

ATTACHMENTS UNDER SEPARATE
COVER

ORDINARY COUNCIL MEETING
26 NOVEMBER 2024



PORT STEPHENS
C O U N C I L

INDEX

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GUUDJI YIIGU

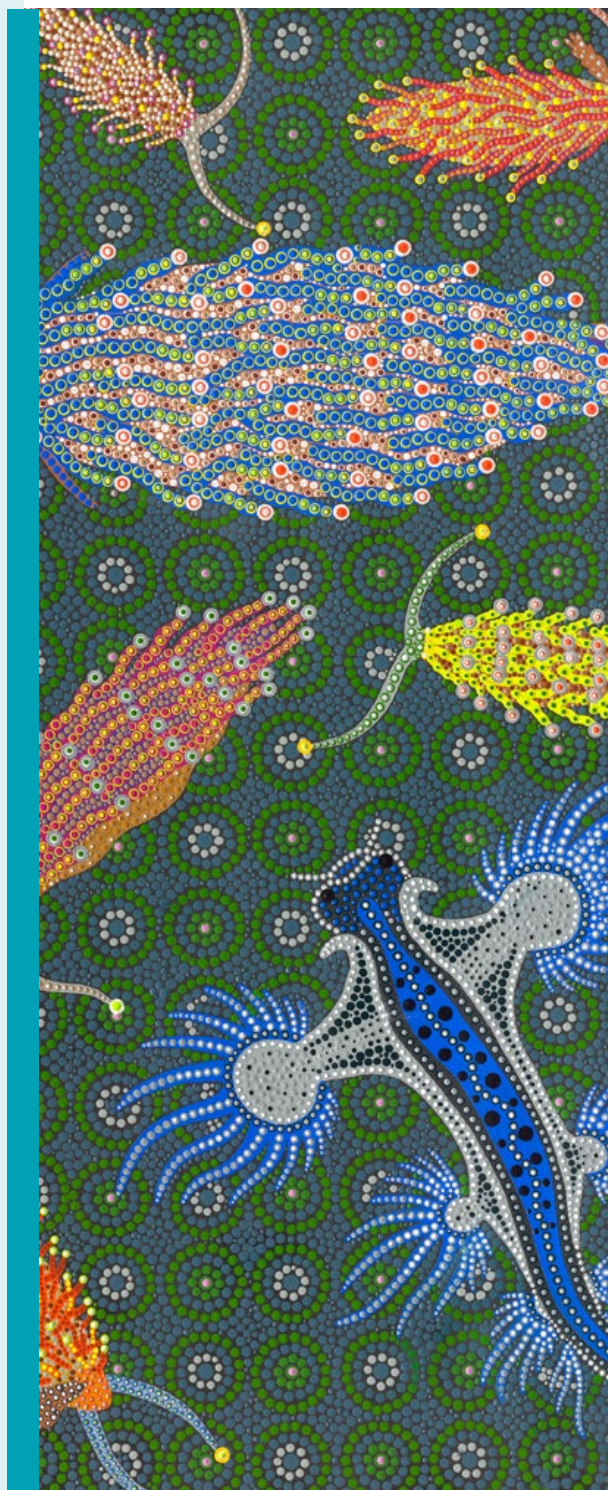
(GOO-JEE IK-KOO)

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 2023-2024

Port Stephens Council Annual Report.

This report is designed to show you our highlights, challenges and performance between 1 July 2023 and 30 June 2024. It also provides a guide for the year ahead.

We're committed to transparent reporting and an accountable 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.

Volume 1

OPERATIONS, ACHIEVEMENTS AND PERFORMANCE

for the year together with statutory and governance information.

Read these 3 sections for general information about our Local Government Area and Council.

1 | Our Port Stephens

2 | Our Year in Review

3 | Our Leadership

Jump to this section to read stories that highlight our 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.

4 | Our Performance

These 2 sections contain information that we're required to include by regulation and supplements information provided elsewhere in the report.

5 | Statutory Statements

6 | Appendix

Volume 2

CONTAINS OUR AUDITED FINANCIAL ACCOUNTS

If you love to look at finances displayed in spreadsheet style tables, then this volume is for you.

It outlines our audited financial accounts including performance, financial position and cash flows for the financial year ended 30 June 2024.

Volume 3

CONTAINS OUR PORT STEPHENS 2021-2024 REPORT

Reflecting on the journey over the previous 3 years, considering the challenges and opportunities experienced along the way.

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 second year of our Delivery Program 2022 to 2026 following Council's adoption on 28 June 2022 of the 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 these full reports at portstephens.nsw.gov.au

We acknowledge the Worimi people as the traditional custodians of this land.
© 2024 Port Stephens Council

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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4 Our Performance 47 Our planning process 48 Our focus areas 50 Our Community Community wellbeing Recognised traditions and lifestyles 64 Our Place Strong economy, vibrant local businesses, active investment Infrastructure and facilities Thriving and safe place to live 74 Our Environment Ecosystem function Environmental sustainability Environmental resilience 84 Our Council Governance Financial management Communication and engagement	5 Statutory Statements 96 Statements required by Local Government (General) Regulation 2021 and other NSW Government acts	6 Appendix 125 Election of representatives on Council, committees, regional committees and groups 130 Capital works projects 133 Glossary 134 Index

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.



Building a healthy and happy community

54



Growing role of our libraries

60



Making our roads a priority

66



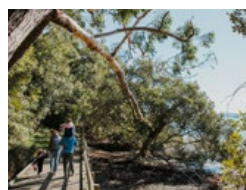
Creating homes for everyone

70



Rolling out new green bins

78



Protecting our coastal assets

80



Connecting our community

86



Improving our online services

90

Our Port Stephens

Section 1

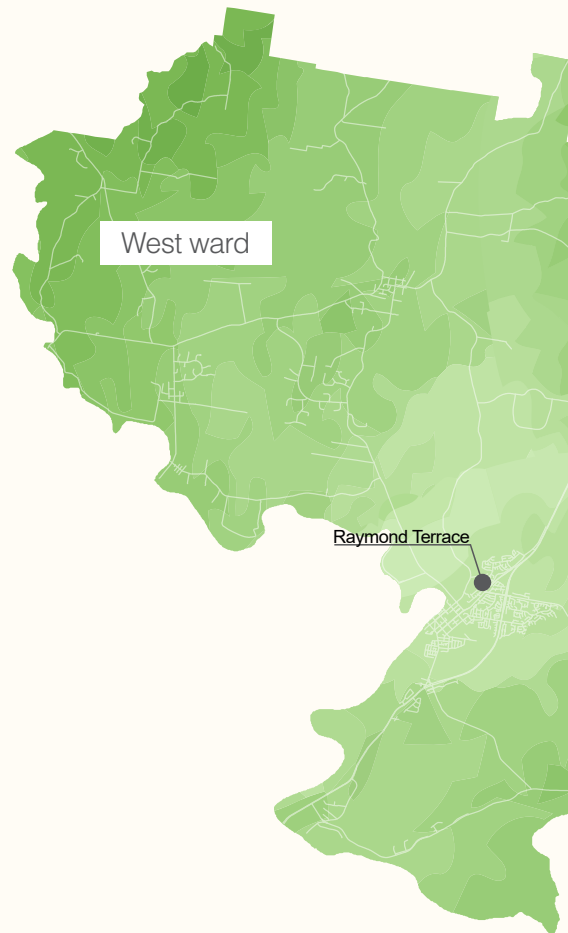
This section includes an overview of Port Stephens history, our population, economy, location and our people.

