underway	Only relevant if project is complete
	Civic Administration – Works Depot	\$222,753	\$1,089,220	Underway	Only relevant if project is complete
	7.12	\$572,606	\$1,252,274	Underway	Only relevant if project is complete
	Community & Cultural	\$187,500	\$745,698	Complete	100%
	7.12	\$62,500	\$745,698	Complete	100%
	Flood & Drainage Works	\$42,465	\$42,465	Underway	Only relevant if project is complete
	Shared Paths	96,426	\$96,426	Underway	Only relevant if project is complete
	7.12	\$45,482	\$45,482	Underway	Only relevant if project is complete
	Roadworks	\$101,000	\$101,000	Complete	53%
	Medowie Traffic and Transport	\$10,000	\$10,000	Complete	5%

# Appendix

## Section 6

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Raymond Terrace



# Election of representatives on Council, committees, regional committees and groups

## 355C Committees and Regional Committees and Groups

Ref	Committee name	Purpose of Committee	Delegates
1	Aboriginal Strategic Committee	To exchange information between the Aboriginal community and Council on issues affecting Aboriginal people. To promote mutual awareness and respect for the cultures of both Aboriginal and non- Aboriginal communities.	Mayor Palmer Cr Anderson Cr Francis Cr Kafer
2	Audit Committee	The Audit Committee is an advisory committee of Council comprising of two Councillor representatives and three independent external representatives. The objective of the Audit Committee is to enhance the corporate governance of Council through the provision of independent oversight, review and advice. The Committee will assist Council by providing independent assurance and assistance on the organisation's governance, risk, control and compliance frameworks.	Cr Anderson Cr Doohan <b>Alternate</b> Cr Dunkley (OLG guidelines preclude the Mayor from being a member of the Committee).
3	Hinton School of Arts Committee	To assist Council in the management of Hinton School of Arts.	Cr Arnott Cr Francis Cr Kafer
4	Karuah Community Hall Committee	To assist Council in the management of Karuah Community Hall.	Cr Doohan Cr Tucker Cr Wells
5	Lemon Tree Passage Old School Centre Committee	To assist Council in the management of Lemon Tree Passage Old School Centre and surrounds.	Cr Doohan Cr Tucker Cr Wells
6	Medowie Sports Council	To facilitate communication between the sporting community and Council. To ensure the existing and future needs of sports participants and administrators are brought to the attention of Council.	Cr Doohan Cr Wells
7	Nelson Bay Community Hall Committee	To assist Council in the management of Nelson Bay Community Hall.	Cr Anderson Cr Bailey
8	Port Stephens Australia Day Committee	To coordinate the annual celebration of Australia Day in Port Stephens in line with recommendations from the Australia Day Council.	Mayor Palmer Cr Anderson Cr Arnott Cr Doohan Cr Dunkley Cr Francis
9	Port Stephens Sister Cities Committee	To promote and have ongoing relationships between international communities providing opportunities for cultural exchange.	Mayor and all Councillors

Ref	Committee name	Purpose of Committee	Delegates
10	Raymond Terrace Senior Citizens Hall Management Committee	To assist Council in the management of the Raymond Terrace Senior Citizens Hall.	Cr Arnott Cr Francis Cr Kafer
11	Salt Ash Community Hall	To assist Council in the management of Salt Ash Community Hall.	Cr Doohan Cr Tucker Cr Wells
12	Salt Ash Sports Ground Committee	To assist Council in the management, maintenance and improvements to Salt Ash Sports Ground.	Cr Doohan Cr Tucker Cr Wells
13	Seaham Park & Wetlands Committee	To assist Council in the management, maintenance and improvements to the park and wetlands.	Cr Arnott Cr Francis Cr Kafer
14	Strategic Arts Committee	To provide input into Port Stephens Council's strategic policies, plans and programs relating to culture and the arts.	Mayor Palmer Cr Francis Cr Kafer Cr Tucker
15	Tanilba Bay Foreshore Hall Committee	To assist Council in the management of Tanilba Bay Foreshore Hall.	Cr Tucker Cr Wells
16	Tilligerry Sports Council	To facilitate communication between the sporting community and Council. To ensure the existing and future needs of sports participants and administrators are brought to the attention of Council.	Mayor Palmer Cr Doohan Cr Tucker Cr Wells
17	Tomaree Sports Council	To facilitate communication between the sporting community and Council. To ensure the existing and future needs of sports participants and administrators are brought to the attention of Council.	Mayor Palmer Cr Anderson Cr Bailey Cr Dunkley
18	West Ward Sports Council	To facilitate communication between the sporting community and Council. To ensure the existing and future needs of sports participants and administrators are brought to the attention of Council.	Mayor Palmer Cr Arnott Cr Francis Cr Kafer

## Regional Committees and Groups

Ref	Committee name	Purpose of Committee	Delegates
19	AGL Newcastle Gas Storage Facility Community Dialogue Group	The purpose of a Community Consultative Committee is to provide a forum for discussion between a proponent and representatives of the community, stakeholder groups and the local council on issues directly relating to a specific State significant project.	Mayor Palmer
20	Birubi Point Cultural Heritage Advisory Panel	To advise Port Stephens Council on the management plan required to protect the Worimi cultural and spiritual heritage and enhance the environment of the Birubi Point Crown Reserve and Birubi Point Aboriginal Place.	Cr Wells
21	Brandy Hill Quarry Community Consultative Committee	The purpose of a Community Consultative Committee is to provide a forum for discussion between a proponent and representatives of the community, stakeholder groups and the local council on issues directly relating to a specific State significant project.	Cr Arnott <b>Alternate</b> Cr Kafer
22	Cabbage Tree Road Community Consultative Committee	The purpose of the committee is to provide an advisory forum of community representatives to meet requirements of the development consent.	Cr Kafer <b>Alternate</b> Cr Arnott
23	Comprehensive Koala Plan of Management Implementation Committee	Responsible for overseeing the implementation of the Port Stephens Council Comprehensive Koala Plan of Management.	Cr Anderson <b>Alternate</b> Cr Kafer
24	Communication and Engagement Advisory Panel	The purpose is the delivery of transparent communications and meaningful community engagement. To provide information, advice and guidance on development and delivery of Council communications and engagement programs to ensure a diversity of voices participates in decision making for their place.	Mayor Palmer Cr Anderson Cr Wells Cr Kafer
25	Community Funding Program	To make recommendations to Council on applications received through the Grants process.	Mayor Palmer Cr Arnott Cr Doohan Cr Dunkley <b>Alternate</b> Cr Anderson for East Ward Cr Wells for Central Ward (1 Councillor from each Ward).
26	Environment Advisory Panel	To provide community representation for consultation, advice and advocacy on environmental matters in Port Stephens.	Cr Anderson <b>Alternate</b> Cr Francis

Ref	Committee name	Purpose of Committee	Delegates
27	General Manager Performance Review Panel	To conduct evaluation of the performance of the General Manager.	Mayor Palmer Cr Arnott Cr Anderson (Nominated by the Council, plus a Councillor nominated at the time by the General Manager).
28	Heritage Advisory Panel	To provide community representation for consultation, advice and advocacy of heritage matters in Port Stephens.	Cr Wells <b>Alternate</b> Cr Kafer
29	Hunter Joint Organisation	The Hunter Joint Organisation is a collaborative body that brings together the 10 councils in the region to provide a united and local voice for our communities. As the hub for local intergovernmental collaboration, the organisation's statutory mandate includes identifying key regional strategic priorities, advocating for these priorities, and building collaborations around these priorities with other levels of government, industry and community.	Mayor Palmer
30	Local Government Community Safety & Crime Prevention Network NSW Note: This is a Committee of the Port Stephens Local Area Command. Membership is by invitation from the Local Area Commander. Council's delegate is the Mayor.	To provide a forum for local community members, service providers, businesses and the police to discuss issues and appropriate strategies relating to crime and community safety. **Attendees will be by invitation only, one representative will be invited by the Police from each peak body/organisation e.g. Hunter Water / Housing NSW). Council will hold two positions, one will be Community Engagement Officer, and the other will be the Mayor or his representative if unable to attend.	Mayor Palmer
31	Customer and Community Advisory Group (CCAG)	This committee is an advisory committee to Hunter Water Corporation.	Cr Francis <b>Alternate</b> Cr Kafer
32	Hunter and Central Coast Regional Planning Panel	To consider development applications referred to the Panel under the legislation for development applications for the Port Stephens Local Government area. The Panel comprises of 3 State members and 2 Councillors. The term is for 3 years for each Panel member.	Mayor Palmer Cr Arnott <b>Alternates</b> Cr Anderson Cr Tucker Civil Assets Section Manager Strategy & Environment Section Manager
33	Local Traffic Committee	This is a Service NSW based committee which allows Council to have delegated authority to install or remove regulatory sign posting on public roads.	Mayor Palmer Cr Anderson <b>Alternate</b> Cr Kafer
34	Lower Hunter Bushfire Management Committee	The committee is a legislative requirement and is to discuss direction across local government areas and across agencies in regard to bushfire management.	Cr Arnott

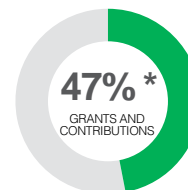


Ref	Committee name	Purpose of Committee	Delegates
35	Cr Kafer	The Group is managed by Hunter Local Land Services (HLLS). The purpose is to provide an opportunity the HLLS to engage with stakeholders on a range matters, including strategic direction and programs.	Cr Francis
36	Marine Parks Advisory Panel Ministerial Appointment	Community Consultative Committee regarding the proposed Marine Park in Port Stephens.	Cr Anderson
37	NSW Public Libraries Association (Central East Zone)	The purpose of the Association is to champion the public library cause, strengthen the public library network, advocate effectively, foster cooperation and collaboration, build trust and support, initiate partnerships and share relevant information.	Cr Wells
38	Port Stephens Economic Development Advisory Panel	Act as a communication and advisory mechanism to Council on relevant Economic Development issues. Oversee the implementation of the Economic Development Strategy.	Mayor Palmer Cr Anderson Cr Doohan Cr Dunkley Cr Francis Cr Tucker
39	Port Stephens Floodplain Advisory Panel	To provide advice on flood/floodplain management studies/plans.	Cr Francis <b>Alternate</b> Cr Arnott
40	Port Stephens Local Heath Committee	To provide leadership in the community to: <ul style="list-style-type: none"> <li>• Ensure health services meet local community health needs</li> <li>• Promote health services and initiatives</li> <li>• Enhance the health of the community.</li> </ul>	Cr Anderson <b>Alternate</b> Cr Tucker
41	Port Stephens/ Myall Lakes Estuary and Coastal Zone Management Committee	This Committee includes representatives from Great Lakes Council and is responsible for long term planning for the estuary and the coastline.	Cr Bailey <b>Alternate</b> Cr Anderson
42	RFS District Liaison Committee	To review the progress of the service level agreement between Port Stephens Council and NSW Rural Fire Service in the local government area.	Cr Arnott <b>Alternate</b> Mayor Palmer
43	Salt Ash Sand Project Community Consultative Committee	The purpose of a Community Consultative Committee is to provide a forum for discussion between a proponent and representatives of the community, stakeholder groups and the local council on issues directly relating to a specific State significant project.	Cr Doohan <b>Alternate</b> Cr Wells
44	Stone Ridge Community Consultative Committee	The purpose of the committee is to provide an advisory forum of community representatives to meet requirements of the development consent.	Cr Francis <b>Alternate</b> Cr Arnott
45	Williamstown Consultative Committee Forum	To provide a forum for the residents of Williamstown area to discuss relevant issues with Federal, State and Local Government elected members and agencies.	Mayor Palmer (General Manager)
46	Worimi Conservation Lands Board of Management Ministerial Appointment	To oversee the management of the lands owned by the Aboriginal owners and leased back to the NSW Government.	Cr Bailey <b>Alternate</b> Cr Arnott

## Capital works projects

Capital works project expenditure in 2022 to 2023.

\*Grant funds contributed to this project



Classification	Job description	Cost (\$)
Aquatic Structure	Little Beach, Nelson Bay - Jetty*	31,593
Bridges	Notts Creek Bridge, Glen Oak*	15,225
Buildings	Raymond Terrace - Depot Upgrade	7,790,008
Buildings	Boyd Oval - Amenities Building	5,935
Buildings	Tomaree Sports Complex - Amenities	166,679
Buildings	Stuart Park, Hinton - Amenities	185,961
Buildings	Little Beach, Nelson Bay - Amenities Replacement *	177,731
Buildings	Mallabulla Amenities Upgrade and Sewer Connection*	203,886
Buildings	King Park Sports Complex Seating and Building Upgrades*	376,823
Buildings	Tomaree Library and Community Centre Fire Indicator Panel Upgrade	59,901
Buildings	Fern Bay Community Centre Fire Indicator Panel Upgrade	9,721
Buildings	Administration Building Lift Upgrade	32,317
Buildings	Soldiers Point RFS Roofing Upgrade*	16,166
Buildings	Community Assets Upgrade	512,233
Buildings	Lakeside Aquatic Centre Playground Upgrade*	140,787
Buildings	Yulong Oval Amenities Upgrade*	142,001
Buildings	Tomaree And Tilligerry Aquatic Centre Heat Upgrade	285,812
Buildings	Salamander Waste Transfer Amenities Upgrade	123,811
Buildings	Tomaree Matchfield Upgrades - Elizabeth Waring*	366,793
Buildings	Raymond Terrace Activity Van Roof Replacement	42,067
Buildings	Little Beach, changing places amenities*	67,825
Carparks	Birubi Point Interchange*	226,769
Carparks	Shoal Bay Carpark Upgrade	100,761
Commercial Investment	Commercial investment and land	52,676
Drainage	Drainage KIP Upgrades	9,349

Classification	Job description	Cost (\$)
Drainage	Sturgeon Street Drainage Upgrades	345,577
Drainage	Nelson Bay Drainage Works*	789,587
Drainage	John Parade Lemon Tree Passage Drainage Upgrades	32,850
Drainage	Bourke Street Flood Pump*	8,242
Drainage	Canomii Close Nelson Bay New Drainage Infrastructure	42,465
Fleet	Fleet Replacement*	2,092,891
Holiday Parks	Holiday Park Improvements	705,392
ICT	Information Technology Improvements	192,067
Libraries	Library resources	253,564
Libraries	Mobile Library Upgrade*	54,407
Natural Disaster	Tomago Pontoon Flood Repairs*	16,543
Natural Disaster	Soldiers Point Revetment Wall*	28,057
Natural Disaster	Little Beach Retaining Wall*	16,025
Natural Disaster	Teramby Road Land Slip 1*	64,882
Natural Disaster	Marine Drive Land Slip*	193,359
Natural Disaster	Henning Road*	14,535
Natural Disaster	Six Mile Road Culvert*	16,263
Natural Disaster	Old Punt Road*	18,338
Natural Disaster	High Street Guardrail Replacement*	11,753
Natural Disaster	Teramby Road Land Slip 2*	27,948
Natural Disaster	Foreshore Drive Corlette*	31,632
Open Space	Spencer Park, Soldiers Point Upgrades*	83,193
Open Space	Kittyhawk Park Playground Upgrade	109,910
Open Space	Henderson Park Shade Sail	33,355
Open Space	Birubi Sand Dune Stabilisation	19,838
Open Space	Williamtown Tennis Court fence replacement	15,000
Open Space	Salamander Sports Complex Upgrades Upgrade*	255,068
Open Space	Brandon Park Upgrades Upgrade*	564,963
Open Space	King Park Sports Complex Replace Fencing and Upgrade	93,267
Open Space	Henderson Park Extend existing irrigation	10,000
Open Space	Conroy Park BBQ replacement	20,000

Classification	Job description	Cost (\$)
Open Space	Aliceton Reserve Playground *	33,450
Open Space	Foster Park Shelters Replacement*	26,130
Open Space	Longworth Park Bbq's Replacement	6,418
Open Space	Little Beach Inclusive Playspace*	151,859
Open Space	Anzac Park Raymond Terrace Redevelopment*	220,023
Open Space	Tomaree Sports Complex Playground	10,022
Open Space	Boomerang Park Basketball Hoops	16,960
Open Space	Little Beach, Park furniture and BBQs*	45,032
Open Space	Bill Strong Oval Surface Renovations*	45,500
Open Space	Little Beach - Replace fish cleaning tables*	9,500
Open Space	Lionel Morton Oval Driveway Washouts Repair*	11,917
Open Space	Nelson Bay Tennis Upgrades*	272,601
Open Space	Tomaree Sport Complex field lighting*	6,733
Pathways	Lemon Tree Passage Pathway Missing Link	398,818
Pathways	Nelson Bay Road, Fern Bay Pathway	13,120
Pathways	Brandy Hill Shared Pathway Construction	180,908
Pathways	Highway Underpass Raymond Terrace Pathway	162,714
Pathways	Medowie Pathway - Ferodale to Silverwattle	130,590
Pathways	Lemon Tree Passage Pathway*	7,116
Pathways	Fly Point to Halifax Pathway*	8,414
Pathways	Lemon Tree Passage Town Centre Upgrades*	20,276
Pathways	King Park Sports Complex Pathway Upgrades*	423,691
Roads	Newline Road*	1,466,713
Roads	Mustons Road, Karuah culvert replacement and road widening	120,417
Roads	William Street, Raymond Terrace*	648,810
Roads	James Road, Medowie	49,971
Roads	Duns Creek Road	32,889
Roads	Riverflat Realignment Road	38,393
Roads	Kula Road	55,988
Roads	Tanilba Road Mallabula*	1,480,161
Roads	Port Stephens Drive Koala Blackspot*	683,538



Classification	Job description	Cost (\$)
Roads	Gravel Road Resheeting - East Seaham Road	47,189
Roads	Swan Bay Road	840,984
Roads	Clarencetown Road Wattle Creek Bridge to Langlands Road*	1,441,074
Roads	Clarencetown Road Mooghin Road to Dixon Street *	1,892,566
Roads	Seaham Road and Hinton Road Intersection *	1,054,092
Roads	Nelson Bay Town Centre High Pedestrian Activity *	390,248
Roads	Six Mile Road*	1,093,148
Roads	Gan Gan Road*	1,592,918
Roads	School Zone Infrastructure Projects*	118,487
Roads	Lavis Lane	25,229
Roads	Retaining Wall Soldiers Point Road	77,062
Roads	Ferodale Road (Roundabout to Peppertree), Medowie	189,883
Roads	Avenue Of The Allies Tanilba Bay Upgrade*	326,043
Roads	Kindlebark Drive Medowie	72,905
Roads	Italia Road Balickera	117,827
Roads	Medowie Road Seg 350*	359,633
Roads	Sturgeon Street Raymond Terrace*	397,754
Roads	Marsh Road Floodgate	15,338
Roads	Clarencetown Road - Seg 120-130*	119,809
Roads	Bucketts Way, Twelve Mile Creek*	114,492
Roads	Lemon Tree Passage Road Oyster Cove *	124,143
Roads	East Seaham Road, East Seaham*	154,570
Roads	Adelaide Street, Raymond Terrace*	441,813
Roads	Ferodale Road (Brockelsby Road), Medowie*	423,000
Roads	Port Stephens Street Raymond Terrace *	286,304
Roads	Government Road Nelson Bay *	520,354
Roads Reseal	Reseal Program*	2,203,712
Waste	Domestic Waste Fleet Upgrades	20,000
Waste	EPS Recycling Machine Upgrade	29,500
<b>Total</b>		<b>38,572,550</b>



Sunset Cinema, Raymond Terrace

## Glossary of terms

**ABS:** Australian Bureau of Statistics.

**Advocacy:** The act of speaking or arguing in favour of something like a cause or idea.

**Biodiversity:** The variety of all living things including plants, animals and microorganisms, their genes and the ecosystems of which they are a part.