06 | Port Stephens snapshot

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

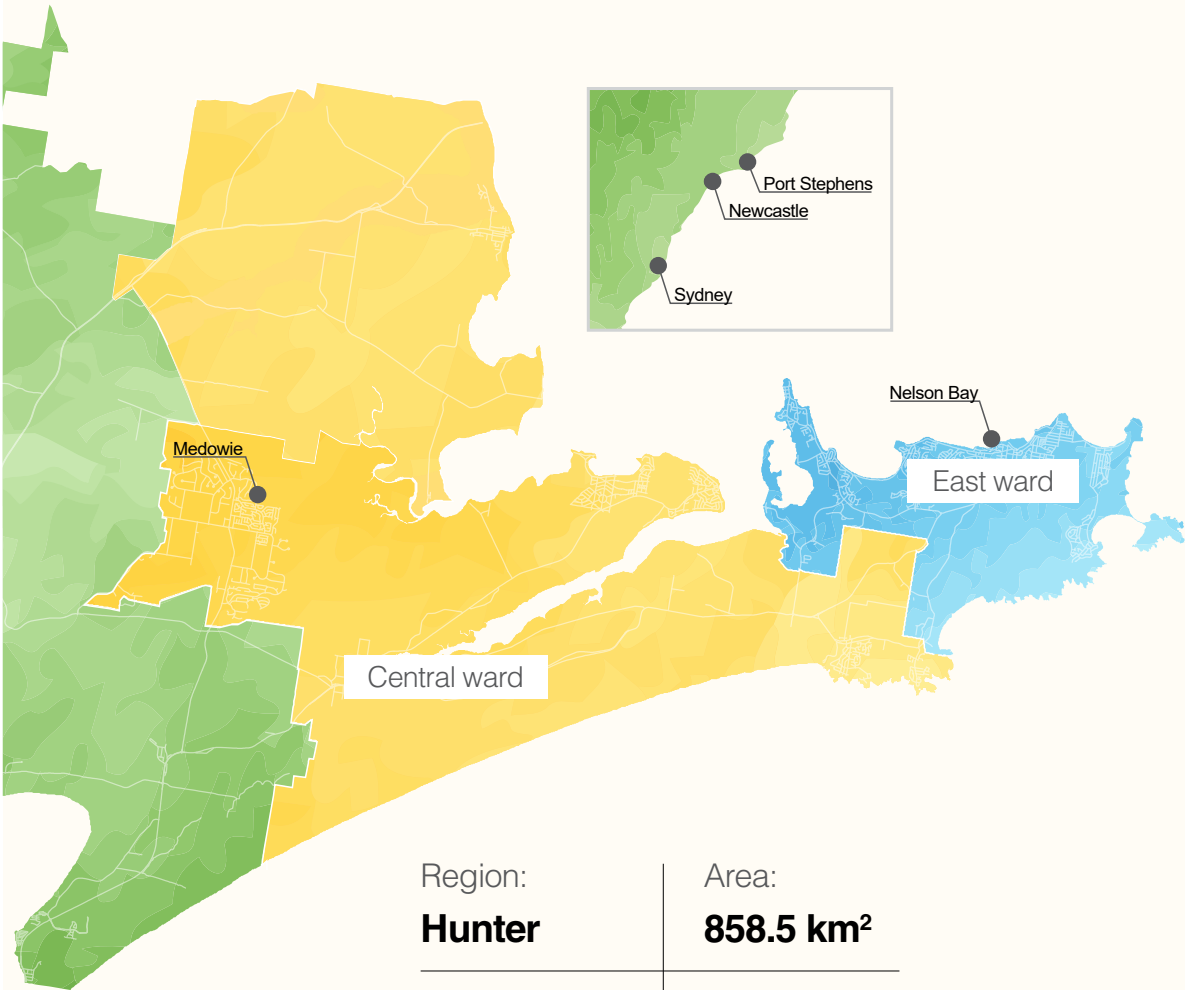
11 | Who are we?

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



Our location

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



Region:
Hunter

Area:
858.5 km²

Population density:
88 persons/km²

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

608

EQUIVALENT
FULL-TIME
EMPLOYEES

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



Our people

POPULATION

77,748



(ABS 2023 Estimated
Resident Population)



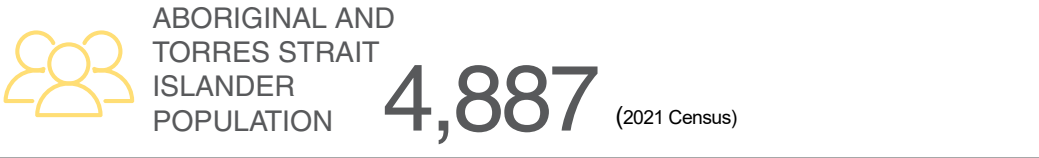
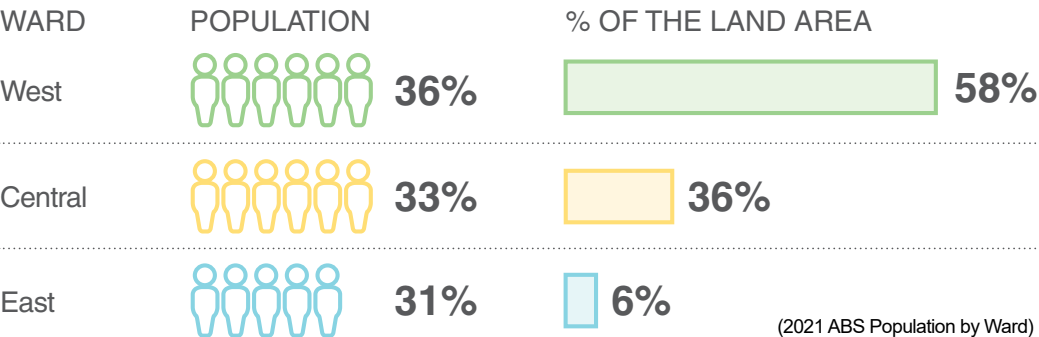
POPULATION
PROJECTION

93,658

by 2041


(NSW Government
Department of Planning)

Our **people**



Our **economy**





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

Source: Remplan 2024

Our stakeholders

We work with a diverse range of individuals, organisations and interest groups to deliver projects and services for our community. Understanding the values and priorities of these groups is vital in working together to shape our place.

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





Who are we?

Community's vision

A great lifestyle in a treasured environment.

Council's vision

We have a deep respect for the Port Stephens community and work to grow trust, confidence and pride in the outcomes we deliver. We foster an inclusive and supportive culture that encourages both professional and personal growth. We know that each and every one of us is responsible for the sustainable management of our resources. Through a collective effort, we will create a thriving and vibrant place for generations to come.

Council's purpose

To deliver outcomes 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 happening in the community.

- 14 | Highlights and challenges
- 18 | Mayor's message
- 20 | General Manager's message
- 22 | Scorecard
- 24 | Financial summary
- 28 | Major events
- 30 | Having your say
- 31 | Awards and recognition





Our year in review

Over the past year, we've embarked on a journey to shape a brighter future for Port Stephens. Our focus has been on strengthening our communities, securing our financial stability, and enhancing our core services to serve the needs of our residents better.

Looking ahead, we remain committed to fostering accessibility, promoting community well-being, investing in infrastructure improvements, safeguarding our environment, and revitalising our town centres. Together, we can create a vibrant and inclusive Port Stephens where everyone thrives.

We are proud to present our Annual Report for 2023-2024. This report highlights our progress, achievements, and plans for the future. We invite you to join us as we look ahead and envision a Port Stephens that is thriving, inclusive, and environmentally responsible.

Our Community highlights



47
IT'S ON! ACTIVATIONS



703
LIBRARY
PROGRAMS HELD



1,225,427
BEACH VISITS



113,510
CHILDCARE PLACES
provided throughout Port Stephens.
Places takes into account the total
number of sessions across the year.
For example, if a child attended
OOSH every morning and afternoon
for 40 weeks of the year it is counted
as 400 places filled.



Adopted
NEW COMMUNITY
WELLBEING STRATEGY
AND DISABILITY
INCLUSION ACTION PLAN

Our challenges	Looking forward
<ul style="list-style-type: none">• Connecting our community• Appropriate support for those most vulnerable• Responding to the values and priorities of our community• The diversity of our community is acknowledged, respected and celebrated• Understand and respect cultural heritage• Accessible spaces that enable connection and learning	<ul style="list-style-type: none">• Improve wellbeing, inclusivity and accessibility across our community• Provide facilities and learning options for children and families• Ensure equitable and safe access to sports, recreational, cultural and leisure activities• Support volunteers to deliver community programs and increase social connections• Recognise and support the values and priorities of local Aboriginal and Torres Strait Islander People• Support and promote local cultural activities• Provide vibrant and inclusive community spaces to support lifelong learning

Our Place highlights



ALMOST
\$36M
SPENT ON ROADS,
bridges, footpaths, car parks
and drainage



Pathway
CONNECTIONS
COMPLETED

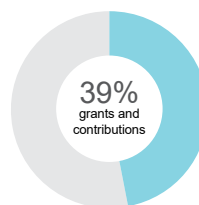
including path upgrades in Nelson Bay, Little Beach, Fingal Bay and Fern Bay; design of "Port Walk" between Nelson Bay to Shoal Bay and concept design of Airport to Stockton extension of the 'Shiraz to Shore' shared path, connecting the Hunter Vineyards to Newcastle CBD and the Airport



Adopted
LOCAL HOUSING
STRATEGY
focusing on housing supply,
diversity and affordability



\$58M
OF CAPITAL EXPENDITURE



39% of which was funded
through grants and
contributions, including
Transport for NSW funding of
\$7.2 million and recreation and
culture funding of \$5.6 million



592
DEVELOPMENT
APPLICATIONS

Our challenges	Looking forward
<ul style="list-style-type: none"> • Business sustainability in a challenging economy • Seasonal fluctuations in the Visitor Economy • External funding to support business and tourism • Funding to undertake maintenance, repairs and upgrades to our community's infrastructure and assets to acceptable condition • Connecting communities through infrastructure and services • Resourcing to support infrastructure delivery • Housing supply diversity and affordability • Investment in place based infrastructure to unlock housing • Community resilience to natural disasters and rising cost of living 	<ul style="list-style-type: none"> • Invest in programs that support local business development, visitation and events • Provide Strategic Funding Support for destination marketing • Fund the delivery and maintenance of place based infrastructure • Invest SRV funds into enhanced services (roads, drainage, natural environment, waterways and public space) and seek additional State/Federal funding into infrastructure • Plan and advocate for improved connections between our communities (transport, roads and footpaths) • Improve infrastructure delivery to strengthen workforce sustainability • Provide land use plans, tools and advice to support sustainable investment • Enhance public safety, health and liveability through regulatory controls and services • Create, advocate and support connected and vibrant places that attract residents, workers and business • Prioritise emergency services, disaster preparedness and the protection of community assets from natural disasters • Investment in Newcastle Airport to achieve international routes and significant industrial development • Work with the State and Federal government to assist with the housing crisis

Our Environment highlights



Adopted

COASTAL MANAGEMENT
PROGRAM (CMP)