**Capital works:** Major projects undertaken to either renew, upgrade or construct assets owned by Port Stephens Council.

**CMP:** Coastal Management Program.

**Community Strategic Plan (CSP):** A strategic document with a minimum 10-year outlook, which outlines our community's long term vision and priorities.

**COVID-19:** The disease caused by a new coronavirus.

**Customer First:** An organisational framework which puts our customers (ratepayers, community and colleagues) at the heart of everything we do.

**DA:** Development application.

**Delivery Program:** A document with a minimum 4-year outlook, which outlines our Council's objectives in achieving the Community Strategic Plan.

**Disability Inclusion Action Plan (DIAP):** A plan outlining the actions we'll take to remove barriers for people with disability.

**Financial year:** The financial year we are reporting on in this report is from 1 July 2022 to 30 June 2023.

**Gathang:** The language of the Worimi people of Port Stephens.

**Integrated Planning and Reporting Framework (IP&R):** A framework used by NSW councils to report on progress in meeting the community's vision and objectives. It incorporates the Community Strategic Plan, Delivery Program, Operational Plan,

Long Term Financial Plan, Strategic Asset Management Plan and Workforce Plan.

**IPART:** Independent Pricing and Regulatory Tribunal.

**LGA:** Local government area.

**Long Term Financial Plan:** A plan for how we'll fund the objectives and strategies in the Community Strategic Plan.

**NCAT:** NSW Civil and Administrative Tribunal.

**OLG:** Office of Local Government NSW.

**OOSH:** Out of School Hours Care including vacation care.

**Operational Plan:** An annual action plan for how we'll implement the Delivery Program plus budgets, fees and charges.

**Risk management:** A discipline for developing appropriate procedures to reduce the possibility of adverse effects.

**RMS:** Roads and Maritime Services.

**Special Activation Precinct (SAP):** Dedicated area in a regional location identified by the NSW Government to become a thriving business hub.

**Strategic Asset Management Plan (SAMP):** A 10-year framework for managing our Council's assets so appropriate services are effectively delivered to the community.

**TfNSW:** Transport for NSW.

**Worimi:** Our Council acknowledges the Worimi people as the traditional owners of the Port Stephens local government area.

**Workforce Plan:** A plan to ensure we have the right people and skills to deliver the objectives in the Community Strategic Plan.

**YAAP:** Youth Advisory Action Panel.

**Yabang Gumba-Gu:** Meaning 'road to tomorrow', this is an agreement and 3-year action plan our Council has signed with the local Worimi and Karuah Aboriginal Land Councils.

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# Port Stephens Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2023

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*"A great lifestyle in a treasured environment"*



**Port Stephens Council****General Purpose Financial Statements**

for the year ended 30 June 2023

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**Overview**

Port Stephens Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

116 Adelaide Street  
Raymond Terrace NSW 2324

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au).



Port Stephens Council

General Purpose Financial Statements

for the year ended 30 June 2023

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 12 September 2023.



Ryan Palmer

Mayor

12 September 2023



Tim Crosdale

General Manager

12 September 2023



Steve Tucker

Councillor

12 September 2023



Glen Peterkin

Responsible Accounting Officer (Acting)

12 September 2023

## Port Stephens Council

## Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
<b>Income from continuing operations</b>				
68,994	Rates and annual charges	B2-1	<b>69,094</b>	66,278
47,079	User charges and fees	B2-2	<b>53,448</b>	42,365
4,314	Other revenues	B2-3	<b>5,535</b>	4,852
12,776	Grants and contributions provided for operating purposes	B2-4	<b>20,661</b>	17,941
19,573	Grants and contributions provided for capital purposes	B2-4	<b>32,342</b>	32,929
1,063	Interest and investment income (*)	B2-5	<b>3,181</b>	501
3,941	Other income	B2-6	<b>4,169</b>	5,542
250	Net gain from the disposal of assets	B4-1	<b>—</b>	2,528
157,990	<b>Total income from continuing operations</b>		<b>188,430</b>	172,936
<b>Expenses from continuing operations</b>				
56,552	Employee benefits and on-costs	B3-1	<b>57,998</b>	52,959
55,932	Materials and services	B3-2	<b>58,592</b>	53,040
1,710	Borrowing costs	B3-3	<b>2,324</b>	849
18,999	Depreciation, amortisation and impairment of non-financial assets	B3-4	<b>19,564</b>	18,203
4,586	Other expenses	B3-5	<b>7,360</b>	6,103
—	Net loss from the disposal of assets	B4-1	<b>1,715</b>	—
137,779	<b>Total expenses from continuing operations</b>		<b>147,553</b>	131,154
20,211	<b>Operating result from continuing operations</b>		<b>40,877</b>	41,782
20,211	<b>Net operating result for the year attributable to Council *</b>		<b>40,877</b>	41,782
637	<b>Net operating result for the year before grants and contributions provided for capital purposes</b>		<b>8,535</b>	8,853

The above Income Statement should be read in conjunction with the accompanying notes.

(\*) Items have been reclassified in accordance with The Local Government Code of Accounting Practice and Financial Reporting 2021/22.

## Port Stephens Council

## Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
<b>Net operating result for the year – from Income Statement</b>		<b>40,877</b>	41,782
<b>Other comprehensive income:</b>			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-8	<b>84,063</b>	93,739
Gain (loss) on revaluation of intangible assets	C1-10	<b>–</b>	–
<b>Total items which will not be reclassified subsequently to the operating result</b>		<b>84,063</b>	93,739
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Gain (loss) on hedging instruments	C1-2	<b>996</b>	–
<b>Total items which will be reclassified subsequently to the operating result when specific conditions are met</b>		<b>996</b>	–
<b>Total other comprehensive income for the year</b>		<b>85,059</b>	93,739
<b>Total comprehensive income for the year attributable to Council</b>		<b>125,936</b>	135,521

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Port Stephens Council

## Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	C1-1	16,798	30,221
Investments	C1-2	53,650	17,679
Receivables	C1-4	11,367	11,387
Inventories	C1-5	214	42
Contract assets and contract cost assets	C1-6	3,547	1,086
Non-current assets classified as 'held for sale'	C1-7	—	851
Other	C1-11	1,581	1,471
<b>Total current assets</b>		<b>87,157</b>	<b>62,737</b>
<b>Non-current assets</b>			
Investments and derivatives	C1-2	30,150	22,652
Receivables	C1-4	140	153
Inventories	C1-5	9,903	10,617
Infrastructure, property, plant and equipment (IPPE)	C1-8	1,291,034	1,167,153
Investment property	C1-9	28,000	41,655
Intangible assets	C1-10	4,028	3,998
Right of use assets	C2-1	3,099	3,060
Other	C1-11	33	17
<b>Total non-current assets</b>		<b>1,366,387</b>	<b>1,249,305</b>
<b>Total assets</b>		<b>1,453,544</b>	<b>1,312,042</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	C3-1	19,855	19,130
Contract liabilities	C3-2	11,458	11,482
Lease liabilities	C2-1	916	753
Borrowings	C3-3	3,385	2,897
Employee benefit provisions	C3-4	15,584	14,737
<b>Total current liabilities</b>		<b>51,198</b>	<b>48,999</b>
<b>Non-current liabilities</b>			
Payables	C3-1	2,036	165
Lease liabilities	C2-1	2,446	2,544
Borrowings	C3-3	48,108	36,515
Employee benefit provisions	C3-4	894	893
<b>Total non-current liabilities</b>		<b>53,484</b>	<b>40,117</b>
<b>Total liabilities</b>		<b>104,682</b>	<b>89,116</b>
<b>Net assets</b>		<b>1,348,862</b>	<b>1,222,926</b>
<b>EQUITY</b>			
Accumulated surplus		759,672	715,162
IPPE revaluation reserve	C4-1	588,194	507,764
Hedging reserve	C4-1	996	—
<b>Total equity</b>		<b>1,348,862</b>	<b>1,222,926</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

Port Stephens Council

Statement of Changes in Equity  
for the year ended 30 June 2023

\$ '000	Notes	2023				2022			
		Accumulated surplus	IPPE revaluation reserve	Hedging reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Hedging reserve	Total equity
Opening balance at 1 July		715,162	507,764	–	1,222,926	673,059	414,346	–	1,087,405
<b>Opening balance</b>		<b>715,162</b>	<b>507,764</b>	<b>–</b>	<b>1,222,926</b>	<b>673,059</b>	<b>414,346</b>	<b>–</b>	<b>1,087,405</b>
Net operating result for the year		40,877	–	–	40,877	41,782	–	–	41,782
<b>Net operating result for the period</b>		<b>40,877</b>	<b>–</b>	<b>–</b>	<b>40,877</b>	<b>41,782</b>	<b>–</b>	<b>–</b>	<b>41,782</b>
<b>Other comprehensive income</b>									
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-8	–	84,063	–	84,063	–	93,739	–	93,739
Gain (loss) on hedging instruments		–	–	996	996	–	–	–	–
<b>Other comprehensive income</b>		<b>–</b>	<b>84,063</b>	<b>996</b>	<b>85,059</b>	<b>–</b>	<b>93,739</b>	<b>–</b>	<b>93,739</b>
<b>Total comprehensive income</b>		<b>40,877</b>	<b>84,063</b>	<b>996</b>	<b>125,936</b>	<b>41,782</b>	<b>93,739</b>	<b>–</b>	<b>135,521</b>
Transfers between equity items		3,633	(3,633)	–	–	321	(321)	–	–
<b>Closing balance at 30 June</b>		<b>759,672</b>	<b>588,194</b>	<b>996</b>	<b>1,348,862</b>	<b>715,162</b>	<b>507,764</b>	<b>–</b>	<b>1,222,926</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Port Stephens Council

## Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
<b>Cash flows from operating activities</b>				
<i>Receipts:</i>				
66,623	Rates and annual charges		<b>68,907</b>	67,055
47,079	User charges and fees		<b>56,419</b>	44,452
1,063	Interest received		<b>2,225</b>	447
29,721	Grants and contributions		<b>43,209</b>	41,788
–	Bonds, deposits and retentions received		<b>698</b>	–
7,427	Other		<b>15,434</b>	11,734
<i>Payments:</i>				
(57,259)	Payments to employees		<b>(57,142)</b>	(54,255)
(55,795)	Payments for materials and services		<b>(65,344)</b>	(61,640)
(1,713)	Borrowing costs		<b>(2,324)</b>	(849)
–	Bonds, deposits and retentions refunded		<b>–</b>	(303)
(3,653)	Other		<b>(7,553)</b>	(4,173)
33,493	<b>Net cash flows from operating activities</b>	G1-1	<b>54,529</b>	44,256
<b>Cash flows from investing activities</b>				
<i>Receipts:</i>				
–	Sale of investments		<b>70,031</b>	62,111
–	Sale of investment property		<b>15,371</b>	3,118
–	Sale of real estate assets		<b>–</b>	5,076
250	Proceeds from sale of IPPE		<b>5,233</b>	387
–	Sale of intangible assets		<b>–</b>	2,175
<i>Payments:</i>				
–	Purchase of investments		<b>(112,504)</b>	(65,741)
(32,377)	Payments for IPPE		<b>(56,981)</b>	(48,467)
–	Purchase of real estate assets		<b>(49)</b>	(115)
–	Purchase of intangible assets		<b>(258)</b>	(153)
(32,127)	<b>Net cash flows from investing activities</b>		<b>(79,157)</b>	(41,609)
<b>Cash flows from financing activities</b>				
<i>Receipts:</i>				
–	Proceeds from borrowings		<b>15,100</b>	9,550
<i>Payments:</i>				
(3,753)	Repayment of borrowings		<b>(3,019)</b>	(2,698)
–	Principal component of lease payments		<b>(876)</b>	(820)
(3,753)	<b>Net cash flows from financing activities</b>		<b>11,205</b>	6,032
(2,387)	<b>Net change in cash and cash equivalents</b>		<b>(13,423)</b>	8,679
–	Cash and cash equivalents at beginning of year		<b>30,221</b>	21,542
(2,387)	Cash and cash equivalents at end of year	C1-1	<b>16,798</b>	30,221
70,552	plus: Investments on hand (excl derivatives) at end of year	C1-2	<b>82,804</b>	40,331
68,165	<b>Total cash, cash equivalents and investments</b>		<b>99,602</b>	70,552

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Port Stephens Council

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## **A About Council and these financial statements**

### **A1-1 Basis of preparation**

These financial statements were authorised for issue by Council on 17 October 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993* (Act) and *Local Government (General) Regulation 2021* (Regulation), and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

#### ***Historical cost convention***

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

#### ***Significant accounting estimates and judgements***

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

#### ***Critical accounting estimates and assumptions***

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- i. estimated fair values of investment property – refer Note C1-9
- ii. estimated fair values of infrastructure, property, plant and equipment – refer Note C1-8
- iii. estimated tip remediation provisions – refer Note C3-5
- iv. employee benefit provisions – refer Note C3-4.

#### ***Significant judgements in applying the Council's accounting policies***

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

#### **Monies and other assets received by Council**

##### **The Consolidated Fund**

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund. Council does not have any money or property that is required to be held in a Trust Fund.

continued on next page ...

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**A1-1 Basis of preparation (continued)**

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**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

**Volunteer services**

Income relating to volunteer services can only be recognised where the amount is material, the services would be purchased if they were not donated and the amount of all volunteer services can be reliably measured. Council is not able to reliably satisfy all these aspects therefore no income and corresponding expense has been recognised in the financial statements.

**New accounting standards and interpretations issued but not yet effective**

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

**New accounting standards adopted during the year**

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2023.

Those newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures are further discussed in Note G4-1.

ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Functions or activities</b>										
Our Community	7,539	5,735	11,480	9,360	(3,941)	(3,625)	758	698	238,807	209,221
Our Council	108,187	91,055	57,689	47,568	50,498	43,487	9,170	8,154	332,121	288,840
Our Environment	24,912	23,765	21,530	22,614	3,382	1,151	519	508	6,190	4,358
Our Place	47,792	52,381	56,854	51,181	(9,062)	1,200	42,556	41,509	876,426	809,624
<b>Total functions and activities</b>	<b>188,430</b>	<b>172,936</b>	<b>147,553</b>	<b>130,723</b>	<b>40,877</b>	<b>42,213</b>	<b>53,003</b>	<b>50,870</b>	<b>1,453,544</b>	<b>1,312,042</b>

## B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

### **Our Community**

**Port Stephens is a thriving and strong community respecting diversity and heritage**

Children's Services; Community Services; Contract and Services; Library Services.

Community Development and Engagement; Economic Development and Tourism; Strategic Planning; Volunteer Management; Delivery of Council's Financial Assistance Programs.

Management of Aboriginal Places in Port Stephens.

### **Our Place**

**Port Stephens is a liveable place supporting local economic growth**

Asset Systems; Building and Developer Relations; Building Trades; Civil Assets Planning; Civil Contracts; Civil Projects; Community and Recreation; Community Development and Engagement; Construction; Contract and Services; Design; Emergency Management; Engineering Services; Environmental Health and Compliance; Mechanical and Maintenance Stores; Parks; Planning and Developer Relations; Roads; Roadside and Drainage; Strategic Planning; Survey and Land Information.

Economic Development and Tourism; Development, construction and maintenance of Koala Sanctuary, Hospital and Tourism Facility.