5,795

TONNES OF
RECYCLING



5,117

TREES PLANTED
with the help of volunteers



Emission

REDUCTIONS
ACTION PLAN

Developed and under
implementation



7,000

TONNES OF GARDEN
ORGANICS

reused, diverted from landfill by
using garden organics bins



Award

HIGHLY COMMENDED

for Port Stephens Drive Koala
Vehicle Strike Project

Our challenges	Looking forward
<ul style="list-style-type: none"> • Complexity of environmental legislation • Balancing the demand for housing with the protection of our environment • A consistent approach to environmental sustainability regarding carbon emissions across all layers of government • Enabling technology to support emissions reductions • Protecting our coastline and waterways from natural disasters and longer term coastal processes • A shared approach to asset protection • Government funding to support environmental resilience • Maintain continued and ongoing volunteer support • Changing regulatory environment for waste management 	<ul style="list-style-type: none"> • Communicate the value of the natural environment • Improve data and mapping accuracy to provide a better understanding of our environment • Build better frameworks that enable a more proactive approach to environmental sustainability • Deliver actions that support renewable energy and alternative fuel use • Invest in programs that improve resource recycling and reduction of waste • A regional approach to waste management and renewal of waste collection and processing contract • Seek funding for the delivery of the Coastal Management Program to improve environmental resilience and asset protection • Drive collaboration between coastal Councils to ensure better environmental outcomes • Advocate for permanent protection high risk infrastructure in active coastal erosion areas such as Shoal Bay beach

Our Council highlights



6

COMMUNITY CATCH-UPS

across Port Stephens connecting Councillors and Executives with the community



\$16.8
MILLION

OPERATING GRANT FUNDING

received mostly from State and Federal Governments



266,481
WEBSITE VISITS



Our challenges	Looking forward
<ul style="list-style-type: none"> • Workforce attraction and retention • Community Advocacy • Increasing complexity of legislation and changing technology to support service delivery • Financial sustainability • Optimising our investments • Reliance on external funding sources • Community expectations for meaningful participation in Council decision making • Expanding our reach to a more diverse and representative audience • Increasing demand for online services • Increasing community satisfaction with Council services 	<ul style="list-style-type: none"> • Develop and encourage the capabilities and aspirations of Council's workforce • Provide strong leadership, advocacy role and government relations • Provide a strong ethical governance structure and systems for Council • Invest in digital technologies to improve Council performance and support to customers • Enhance non rate revenue • Optimise our investments • Ensure Financial Resilience • Grow a customer first organisation through best practice processes and technology • Provide genuine opportunities for the community and stakeholders to actively participate in council decision making



Mayor's message

As I reflect on my final year as the Mayor of Port Stephens, I'm filled with a sense of pride and optimism for the future of Port Stephens. We've made significant strides in creating a more inclusive, accessible, and vibrant community.

Focus on accessibility for all

Our commitment to accessibility is evident in the transformation of Little Beach, Nelson Bay. With the addition of a Changing Places toilet, beach wheelchairs, and extended pathways, this

beloved recreational area is now welcoming to all. This project aligns perfectly with our newly adopted Community Wellbeing Strategy, which aims to create inclusive spaces for everyone.

Beyond Little Beach, we've upgraded 5 playgrounds across Port Stephens, ensuring that children of all abilities can enjoy the benefits of outdoor play. These upgrades are just one example of our dedication to enhancing the overall liveability of our community.

Creating liveable places

We've also made significant progress in revitalising our town centres. The Lemon Tree Passage Foreshore revitalisation and the ongoing transformation of Raymond Terrace are testament to our commitment to creating vibrant hubs that stimulate economic growth and enhance the quality of life for our residents.

Infrastructure improvements have been a key focus this year. We've invested in road repairs and rehabilitation, ensuring a safer and more connected future for our community. The completion of Tomaree Road, Shoal Bay, is a significant milestone, with upgrades that include new kerb and gutters, road pavement reconstruction, minor drainage repairs, and elements that will facilitate future footpath construction.

We've also made progress on other key road projects, such as Fairlands Road, Medowie, Avenue of the Allies, Tanilba Bay and Italia Road, East Seaham. These investments are part of our ongoing commitment to improving our road network and ensuring that our community can move around safely and efficiently.

Addressing homelessness and housing affordability

We've collaborated with community organisations, government agencies, and stakeholders to develop strategies and implement initiatives to support those experiencing homelessness and increase affordable housing options.

We've continued to the Homeless Stakeholder Advisory Group, bringing together various stakeholders to discuss and address homelessness issues in our community. We've also partnered with Hume Community Housing and Homes NSW to identify and develop social housing options in this area.

While there is still more work to be done, we're working hard to make sure everyone in our community has access to safe, affordable housing.

Celebrating and connecting with our community

There's been a focus on celebrating and connecting with our community throughout the year in many ways. From the inaugural Sail Port Stephens Street Party to the annual Australia Day celebrations, we've created opportunities for residents to come together, enjoy entertainment, and foster a sense of belonging.

Our community Catch-up events have also been valuable platforms for residents to share their thoughts and concerns with Councillors and our Executive Team. These events have helped us to stay connected to our community and ensure that their voices are heard.

Although I'm stepping down as the Mayor of this beautiful place, I'm confident the new Council will remain committed to building a Port Stephens where everyone feels valued, included, and has the opportunity to thrive. Looking ahead, there'll be a continued focus on accessibility, community wellbeing, infrastructure improvements, and creating vibrant town centres.



Ryan Palmer
Mayor of Port Stephens



General Manager's message

After laying a solid groundwork in recent years, we've dedicated this year to envisioning a future where our community thrives. By building upon our past achievements, we've been working towards a safer, sustainable and thriving future for all our residents.

Creating homes for everyone

Our region faces a growing housing shortage, exacerbated by limited development opportunities and increasing demand. This has led to rising housing prices and impacts on our community's social and economic well-being.

To start to address these challenges, we've endorsed the Port Stephens Local Housing Strategy and Housing Supply Plan. These plans outline strategies for increasing housing diversity, affordability and supply, ensuring our community has the necessary housing options to thrive. It identifies what types of housing can be built, where new homes can be located and what's required to support new development.

We've also be working to streamline development processes. We've improved DA times by putting together a dedicated team to

fast-track DA lodgements and integrated our systems with the NSW Planning Portal. We've also secured a Federal Government grant to help us further reduce red tape to make it easier, quicker and more affordable to lodge a DA.

Environmental endeavours

Environmental conservation has been another key focus. We're proud of successfully completing the Port Stephens Drive Koala Vehicle Strike Project, protecting our iconic koala population, developing a detailed vegetation map to inform future conservation efforts, partnering with local groups for culturally-informed cool burns to revitalise our natural environment, and securing funding to combat the spread of invasive plant species.

We're also leading the charge towards a sustainable future with implementing an Emissions Reduction Action Plan to reduce our carbon footprint, focusing on a circular waste economy, diverting waste from landfill and reusing materials, and rolling out new green bins and a waste app to make waste management easier.

Looking Forward: Strategic Initiatives and Financial Sustainability

Over the last year, we've been actively engaged with our residents and key stakeholders to develop key strategies for housing, coastal management, and wellbeing. Following community input, Council has adopted these strategies and we're looking forward to rolling out key actions.

Our financial sustainability efforts have focused on diversifying our non rate revenue including introducing smart parking into Shoal Bay, Little Beach and Fingal Bay. We've also continued

discussions and planning for the development of the key commercial properties we own in both Raymond Terrace and Salamander Bay and invested our recent property sales into new assets at Tomago and beyond. Our Beachside Holiday Parks continue to be a valuable non-rate revenue stream, attracting thousands of visitors annually. We're investing in upgrades at Shoal Bay and Fingal Bay Holiday Parks to enhance the guest experience and boost revenue.

We've established a Resilience Fund reserve to further strengthen our financial position. This reserve will be funded from surplus non-rate revenue sources of income streams, such as dividends from Newcastle Airport and will enable us to invest in high-impact projects aligned with our community's priorities.

By focusing on these strategic initiatives and financial sustainability measures, we're positioning Port Stephens for long-term growth and prosperity.

Looking ahead, we're committed to continuing our collaborative efforts and building upon the past year's successes. Together, we can create a Port Stephens that is a thriving, inclusive, and connected place for all.



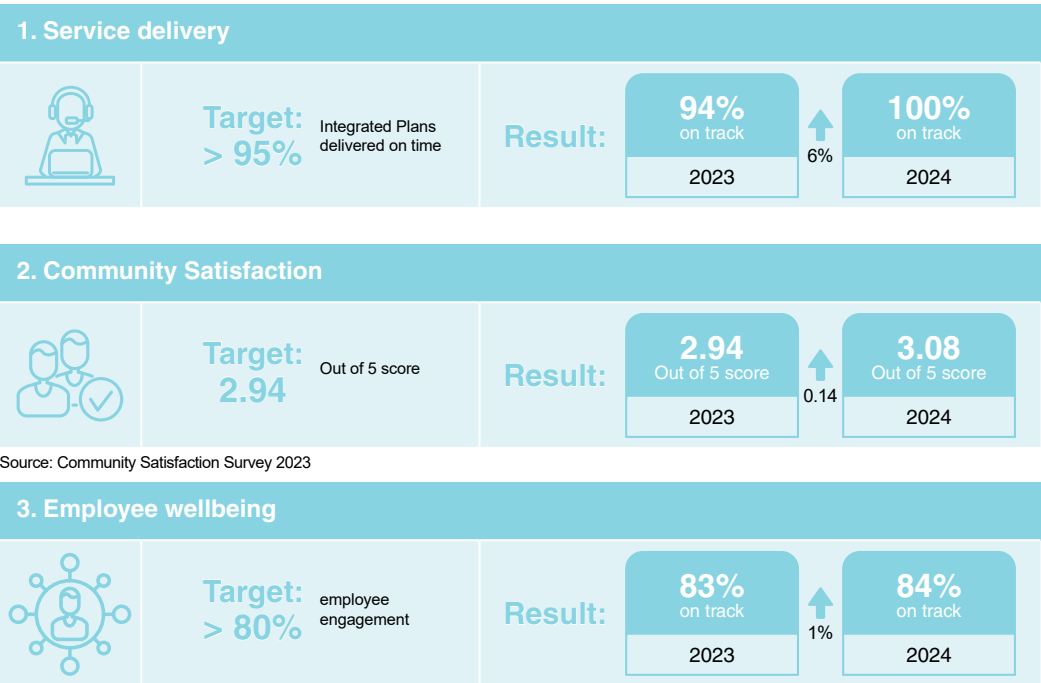
Tim Crosdale

General Manager of Port Stephens Council



Scorecard

Our 6 key result measures underpin everything we do at Port Stephens Council.
At the end of each focus area, we provide a detailed scorecard showing our progress against our goals on pages 62 to 94.





4. Risk management				
	Target: risk management maturity score > 85%	Result:	<div>86% on track2023</div>	<div>86% on track2024</div>
5. Financial sustainability				
	Target: underlying financial result better than budget	Result:	<div>\$1.078M on track2023</div>	<div>\$1.473M on track2024</div>
6. Asset management				
	Target: asset maintenance ratio 100%	Result:	<div>106% on track2023</div>	<div>105% on track2024</div>

Financial summary

Port Stephens Council has achieved an underlying operating surplus of \$1.473 million. The underlying result excludes non-operational transactions. The 2023-2024 financial year was challenging due to a number of factors, including rising employee costs and the increasing costs of materials and services. The positive result has been achieved primarily through a financial sustainability program, which promotes fiscal responsibility, optimising non-rate revenue opportunities and driving operating efficiencies.

Financial overview 2023 to 2024

The income statement summarises Port Stephens Council's total income and operating expenditure. The 2023-2024 operating result was a surplus of \$46.9 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 \$6.1 million for the 2023-2024 financial year. This is lower than the surplus of \$8.7 million for the 2022-2023 financial year. The decrease is due to higher expenditure levels from rising operational costs.

Income statement \$'000	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024
Total income from continuing operations	146,900	160,410	172,936	188,430	206,490
Total expenses from continuing operations	126,833	127,601	131,154	147,318	159,562
Operating result from continuing operations	20,067	32,809	41,782	41,112	46,928
Net operating result for the year before grants and contributions provided for capital purposes	-4,251	2,817	8,853	8,770	6,148

The statement of financial position provides a snapshot of Port Stephens Council's assets, liabilities and net wealth (equity) at 30 June 2024. Council's total asset base increased primarily for two reasons, we completed asset revaluations to reflect the renewal cost of public infrastructure and our capital works program grew during the year due 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.

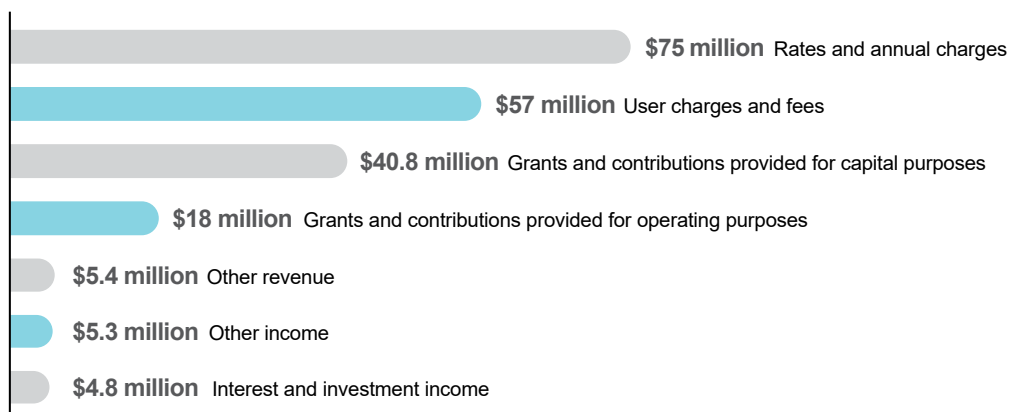
Balance sheet \$'000	2019 to 2020	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024
Total current assets	53,939	70,007	62,737	87,157	88,293
Total current liabilities	37,093	41,692	48,999	51,198	46,227
Total non-current assets	1,064,256	1,095,591	1,306,703	1,447,040	1,576,520
Total non-current liabilities	37,635	36,501	40,117	53,484	65,769
Total equity	1,043,467	1,087,405	1,280,324	1,429,515	1,552,817



Our revenue – where the money came from

We received \$206.5 million in revenue in the 2023-24 financial year. The largest income sources were rates and annual charges, which totalled \$75 million, and user charges and fees which totalled \$57.1 million (which includes the Newcastle Airport). These were also our largest sources of income in 2022-23.

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 \$231.6 million during the year – \$159.6 million on operations and \$72 million on capital projects.


Major Infrastructure spending included:

	Roads, bridges, footpaths and car parks \$12.8 million
	Drainage \$1.2 million
	Buildings \$5.5 million
	Newcastle Airport \$25.7 million
	Other open space or recreational assets \$2.5 million

The above figures include assets that have been dedicated to Council. The total value of assets dedicated to Council in 2023-24 is \$3 million.











Total equity

What we own, minus what we owe

	Port Stephens Council community equity (defined as our net worth) was \$1.6 billion at 30 June 2024.
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Our assets – what we own

Our infrastructure, property, plant and equipment was valued at \$1.5 billion and our investment property assets were valued at \$44.3 million at 30 June 2024. The value of our infrastructure is:

	Plant and equipment \$11.2 million
	Office equipment, furniture and fittings \$2.2 million
	Land \$162.3 million
	Land improvements \$8 million
	Roads, bridges, footpaths and carparks \$570.1 million
	Buildings \$179.6 million
	Drainage \$282.3 million
	Other infrastructure \$58.4 million
	Other assets \$1.8 million
	Newcastle Airport \$211 million

Shoal Bay shared pathway



Major events

Council run or sponsored events across Port Stephens.

Jul 2023



NAIDOC Week celebrations

Emergency Services
Regatta – Port Stephens



Raymond Terrace Festival

Human Whale

Aug 2023

2023 In2Adventure
Tre-X Offroad Triathlon
– Port Stephens

Sep 2023

Clans on the Coast

Goanna Academy
– Sporting event



Night at the Beach

Oct 2023



Nelson Bay Art Walk Launch

Karuah Oyster and Timber
Festival 2023

King of the Box –
Surfing Event

Adrenaline Junkie - Sprint
Series Adventure Race

Dec 2023



New Years Eve

Medowie Christmas Carnival

Swim Run Weekend

Fly Point Carols at the Bay

Food Foodies! Nelson Bay

Tillifest 2023

Cricket NSW U14 Boys Country Championships –
Northern Pool

Jan 2024



Australia Day
Nelson Bay and
Raymond Terrace

Feb 2024

Peter Wilson
Memorial Cup

2024 Garmin Billfish
Shootout



Camplify Port
Stephens Pro
QS1000
(surfing event)

2024 NSWGFA Interclub
State Championships

Port Stephens Creatives
Conference

Apr 2024

Port Stephens Outrigger
Canoe Club

Sail Port Stephens –
Passenger Series – The
Commodores Cup (PHS)
and Port Stephens
Trophy (ORC)

ANZAC Day event support



Sail Port Stephens
Street Party

May 2024

Sail Port Stephens –
trailables and off-the-
beach classes

Sustainable Living Festival
– Homegrown/Econetwork

Volkswagen Port
Stephens NSW State
Titles 2024 (surfing)

Jun 2024



Illuminate Raymond Terrace

Little Beach For All

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/communication-and-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:



WELLBEING
STRATEGY



HOUSING
STRATEGY



6 x PLAYGROUND SURVEYS
ELKIN, KORORA, TAYLORS BEACH,
DUNMORE, TOMAREE, CENTENNIAL



COASTAL
MANAGEMENT
PROGRAM STAGE 4



SMART PARKING
EXTENSION AT
SHOAL BAY



GREEN WASTE
DROP OFF
USER SURVEY

27

KEY FORMAL
ENGAGEMENT
PROJECTS

4,246

NUMBER OF
SURVEY RESPONSES
PROVIDED

60

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

1121

NUMBER OF FACE TO
FACE (includes online)
COMMUNITY
ATTENDEES

We also spoke to the community about the Community Satisfaction Survey, Shoal Bay Place Plan, Dogs at Boat Harbour Beach, Henderson Park amenities and Medowie Social future use options.

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

- New Community Strategic Plan with our new Councillors
- Liveability Index
- Tilligerry Place Plan
- Pathways Plan
- Birubi Smart Parking rollout
- Ongoing Capital Works Program engagement



Learn more at 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
2023 NSW Tourism Awards	Gold - Tourist Attraction – Port Stephens Koala Sanctuary
2024 ARA Annual Report Award	Gold – 2022-2023 Annual Report
2024 NSW Local Government Excellence Awards	Highly Commended – Environmental Leadership - Port Stephens Drive Koala Vehicle Strike Project.
Statewide Mutual – 2023 Risk Management Excellence Awards	Highly Commended – Technological Innovation (Metropolitan and Large Regional Councils)



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
- 44** | 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



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.