### **Our Environment**

**Port Stephens' environment is clean, green, protected and enhanced**

Tree Assessment Services; Tree Permit System; Community and Recreation; Rehabilitate, monitor and manage decommissioned landfill sites; Waste Management.

Coastal Management; Community support and advocacy; Deliver Environmental Education and Grant Programs; Develop and implement projects to protect and enhance the local environment; Ecological and Environmental Planning Services; Management and Regulation of Biosecurity Risks; Strategic guidance, current knowledge and best practice advice.

### **Our Council**

**Port Stephens Council leads, manages and delivers valued community services in a responsible way**

Business Excellence; Citizenship Ceremonies; Commercial Investments; Community Development and Engagement; Corporate Reporting; Corporate Systems and Business Improvement; Customer Relations; Digital and Website; Environmental Management; Facilities Management; Finance; Governance; Holiday Parks; Human Resources; Information and Communication Technologies; Information Services; Liaison with other government agencies; Manage strategic and operational matters; Marketing and Promotions; Public Relations and Marketing; Risk Management; Statutory Property; Support commercial aviation services; Support services for the Mayor, Councillors and senior executive officers; Work Health and Safety.

## B2 Sources of income

## B2-1 Rates and annual charges

\$ '000	Timing	2023	2022
<b>Ordinary rates</b>			
Residential	2	37,639	36,472
Farmland	2	905	887
Business	2	9,185	8,823
Less: pensioner rebates (mandatory)		(939)	(969)
<b>Rates levied to ratepayers</b>		<b>46,790</b>	<b>45,213</b>
Pensioner rate subsidies received	2	563	596
<b>Total ordinary rates</b>		<b>47,353</b>	<b>45,809</b>
<b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b>			
Domestic waste management services	2	17,062	16,091
Waste management services (non-domestic)	2	4,975	4,671
Section 611 charges	2	10	11
Less: pensioner rebates (mandatory)		(553)	(557)
<b>Annual charges levied</b>		<b>21,494</b>	<b>20,216</b>
Pensioner annual charges subsidies received:			
– Domestic waste management	2	247	253
<b>Total annual charges</b>		<b>21,741</b>	<b>20,469</b>
<b>Total rates and annual charges</b>		<b>69,094</b>	<b>66,278</b>

Council has used 1 July 2022 valuations provided by the NSW Valuer General in calculating its rates.

**Accounting policy**

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

## B2-2 User charges and fees

\$ '000	Timing	2023	2022
<b>Specific user charges (per s502 - specific 'actual use' charges)</b>			
Waste management services (non-domestic)	2	1,799	1,916
<b>Total specific user charges</b>		<b>1,799</b>	<b>1,916</b>
<b>Other user charges and fees</b>			
<b>(i) Fees and charges – statutory and regulatory functions (per s608)</b>			
Private works – section 67	2	97	99
Section 10.7 certificates (EP&A Act)	2	187	234
Section 603 certificates	2	146	193
Building inspection fees	2	306	360
Building services	2	1,159	1,424
Shop inspection fees	2	297	213
Subdivision fees	2	233	302
<b>Total fees and charges – statutory/regulatory</b>		<b>2,425</b>	<b>2,825</b>
<b>(ii) Fees and charges – other (incl. general user charges (per s608))</b>			
Animal control	2	5	(3)
Cemeteries	2	261	184
Child care	1	3,487	2,919
Holiday parks	1	15,928	12,315
Leisure centre	2	2,492	1,627
Library	2	102	61
Newcastle airport	2	18,520	10,270
Waste disposal tipping fees	2	423	369
Transport for NSW works (state roads not controlled by Council)	2	4,188	6,649
Parking meters	2	903	680
Sewerage management fees	1	735	669
Other	2	1,636	1,436
Rental income - other Council properties	2	544	448
<b>Total fees and charges – other</b>		<b>49,224</b>	<b>37,624</b>
<b>Total other user charges and fees</b>		<b>51,649</b>	<b>40,449</b>
<b>Total user charges and fees</b>		<b>53,448</b>	<b>42,365</b>
<b>Timing of revenue recognition for user charges and fees</b>			
User charges and fees recognised over time (1)		20,149	15,903
User charges and fees recognised at a point in time (2)		33,299	26,462
<b>Total user charges and fees</b>		<b>53,448</b>	<b>42,365</b>

**Accounting policy**

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.



## B2-3 Other revenues

\$ '000	Timing	2023	2022
Ex gratia rates	2	122	117
Fines – parking	2	373	283
Fines – other	2	181	225
Legal fees recovery – rates and charges (extra charges)	2	86	151
Legal fees recovery – other	2	30	20
Commissions and agency fees	1	215	229
Wage subsidies and incentives	2	180	179
Insurance claims recoveries	2	197	178
Sales – general	1	246	240
Events and promotions	2	61	68
Private works	1	282	411
Royalties - sand extraction	2	2,704	1,745
Other revenue - Newcastle airport partnership	2	31	324
Other	2	827	682
<b>Total other revenue</b>		<b>5,535</b>	<b>4,852</b>
<b>Timing of revenue recognition for other revenue</b>			
Other revenue recognised over time (1)		743	880
Other revenue recognised at a point in time (2)		4,792	3,972
<b>Total other revenue</b>		<b>5,535</b>	<b>4,852</b>

**Accounting policy for other revenue**

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

## B2-4 Grants and contributions

\$ '000	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>General purpose grants and non-developer contributions (untied)</b>					
<b>General purpose (untied)</b>					
<b>Current year allocation</b>					
Financial assistance	2	1,900	3,584	—	—
<b>Payment in advance - future year allocation</b>					
Financial assistance	2	7,917	5,507	—	—
<b>Amount recognised as income during current year</b>		<b>9,817</b>	<b>9,091</b>	<b>—</b>	<b>—</b>
<b>Special purpose grants and non-developer contributions (tied)</b>					
<b>Cash contributions</b>					
<b>Previously specific grants:</b>					
Bushfire and emergency services	2	1,038	1,120	58	—
Child care	1	404	364	—	—
Environmental programs	1	243	484	—	23
Floodplain management	2	60	48	—	—
Heritage and cultural	1	312	29	—	—
Library	2	275	256	54	—
LIRS subsidy	2	14	26	—	—
Recreation and culture	1	138	866	3,661	4,120
Newcastle airport	1	—	—	1,133	586
Youth development	1	78	78	—	—
Street lighting	2	77	75	—	—
Weed control	1	240	75	—	—
Transport (roads to recovery)	1	781	781	—	—
Transport	1	3,056	553	10,311	6,968
Other specific grants	1	439	23	684	235
<b>Previously contributions:</b>					
Natural disaster funding contributions	2	947	1,330	—	1,080
Recreation and culture	2	—	—	310	221
Transport for NSW contributions (regional roads, block grant)	2	1,095	1,066	—	—
Other contributions	2	110	360	—	—
Economic development and tourism	2	6	—	—	—
Environmental projects	2	37	—	—	—
Risk management	2	108	143	—	—
<b>Total special purpose grants and non-developer contributions – cash</b>		<b>9,458</b>	<b>7,677</b>	<b>16,211</b>	<b>13,233</b>
<b>Non-cash contributions</b>					
Bushfire services	2	—	—	—	847
Dedications – subdivisions (other than by s7.4 and s7.11 – EP&A Act, s64 of the LGA)	2	—	—	7,134	12,563
<b>Total other contributions – non-cash</b>		<b>—</b>	<b>—</b>	<b>7,134</b>	<b>13,410</b>
<b>Total special purpose grants and non-developer contributions (tied)</b>		<b>9,458</b>	<b>7,677</b>	<b>23,345</b>	<b>26,643</b>
<b>Total grants and non-developer contributions</b>		<b>19,275</b>	<b>16,768</b>	<b>23,345</b>	<b>26,643</b>

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B2-4 Grants and contributions (continued)

\$ '000	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>Comprising:</b>					
– Commonwealth funding		12,203	11,220	7,353	2,017
– State funding		6,918	5,553	8,492	10,986
– Other funding		154	(5)	7,500	13,640
		<b>19,275</b>	<b>16,768</b>	<b>23,345</b>	<b>26,643</b>

Developer contributions

\$ '000	Notes	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>Developer contributions:</b>						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G5					
<b>Cash contributions</b>						
S 7.11 – contributions towards amenities/services		2	314	318	7,413	5,721
S 7.12 – fixed development consent levies		2	–	–	1,584	565
Haulage		2	1,072	855	–	–
<b>Total developer contributions – cash</b>			<b>1,386</b>	<b>1,173</b>	<b>8,997</b>	<b>6,286</b>
<b>Total developer contributions</b>			<b>1,386</b>	<b>1,173</b>	<b>8,997</b>	<b>6,286</b>
<b>Total contributions</b>			<b>1,386</b>	<b>1,173</b>	<b>8,997</b>	<b>6,286</b>
<b>Total grants and contributions</b>			<b>20,661</b>	<b>17,941</b>	<b>32,342</b>	<b>32,929</b>
<b>Timing of revenue recognition for grants and contributions</b>						
Grants and contributions recognised over time (1)			5,691	3,306	15,733	11,932
Grants and contributions recognised at a point in time (2)			14,970	14,635	16,609	20,997
<b>Total grants and contributions</b>			<b>20,661</b>	<b>17,941</b>	<b>32,342</b>	<b>32,929</b>

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## B2-4 Grants and contributions (continued)

## Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
<b>Unspent grants and contributions</b>				
Unspent funds at 1 July	1,504	79	8,658	4,700
<b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,186	–	–	–
<b>Add:</b> capital grants received for the provision of goods and services in a future period (2022)	1,659	1,504	7,859	8,658
<b>Less:</b> Funds received in prior year but revenue recognised and funds spent in current year	(1,510)	(79)	(8,657)	(4,700)
<b>Unspent funds at 30 June</b>	<b>2,839</b>	<b>1,504</b>	<b>7,860</b>	<b>8,658</b>
<b>Contributions</b>				
Unspent funds at 1 July	2,429	2,267	11,498	9,214
<b>Add:</b> contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,387	1,172	8,997	6,286
<b>Add:</b> contributions received and not recognised as revenue in the current year	17	19	551	–
<b>Add:</b> Interest	72	3	342	11
<b>Less:</b> contributions recognised as revenue in previous years that have been spent during the reporting year	(1,070)	(1,032)	(2,135)	(4,013)
<b>Unspent contributions at 30 June</b>	<b>2,835</b>	<b>2,429</b>	<b>19,253</b>	<b>11,498</b>

## Accounting policy

## Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

## Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

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**B2-4 Grants and contributions (continued)**

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

**Developer contributions**

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

**Other grants and contributions**

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.



## B2-5 Interest and investment income (\*)

\$ '000	2023	2022
<b>Interest on financial assets</b>		
– Overdue rates and annual charges (incl. special purpose rates)	162	159
– Cash and investments	2,561	279
– Newcastle airport	458	20
Dividend income (other)	–	43
<b>Total interest and investment income (losses)</b>	<b>3,181</b>	<b>501</b>
<b>Interest and investment income is attributable to:</b>		
<b>Unrestricted investments/financial assets:</b>		
General Council cash and investments	2,767	485
<b>Restricted investments/funds – external:</b>		
Development contributions		
– Section 7.11	414	16
<b>Total interest and investment income</b>	<b>3,181</b>	<b>501</b>

**Accounting policy**

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

## B2-6 Other income

\$ '000	Notes	2023	2022
<b>Reversal of revaluation decrements on IPPE previously expensed</b>			
Land assets		—	302
<b>Total gross reversal of revaluation decrements on IPPE previously expensed</b>		<b>—</b>	<b>302</b>
Total reversal of revaluation decrements on IPPE previously expensed charged to Income Statement	C1-8	—	302
<b>Fair value increment on investment properties</b>			
Fair value increment on investment properties		1,220	2,110
Total fair value increment on investment properties	C1-9	1,220	2,110
<b>Rental income</b>			
<b>Investment properties and PPE</b>			
Lease income (excluding variable lease payments not dependent on an index or rate)		2,685	2,931
Lease income relating to variable lease payments not dependent on an index or a rate		264	199
<b>Total Investment properties</b>		<b>2,949</b>	<b>3,130</b>
Total rental income	C2-2	2,949	3,130
Total other income		4,169	5,542

## B3 Costs of providing services

## B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	38,277	37,665
Salaries and wages – Newcastle airport partnership	5,644	4,002
Travel and other allowances	3,472	3,325
Employee leave entitlements (ELE)	9,955	8,186
Superannuation	5,236	4,878
Workers' compensation insurance	1,872	1,875
Fringe benefit tax (FBT)	15	7
Protective clothing	167	140
Corporate uniform	10	12
Employee medical assessments	8	12
Other	17	22
<b>Total employee costs</b>	<b>64,673</b>	<b>60,124</b>
Less: capitalised costs	(6,675)	(7,165)
<b>Total employee costs expensed</b>	<b>57,998</b>	<b>52,959</b>

**Accounting policy**

Employee benefit expenses are recorded when the service has been provided by the employee.

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

## B3-2 Materials and services

\$ '000	Notes	2023	2022
Raw materials and consumables		9,014	7,244
– Waste collection (2019 only) and disposal contract		4,868	8,316
– Other contractor and consultancy costs		22,199	19,765
Audit Fees	F2-1	296	229
<b>Previously other expenses (*):</b>			
Councillor and Mayoral fees and associated expenses	F1-2	386	368
Bank charges		543	480
Electricity and heating		1,287	1,276
Insurance		2,386	2,219
Street lighting		1,180	1,045
Telephone and communications		249	260
Training costs (other than salaries and wages)		350	336
Memberships		214	124
Newcastle airport		8,000	5,152
<b>Legal expenses:</b>			
– Legal expenses		586	493
Expenses from short-term leases		14	55
Expenses from leases of low value assets		19	20
Expenses from Peppercorn leases		1	1
Variable lease expense relating to usage		6,138	5,152
Other		862	505
<b>Total materials and services</b>		<b>58,592</b>	<b>53,040</b>

**Accounting policy**

Expenses are recorded on an accruals basis as the Council receives the goods or services.

## B3-3 Borrowing costs

\$ '000	2023	2022
<b>(i) Interest bearing liability costs</b>		
Interest on leases	112	125
Interest on overdraft	4	37
Interest on loans	630	380
Interest - Newcastle Airport	2,046	316
<b>Total interest bearing liability costs</b>	<b>2,792</b>	<b>858</b>
Less: capitalised costs	(35)	(9)
Less: capitalised costs - Newcastle Airport	(433)	—
<b>Total interest bearing liability costs expensed</b>	<b>2,324</b>	<b>849</b>
<b>Total borrowing costs expensed</b>	<b>2,324</b>	<b>849</b>

**Accounting policy**

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.



## B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
<b>Depreciation and amortisation</b>			
Plant and equipment		1,448	1,552
Office equipment		247	422
Furniture and fittings		34	39
Land improvements (depreciable)		95	104
<b>Infrastructure:</b>	C1-8		
– Buildings – specialised		4,474	4,628
– Other structures		574	570
– Roads		4,212	2,826
– Bridges		62	57
– Footpaths		423	391
– Car parks		135	139
– Stormwater drainage		802	753
– Swimming pools		111	111
– Other open space/recreational assets		1,755	1,643
– Other infrastructure		676	650
Right of use assets	C2-1	902	871
<b>Other assets:</b>			
– Heritage collections		2	2
– Library books		366	340
– Newcastle airport		3,018	2,663
Intangible assets	C1-10	228	442
Total depreciation and amortisation costs		19,564	18,203
<b>TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT</b>		<b>19,564</b>	<b>18,203</b>

**Accounting policy****Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. For civil infrastructure assets depreciation is calculated using the estimated useful life and then adjusted periodically by taking into consideration the condition and the level of remaining service potential of the individual asset.

**Impairment of non-financial assets**

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

## B3-5 Other expenses

\$ '000	Notes	2023	2022
<b>Impairment of receivables</b>			
Other		11	(6)
Total impairment of receivables	C1-4	11	(6)
<b>Net share of interests in joint ventures and associates using the equity method</b>			
Joint ventures		–	431
Total net share of interests in joint ventures and associates using the equity method		–	431
<b>Other</b>			
Contributions/levies to other levels of government			
– Emergency services levy		1,104	814
– Lands department levy (holiday parks)		510	406
– Waste levy		4,905	3,673
Donations, contributions and assistance to other organisations (Section 356)		830	785
<b>Total other</b>		<b>7,349</b>	<b>5,678</b>
Total other expenses		<b>7,360</b>	<b>6,103</b>

**Accounting policy**

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

## B4 Gains or losses

## B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2023	2022
<b>Disposal of Infrastructure, Property, Plant &amp; Equipment (excl. investment property)</b>	C1-8		
Proceeds from disposal – property		548	200
Less: carrying amount of property assets sold/written off		(6,252)	(2,268)
<b>Gain (or loss) on disposal</b>		<b>(5,704)</b>	<b>(2,068)</b>
<b>Newcastle airport partnership</b>	C1-8		
Proceeds from disposal – infrastructure		1	10
Less: carrying amount of infrastructure assets sold/written off		(74)	(25)
<b>Gain (or loss) on disposal</b>		<b>(73)</b>	<b>(15)</b>
<b>Gain (or loss) on disposal of real estate assets held for sale</b>	C1-5		
Proceeds from disposal – real estate assets		–	5,076
Less: carrying amount of real estate assets sold/written off		–	(1,008)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>4,068</b>
<b>Gain (or loss) on disposal of investment property</b>	C1-9		
Proceeds from disposal – investment property		15,371	3,118
Less: carrying amount of investment property sold/written off		(14,875)	(2,750)
<b>Gain (or loss) on disposal</b>		<b>496</b>	<b>368</b>
<b>Gain (or loss) on disposal of cash and investments</b>	C1-1, C1-2		
Proceeds from disposal/redemptions/maturities – cash and investments		70,031	62,111
Less: carrying amount of cash and investments sold/redeemed		(70,031)	(62,657)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>(546)</b>
<b>Gain (or loss) on disposal of non-current assets classified as 'held for sale'</b>	C1-7		
Proceeds from disposal – non-current assets 'held for sale'		4,684	177
Less: carrying amount of 'held for sale' assets sold/written off		(1,118)	(42)
<b>Gain (or loss) on disposal</b>		<b>3,566</b>	<b>135</b>
<b>Gain (or loss) on disposal of intangible assets</b>	C1-10		
Proceeds from disposal – intangible assets		–	2,175
Less: carrying amount of intangible assets sold/written off		–	(1,589)
<b>Gain (or loss) on disposal</b>		<b>–</b>	<b>586</b>
<b>Net gain (or loss) from disposal of assets</b>		<b>(1,715)</b>	<b>2,528</b>

**Accounting policy**

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

## B5 Performance against budget

## B5-1 Material budget variations

Council's original budget was adopted by the Council on dd MMMM yyyy and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

**Material variations of more than 10%** between original budget and actual results or where the variance is considered material by nature are explained below.

**Variation Key:** **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
<b>Revenues</b>				
<b>Rates and annual charges</b>	<b>68,994</b>	<b>69,094</b>	<b>100</b>	<b>0% F</b>
<b>User charges and fees</b>	<b>47,079</b>	<b>53,448</b>	<b>6,369</b>	<b>14% F</b>
User charges exceeded the original budget due Councils holiday parks and airport operations recovering from the economic impacts COVID-19 quicker than expected.				
<b>Other revenues</b>	<b>4,314</b>	<b>5,535</b>	<b>1,221</b>	<b>28% F</b>
Other revenues exceeded the original budget due to royalties from mining surpassing original forecasts.				
<b>Operating grants and contributions</b>	<b>12,776</b>	<b>20,661</b>	<b>7,885</b>	<b>62% F</b>
Operating grants exceeded the original budget due to successful applications awarded during the year for new grants in areas such as vibrant places, economic development and planning. Council only budgets for competitive grants and contributions when they are confirmed.				
<b>Capital grants and contributions</b>	<b>19,573</b>	<b>32,342</b>	<b>12,769</b>	<b>65% F</b>
Capital grants and contributions exceeded the original budget due to successful applications being awarded for new grants in areas such as roads and sporting facilities as well as increased cash and non cash developer contributions. Council only budgets for competitive grants and contributions when they are confirmed.				
<b>Interest and investment revenue</b>	<b>1,063</b>	<b>3,181</b>	<b>2,118</b>	<b>199% F</b>
Interest income exceeded the original budget due to successive increases in the official cash rate by the RBA as a result of inflationary pressures from economic recovery.				
<b>Net gains from disposal of assets</b>	<b>250</b>	<b>–</b>	<b>(250)</b>	<b>(100)% U</b>
Council made an overall loss on disposal of assets which is shown as an expense below.				
<b>Other income</b>	<b>3,941</b>	<b>4,169</b>	<b>228</b>	<b>6% F</b>
<b>Expenses</b>				
<b>Employee benefits and on-costs</b>	<b>56,552</b>	<b>57,998</b>	<b>(1,446)</b>	<b>(3)% U</b>

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## B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
<b>Materials and services</b>	<b>55,932</b>	<b>58,592</b>	<b>(2,660)</b>	<b>(5)% U</b>
<b>Borrowing costs</b>	<b>1,710</b>	<b>2,324</b>	<b>(614)</b>	<b>(36)% U</b>
Borrowing costs exceeded the original budget due to new loans taken out to fund the expansion of the Newcastle Airport.				
<b>Depreciation, amortisation and impairment of non-financial assets</b>	<b>18,999</b>	<b>19,564</b>	<b>(565)</b>	<b>(3)% U</b>
<b>Other expenses</b>	<b>4,586</b>	<b>7,360</b>	<b>(2,774)</b>	<b>(60)% U</b>
Other expenses increased above the original budget due to a change in organic waste disposal services which incurred a waste levy rather than a contract cost.				
<b>Net losses from disposal of assets</b>	<b>–</b>	<b>1,715</b>	<b>(1,715)</b>	<b>∞ U</b>

Net loss on disposal is as a result of the rehabilitation of civil infrastructure assets such as roads from the capital works program. This is a non cash item and due to the unpredictability is impracticable to budget for.

## Statement of cash flows

<b>Cash flows from operating activities</b>	<b>33,493</b>	<b>54,529</b>	<b>21,036</b>	<b>63% F</b>
Cashflows from operating activities exceeded the original budget due to new grants & contributions and the recovery of operations from COVID-19.				
<b>Cash flows from investing activities</b>	<b>(32,127)</b>	<b>(79,157)</b>	<b>(47,030)</b>	<b>146% U</b>
Cashflows from investing exceeded budget due to infrastructure projects being added to the capital works program as a result of new grants and contributions.				
<b>Cash flows from financing activities</b>	<b>(3,753)</b>	<b>11,205</b>	<b>14,958</b>	<b>(399)% F</b>

Cashflows from financing exceeded the original budget due to new loans being taken out to fund the Newcastle Airport expansion.



**C Financial position****C1 Assets we manage****C1-1 Cash and cash equivalents**

<b>\$ '000</b>	<b>2023</b>	<b>2022</b>
<b>Cash assets</b>		
Cash on hand and at bank	<b>16,272</b>	13,458
Cash equivalent assets		
– Deposits at call	–	3,003
– Short-term deposits	<b>526</b>	13,760
<b>Total cash and cash equivalents</b>	<b>16,798</b>	30,221
 <b>Reconciliation of cash and cash equivalents</b>		
Total cash and cash equivalents per Statement of Financial Position	<b>16,798</b>	30,221
Balance as per the Statement of Cash Flows	<b>16,798</b>	30,221

**Accounting policy**

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

## C1-2 Financial investments &amp; derivatives

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
<b>Financial assets at amortised cost</b>				
Long term deposits	53,650	29,154	17,679	22,652
<b>Total</b>	<b>53,650</b>	<b>29,154</b>	<b>17,679</b>	<b>22,652</b>
<b>Derivatives</b>				
Interest rate swap contract - cash flow hedge	-	996	-	-
<b>Total</b>	<b>-</b>	<b>996</b>	<b>-</b>	<b>-</b>
Total financial investments and derivatives	53,650	30,150	17,679	22,652
Total cash assets, cash equivalents, investments and derivatives	70,448	30,150	47,900	22,652

## Derivatives - instruments used

\$ '000		2023	2022
Hedge relationship	Cash flow hedges		-
Instrument type	AUD IRS		
Notional amount	30,000		
Weighted average hedged rate	3.518%		
Hedge ratio	1:1		
<b>At reporting date</b>			
Carrying amount of hedging instruments – Assets		996	
Carrying amount of hedging instruments – Liabilities		-	
Balances deferred in OCI (Hedge Reserves)		(996)	
<b>During the period</b>			
Change in fair value of hedging instruments		996	
Change in value of hedged item used to determine hedge effectiveness		(1,106)	
Changes in the value of the hedging instrument recognised in OCI		996	
Hedge ineffectiveness recognised in profit or loss		-	

## Hedge accounting

On initial designation of a derivative as a hedging instrument, Newcastle airport partnership documents the relationship between the hedging instrument and hedged item, including the risk management objectives and strategy for undertaking the hedge transaction.

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Any gains or losses arising from changes in fair value of derivatives, except those that qualify as effective hedges, are immediately recognised in profit or loss. When Newcastle airport partnership designates certain derivatives to be part of a hedging relationship, and they meet the criteria for hedge accounting, all hedges are classified as cash flow hedges.

The hedge ratio is one, due to the notional value of the hedged item equating to the notional value of the hedging instrument.

## Cash flow hedges

Newcastle airport partnership's interest rate swaps are accounted for as cash flow hedges. They are used to hedge exposure to variability in forecast cash flows where the transaction is committed or highly probable. Initial recognition of the derivative is at fair value. Subsequent to initial recognition, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the cash flow hedge reserve under equity. Any ineffective portion of the derivative is recognised immediately in profit or loss. The amount accumulated in the cash flow hedge reserve is reclassified to profit or loss in the same period that the hedged cash flow affects profit or loss.

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**C1-2 Financial investments & derivatives (continued)**

If the derivative no longer meets the criteria for hedge accounting, for example if it expires, is sold, terminated, exercised or the designation is revoked, then hedge accounting is discontinued prospectively and the balance in equity is reclassified to profit or loss when the forecast transactions are not expected to occur anymore.

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as above.

**Accounting policy - financial Investments**

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification**

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

**Amortised cost**

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

**Fair value through other comprehensive income – equity instruments**

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in Other Comprehensive Income Statement.

**Financial assets through profit or loss**

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

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**C1-2   Financial investments & derivatives (continued)**

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Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments in FRNs and NCDs in the Statement of Financial Position.

## C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2023	2022
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(a) Externally restricted cash,  
cash equivalents and  
investments

Total cash, cash equivalents and investments	100,598	70,552
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Cash, cash equivalents and investments not subject to external restrictions	54,545	40,653
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## External restrictions

## External restrictions – included in liabilities

External restrictions included in cash, cash equivalents and investments above comprise:

Deposits, retentions and bonds	1,429	731
Specific purpose unexpended grants - AASB 1058 (exception & AASB 15)	8,955	9,162
External restrictions – included in liabilities	10,384	9,893

## External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	22,089	13,927
Specific purpose unexpended grants (recognised as revenue) – general fund	1,744	1,000
Domestic waste management	5,905	3,335
Crown reserve	5,931	1,744
External restrictions – other	35,669	20,006
Total external restrictions	46,053	29,899

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

\$ '000	2023	2022
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions	54,545	40,653
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Unrestricted and unallocated cash, cash equivalents and investments	–	–
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## Internal allocations

At 30 June, Council has internally allocated funds to the following:

Asset rehabilitation	2,002	1,704
Commercial properties	19,957	1,986
Federal assistance grant in advance	3,369	5,507
Fleet	2,304	384
Newcastle airport partnership	9,716	13,144
Other waste services reserve	156	250
Parking meters	398	125
Section 355C committees	658	697
IT Reserve	1,500	–
Emergency & Natural Disaster reserve	5,119	7,000
Unexpended loan funds	–	269
Repealed funds	2,455	2,830
Transport and Environment Reserve	587	358

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## C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

<b>\$ '000</b>	<b>2023</b>	<b>2022</b>
Administration building reserve	550	376
Grants Co-contribution	586	3,000
Ward funds	29	23
Resilience fund	3,000	3,000
Community Halls	69	—
Drainage	490	—
Election	358	—
Employee Leave Entitlements	1,000	—
Sustainable Energy and Water	42	—
Community Loans	200	—
<b>Total internal allocations</b>	<b>54,545</b>	<b>40,653</b>

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

## C1-4 Receivables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Rates and annual charges	2,823	–	2,636	–
Interest and extra charges	281	–	267	–
User charges and fees	305	–	647	–
Miscellaneous debtors	1,590	–	782	–
Contributions to works	19	–	31	–
Accrued revenues				
– Interest on investments	1,123	–	181	–
– Other income accruals	1,899	–	3,815	–
Government grants and subsidies	28	–	3	–
Net GST receivable	908	–	571	–
Newcastle airport partnership	2,394	–	2,457	–
Other debtors	–	140	–	153
<b>Total</b>	<b>11,370</b>	<b>140</b>	<b>11,390</b>	<b>153</b>
<b>Less: provision for impairment</b>				
User charges and fees	(3)	–	(3)	–
<b>Total provision for impairment – receivables</b>	<b>(3)</b>	<b>–</b>	<b>(3)</b>	<b>–</b>
<b>Total net receivables</b>	<b>11,367</b>	<b>140</b>	<b>11,387</b>	<b>153</b>

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## C1-4 Receivables (continued)

\$ '000	2023	2022
<b>Movement in provision for impairment of receivables</b>		
Balance at the beginning of the year	3	135
+ new provisions recognised during the year	3	(10)
– amounts already provided for and written off this year	(2)	(122)
– amounts written off but not provided for	(1)	–
– amounts provided for but recovered during the year	–	–
<b>Balance at the end of the year</b>	<b>3</b>	<b>3</b>

**Accounting policy**

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

**Impairment**

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information. Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are deemed uncollectable, whichever occurs first. None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

## C1-5 Inventories

	2023	2023	2022	2022
\$ '000	Current	Non-current	Current	Non-current
<b>At cost</b>				
Real estate	46	9,903	42	10,617
Stores and materials	168	–	–	–
<b>Total inventories at cost</b>	<b>214</b>	<b>9,903</b>	<b>42</b>	<b>10,617</b>
<b>Total inventories</b>	<b>214</b>	<b>9,903</b>	<b>42</b>	<b>10,617</b>

	2023	2023	2022	2022
\$ '000	Current	Non-current	Current	Non-current
<b>Real estate development</b>				
Residential	–	2,370	–	2,370
Industrial/commercial	46	7,533	42	8,247
<b>Total real estate held for resale</b>	<b>46</b>	<b>9,903</b>	<b>42</b>	<b>10,617</b>

**Accounting policy****Raw materials and stores, work in progress and finished goods**

Raw materials and stores are classified as inventories held for distribution and are stated at cost, adjusted when applicable for any loss of service potential. Work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**Land held for resale**

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

## C1-6 Contract assets and Contract cost assets

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Contract assets	3,547	–	1,086	–
Total contract assets and contract cost assets	3,547	–	1,086	–

## Contract assets

Work relating to infrastructure grants	2,414	–	1,086	–
Work relating to infrastructure grants - Newcastle Airport	1,133	–	–	–
Total contract assets	3,547	–	1,086	–

## Accounting policy

## Contract assets

Contract assets represent Council's right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

## Contract cost asset – costs to fulfil a contract

Where costs are incurred to fulfil a contract and these costs are outside the scope of another accounting standard, they are capitalised as contract cost assets if the following criteria are met:

- the costs relate directly to a contract
- the costs generate or enhance resources of Council that will be used to satisfy performance obligations in the future and
- the costs are expected to be recovered.

The capitalised costs are recognised in the Income statement on a systematic basis consistent with the timing of revenue recognition.

Refer to B3-4 for the accounting policy for impairment of contract cost assets.



## C1-7 Non-current assets classified as held for sale

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
<b>Non-current assets held for sale</b>				
Land	—	—	851	—
<b>Total non-current assets classified as held for sale</b>	<b>—</b>	<b>—</b>	<b>851</b>	<b>—</b>

44B Squire Street, Fingal Bay, valued at its carrying amount, was sold prior to 30 June 2023.

## Reconciliation of non-current assets held for sale and disposal groups – i.e. discontinued operations

\$ '000	2023 Assets 'held for sale'	2022 Assets 'held for sale'
<b>Opening balance</b>	<b>851</b>	42
Less: carrying value of assets/operations sold	(1,118)	(42)
Add: costs added in current year	267	—
<b>Balance still unsold after 12 months:</b>	<b>—</b>	<b>—</b>
<b>Plus new transfers in:</b>		
– Assets held for sale	—	851
<b>Closing balance of held for sale non-current assets and operations</b>	<b>—</b>	<b>851</b>

## Accounting policy

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use and are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

## ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

## C1-8 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period								At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>(1)</sup>	Additions new assets	Carrying value of disposals	Depreciation expense	Transfers	Tfrs from/(to) C1-10 Intangibles	Tfrs from/(to) real estate assets (Note C1-5)	Reval increments/ (decrement) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000														
Capital work in progress	19,116	–	19,116	10,183	10,046	(135)	–	(8,184)	–	–	–	31,025	–	31,025
Plant and equipment	27,209	(17,993)	9,216	352	1,622	(248)	(1,448)	8	–	–	–	27,939	(18,434)	9,505
Office equipment	3,789	(2,985)	804	170	–	–	(247)	–	–	–	–	3,959	(3,233)	726
Furniture and fittings	1,712	(1,173)	539	–	–	–	(34)	–	–	–	–	1,712	(1,208)	504
Land:														
– Operational land	74,699	(271)	74,428	2	–	–	–	–	–	730	1,740	77,170	(271)	76,899
– Community land	48,178	–	48,178	–	320	–	–	–	–	–	–	48,498	–	48,498
– Crown land	31,337	–	31,337	–	–	–	–	–	–	–	–	31,337	–	31,337
– Land under roads (post 1/7/08)	2,533	–	2,533	–	120	–	–	–	–	–	2,157	4,810	–	4,810
– Newcastle airport	22,271	–	22,271	–	–	–	–	(7,228)	–	–	–	15,043	–	15,043
Land improvements – depreciable	10,719	(2,658)	8,061	20	–	–	(95)	–	–	–	–	10,739	(2,753)	7,986
Infrastructure:														
– Buildings – specialised	224,570	(105,206)	119,364	2,642	174	(3,854)	(4,474)	385	–	–	52,660	232,641	(65,743)	166,898
– Other structures	14,618	(6,129)	8,489	47	42	(136)	(574)	67	–	–	–	14,553	(6,618)	7,935
– Roads	478,525	(60,067)	418,458	9,175	3,201	(1,796)	(4,212)	5,676	–	–	5,078	518,131	(82,551)	435,580
– Bridges	17,376	(2,355)	15,021	15	–	–	(62)	–	–	–	874	18,418	(2,570)	15,848
– Footpaths	77,553	(11,899)	65,654	609	991	(52)	(423)	1,072	–	–	5,927	87,177	(13,400)	73,777
– Car parks	18,415	(2,582)	15,833	–	–	–	(135)	356	–	–	893	19,860	(2,912)	16,948
– Stormwater drainage	259,855	(30,153)	229,702	741	2,398	(31)	(802)	430	–	–	14,734	280,431	(33,260)	247,171
– Swimming pools	4,946	(1,263)	3,683	3	–	–	(111)	–	–	–	–	4,949	(1,374)	3,575
– Other open space	37,585	(15,629)	21,956	2,258	71	–	(1,755)	190	–	–	–	40,133	(17,412)	22,721
– Other infrastructure	21,929	(7,850)	14,079	72	–	–	(676)	–	–	–	–	22,001	(8,526)	13,475
Other assets:														
– Heritage collections	237	(82)	155	–	–	–	(2)	–	–	–	–	237	(84)	153
– Library books	6,191	(4,318)	1,873	–	254	–	(366)	–	–	–	–	6,446	(4,685)	1,761
– Newcastle airport	60,481	(24,078)	36,403	–	18,563	(74)	(3,018)	7,228	(245)	–	–	85,068	(26,209)	58,859
<b>Total infrastructure, property, plant and equipment</b>	<b>1,463,844</b>	<b>(296,691)</b>	<b>1,167,153</b>	<b>26,289</b>	<b>37,802</b>	<b>(6,326)</b>	<b>(18,434)</b>	<b>–</b>	<b>(245)</b>	<b>730</b>	<b>84,063</b>	<b>1,582,277</b>	<b>(291,243)</b>	<b>1,291,034</b>