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 Jaike, who have been schooled locally and are active in local sporting teams.



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.



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.



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.



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.



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.



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.



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.



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.



Councillor attendance 1 July 2023 to 30 June 2024

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 18 community committees and a further 28 groups in which the Mayor and Councillors represent Council. These can be viewed on page 125.

COUNCILLOR ATTENDANCE 1 July 2022 to 30 June 2023

	Ordinary meeting	Extra ordinary meeting	All meetings combined	2 Way conversations
Number of meetings	23	0	23	70
Mayor Palmer	20	0	20	51
Councillor Anderson	23	0	23	68
Councillor Arnott	23	0	23	63
Councillor Bailey	17	0	17	31
Councillor Doohan	12	0	12	24
Councillor Dunkley	20	0	20	28
Councillor Francis	19	0	19	41
Councillor Kafer	17	0	17	16
Councillor Tucker	21	0	21	61
Councillor Wells	22	0	22	65



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.

There was a councillor induction program conducted during this period 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 99. 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
AICD Company Directors Course	Cr Anderson & Cr Wells
ALGA National General Assembly	Mayor Palmer, Cr Anderson, Cr Dunkley, Cr Tucker
LGNSW Annual Conference	Mayor Palmer, Cr Anderson, Cr Arnott, Cr Tucker
LGNSW Rural & Regional Summit	Mayor Palmer
LGNSW Mayoral Forum	Cr Anderson
LGNSW Visitor & Economy Conference	Mayor Palmer
Royal Australian Historical Association Conference	Cr Wells
NSW Homelessness Forum	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 2023 to 2024, there were 4 Code of Conduct complaints about Councillors and the General Manager. Of the 4 complaints, 3 were addressed by alternate means.

Privacy and personal information

The Privacy Management Plan was reviewed and adopted by Council on 25 June 2024. There were no internal reviews 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, Risk and Improvement 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 Committee comprises 3 independent external representatives and a non-voting Councillor representative:

- Ben Niland (Former Chairperson) - July 2023 to September 2023
- Deborah Goodyer (Chairperson) – October 2023 to present
- Frank Cordingley – July 2023 to present
- Shaun Mahony – July 2023 to February 2024
- Paul Dunn – February 2024 to present
- Councillor Leah Anderson – July 2023 to present
- Councillor Chris Doohan – July 2023 to August 2023
- Councillor Glen Dunkley (alternate) – July 2023 to August 2023

The 2023 to 2024 Internal Audit program included 5 audits into:

- Contract/Contractor Management
- Volunteer Management
- Disaster Management
- National Heavy Vehicle Accreditation Scheme compliance audit
- RMS Drives compliance report.



Find out more about our audit committee at portstephens.nsw.gov.au/committees

Our Executive Team

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



Learn more about our Executive Team at 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 & Infrastructure
Director 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 Strategy &
Support Director Zoë Pattison**

Appointed 2023

Zoë has worked at Port Stephens Council for 25 years, providing strategic Senior and Executive leadership and service delivery across the Corporate Strategy & Support functions, including Human Resources, ICT, Corporate Reporting, Strategic Property, Finance and Continuous Improvement.

With a number of post graduate qualifications including a Master of Business Leadership, Zoë is Graduate Membership of the Australian Institute of Company Directors and holds two 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.



**Community Futures
Director Steven Peart**

Appointed 2020

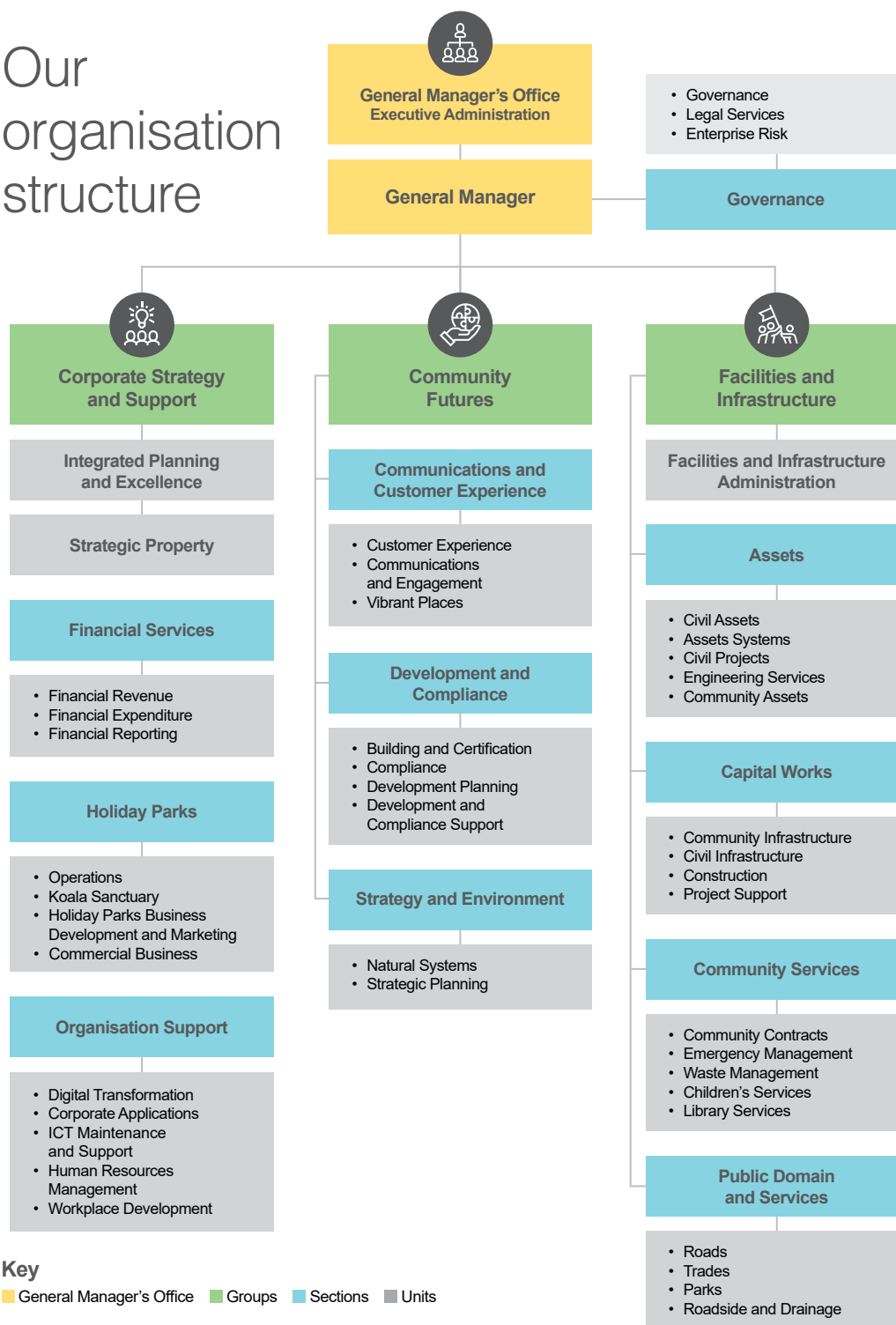
Steven joined Port Stephens Council as Strategy and Environment Section Manager in 2018.

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 14 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 Employer Value Proposition sets out our commitment to attract, engage and retain our employees. Supported by our Enterprise Agreement 2022-2025, 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.

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 2023 to 2024:

- We have almost a full complement of EDI representatives covering most teams and locations across Council.
- We promoted Pride month across Council where staff were asked to participate in a 'Wear the Rainbow Day' to celebrate and show their support.
- We promoted Harmony Week to employees in celebration of inclusiveness, respect and belonging for everyone. Staff came together over morning tea to connect and celebrate all things diversity.
- We celebrated NAIDOC Week with employees and our community, recognising the valuable contribution Aboriginal and Torres Strait Islander people make. Read more on page 55.
- We 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. Read more on page 61.

Work health and safety

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

Safety observations

Our safety observation program aims to proactively prevent injuries by positively reinforcing safe work behaviour and providing constructive feedback. All managers must conduct at least 2 safety observations per month. This year, the number of Safety Observations increased by 4% to 1,531 and identified 55 actions to enhance worker safety.

Employee consultation

Our Health and Safety Committee and Health and Safety Representatives have an important role in consulting with employees on health and safety matters. The Committee (representing management and workers) met 4 times during the year to oversee workplace safety at Council.

Workers compensation

Our workers compensation premium remains stable, observing a robust injury management program and improving three-year safety performance. The number of workers compensation claims increased 6% this financial year. We remain focused on injury prevention and wellness, channelled through our injury management, safety observation and employee wellness programs.

Our volunteers

Our volunteers give their time and energy to make Port Stephens a better place.

Without them, many of our services and programs wouldn'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/community/volunteers

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 moving our induction program online to provide a better model of supporting our volunteers.



Raymond Terrace Community Working Bee 2024

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

64 | Our Place

74 | Our Environment

84 | Our Council



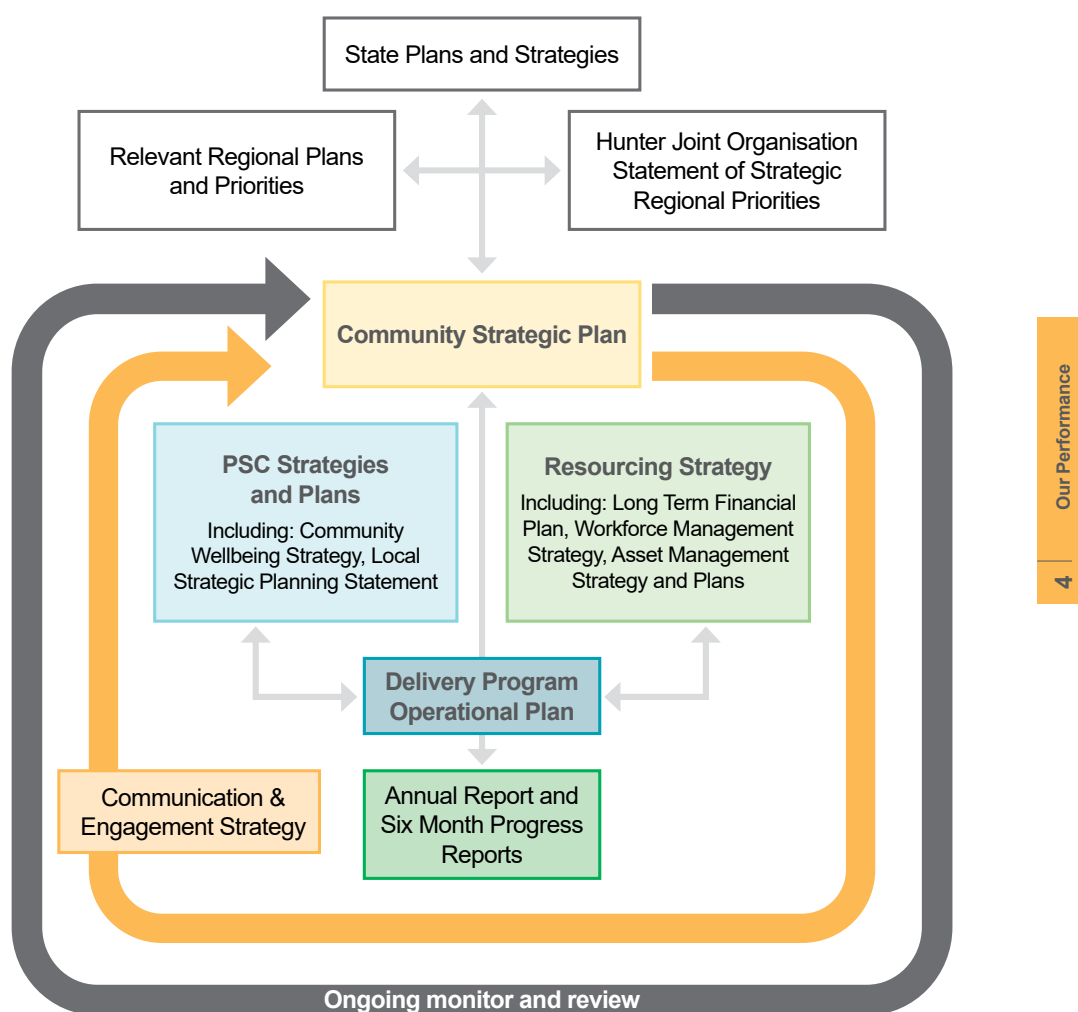
Our planning process

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.

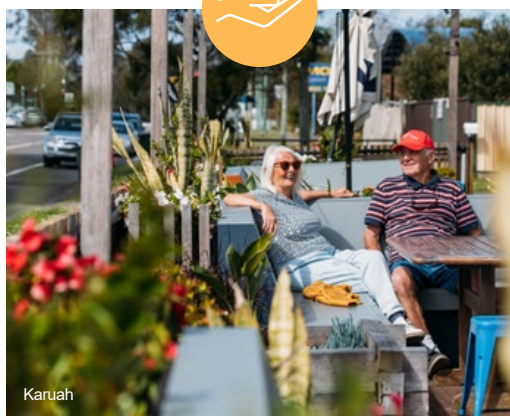


Learn more about our integrated planning process at portstephens.nsw.gov.au/council/plans-and-reporting/integrated-plans



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**.



Karuah

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



Seaham

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 conservation

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 C1: Community Wellbeing

Improved wellbeing for our diverse community supported by services and facilities

Launching our first Changing Places Precinct

Little Beach, Nelson Bay has been transformed into a more inclusive and accessible space for everyone.

The upgrades to the popular recreational area include a fully accessible “Changing Places” toilet with a sling and adult changing table. We’ve also added beach wheel chairs, so everyone can enjoy the sand and water. Extended pathways and an accessible playground make it easier for everyone to get around and have fun.

These improvements were part of our broader commitment to creating a community where wellbeing is a priority. Our new Community Wellbeing Strategy aims to create inclusive spaces, and Little Beach was a perfect example of this goal in action.

The precinct’s completion was marked with a vibrant community celebration called “Little Beach for All”. The community came together to celebrate, enjoying food, music, and fun activities. The event was a testament to the power of inclusivity and the positive impact it can have on a community’s wellbeing.

Little Beach is now a place where everyone feels welcome, regardless of their abilities. This achievement is a significant step forward for the community of Port Stephens.

Collaborating to improve homelessness

We're continuing to bring together the Homeless Stakeholder Advisory Group (HSAG), where various stakeholders collaborate to share information and ideas, discuss and understand data and collaborate on projects at a Local Government Level. The group includes 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 2 community members.

This year the Group focused on delivering their 12-month action plan to support disadvantaged individuals in our community. Along with advocacy to State Ministers and government officials, they've directed used furniture from Council owned holiday parks to Port Stephens based community service organisations and charities and developed an emergency food and crisis relief calendar outlining where to find food, vouchers and rental support across the community.

They've also put a lot of effort into gaining support for social and affordable housing which is crucial with a 45% increase in the median house price in Port Stephens since 2018.

Looking forward the HSAG will continue to focus on a range of new initiatives including a communications and support program for real estate agents to help frontline staff understand the options for those facing housing issues.

They will also be working with local service providers to roll out the End Street Sleeping program, which works towards a more coordinated approach to ending street sleeping in Port Stephens over the next 5 years.

These efforts aim to foster a coordinated approach to addressing homelessness in Port Stephens.



Learn more and the Homelessness Stakeholder Advisory Group at portstephens.nsw.gov.au/committees





Programs for our young people

Young people have been a focus this year. We've delivered free, fun-filled school holiday programs and celebrated National Youth Week with a range of exciting events. These initiatives have provided a platform for young people to connect with Council, share their ideas, and build new friendships in a safe and supportive environment.

From Silent Discos and Snak and Rap to Summer Splash, our diverse program lineup has offered something for everyone. Local community groups and agencies also joined us at many events to help our young people's access to services and programs they need in their day to day life.

A highlight of the year was the launch of Battle of the Arts during National Youth Week. Inspired by our Youth Advisory Panel, this talent quest showcased the incredible creativity of local high school students from musicians and dancers to actors, poets and storytellers. We were thrilled to see a drama ensemble from Irrawang High School in Raymond Terrace claim the top prize of \$500 – a nice boost to help fund their creative ambitions. Their talent and ambition are an inspiration to us all.

We hope Battle of the Arts will become an annual event, fostering a vibrant creative scene for young people across Port Stephens.



Learn more about events and programs happening near you at portstephens.nsw.gov.au/community/events

Seniors Festival at our libraries

We are committed to creating opportunities for our seniors to connect with their community, celebrate diversity and explore new horizons.

Seniors Festival coincides each year with NSW Seniors Week. This year, we promoted a vibrant program of events and activities across Port Stephens including exhibitions, aerobics classes, educational talks and workshops, yoga, concerts, cruises, and craft activities, to name a few! Thanks to the support of the NSW Government, many of these events are free or low-cost, ensuring accessibility for all.

Our Libraries played a significant role in socially supporting seniors during Seniors Week and year round hosting a broad range of seniors events across all branches. These events celebrated the wisdom that comes with age, and encouraged seniors to get out of the house, meet new people, and perhaps even pick up a new skill or hobby.

From stimulating brain training sessions to inspiring author talks, and creative craft workshops to essential tech support, our libraries provide a welcoming space for seniors to thrive. Looking forward we will continue to foster a community where wisdom is celebrated, friendships are forged, and lifelong learning is encouraged in our local libraries.



Learn more about what's happening at our libraries at portstephens.nsw.gov.au/services/library



What we did to promote inclusion in 2023 to 2024:

- We've adopted our new Disability Inclusion Action Plan (DIAP) as part of our Wellbeing Strategy.
- We built an accessible amenities at Yulong Oval, Medowie and disability toilet at Seaham Sporting fields.
- We've improved the verge for disability parking on Raymond Terrace's main street, William Street.
- We've continued to review our footpaths and ramps throughout our towns and villages to identify and prioritise gaps, upgrades and new footpaths required.
- We've installed 15 new bus shelters around Port Stephens.
- We've improved our accessible communication incorporating captions on external videos, text to speech overlays on Council's online engagement platform, and enhanced the skill set of our graphic designer staff to provide greater accessibility designed documents.
- Developed Easy Read versions of the Wellbeing Strategy and Disability Inclusion Action Plan.
- We're working to incorporate web chat into Council's website.
- Improvements to Inclusion tent and accessibility at major events, with collaboration with local pharmacy business and Social Story being developed for Illuminate festival.