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

C1-8 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period										At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals <sup>1</sup>	Additions new assets	Carrying value of disposals	Deprecia- tion expense	Impairment reversal (previously in P/L)	Transfers	Tfrs from/(to) 'held for sale' category	Tfrs from/(to) real estate assets (Note C1-5)	Revaluation increments / (decrements ) to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	
\$ '000																
Capital work in progress	14,456	(72)	14,384	1,132	5,933	(638)	–	–	(1,696)	–	–	–	19,116	–	19,116	
Plant and equipment	27,113	(17,665)	9,448	1,506	30	(215)	(1,552)	–	–	–	–	–	27,209	(17,993)	9,216	
Office equipment	3,498	(2,564)	934	215	76	–	(422)	–	–	–	–	–	3,789	(2,985)	804	
Furniture and fittings	1,712	(1,135)	577	–	–	–	(39)	–	–	–	–	–	1,712	(1,173)	539	
Land:																
– Operational land	39,061	(573)	38,488	–	3,126	–	–	302	(680)	(853)	–	34,044	74,699	(271)	74,428	
– Community land	47,353	–	47,353	–	115	–	–	–	680	–	29	–	48,178	–	48,178	
– Crown land	29,223	–	29,223	–	42	(343)	–	–	–	–	–	2,416	31,337	–	31,337	
– Land under roads (post 1/7/08)	2,271	–	2,271	–	262	–	–	–	–	–	–	–	2,533	–	2,533	
Land improvements – depreciable	10,302	(2,554)	7,748	–	113	–	(104)	–	304	–	–	–	10,719	(2,658)	8,061	
– Newcastle airport	10,126	–	10,126	–	–	–	–	–	10,046	–	213	1,885	22,271	–	22,271	
Infrastructure:																
– Buildings – specialised	194,920	(91,270)	103,650	2,383	6,333	–	(4,628)	–	1,072	–	–	10,555	224,570	(105,206)	119,364	
– Other structures	13,888	(5,559)	8,329	695	–	–	(570)	–	35	–	–	–	14,618	(6,129)	8,489	
– Roads	429,541	(53,918)	375,623	11,994	3,855	(1,070)	(2,826)	–	–	–	–	30,880	478,525	(60,067)	418,458	
– Bridges	15,061	(2,078)	12,983	1,089	–	–	(57)	–	–	–	–	1,006	17,376	(2,355)	15,021	
– Footpaths	71,383	(11,089)	60,294	–	4,011	–	(391)	–	–	–	–	1,740	77,553	(11,899)	65,654	
– Stormwater drainage	240,464	(27,634)	212,830	1,266	6,328	–	(753)	–	–	–	–	10,031	259,855	(30,153)	229,702	
– Swimming pools	4,882	(1,152)	3,730	64	–	–	(111)	–	–	–	–	–	4,946	(1,263)	3,683	
– Other open space	35,785	(13,986)	21,799	746	1,007	–	(1,643)	–	48	–	–	–	37,585	(15,629)	21,956	
– Other infrastructure	19,547	(7,200)	12,347	8	2,137	–	(650)	–	237	–	–	–	21,929	(7,850)	14,079	
– Car parks	17,076	(2,312)	14,764	25	–	–	(139)	–	–	–	–	1,182	18,415	(2,582)	15,833	
Other assets:																
– Heritage collections	237	(79)	158	–	–	–	(2)	–	–	–	–	–	237	(82)	155	
– Library books	5,950	(3,979)	1,971	242	–	–	(340)	–	–	–	–	–	6,191	(4,318)	1,873	
– Newcastle airport	63,895	(21,686)	42,209	–	6,929	(26)	(2,662)	–	(10,046)	–	–	–	60,481	(24,078)	36,403	
Total infrastructure, property, plant and equipment	1,297,744	(266,505)	1,031,239	21,365	40,297	(2,292)	(16,889)	302	–	(853)	242	93,739	1,463,844	(296,691)	1,167,153	

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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## C1-8 Infrastructure, property, plant and equipment (continued)

**Accounting policy****Initial recognition of infrastructure, property, plant and equipment (IPPE)**

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

**Useful lives of IPPE**

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. For civil infrastructure assets depreciation is calculated using the estimated useful life and then adjusted periodically by taking into consideration the condition and the level of remaining service potential of the individual asset. The useful lives are as follows:

<b>Plant and equipment</b>	<b>Years</b>	<b>Other equipment</b>	<b>Years</b>
Office equipment	5 to 10	Playground equipment	20
Office furniture	10 to 20	Benches, seats etc.	25
Computer equipment	4		
Vehicles	5 to 8	<b>Buildings</b>	
Heavy plant/road making equipment	5 to 8	Buildings	10 to 145
Other plant and equipment	5 to 15		
<b>Transportation assets</b>		<b>Stormwater assets</b>	
Sealed roads		Drains	80 to 100
- Base	50	Culverts	50 to 80
- Seal	15 to 25	Flood control structures	80 to 100
- Sub-base	100		
Unsealed roads	100	<b>Other infrastructure assets</b>	
Bridge concrete	100	Bulk earthworks	20
Bridge other	60 to 100	Swimming pools	50
Kerb, gutter and footpaths	80	Other open space/recreational assets	20
		Other infrastructure	20

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

**Revaluation model**

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every five years, valuations include taking into consideration the physical condition of assets, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

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**C1-8 Infrastructure, property, plant and equipment (continued)****Land under roads**

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

**Crown reserves**

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to Note C2-1.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

**Rural Fire Service assets**

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

These Rural Fire Service assets are recognised as assets of the Council in these financial statements.



## C1-9 Investment properties

\$ '000	2023	2022
<b>Owened investment property</b>		
Investment property on hand at fair value	<b>28,000</b>	41,655
<b>Total owned investment property</b>	<b>28,000</b>	41,655
<b>Owened investment property</b>		
<b>At fair value</b>		
Opening balance at 1 July	<b>41,655</b>	42,295
Disposals during year	<b>(14,875)</b>	(2,750)
Net gain/(loss) from fair value adjustments	<b>1,220</b>	2,110
<b>Closing balance at 30 June</b>	<b>28,000</b>	41,655

**Accounting policy**

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

## C1-10 Intangible assets

Intangible assets are as follows:

\$ '000	2023	2022
<b>Software</b>		
<b>Opening values at 1 July</b>		
Gross book value	3,765	3,612
Accumulated amortisation	(3,470)	(3,150)
<b>Net book value – opening balance</b>	<b>295</b>	<b>462</b>
<b>Movements for the year</b>		
Purchases	13	153
Amortisation charges	(107)	(320)
<b>Closing values at 30 June</b>		
Gross book value	3,778	3,765
Accumulated amortisation	(3,577)	(3,470)
<b>Total Intangibles– net book value</b>	<b>201</b>	<b>295</b>
<b>Right to Operate</b>		
<b>Opening values at 1 July</b>		
Gross book value	1,872	1,882
Accumulated amortisation	(412)	(299)
<b>Net book value – opening balance</b>	<b>1,460</b>	<b>1,583</b>
<b>Movements for the year</b>		
Transfers	245	–
Amortisation Charges	(121)	(122)
<b>Closing values at 30 June</b>		
Gross book value	2,117	1,872
Accumulated amortisation	(533)	(412)
<b>Total Right to Operate – net book value</b>	<b>1,584</b>	<b>1,460</b>
<b>Bio Banking Credits</b>		
<b>Opening values at 1 July</b>		
Gross book value	2,243	3,831
<b>Net book value – opening balance</b>	<b>2,243</b>	<b>3,831</b>
<b>Movements for the year</b>		
Disposals	–	(1,588)
<b>Closing values at 30 June</b>		
Gross book value	2,243	2,243
<b>Total BioBanking Credits – net book value</b>	<b>2,243</b>	<b>2,243</b>
<b>Total intangible assets – net book value</b>	<b>4,028</b>	<b>3,998</b>

**Accounting policy**

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## C1-10 Intangible assets (continued)

## IT development and software

Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll, and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility, and where the Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

## Bio Banking Credits

Bio banking credits are held at fair value. The carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Bio Banking credits are not depreciated as they are deemed to have indefinite useful life as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Council. They will exist in perpetuity.

Right to Operate

Fit out costs incurred for the international processing area within the terminal required by the Department of Home Affairs for border security activities required for international flights represents NAP's contractual / legal right to operate international airport services, and is recognised at cost as an intangible asset.

## C1-11 Other

## Other assets

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Prepayments	1,237	–	1,238	–
Prepayments - Newcastle airport partnership	344	33	233	17
Total other assets	1,581	33	1,471	17

## **C2 Leasing activities**

### **C2-1 Council as a lessee**

Council has leases over a range of assets including land, vehicles, car parks and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

#### **Terms and conditions of leases:**

##### **Plant and equipment**

Council leases vehicles and equipment with lease terms varying from 5 to 10 years and include a renewal option to allow Council to renew for another year at their discretion. The lease contains an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

##### **Office and IT equipment**

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 2 and 3 years with a renewal option of another 3 years, the payments are fixed, however some of the leases include variable payments based on usage.

##### **Other assets - Other**

Council leases car parks with lease term of 3 years and include an option to allow Council to renew for another two years at their discretion. The lease contains an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

##### **Land**

Council leases land for their holiday park, with a lease term of 40 years and no renewal option. The lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Newcastle Airport leases land with a lease term of 81 years and includes 3 renewal options to allow the Airport to renew for another 30 years at their discretion. There are fixed lease payments as well as variable lease payments, the fixed payments increase by CPI at each anniversary of the lease inception and the variable payment is based on a percentage of revenue.

##### **Extension options**

Council includes options in some of the leases to provide flexibility and certainty to operations and reduce costs of moving premises; and the extension options are at Council's discretion.

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

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C2-1 Council as a lessee (continued)

(a) Right of use assets

\$ '000	Plant & Equipment	Newcastle Airport	Office equipment	Other assets - Other	Land - Operational Land	Total
<b>2023</b>						
Opening balance at 1 July	2,111	333	103	131	382	3,060
Additions to right-of-use assets	–	–	425	443	–	868
Adjustments to right-of-use assets due to re-measurement of lease liability	–	18	3	(4)	54	71
Depreciation charge	(528)	(4)	(187)	(117)	(65)	(901)
<b>Balance at 30 June</b>	<b>1,583</b>	<b>347</b>	<b>345</b>	<b>453</b>	<b>371</b>	<b>3,099</b>
<b>2022</b>						
Opening balance at 1 July	2,639	334	282	215	384	3,854
Adjustments to right-of-use assets due to re-measurement of lease liability	–	6	–	20	54	80
Depreciation charge	(528)	(8)	(179)	(103)	(57)	(875)
<b>Balance at 30 June</b>	<b>2,111</b>	<b>333</b>	<b>103</b>	<b>131</b>	<b>382</b>	<b>3,060</b>

(b) Lease liabilities

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Lease liabilities	915	2,078	752	2,194
Lease liabilities - Newcastle Airport	1	368	1	350
<b>Total lease liabilities</b>	<b>916</b>	<b>2,446</b>	<b>753</b>	<b>2,544</b>

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows and therefore the amounts will not be the same as the recognised lease liability in the statement of Financial Position:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
<b>2023</b>					
Cash flows	1,012	2,140	1,276	4,428	3,362
<b>2022</b>					
Cash flows	851	2,241	1,286	4,378	3,297

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## C2-1 Council as a lessee (continued)

## (d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2023	2022
Interest on lease liabilities	112	125
Variable lease payments based on usage not included in the measurement of lease liabilities	6,138	5,152
Depreciation of right of use assets	902	871
Expenses relating to short-term leases	14	55
Expenses relating to low-value leases	19	20
Expenses relating to peppercorn leases	1	1
	<b>7,187</b>	<b>6,225</b>

## (e) Statement of Cash Flows

Total cash outflow for leases	<b>7,158</b>	6,183
	<b>7,158</b>	<b>6,183</b>

## (f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a lease at significantly below market for land and buildings which is used to provide emergency facilities.

The lease is for 5 years that require payment of \$1,000 per year and include a renewal option to allow Council to renew for up to twice the non-cancellable lease term at their discretion. The lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that the lease in place is material from a statement of financial position or performance perspective.

**Accounting policy**

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

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## C2-1 Council as a lessee (continued)

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

**Exceptions to lease accounting**

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

**Leases at significantly below market value / concessionary leases**

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

## C2-2 Council as a lessor

**Operating leases**

Council leases out a number of properties to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the Statement of Financial Position as:

- investment property – where the asset is held predominantly for rental or capital growth purposes (refer note C1-9)
- property, plant and equipment – where the rental is incidental, or the asset is held to meet Councils service delivery objective (refer note C1-8).

<b>\$ '000</b>	<b>2023</b>	<b>2022</b>
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**(i) Assets held as investment property**

Investment property operating leases relate to the assets held predominately for rental purposes.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Lease income (excluding variable lease payments not dependent on an index or rate)	2,331	2,747
Lease income relating to variable lease payments not dependent on an index or a rate	264	199
<b>Total income relating to operating leases for investment property assets</b>	<b>2,595</b>	<b>2,946</b>

**Operating lease expenses**

Direct operating expenses that generated rental income	435	578
<b>Total expenses relating to operating leases</b>	<b>435</b>	<b>578</b>

**Repairs and maintenance: investment property**

Contractual obligations for future repairs and maintenance	81	73
<b>Total repairs and maintenance: investment property</b>	<b>81</b>	<b>73</b>

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## C2-2 Council as a lessor (continued)

\$ '000	2023	2022
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**(ii) Assets held as property, plant and equipment**

Council provides operating leases on Council buildings for the purpose of service delivery objectives, the table below relates to operating leases on assets disclosed in C1-8.

Lease income (excluding variable lease payments not dependent on an index or rate)

	354	184
<b>Total income relating to operating leases for Council assets</b>	<b>354</b>	<b>184</b>

**Amount of IPPE leased out by Council under operating leases**

Buildings	10,508	6,931
Furniture and Fittings	30	41
Land - Council Land	6,835	3,479
Open Space Other	156	171
Other Assets - Carparks	184	184
Other Structures	396	29
<b>Total amount of IPPE leased out by Council under operating leases</b>	<b>18,109</b>	<b>10,835</b>

**(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:**

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	1,993	2,841
1-2 years	831	1,787
2-3 years	547	398
3-4 years	465	203
4-5 years	440	192
> 5 years	2,056	889
<b>Total undiscounted lease payments to be received</b>	<b>6,332</b>	<b>6,310</b>

**Accounting policy**

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

## C3 Liabilities of Council

## C3-1 Payables

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Goods and services	5,527	–	4,287	–
Goods and Services - Newcastle Airport Partnership	5,655	2,036	6,606	165
Accrued expenses:				
– Other expenditure accruals	5,257	–	5,254	–
Security bonds, deposits and retentions	1,429	–	731	–
Unclaimed monies	2	–	2	–
Rates in advance	1,860	–	1,658	–
Government departments and agencies	119	–	575	–
Other	6	–	17	–
<b>Total payables</b>	<b>19,855</b>	<b>2,036</b>	<b>19,130</b>	<b>165</b>

## Current payables not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	396	396
<b>Total payables</b>	<b>396</b>	<b>396</b>

## Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables, bank and other loans and finance lease liabilities.

## Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
<b>Grants and contributions received in advance:</b>					
Unexpended capital grants (to construct Council controlled assets)	(i)	7,859	–	8,658	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	1,129	–	504	–
<b>Total grants received in advance</b>		<b>8,988</b>	<b>–</b>	<b>9,162</b>	<b>–</b>
<b>User fees and charges received in advance:</b>					
Fees - Holiday Park Deposits	(iii)	1,948	–	1,969	–
Fees - Newcastle Airport	(iii)	522	–	231	–
Fees - Children's Services		–	–	120	–
<b>Total user fees and charges received in advance</b>		<b>2,470</b>	<b>–</b>	<b>2,320</b>	<b>–</b>
<b>Total contract liabilities</b>		<b>11,458</b>	<b>–</b>	<b>11,482</b>	<b>–</b>

**Notes**

(i) Council has received funding to construct assets including transport infrastructure, recreation and cultural facilities and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants, mostly environmental protection and child care that were received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

(iii) Fees paid in advance do not meet the definition of a performance obligation and therefore the funds received in advance for holiday park fees and Newcastle airport fees are recorded as a contract liability on receipt and recognised as revenue once the service has been fully delivered.

**Revenue recognised that was included in the contract liability balance at the beginning of the period**

\$ '000	2023	2022
<b>Grants and contributions received in advance:</b>		
Capital grants (to construct Council controlled assets)	4,154	3,494
Operating grants (received prior to performance obligation being satisfied)	439	131
<b>User fees and charges received in advance:</b>		
Fees - Holiday Park Deposits	1,969	1,337
Fees - Newcastle Airport	231	223
Fees - Children's Services	41	–
<b>Total revenue recognised that was included in the contract liability balance at the beginning of the period</b>	<b>6,834</b>	<b>5,185</b>

**Accounting policy**

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

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**C3-2   Contract Liabilities (continued)**

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Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

## C3-3 Borrowings

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Loans – secured <sup>1</sup>	3,385	13,608	2,897	12,115
Loans – Newcastle airport partnership	–	34,500	–	24,400
<b>Total borrowings</b>	<b>3,385</b>	<b>48,108</b>	<b>2,897</b>	<b>36,515</b>

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E.

## (a) Changes in liabilities arising from financing activities

	2022		Non-cash movements				2023
\$ '000	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	15,012	1,981	–	–	–	–	16,993
Lease liability (Note C2-1b)	3,297	65	–	–	–	–	3,362
Loans – Newcastle airport	24,400	10,100	–	–	–	–	34,500
<b>Total liabilities from financing activities</b>	<b>42,709</b>	<b>12,146</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>54,855</b>

	2021		Non-cash movements				2022
\$ '000	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	17,710	(2,698)	–	–	–	–	15,012
Lease liability (Note C2-1b)	4,040	(743)	–	–	–	–	3,297
Loans – Newcastle airport	14,850	9,550	–	–	–	–	24,400
<b>Total liabilities from financing activities</b>	<b>36,600</b>	<b>6,109</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>42,709</b>

## (b) Financing arrangements

\$ '000	2023	2022
<b>Total facilities</b>		
Bank overdraft facilities <sup>1</sup>	2,500	2,500
Credit cards/purchase cards	1,000	1,000
Bank loan facilities - Port Stephens Council	–	–
Bank loan facilities - Newcastle Airport	117,500	50,000
<b>Total financing arrangements</b>	<b>121,000</b>	<b>53,500</b>
<b>Drawn facilities</b>		
– Credit cards/purchase cards	3	5
– Bank loan facilities - Newcastle Airport	34,500	24,400
<b>Total drawn financing arrangements</b>	<b>34,503</b>	<b>24,405</b>
<b>Undrawn facilities</b>		
– Bank overdraft facilities	2,500	2,500
– Credit cards/purchase cards	997	995
– Bank loan facilities - Port Stephens Council	–	–
– Bank loan facilities - Newcastle Airport	83,000	25,600
<b>Total undrawn financing arrangements</b>	<b>86,497</b>	<b>29,095</b>

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**C3-3 Borrowings (continued)****Additional financing arrangements information****Breaches and defaults**

During the current and prior year, there were no defaults or breaches on any of Councils loans.

**Security over loans**

Loans are secured over the general rating income of Council. Lease liabilities are secured by the underlying leased assets.

<sup>(1)</sup> The bank overdraft facility may be drawn at any time and may be terminated by the bank if any events of default specified in the contract occur.

**Accounting policy**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

## C3-4 Employee benefit provisions

	2023	2023	2022	2022
\$ '000	Current	Non-current	Current	Non-current
Annual leave	4,516	–	4,477	–
Sick leave	2,153	–	2,177	–
Long service leave	8,432	894	7,757	893
Flexi time / RDO leave	483	–	326	–
Total employee benefit provisions	15,584	894	14,737	893

## Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	8,859	8,913
	8,859	8,913

## Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

## Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

## Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

## On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods. These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

## **C4 Reserves**

### **C4-1 Nature and purpose of reserves**

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#### **IPPE Revaluation reserve**

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

#### **Hedging reserve**

The hedging reserve is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised in other comprehensive income. Amounts are recognised in profit and loss when the associated hedged transaction affects profit and loss.

## **D Council structure**

### **D1 Results by fund**

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Council utilises only a general fund for its operations.



## D2 Interests in other entities

## D2-1 Interests in joint arrangements

## (i) Joint operations

## (a) Council is involved in the following joint operations (JO's)

Name of joint operation	Principal activity	Place of business	Interest in ownership		Interest in voting	
			2023	2022	2023	2022
Newcastle Airport Partnership and Newcastle Airport Pty Ltd	Airport Operation	Williamstown	50%	50%	50%	50%
Greater Newcastle Aerotropolis Partnership & Greater Newcastle Aerotropolis Pty Ltd	Airport Operation	Williamstown	50%	50%	50%	50%

## Council assets employed in the joint operations

\$ '000	2023	2022
<b>Council's share of assets jointly owned with other partners</b>		
Current assets	12,591	15,834
Current liabilities	(6,944)	(7,321)
Non current assets	76,864	60,491
Non-current liabilities	(36,969)	(24,951)
<b>Total net assets employed – Council's share</b>	<b>45,542</b>	<b>44,053</b>

## Accounting policy for joint arrangements:

AASB 11 Joint Arrangements defines a joint arrangement as an arrangement of which two or more parties have joint control and classifies these arrangements as either joint ventures or joint operations.

The council has determined that it has joint operations.

## Joint operations:

In relation to its joint operations, where the Council has the rights to the individual assets and obligations arising from the arrangement, the Council has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Council.

Council's objective is to maximise its return on cash and investments while maintaining an adequate level of liquidity and preserving capital. The finance team manage the cash and investments portfolio with the assistance of independent advisers. Council has an investment policy which complies with s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up and performance of the portfolio as required by local government regulations.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance team under policies approved by the Councillors.

The fair value of Receivables, loans, investments and financial liabilities approximates the carrying amount.

The risks associated with the financial instruments held are:

- interest rate risk – the risk that movements in interest rates could affect returns
- liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due
- credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from its independent advisers before placing any cash and investments.

#### (a) Market risk – interest rate and price risk

\$ '000	2023	2022
Impact of a 1% movement in interest rates		
– Equity / Income Statement	706	283
Impact of a 10% movement in price of investments		
– Equity / Income Statement	–	899

The impact on the result for the year of a reasonably possible movement in interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

Newcastle airport partnership's interest rate risk arises primarily from interest bearing liabilities with variable interest rates where interest rate movements can impact Newcastle airport partnership's cash flows.

Newcastle airport partnership uses interest rate swap contracts to mitigate interest rate risk. Newcastle airport partnership's policy is to maintain hedging arrangements in accordance with the bands below:

Year 1-3 50%-100%  
Year 4-7 25%-75%

By entering into interest rate swap (IRS) contracts, Newcastle airport partnership agrees to exchange the net difference between fixed and floating interest rate amounts (based on Australian BBSY) calculated by reference to agreed notional principal amounts.

All floating for fixed IRS are designated as cash flow hedges. The IRS and the interest payments on the related loan occur simultaneously and the amount deferred in equity is recognised in profit or loss over the loan period.

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## E1-1 Risks relating to financial instruments held (continued)

The fair value of IRS contracts at reporting date are determined by discounting the related future cash flows using the cash and swap curves at the reporting date and credit risk inherent in the contract.

## (b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to the financial services section manager on a monthly basis and monitoring of acceptable collection performance is carried out.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

## Credit risk profile

## Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

\$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
<b>2023</b>				
Gross carrying amount	–	2,701	122	2,823
<b>2022</b>				
Gross carrying amount	–	2,535	101	2,636

## Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
<b>2023</b>						
Gross carrying amount	10,251	130	1,347	37	469	12,234
Expected loss rate (%)	0.01%	0.05%	0.30%	0.26%	0.63%	0.07%
ECL provision	1	–	4	–	3	8

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E1-1 Risks relating to financial instruments held (continued)

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
Gross carrying amount	8,804	403	120	74	592	9,993
Expected loss rate (%)	0.34%	0.89%	5.33%	11.51%	13.83%	1.30%
ECL provision	30	4	6	9	82	131

(c) Liquidity risk

Payables, lease liabilities and borrowings are subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (i.e. principal and interest) and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
\$ '000							
2023							
Payables	0.00%	1,429	18,426	2,036	—	21,891	21,891
Borrowings	5.20%	—	3,963	48,899	3,270	56,132	51,493
Lease liabilities	0.00%	—	1,012	2,140	1,276	4,428	3,362
Total financial liabilities		1,429	23,401	53,075	4,546	82,451	76,746
2022							
Payables	0.00%	733	18,408	165	—	19,306	19,295
Borrowings	2.73%	—	3,323	34,821	4,106	42,250	39,412
Lease liabilities	0.00%	—	851	2,241	1,286	4,378	3,297
Total financial liabilities		733	22,582	37,227	5,392	65,934	62,004

## E2-1 Fair value measurement

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The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022
<b>Recurring fair value measurements</b>							
<b>Derivatives</b>	C1-2						
Interest rate swap contract - cash flow hedge		996	—	—	—	996	—
<b>Total derivatives</b>		996	—	—	—	996	—
<b>Investment property</b>	C1-9						
Investment properties held		28,000	41,655	—	—	28,000	41,655
<b>Total investment property</b>		28,000	41,655	—	—	28,000	41,655
<b>Infrastructure, property, plant and equipment</b>	C1-8						
Plant and equipment		—	—	9,505	9,216	9,505	9,216
Office equipment		—	—	726	804	726	804
Furniture and fittings		—	—	504	539	504	539
Land		91,942	96,699	84,645	82,048	176,587	178,747
Land Improvements		—	—	7,986	8,061	7,986	8,061
Buildings – specialised		—	—	166,898	119,364	166,898	119,364
Other Structures		—	—	7,935	8,489	7,935	8,489
Infrastructure		—	—	829,095	784,386	829,095	784,386
Other Assets		—	—	60,773	38,431	60,773	38,431
<b>Total infrastructure, property, plant and equipment</b>		91,942	96,699	1,168,067	1,051,338	1,260,009	1,148,037
<b>Non-current assets classified as held for sale</b>	C1-7						
Land		—	851	—	—	—	851
<b>Total NCA's classified as held for sale</b>		—	851	—	—	—	851

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## **E2-1 Fair value measurement (continued)**

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Council's policy for determining transfers between fair value hierarchies is:  
- at the date of the event or change in circumstances that caused the transfer.

### **Valuation techniques**

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

### **Derivatives**

The fair value of interest rate swap contracts at reporting date are determined by discounting the related future cash flows using the cash and swap curves at the reporting date and credit risk inherent in the contract, these are Level 2 inputs.

### **Investment property**

Council obtains valuations of its investment properties every year or when there are indicators of a change in the carrying value of the asset.

The best evidence of Fair Value is the current price in an active market for similar assets. The following information is used where necessary:

The investment property held by Council has been valued by the valuer using valuation techniques that are appropriate and for which sufficient data was available to measure fair value, maximising the use of observable inputs namely Level 2 inputs (based on per square metres). The income approach is used to value the investment properties and has not changed from prior years.

### **Infrastructure, property, plant and equipment (IPPE)**

#### **Plant & Equipment, Office Equipment, Furniture & Fittings**

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment - Graders, trucks, rollers, tractors and motor vehicles.
- Office Equipment - Computers, photocopiers, calculators etc.
- Furniture & Fittings - Chairs, desks and display boards.

#### **Land**

The main components of Land include Community Land, Operational Land & Land Under Roads.

Community Land is based on either the Land Value provided by the Valuer-General or an average unit rate based on the Land Value for similar properties where the Valuer-General did not provide a Land Value having regard to the highest and best use for the land.

Operational Land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- 1.The land's description and/or dimensions;
- 2.Planning and other constraints on development; and
- 3.The potential for alternative use.

Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

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**E2-1 Fair value measurement (continued)**

Since extensive professional judgements were required to determine the inputs these assets were classified as having been valued using Level 2 valuation inputs. There has been no change to the valuation techniques during the reporting period.

Land Under Roads was valued in accordance with the Australian Accounting Standard AASB 116 Property, Plant and Equipment, and the Code of Accounting Practice and Financial Reporting.

Values were determined using valuation of Council's total Land under Roads at the average rate unit of land and applying discounting factors which reflects the restrictions placed on land under roads. This asset class is classified as Level 3 asset as significant inputs used in this methodology are unobservable.

There has been no change to the valuation process during the reporting period.

**Buildings - Specialised & Other Structures**

The approach estimated the replacement cost of each building and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 2 inputs), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value.

As such, these assets have been valued using Level 3 inputs. There has been no change to the valuation.

**Infrastructure**

The main components of infrastructure include Roads, Bridges, Footpaths, Stormwater Drainage, Recreational and open areas.

Roads bridges and footpaths are valued using the cost replacement approach. Valuations for these asset classes were undertaken in-house based on actual costs and assumptions from Council's Engineering Department.

No market based evidence (Level 2) inputs are available therefore Level 3 valuation inputs were used for this asset class. There has been no change to the valuation process during the reporting period.

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Councils recreational areas and swimming pools have been valued in house by experienced engineering and asset management staff using the cost approach. The approach estimated the replacement cost for each pool by componentising its significant parts.

**Other Assets**

Other Assets include Other assets in this class includes heritage collections library books, carparks and joint venture operations.

All other asset classes have also been recorded at replacement cost.

While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Therefore, Level 3 is best suited.

There has been no change to the valuation process during the reporting period.

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## ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

## E2-1 Fair value measurement (continued)

## Fair value measurements using significant unobservable inputs (level 3)

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

\$ '000	Fair value (30/6/23) 2023	Valuation technique/s	Unobservable inputs
<b>Infrastructure, property, plant and equipment</b>			
Plant & Office Equipment	10,231	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Furniture & Fittings	504	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value
Land & Land Improvements	92,631	Community Land - land values obtained from the NSW Valuer-General. Crown Land - land values based on the NSW Valuer-General where applicable, otherwise compared to similar properties. Any restrictions on land such as zoning, has been taken into consideration.	Land value, land area
Buildings - Specialised	166,898	Cost approach	Unit price
Other Structures	7,935	Cost approach	Current replacement cost of modern equivalent asst, asset condition, useful life and residual value
Infrastructure	829,095	Cost approach	Current replacement cost of modern equivalent asst, asset condition, useful life and residual value
Other Assets	60,773	Cost approach	Current replacement cost of modern equivalent asst, asset condition, useful life and residual value

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**ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.**

**E2-1 Fair value measurement (continued)**

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Plant and office equipment		Furniture and fittings		Land and land improvements		Buildings	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Opening balance</b>	<b>10,021</b>	10,382	<b>539</b>	577	<b>90,109</b>	86,595	<b>119,365</b>	103,650
Transfers from/(to) another asset class	<b>8</b>	–	–	–	–	826	<b>385</b>	1,072
Purchases	<b>2,144</b>	1,827	–	–	<b>460</b>	689	<b>2,816</b>	8,716
Disposals	<b>(248)</b>	(215)	–	–	–	(343)	<b>(3,854)</b>	–
Depreciation and impairment	<b>(1,694)</b>	(1,973)	<b>(35)</b>	(38)	<b>(95)</b>	(104)	<b>(4,474)</b>	(4,628)
Revaluation increments/decrements	–	–	–	–	<b>2,157</b>	2,417	<b>52,660</b>	10,555
Transfers from/(to) Note C1-9	–	–	–	–	–	29	–	–
<b>Closing balance</b>	<b>10,231</b>	10,021	<b>504</b>	539	<b>92,631</b>	90,109	<b>166,898</b>	119,365

\$ '000	Other structures		Infrastructure		Other assets		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
<b>Opening balance</b>	<b>8,489</b>	8,329	<b>784,388</b>	714,370	<b>38,433</b>	44,338	<b>1,051,344</b>	<b>968,241</b>
Transfers from/(to) another asset class	<b>67</b>	35	<b>7,724</b>	285	<b>7,228</b>	(10,046)	<b>15,412</b>	<b>(7,828)</b>
Purchases	<b>89</b>	695	<b>19,534</b>	32,530	<b>18,817</b>	7,171	<b>43,860</b>	<b>51,628</b>
Disposals	<b>(136)</b>	–	<b>(1,879)</b>	(1,070)	<b>(74)</b>	(26)	<b>(6,191)</b>	<b>(1,654)</b>
Depreciation and impairment	<b>(574)</b>	(570)	<b>(8,178)</b>	(6,570)	<b>(3,386)</b>	(3,004)	<b>(18,436)</b>	<b>(16,887)</b>
Revaluation increments/decrements	–	–	<b>27,506</b>	44,843	–	–	<b>82,323</b>	<b>57,815</b>
Transfers from/(to) Note C1-9	–	–	–	–	<b>(245)</b>	–	<b>(245)</b>	<b>29</b>
<b>Closing balance</b>	<b>7,935</b>	8,489	<b>829,095</b>	784,388	<b>60,773</b>	38,433	<b>1,168,067</b>	<b>1,051,344</b>

**Highest and best use**

All of Council's non-financial assets are considered as being utilised for their highest and best use.