- We incorporated an accessible arts workshop into Council's Creatives Conference in February 2024.
- We've commenced investigations and engagement with the industry about supporting accessible tourism and business programs.
- We've been successful in our application for Disability and Inclusion program funding in our mobile preschool to provide additional staff to develop and deliver Individual Learning Plans for each child. The funding will also assist to make any adjustments to the environment and purchase any specialised resources.
- Our OOSH Team have been undertaking additional training in better understanding inclusion and children's behaviour to help them better understand barriers to inclusion, and develop actions and strategies to cover these to increase participation and achieve positive learning outcomes.

Looking forward:

We're investigating a new listening group for people with Disability lived experience to have direct input into Council projects, programs and initiatives.

We're also making upgrades to Shoal Bay Holiday Park with more accessible facilities including an accessible camp kitchen station, accessible play equipment and accessible BBQ and outdoor furniture.



Our Community FEATURE STORY



Little Beach, Nelson Bay

Building a healthy and happy community

Our wellbeing is vital to our health and happiness. It's shaped by where and how we grow, live, work, play and age.

For wellbeing to grow, it's critical that all people in our community, especially our most vulnerable, have the same access and opportunity to participate in all the things that make Port Stephens such an incredible place.

We've developed a Community Wellbeing Strategy demonstrating our commitment to making Port Stephens a place where wellbeing is prioritised and people can lead happy, healthy and connected lives no matter their age, background or ability. The Strategy provides a roadmap on how we can improve overall wellbeing - bringing together directions from a number of existing strategies and policies such as our Ageing Strategy, Crime Prevention Plan, Disability Inclusion Action Plan and, Multicultural Policy to deliver an integrated approach to wellbeing.

Over 760 people shared their time, ideas and opinions as we developed this Strategy. Through these conversations, we've learnt that wellbeing means different things to different people and ranges from basic needs such as access to food, water and shelter through to accessibility, time with family and friends and access to facilities.

We have used this feedback to focus the strategy on creating inclusive and safe places which encourage participation in community life. We have also developed a number of actions to build community resilience, capacity and skills so we can all adapt and thrive in times of change.

We know we play a significant role in community wellbeing and recognise that collaboration and partnerships with our communities and other stakeholders are critical to our success. We look forward to strengthening these partnerships to achieve genuine change to wellbeing across our place.



Learn more about the Community Wellbeing Strategy at
portstephens.nsw.gov.au/development/strategies-and-planning-guides/community-wellbeing-strategy

Goal 2: Recognised traditions and lifestyles

Our community supports the richness of its heritage and culture

Yabang Gumba Gu

We're committed to improving the lives of First Nations people in our community. The Yabang Gumba Gu agreement, signed in 2018 with the local Worimi and Karuah Land Councils, provides a roadmap for achieving our shared vision for Port Stephens.

In the past year, we've made strides in collaboration with First Nations communities to implement key initiatives outlined in the agreement.

The 2023 NAIDOC Week celebrations provided a powerful opportunity to acknowledge the invaluable contributions of First Nations people, particular Elders, to our community. Through a flag raising ceremony, march and family fun day, we honoured the wisdom and guidance for future generations.

To strengthen local Aboriginal communities, we invested \$28,608 in five community groups

through our Aboriginal Projects Fund. Projects included an Indigenous Adult Art and Cultural Coolamon workshop with an art work showcase at Tomaree Library, the creation of a possum skin cloak by students at Hunter River High School, and resources for culturally inclusive classrooms at Fern Bay Public School. Additionally sewing classes and materials for women who have experienced domestic violence and a community veggie patch was also established.

A key focus has been the development of Port Stephens Council's draft Aboriginal Protocols. These protocols will establish a framework for respectful, inclusive and informed decision making that acknowledges the inherent rights of First Nations peoples to their cultural heritage. By building trust and strong relationships, these protocols will guide out work with First Nations communities on all Council projects and initiatives. We look forward to collaborating with First Nations peoples to refine the draft Protocols before being formally adopted by Council.



Learn more at portstephens.nsw.gov.au/community/community-services/aboriginal-and-torres-strait-islander-people



NAIDOC Week 2023

Art Walk Nelson Bay

This year, we launched the Art Walk Nelson Bay, a unique experience connecting street art and murals dotted in the Nelson Bay town centre into one exciting and colourful walk.

Weaving from the Nelson Bay Marina, through to the tree-lined streets of the Nelson Bay CBD, the Art Walk is underpinned by Our Incredible Place Strategy. It aims to create vibrant spaces, provide a sense of community and attract visitors to stay and spend in our local community.

Showcasing the talent of Worimi artist Jason Russell, and mural artist Jordan Lucky, the Art Walk features 12 individual locations each with their own experience. To launch the Art Walk we held a guided tour where the artists provided insights into their inspiration and the stories behind each piece.

The Art Walk remains a permanent experience for locals and visitors to explore at their own pace. Pick up a free map and guide from our Visitor Information Centre, or download it from our website. Descriptive plaques and QR codes allow passers-by to engage with each piece—although we encourage you to immerse yourself in the entire Art Walk to appreciate it at its fullest!



Learn more or download
the art walk map and guide
psccouncil.info/artwalk-nb

Sail Port Stephens Street Party

In April, we transformed Nelson Bay into a vibrant hub of activity with the inaugural Sail Port Stephens Street Party. This lively celebration brought together locals and visitors for a night of entertainment, food, dining and dancing.

With a “cool, coastal vibes” theme, the event provided Sail Port Stephens participants a unique opportunity to mingle with the local community and soak up the regatta atmosphere. Street closures allowed businesses to extend their operations onto the street under strings of festoon lights and a starry night sky. Party-goers filled the streets, enjoying outdoor dining and dancing to the vibrant sounds of the live entertainment.

Local businesses embraced the opportunity to participate, with 4 restaurants and 17 retail businesses extending trading hours and offering special deals, enjoying the increased foot traffic and buzzing ambience. A further 11 local businesses generously donated prizes for a fantastic giveaway featuring local accommodation, experiences and products.

The overwhelming positive feedback from locals, businesses, and visiting sailing teams confirms the success of the Sail Port Stephens Street Party. We look forward to building on this momentum and bringing this event to life again in 2025.

Creatives Conference inspires innovation

To foster a vibrant creative community, we hosted the inaugural Port Stephens Creatives Conference early in 2024. This event brought together local artists, designers, and innovators to share ideas, foster collaboration, and explore new opportunities.

Aligned with the Our Incredible Place Strategy, the conference aimed to ignite creativity and inspire future projects. Through a diverse program of guest speakers and workshops, attendees delved into topics ranging from accessibility in art to the need for dedicated creative spaces.

The conference was a resounding success, generating a wealth of ideas and identifying a strong desire for a connected creative community. By providing a platform for artists to share experiences and collaborate. The event laid the groundwork for a more dynamic and inclusive cultural landscape in Port Stephens.

Looking forward, we envision a region where creativity flourishes and artists have the resources and support to realise their full potential. Building on this momentum, we're committed to making the Creatives Conference an annual program, continuing to nurture local talent, stimulate innovation, and position Port Stephens as a thriving hub for arts and culture.



Learn more about arts, culture and
heritage at psccouncil.info/arts-heritage



Sail Port Stephens Street Party, Nelson Bay
Photo by Megann Evans Photography



Australia Day festivities celebrated community

With events across four locations, Port Stephens celebrated Australia Day with citizenship ceremonies, live music, markets, marching bands, pool parties and fireworks. The theme was Reflect. Respect. Celebrate., encouraging locals to reflect on our history, respect the stories of others, and celebrate Port Stephens, our achievements and our people.

We marked Australia Day but also celebrating diversity and community spirit. Our region welcomed 27 new citizens and honoured local champions at the 2024 Port Stephens Annual Awards.

Our annual award winners are inspiring individuals who have made significant impacts on our community through their dedication to volunteering, sports, and environmental causes.

Citizen of the Year – Meagan Ambrose

A Registered Nurse, Community Care Clinical Nurse, and Woundcare Clinical Nurse Consultant who is also actively involved in various community organisations.

In 2022, she opened a Dementia and Memory Loss Activity Centre to provide much-needed respite for loved ones and carers.

The centre has already provided over 3,739 hours of respite to 25 clients in its first year of operation, earning Meagan recognition from Dementia Australia for her passion and dedication to this important cause.

Young Citizen of the Year – Abby Keely

Abby is a remarkable young leader who continuously gives back to her community through her involvement in various organisations and charities.

As the Captain of Irrawang High School and a proactive member of the Council Youth Advisory Panel, Dance Xtreme, and Medowie Girl Guides, Abby is a true inspiration for those around her.

She's also working towards her Queens Guide Award and will represent Girl Guides Australia at an International Leadership Program in India in January 2024.

Port Stephens Medals

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

Nelson Bay Cancer Patient Transport Group

This incredible group of more than 55 volunteers has been providing transport for cancer sufferers to Newcastle and Maitland metropolitan areas since 2012.

With 819 individual trips and over 88,380km driven, this group has been a lifeline for patients in need of treatment, scans, and medical appointments.

Not only do they provide essential transportation, but they also offer emotional support and social interactions, making the journey a little easier for those in need.

Sportsperson of the Year – Alice Mitchell

Alice is a young and accomplished athlete who has been a dedicated member of the Nelson Bay Touch Football Association for over a decade.