## E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

**LIABILITIES NOT RECOGNISED****1. Guarantees****(i) Defined benefit superannuation contribution plans**

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

*Description of the funding arrangements.*

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

\* For 180 Point Members, Employers are required to contribute 8.0% of salaries for the year ending 30 June 2023 (increasing to 8.5% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

*Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan*

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active

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## E3-1 Contingencies (continued)

members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

The amount of employer contributions to the defined benefit section of the Fund and recognised as an expense for the year ending 30 June 2023 was \$300,079.91. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

Council's expected contribution to the plan for the next annual reporting period is \$272,119.44.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,290.9	
Past Service Liabilities	2,236.1	102.4%
Vested Benefits	2,253.6	101.7%

\* excluding other accumulation accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 0.82%.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	6.0% for FY 22/23 2.5% per annum thereafter

\* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2023

**(ii) Statewide Limited**

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

**(iii) StateCover Limited**

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

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**E3-1 Contingencies (continued)**

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

**(iv) Other guarantees**

Council has provided no other guarantees other than those listed above.

**2. Other liabilities****(i) Third party claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

**(ii) Potential land acquisitions due to planning restrictions imposed by Council**

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

**(iii) Legal Matters**

Council is dealing with general matters as part of normal operations. No specific disclosure is made as these matters do not represent a significant and probable outflow of resources other than those already provided for.

**ASSETS NOT RECOGNISED****(i) Land under roads**

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

**(ii) Infringement notices/fines**

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

## ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

## F People and relationships

## F1 Related party disclosures

## F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2023	2022
<b>Compensation:</b>		
Short-term benefits	3,660	4,032
Post-employment benefits	363	360
Termination benefits	221	279
<b>Total</b>	<b>4,244</b>	4,671

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**ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.**

**F1-1 Key management personnel (KMP) (continued)**

**Other transactions with KMP and their related parties**

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

Nature of the transaction			Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
\$ '000	Ref	Transactions during the year				
<b>2023</b>						
Director remuneration	1	93	—		—	—
Director remuneration	2	40	—		—	—
Payment of contributions, annual membership and advertising	3	453	—		—	—
Legal services	4	212	—		—	—
Tourism services and annual subscription	5	93	—		—	—
Development fees & contributions	6	133	—		—	—
Development fees & contributions	7	862	—		—	—
Operating subsidy	9	212	—		—	—
<b>2022</b>						
Director remuneration	1	69	—		—	—
Director remuneration	2	30	—		—	—
Payment of contributions, annual membership and advertising	3	441	—		—	—
Legal services	4	276	—		—	—
Tourism services and annual subscription	5	124	—		—	—
Sub lease of Council buildings	8	68	—		—	—
Operating subsidy	9	130	—		—	—

1 Members of Council's KMP is remunerated for the provision of board member services by Newcastle Airport Pty Ltd which Port Stephens Council has a 50% shareholding in.

2 Members of Council's KMP is remunerated for the provision of board member services by Greater Newcastle Aerotropolis Pty Ltd which Port Stephens Council has a 50% shareholding in.

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**F1-1    Key management personnel (KMP) (continued)**

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- 3      A member of Council's KMP is a board member of Destination Port Stephens (a non profit organisation) which receives an annual contribution from Council towards generating economic activity within the LGA, payments were also made for annual membership and advertising services. The KMP member is not remunerated by Destination Port Stephens for their Directorship.
- 4      Port Stephens Council paid for legal services from Local Government Legal (a division of Arrow Collaborative Services Ltd) which is a joint operation between 11 Hunter Councils. A member of Council's KMP is a Director of Arrow Collaborative Services Ltd and is not remunerated for their Directorship.
- 5      Port Stephens Council paid for tourism promotion services from Screen Hunter (a division of Arrow Collaborative Services Ltd) which is a joint operation between 11 Hunter Councils and an annual subscription to core funding. A member of Council's KMP is a Director of Arrow Collaborative Services Ltd and is not remunerated for their Directorship.
- 6      Port Stephens Council received development fees and contributions from Newcastle Airport Pty Limited in relation to the terminal expansion. Council has members of its KMP which are directors of Newcastle Airport Pty Limited. The amounts received were under normal terms and conditions.
- 7      Port Stephens Council received development fees and contributions from Greater Newcastle Aerotropolis Pty Limited in relation to Aero Astra lab expansion. Council has members of its KMP which are directors of Greater Newcastle Aerotropolis Pty Limited. The amounts received were under normal terms and conditions.
- 8      Crest Birubi Beach Pty Ltd (a company which has a former member of Council's KMP as a director) have a sublease with Birubi Point Surf Lifesaving Club in relation to a Council owned building. The rent is based on current market rates and subject to periodic review.
- 9      Port Stephens Council paid a contribution towards the operating costs of Port Stephens Koala and Wildlife Preservation Society Limited which has 2 members of Council's KMP as a director.

## F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2023	2022
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The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

Mayoral fee	85	86
Councillors' fees	255	211
Other Councillors' expenses (including Mayor)	46	71
<b>Total</b>	<b>386</b>	<b>368</b>

F1-3 Other related parties

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1

Port Stephens Council is a 50% shareholder in the joint operation of Newcastle Airport Pty Ltd for which it receives an annual dividend from. No dividend was received for the year ended 30 June 2023.

## F2 Other relationships

## F2-1 Audit fees

\$ '000	2023	2022
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
<b>Auditors of the Council - NSW Auditor-General:</b>		
<b>(i) Audit and other assurance services</b>		
Audit and review of financial statements	101	91
<b>Remuneration for audit and other assurance services</b>	<b>101</b>	<b>91</b>
<b>Total Auditor-General remuneration</b>	<b>101</b>	<b>91</b>
<b>Non NSW Auditor-General audit firms</b>		
<b>(i) Audit and other assurance services</b>		
Internal audit services - PKF Lawler	72	60
Internal audit services - Newcastle airport partnership	76	24
Audit and review of financial statements - Newcastle airport partnership	47	54
<b>Remuneration for audit and other assurance services</b>	<b>195</b>	<b>138</b>
<b>Total remuneration of non NSW Auditor-General audit firms</b>	<b>195</b>	<b>138</b>
<b>Total audit fees</b>	<b>296</b>	<b>229</b>

## G Other matters

## G1-1 Statement of Cash Flows information

## (a) Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
<b>Net operating result from Income Statement</b>	<b>40,877</b>	<b>41,782</b>
<b>Add / (less) non-cash items:</b>		
Depreciation and amortisation	19,564	18,203
(Gain) / loss on disposal of assets	1,715	(2,528)
Non-cash capital grants and contributions	(7,134)	(13,410)
Reversal of prior year IPP&E revaluation decrements / impairment previously costed direct to the P&L	—	(302)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investment property	(1,220)	(2,110)
Share of net (profits)/losses of associates/joint ventures using the equity method	—	431
<b>Movements in operating assets and liabilities and other cash items:</b>		
(Increase) / decrease of receivables	33	(1,575)
Increase / (decrease) in provision for impairment of receivables	—	(132)
(Increase) / decrease of inventories	(168)	—
(Increase) / decrease of other current assets	(126)	(408)
(Increase) / decrease of contract asset	(2,461)	(509)
Increase / (decrease) in payables	1,261	(1,738)
Increase / (decrease) in other accrued expenses payable	3	1,675
Increase / (decrease) in other liabilities	1,353	1,148
Increase / (decrease) in contract liabilities	(24)	5,143
Increase / (decrease) in employee benefit provision	856	(1,083)
Increase / (decrease) in other provisions	—	(331)
<b>Net cash flows from operating activities</b>	<b>54,529</b>	<b>44,256</b>

## (b) Non-cash investing and financing activities

Dedicated subdivisions	7,134	12,562
RFS assets	—	847
<b>Total non-cash investing and financing activities</b>	<b>7,134</b>	<b>13,409</b>

## (c) Net cash flows attributable to discontinued operations

There are no cash flows that relate to discontinued operations



## G2-1 Commitments

## Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
<b>Property, plant and equipment</b>		
Road and Civil Infrastructure	3,333	2,529
Buildings	2,261	9,132
Plant and equipment	3,322	1,644
Newcastle airport	9,158	135,450
Open Space Infrastructure	472	—
Other	87	89
<b>Total commitments</b>	<b>18,633</b>	<b>148,844</b>
<b>These expenditures are payable as follows:</b>		
Within the next year	18,601	69,394
Later than one year and not later than 5 years	32	79,450
<b>Total payable</b>	<b>18,633</b>	<b>148,844</b>

**Details of capital commitments**

The majority of Councils capital commitments relate to Newcastle Airport upgrades, the acquisition of new fleet and town centre upgrades.

## G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

G4 Changes from prior year statements

G4-1 Changes in accounting policy

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Voluntary changes in accounting policies

There were no changes in accounting policies for the year ended 30 June 2023.

G4-2 Correction of errors

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There were no corrections of errors for the year ended 30 June 2023.

G4-3 Changes in accounting estimates

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**Changes in accounting estimates**

There were no changes in accounting estimates for the year ended 30 June 2023.

ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

G5 Statement of developer contributions as at 30 June 2023

G5-1 Summary of developer contributions <sup>1, 2</sup>

	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
\$ '000		Cash	Non-cash Land	Non-cash Other					
Civic Administration	159	316	–	7	5	(309)	–	171	–
Civic Administration - Works									
Depot	42	265	–	4	1	(223)	–	85	–
Town Centre Upgrades	583	398	–	–	17	(224)	–	774	–
Public Open Space, Parks and Reserves	901	1,119	–	23	27	(126)	(111)	1,810	209
Sports and Leisure Facilities	5,554	2,706	–	62	165	(403)	111	8,133	(209)
Community and Cultural Facilities	1,342	952	–	22	41	(189)	–	2,146	–
Road Works	1,331	894	–	15	39	(101)	–	2,163	–
Medowie, Traffic and Transport	901	554	–	–	27	(10)	21	1,493	(15)
Shared Paths	203	271	–	–	6	(101)	(21)	358	15
Bus Facilities	19	5	–	–	1	–	–	25	–
Fire and Emergency	101	48	–	–	3	–	–	152	–
Flood and Drainage Works	409	223	–	2	12	(42)	–	602	–
Haulage	2,269	1,088	–	–	68	(761)	–	2,664	–
Kings Hill Urban Release Area	31	37	–	–	–	–	–	68	–
<b>S7.11 contributions – under a plan</b>	13,845	8,876	–	135	412	(2,489)	–	20,644	–
<b>S7.12 levies – under a plan</b>	82	2,076	–	–	2	(715)	–	1,445	–
<b>Total S7.11 and S7.12 revenue under plans</b>	13,927	10,952	–	135	414	(3,204)	–	22,089	–
<b>Total contributions</b>	13,927	10,952	–	135	414	(3,204)	–	22,089	–

(1) Interest is earned according to the opening balance for the year

(2) Total internally levied contributions included in 'Cash' contributions is \$567,862

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

**ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.**
**G5-2 Developer contributions by plan**

	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
\$ '000		Cash	Non-cash Land	Non-cash Other					
CATCHMENT DISTRICT – RAYMOND TERRACE - RURAL									
Town Centre Upgrades	161	64	–	–	5	(60)	–	170	–
Public Open Space, Parks and Reserves	445	80	–	–	13	(4)	–	534	–
Sports and Leisure Facilities	1,403	266	–	–	42	(113)	–	1,598	–
Community and Cultural Facilities	195	13	–	–	6	(63)	–	151	–
Road Works	202	130	–	–	6	–	–	338	–
Shared Paths	69	74	–	–	2	(101)	–	44	–
Bus Facilities	–	–	–	–	–	–	–	–	–
Fire and Emergency	44	6	–	–	1	–	–	51	–
Flood and Drainage Works	27	13	–	–	1	–	–	41	–
Kings Hill Urban Release Area	13	14	–	–	–	–	–	27	–
Total	2,559	660	–	–	76	(341)	–	2,954	–
CATCHMENT DISTRICT – CENTRAL GROWTH CORRIDOR									
Town Centre Upgrades	200	140	–	–	6	(60)	–	286	–
Public Open Space, Parks and Reserves	1	579	–	23	–	(37)	(111)	432	209
Sports and Leisure Facilities	2,759	1,411	–	62	82	(113)	111	4,250	(209)
Community and Cultural Facilities	626	497	–	22	19	(63)	–	1,079	–
Road Works	741	393	–	15	22	(101)	–	1,055	–
Medowie, Traffic and Transport	901	554	–	–	27	(10)	21	1,493	(15)
Shared Paths	–	21	–	–	–	–	(21)	–	15
Bus Facilities	2	1	–	–	–	–	–	3	–
Flood and Drainage Works	215	115	–	2	6	–	–	336	–
Kings Hill Urban Release Area	9	11	–	–	–	–	–	20	–
Total	5,454	3,722	–	124	162	(384)	–	8,954	–
CATCHMENT DISTRICT – TOMAREE									
Town Centre Upgrades	180	185	–	–	5	(60)	–	310	–
Public Open Space, Parks and Reserves	395	459	–	–	12	(81)	–	785	–
Sports and Leisure Facilities	1,188	1,025	–	–	35	(113)	–	2,135	–

continued on next page ...

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ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Community and Cultural Facilities	521	441	-	-	16	(63)	-	915	-
Road Works	378	363	-	-	11	-	-	752	-
Shared Paths	58	168	-	-	2	-	-	228	-
Bus Facilities	-	1	-	-	-	-	-	1	-
Fire and Emergency	57	42	-	-	2	-	-	101	-
Flood and Drainage Works	167	95	-	-	5	(42)	-	225	-
Kings Hill Urban Release Area	8	11	-	-	-	-	-	19	-
<b>Total</b>	<b>2,952</b>	<b>2,790</b>	<b>-</b>	<b>-</b>	<b>88</b>	<b>(359)</b>	<b>-</b>	<b>5,471</b>	<b>-</b>
<b>CATCHMENT DISTRICT – FERN BAY</b>									
Town Centre Upgrades	42	9	-	-	1	(44)	-	8	-
Public Open Space, Parks and Reserves	60	1	-	-	2	(4)	-	59	-
Sports and Leisure Facilities	204	4	-	-	6	(64)	-	150	-
Community and Cultural Facilities	-	1	-	-	-	-	-	1	-
Shared Paths	76	8	-	-	2	-	-	86	-
Road Works	10	8	-	-	-	-	-	18	-
Bus Facilities	17	3	-	-	1	-	-	21	-
Kings Hill Urban Release Area	1	1	-	-	-	-	-	2	-
<b>Total</b>	<b>410</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>(112)</b>	<b>-</b>	<b>345</b>	<b>-</b>
<b>CATCHMENT DISTRICT – SHIRE WIDE</b>									
Haulage	2,269	1,088	-	-	68	(761)	-	2,664	-
Civic Administration	159	316	-	7	5	(309)	-	171	-
Civic Administration - Works Depot	42	265	-	4	1	(223)	-	85	-
<b>Total</b>	<b>2,470</b>	<b>1,669</b>	<b>-</b>	<b>11</b>	<b>74</b>	<b>(1,293)</b>	<b>-</b>	<b>2,920</b>	<b>-</b>

S7.12 Levies – under a plan

S7.12 LEVIES – UNDER A PLAN

Section 7.12	82	2,076	-	-	2	(715)	-	1,445	-
<b>Total</b>	<b>82</b>	<b>2,076</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>(715)</b>	<b>-</b>	<b>1,445</b>	<b>-</b>

## G6 Statement of performance measures

## G6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022	Indicators 2021	Benchmark
<b>1. Operating performance ratio</b>					
Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup>	<b>9,041</b>	<b>5.84%</b>	3.21%	(0.22)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>	<b>154,868</b>				
<b>2. Own source operating revenue ratio <sup>3</sup></b>					
Total continuing operating revenue excluding all grants and contributions <sup>1</sup>	<b>134,207</b>	<b>71.69%</b>	69.72%	71.63%	> 60.00%
Total continuing operating revenue	<b>187,210</b>				
<b>3. Unrestricted current ratio</b>					
Current assets less all external restrictions	<b>71,254</b>	<b>2.20x</b>	2.60x	2.08x	> 1.50x
Current liabilities less specific purpose liabilities	<b>32,382</b>				
<b>4. Debt service cover ratio</b>					
Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>	<b>30,929</b>	<b>4.97x</b>	5.36x	3.83x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	<b>6,219</b>				
<b>5. Rates and annual charges outstanding percentage <sup>3</sup></b>					
Rates and annual charges outstanding	<b>1,244</b>	<b>1.72%</b>	1.77%	3.29%	< 10.00%
Rates and annual charges collectable	<b>72,245</b>				
<b>6. Cash expense cover ratio</b>					
Current year's cash and cash equivalents plus all term deposits	<b>99,602</b>	<b>8.77 months</b>	6.79 months	5.01 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	<b>11,355</b>				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

(3) Reclassification has occurred on comparative figures for this line item

continued on next page ...

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Port Stephens Council

for the year ended 30 June 2023

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End of the audited financial statements

**H Additional Council disclosures (unaudited)****H1-1 Council information and contact details**

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**Principal place of business:**

116 Adelaide Street  
Raymond Terrace NSW 2324

**Contact details****Mailing Address:**

PO Box 42  
Raymond Terrace NSW 2324

**Telephone:** 02 4988 0255

**Facsimile:** 02 4988 0130

**Opening hours:**

8:30am - 5:00pm  
Monday to Friday

**Internet:** [www.portstephens.nsw.gov.au](http://www.portstephens.nsw.gov.au)

**Email:** [council@portstephens.nsw.gov.au](mailto:council@portstephens.nsw.gov.au)

**Officers****General Manager**

Tim Crosdale

**Responsible Accounting Officer (Acting)**

Glen Peterkin

**Public Officer**

Tony Wickham

**Auditors**

The Audit Office of New South Wales  
Level 19, Tower 2 Darling Park, 201 Sussex St,  
Sydney NSW 2000

**Elected members****Mayor**

Ryan Palmer

**Councillors**

Cr Leah Anderson  
Cr Glen Dunkley  
Cr Matthew Bailey  
Cr Chris Doohan  
Cr Steve Tucker  
Cr Jason Wells  
Cr Peter Kafer  
Cr Peter Francis  
Cr Giacomo Arnott

**Other information**

**ABN:** 16 744 377 876



## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Port Stephens Council

To the Councillors of Port Stephens Council

#### Opinion

I have audited the accompanying financial statements of Port Stephens Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



David Daniels  
Delegate of the Auditor-General for New South Wales

10 October 2023  
SYDNEY



Cr Ryan Palmer  
Mayor  
Port Stephens Council  
PO Box 42  
RAYMOND TERRACE NSW 2324

Contact: David Daniels  
Phone no: (02) 9275 7103  
Our ref: [R008-16585809-46007](#)

10 October 2023

Dear Mayor

**Report on the Conduct of the Audit  
for the year ended 30 June 2023  
Port Stephens Council**

I have audited the general purpose financial statements (GPFS) of the Port Stephens Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

**INCOME STATEMENT**

**Operating result**

	2023	2022*	Variance
	\$m	\$m	%
Rates and annual charges revenue	69.1	66.3	4.2
Grants and contributions revenue	53.0	50.9	4.1
Operating result from continuing operations	40.9	41.8	2.2
Net operating result before capital grants and contributions	8.5	8.9	3.6

Level 19, Darling Park Tower 2, 201 Sussex Street, Sydney NSW 2000  
GPO Box 12, Sydney NSW 2001 | t 02 9275 7101 | mail@audit.nsw.gov.au | audit.nsw.gov.au

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The Council's operating result from continuing operations of \$40.9 million (including depreciation and amortisation costs of \$19.6 million) was \$0.9 million lower than the 2021–22 result.

Compared to 2021–22, expenditure in the current year increased by \$16.4 million to \$148 million, primarily due to a \$5.0 million increase in employee benefits and on-costs, and a \$5.6 million increase in materials and services.

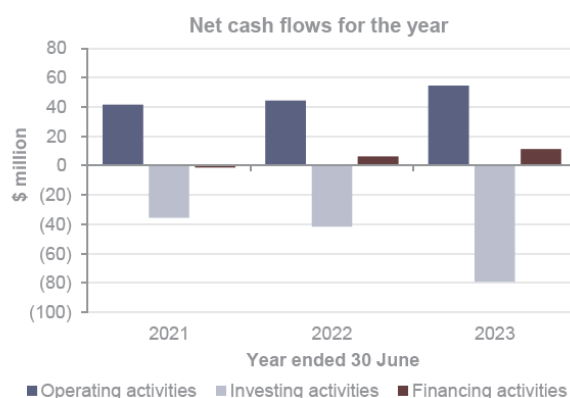
Rates and annual charges revenue increased by \$2.8 million compared to 2021–22, mainly due to the rate peg increase.

## STATEMENT OF CASH FLOWS

Cash inflows from operating activities increased due to increases in rates and annual charges, and user charges and fees received during the year.

Cash outflows from investing activities increased due to higher payments made to purchase investments and infrastructure, property plant and equipment.

Cash inflows from financing activities increased from the previous year due to higher proceeds from borrowings.



## FINANCIAL POSITION

### Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
<b>Total cash, cash equivalents and investments</b>	<b>100.6</b>	<b>70.6</b>	
Restricted and allocated cash, cash equivalents and investments:			External restrictions include unspent specific purpose grants, developer contributions, domestic waste management and crown reserves. The increase is primarily attributable to increases in developer contributions and crown reserve.
• External restrictions	46.1	29.9	Balances are internally allocated due to Council policy or decisions for forward plans including the capital works program. The increase is primarily attributable to allocations made for commercial properties.
• Internal allocations	54.5	40.7	

### Debt

At 30 June 2023, Council had \$51.5 million in secured loans (\$39.4 million in 2021–22), of which \$34.5 million (\$24.4 million in 2021–22) is attributable to the Council's joint operation, Newcastle Airport.

## PERFORMANCE

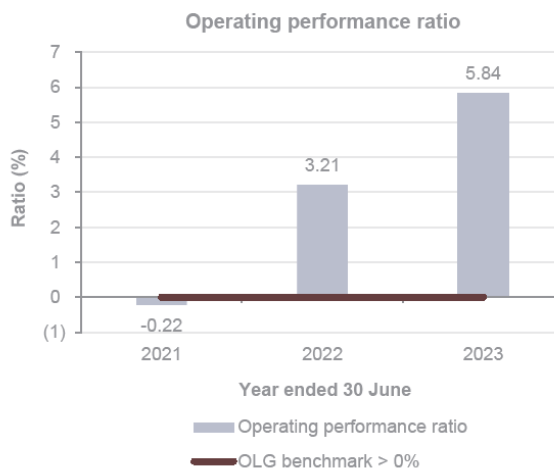
### Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

**Operating performance ratio**

The Council exceeded the benchmark for the current reporting period.

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

**Own source operating revenue ratio**

The Council exceeded the benchmark for the current reporting period.

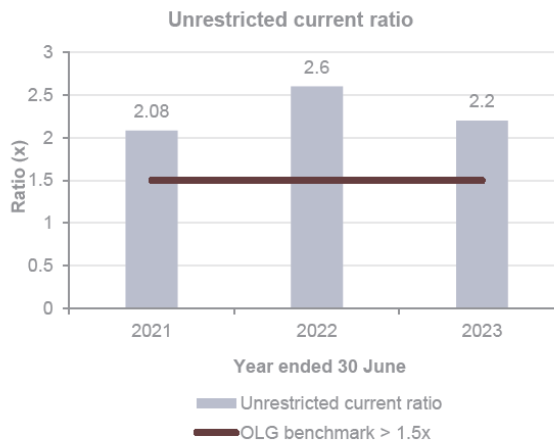
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



**Unrestricted current ratio**

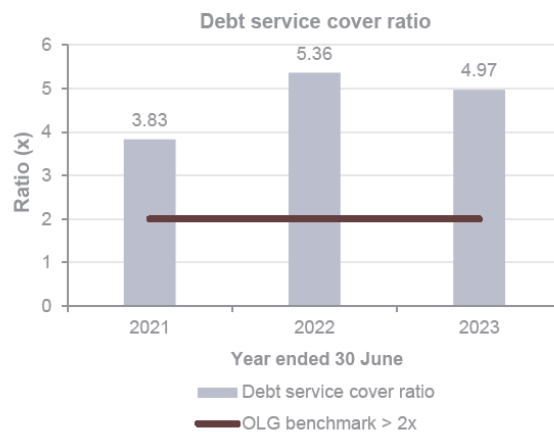
The Council exceeded the benchmark for the current reporting period. This ratio indicates that Council currently has \$2.20 of unrestricted current assets available to service every \$1.00 of its unrestricted current liabilities.

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

**Debt service cover ratio**

The Council exceeded the benchmark for the current reporting period.

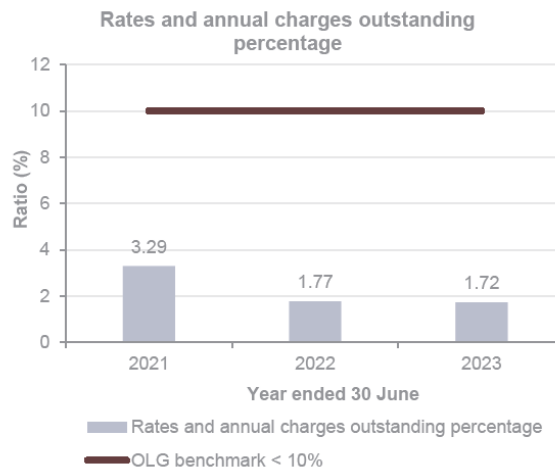
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



**Rates and annual charges outstanding percentage**

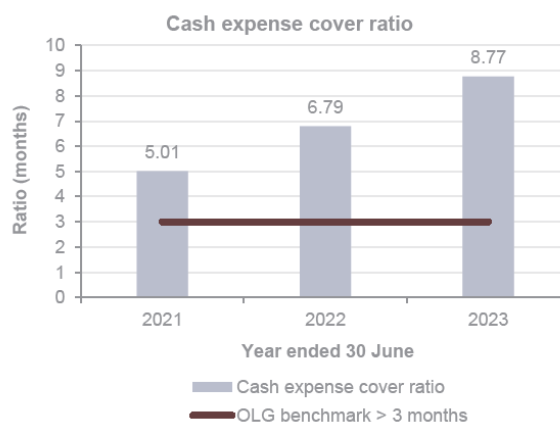
The Council exceeded the benchmark for the current reporting period.

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

**Cash expense cover ratio**

The Council exceeded the benchmark for the current reporting period.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

**Infrastructure, property, plant and equipment renewals**

Council renewed \$26.3 million of infrastructure, property, plant and equipment during the 2022–23 financial year. This was mainly spent on roads, buildings, repairing assets damaged by natural disasters, and on open spaces. A further \$37.8 million was spent on new assets across a variety of asset classes.

**Legislative compliance**

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



David Daniels  
Delegate of the Auditor-General for New South Wales

# Port Stephens Council

SPECIAL SCHEDULES  
for the year ended 30 June 2023

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*"A great lifestyle in a treasured environment"*





**Port Stephens Council****Special Schedules**

for the year ended 30 June 2023

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Contents	Page
<b>Special Schedules:</b>	
Permissible income for general rates	3
Report on infrastructure assets as at 30 June 2023	6

## Port Stephens Council

## Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
<b>Notional general income calculation <sup>1</sup></b>			
Last year notional general income yield	a	46,296	<b>47,913</b>
Plus or minus adjustments <sup>2</sup>	b	452	<b>403</b>
<b>Notional general income</b>	c = a + b	<b>46,748</b>	<b>48,316</b>
<b>Permissible income calculation</b>			
Special variation percentage <sup>3</sup>	d	0.00%	<b>9.50%</b>
Or rate peg percentage	e	2.50%	<b>0.00%</b>
Plus special variation amount	h = d x (c + g)	—	<b>4,590</b>
Or plus rate peg amount	i = e x (c + g)	1,169	—
<b>Sub-total</b>	k = (c + g + h + i + j)	<b>47,917</b>	<b>52,906</b>
Plus (or minus) last year's carry forward total	l	56	<b>60</b>
<b>Sub-total</b>	n = (l + m)	<b>56</b>	<b>60</b>
<b>Total permissible income</b>	o = k + n	<b>47,973</b>	<b>52,966</b>
Less notional general income yield	p	47,913	<b>52,917</b>
<b>Catch-up or (excess) result</b>	q = o - p	<b>60</b>	<b>49</b>
<b>Carry forward to next year <sup>6</sup></b>	t = q + r + s	<b>60</b>	<b>49</b>

**Notes**

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.

(3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable, the Crown land adjustment.

(6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule – Permissible income for general rates

#### Port Stephens Council

To the Councillors of Port Stephens Council

### Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Port Stephens Council (the Council) for the year ending 30 June 2024.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

### Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprises the general purpose financial statements.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

### **The Councillors' Responsibilities for the Schedule**

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Schedule**

My objectives are to:

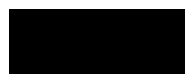
- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



David Daniels  
Delegate of the Auditor-General for New South Wales

10 October 2023  
SYDNEY

ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

Port Stephens Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2022/23 Required maintenance <sup>a</sup>	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Other	888	1,818	2,861	2,844	166,898	232,641	17.5%	32.0%	40.8%	8.5%	1.2%
	<b>Sub-total</b>	<b>888</b>	<b>1,818</b>	<b>2,861</b>	<b>2,844</b>	<b>166,898</b>	<b>232,641</b>	<b>17.5%</b>	<b>32.0%</b>	<b>40.8%</b>	<b>8.5%</b>	<b>1.2%</b>
Other structures	Other structures	—	—	288	354	7,935	21,178	2.1%	56.1%	41.1%	0.7%	0.0%
	<b>Sub-total</b>	<b>—</b>	<b>—</b>	<b>288</b>	<b>354</b>	<b>7,935</b>	<b>21,178</b>	<b>2.1%</b>	<b>56.1%</b>	<b>41.1%</b>	<b>0.7%</b>	<b>0.0%</b>
Roads	Sealed roads	19,650	34,344	5,874	6,137	356,847	424,026	51.5%	24.5%	14.5%	7.0%	2.5%
	Unsealed roads	—	—	634	656	9,931	11,243	6.5%	44.3%	42.3%	6.8%	0.1%
	Bridges	5	215	—	1	15,848	18,418	41.8%	49.4%	0.0%	8.8%	0.0%
	Footpaths	1,001	4,434	193	164	73,777	87,177	26.2%	20.7%	47.0%	6.0%	0.1%
	Other road assets	846	1,804	2,654	2,851	85,749	100,266	25.7%	54.4%	16.8%	2.7%	0.4%
	<b>Sub-total</b>	<b>21,502</b>	<b>40,797</b>	<b>9,355</b>	<b>9,809</b>	<b>542,153</b>	<b>641,130</b>	<b>43.0%</b>	<b>29.7%</b>	<b>19.3%</b>	<b>6.2%</b>	<b>1.8%</b>
Stormwater drainage	Stormwater drainage	95	687	1,657	1,945	247,171	280,431	28.6%	68.3%	2.4%	0.6%	0.1%
	<b>Sub-total</b>	<b>95</b>	<b>687</b>	<b>1,657</b>	<b>1,945</b>	<b>247,171</b>	<b>280,431</b>	<b>28.6%</b>	<b>68.3%</b>	<b>2.4%</b>	<b>0.6%</b>	<b>0.1%</b>
Open space / recreational assets	Swimming pools	—	—	235	245	3,576	6,825	0.0%	0.0%	100.0%	0.0%	0.0%
	Open space	209	838	3,434	3,609	22,720	35,200	5.3%	43.6%	41.0%	9.0%	1.1%
	<b>Sub-total</b>	<b>209</b>	<b>838</b>	<b>3,669</b>	<b>3,854</b>	<b>26,296</b>	<b>42,025</b>	<b>4.4%</b>	<b>36.5%</b>	<b>50.6%</b>	<b>7.5%</b>	<b>1.0%</b>
Other infrastructure assets	Other	843	1,128	340	377	13,475	17,937	15.0%	45.0%	26.0%	12.0%	2.0%
	<b>Sub-total</b>	<b>843</b>	<b>1,128</b>	<b>340</b>	<b>377</b>	<b>13,475</b>	<b>17,937</b>	<b>15.0%</b>	<b>45.0%</b>	<b>26.0%</b>	<b>12.0%</b>	<b>2.0%</b>
<b>Total – all assets</b>		<b>23,537</b>	<b>45,268</b>	<b>18,170</b>	<b>19,183</b>	<b>1,003,928</b>	<b>1,235,342</b>	<b>32.5%</b>	<b>39.8%</b>	<b>21.1%</b>	<b>5.4%</b>	<b>1.2%</b>

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required

continued on next page ...

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Port Stephens Council

Report on infrastructure assets as at 30 June 2023 (continued)

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3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required



## Port Stephens Council

Report on infrastructure assets as at 30 June 2023

## Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts 2023	Indicator 2023	Indicators 2022      2021		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals <sup>1</sup>	26,289	198.80%	166.84%	137.78%	> 100.00%
Depreciation, amortisation and impairment	13,224				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	23,537	2.28%	1.70%	1.72%	< 2.00%
Net carrying amount of infrastructure assets	1,034,018				
Asset maintenance ratio					
Actual asset maintenance	19,183	105.58%	97.13%	97.09%	> 100.00%
Required asset maintenance	18,170				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	45,268	3.66%	1.37%	1.40%	
Gross replacement cost	1,235,342				

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## ITEM 9 - ATTACHMENT 2 ANNUAL REPORT 2022 TO 2023 - VOLUME 2.

Port Stephens Council Holiday Parks and Investment Property Report Financial Year 2022/2023							
Holiday Parks			Operating Income	Operating Expenditure	EBITDA (2)	Net Yield % (1)	Notes
	Fingal Bay	Crown	5,359,096	4,197,661	1,161,435	8%	
	Halifax	Crown	3,586,571	2,669,151	917,421	8%	
	Shoal Bay	Crown	1,347,538	905,437	442,101		
		Council	2,502,571	1,681,526	821,045	7%	
			3,850,110	2,586,963	1,263,147		
	Thou Walla	Council	1,159,235	1,104,522	54,713	1%	
	Koala Sanctuary	Council	2,317,315	2,391,387	(74,072)	-1%	
Investment Property			Operating Income	Operating Expenditure	EBITDA	Net Yield % (1)	Notes
		Total	2,640,191	457,174	2,183,017	8%	
Newcastle Airport			Operating Income	Operating Expenditure	EBITDA	Net Yield % (3)	Notes
		Total	20,142,832	19,153,618	989,214	1%	4
Notes							
1 Net Yield = EBITDA/Capital							
2 EBITDA used as the numerator for Return on Investment calculation in accordance with Crown Lands reporting							
3 Net Yield = Net Profit/Capital							
4 Due to the financial impacts of COVID-19, no dividend was paid by the Newcastle Airport Partnership to Council.							