At just 15 years of age, she proudly represented the state of New South Wales in Touch Football.

Alice is also a valued member of the Nelson Bay Netball Association and currently coaches a touch football squad, where she instils important values such as teamwork, confidence, and healthy life choices in her athletes.

Cultural Endeavour – Jacob Ridgeway

Jacob Ridgeway is an award-winning singer, songwriter, and performing artist who has used his music as a powerful platform to share his experiences and observations of life as a proud Worimi and Gamilaroi man.

With his debut single 'Bullyman' winning the 2019 National Indigenous Story Award Grand Prize and charting in the iTunes Alternative Chart and All Genres Chart, Jacob has performed alongside some of Australia's biggest music names and earned critical acclaim.

Jacob also offers a unique creative writing course that uses music to foster creativity, emotional intelligence, critical thinking, and practical writing skills in his students.

Environmental Award – Nelson Bay Civic Pride Group

This group is led by Margaret Wilkinson and her dedicated team of volunteers, Rory Milne, Ian Spight, and Judy Washington, have been voluntarily maintaining the gardens in Nelson Bay CBD since 2018.

Initiated by the Tomaree Business Chamber, now Business Port Stephens, this group ensures that the gardens are beautifully planted and maintained, providing a positive and visually stunning feature for both tourists and locals in Port Stephens.



For more information about Port Stephens Annual Awards visit portstephens.nsw.gov.au/community/annual-awards



Our Community FEATURE STORY



Raymond Terrace Library

Growing role of our libraries

In Port Stephens, our local libraries are so much more than just books - they are vibrant community hubs offering opportunities to learn, explore, and connect. With four libraries across Port Stephens, we are committed to providing a diverse range of programs, events and collections to support lifelong learning.

Over the past year, our libraries have been on a journey of transformation, diversifying their offering to appeal to people of all ages and interests from children's craft sessions and movie nights to author talks and workshops on wellness, technology, and lifestyle. Every season our popular two-week school holiday programs are always a hit with local families.

Best of all, many of these programs, events and activities are completely free to attend, making them accessible to everyone in our community. They are also a fun way to get out of your comfort zone, meet new people and perhaps pick up some new skills!

If you are ever looking for something interesting, fun and entertaining to do, make sure to stop by your local Library – there's so much to discover!



Learn more at portstephens.nsw.gov.au/services/library

International Women's Day Scholarships

Each March, International Women's Day (IWD) celebrates the remarkable achievements of women worldwide. To honour local women, we offer scholarships supporting their passions in arts, culture, environment, business, community, health, or sport. The winners for 2024 were:

Sally-Anne Marshall

A dedicated and tireless social worker who has served the community of Port Stephens for 8 years. There are very few face-to-face social workers in the area, but Sally-Anne has been a beacon of hope for women who have survived domestic violence, homelessness, and other adversities.

Now, Sally-Anne is taking her advocacy work to the next level by focusing on disability, particularly those with neurodivergence. With the help of this scholarship, she hopes to continue her passion in this space and develop much-needed books and resources that will support the community.

Emma McMillan

The proud owner of the Wellness Centre in Port Stephens. With many years of experience in the wellbeing and community services industry, Emma is passionate about helping people live their best lives.

With the help of this scholarship, Emma is taking her commitment to the next level. She's been working hard to bring weekly wellness classes to those in need, including people experiencing hardship, homelessness, family and domestic violence, NDIS, or mental health issues.

This scholarship will also help Emma to expand her initiative and offer even more support to people in our community who are struggling.

Brodie Oxlade

A courageous survivor of child abuse and post traumatic stress disorder who is determined to turn her pain into purpose.

Brodie has an incredible story to share, and she is ready to share it with the world through

a memoir that will raise awareness about these issues. But publishing a book is no small feat, and Brodie can't do it alone—that's where the Port Stephens Council IWD scholarship will assist.

Brodie will use the scholarship to help cover the costs of publishing her book, including legal checks, editing, formatting, printing, and distribution. By helping Brodie, we're also helping make a difference in the lives of countless people who are struggling with similar experiences.

Brodie's memoir will be a powerful tool for raising awareness and helping others heal.

Jacie Whitfield – Sponsored by the Rotary Club of Salamander Bay

Jacie has a passion for empowering women through their menopausal transition, post-partum recovery, and infant care.

She wants to bring her expertise to the beautiful community of Port Stephens through workshops and classes, all of which will be available via a mobile service.

With the help of the IWD scholarship funds, Jacie hopes to level up her skills, education, and training, as well as expand her marketing strategies. Additionally, the funds will also be used to provide top-of-the-line equipment for her sessions.






For more information about our International Women's Day Scholarships visit portstephens.nsw.gov.au/council/news/2024/four-local-ladies-inspire-on-international-womens-day












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	2023-2024	
C1.1.1.1 Develop and commence implementation of the Community Wellbeing Strategy	Targeted early intervention actions completed	Delivered	On track	
	Actions implemented from the Youth Strategy	Delivered	On track	
	Actions implemented from the Disability Inclusion Action Plan	Delivered	23	
	Endorsed Community Wellbeing Strategy	Endorsed	On track	
	Actions implemented from the Community Wellbeing Strategy	Delivered	On track	
C1.2.1.1 Deliver early education and care for children	Customer satisfaction with Thrive Kids	≥ 90%	97%	
	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	Better than baseline of 68% 2023 Community Satisfaction Survey	64% 2024 Community Satisfaction Survey	
	Maintain a score above NSW 3 year average in the Royal Life Safety Assessment Audit	>3 year average	On Track	

C2 | Recognised traditions and lifestyles

What we said we'd do	How effective were we?	Target	2023-2024	
C2.1.1.1 Implement initiatives and projects to promote Aboriginal Culture and protect Aboriginal places	Endorsed Aboriginal protocols	Endorsed	Development of protocols commenced	⚡
	Comment: This project is being expanded and is currently underway. Engagement has been completed, with endorsement expected prior to the end of 2024.			
	Award grants within the budgeted Aboriginal projects fund	Delivered	Aboriginal Projects Funding awarded. Refer page 55.	✓
	NAIDOC week activities delivered	Delivered	On-track	✓
	Coordinate 4 Aboriginal Strategic Committee meetings	Delivered	Monitor	⚡
	Comment: Meetings coordinated, however only 1 held due to scheduling conflicts.			
	Endorsed reviewed Yabang Gumba Gu agreement for 2024-2026	Endorsed	Review commenced with Project Control Group	⚡
C2.2.1.1 Implement actions of Our Incredible Place Strategy	Comment: Review to continue in 2025.			
	Actions implemented from our Incredible Place Strategy	Delivered	On track	✓
	Reconnecting Regional events major event held	Delivered	On-track	✓
	Major event sponsorship program delivered	Delivered	On-track	✓
	Australia Day and NAIDOC community events delivered	Delivered	On-track	✓
C2.3.1.1 Provide support for the preservation of Port Stephens heritage	Community funding program delivered	Delivered	On-track	✓
	Hold 3 Heritage Advisory Panel meetings annually	Delivered	On-track	✓
C2.4.1.1 Deliver public library services, programs and resources	Library user satisfaction score	>90%	94%	✓
	Increase customer satisfaction with outreach and homebound services	Increase	On-track	✓
	Number of visits to Library branches	≥230,000	231,417	✓
	Internet and Wi-Fi usage at Raymond Terrace and Tomaree Library branches	≥45,000	28,382	✗
	Comment: Usage has continued to rise, but is not quite at pre-COVID levels.			
	Community Satisfaction with Library Programs, Activities & Events	Increase	On-track	✓
	Attendance at programs, activities and events	≥ 9,500	9,252	⚡
	Use of library resources (collection items borrowed)	≥ 300,000	305,945	✓

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

Raymond Terrace Improvement Project

Our community driven Raymond Terrace Town Centre Improvement Project was designed to foster local pride and create a more dynamic town centre. The project was initiated by our West Ward Councillors in December 2023 and then developed entirely shaped by local input.

We invited residents to share their ideas for improving the town centre both in face-to-face sessions and online. From these suggestions, we developed potential projects and asked the community to choose their favorites. The clear winners were a community clean-up and the creation of an Urban Green Space.

We look forward to working closely with our community to bring these projects to life and create a town centre that everyone can be proud of.



Learn more and to keep up to date at haveyoursay.portstephens.nsw.gov.au/raymond-terrace-cbd-improvement-project

Koala Sanctuary win gold award

The Port Stephens Koala Sanctuary achieved a significant milestone this year by winning Gold at the NSW Tourism Awards in the "Tourism Attraction" category. This prestigious accolade recognises the Sanctuary's exceptional commitment to conservation, innovation, and world-class visitor experiences.

Reflecting the growing global concern for koala populations, the Sanctuary has experienced a surge in international visitation, with a 25% increase in day visitors over the past year. Europe remains a dominant market, with



France, Germany, and the UK leading the way. In Asia, Singapore holds the top spot, followed closely by China and Korea.

To address the increasing demand for koala care and rehabilitation, the Port Stephens Koala Hospital is undergoing a major expansion. This cutting-edge facility, scheduled for completion in September 2024, will feature a ground-breaking on-site CT scanner, a state-of-the-art research laboratory, and an enhanced public viewing area. These advancements will enable the Sanctuary to provide world-class care for koalas and other native wildlife while contributing to vital research and conservation efforts.



Learn more about our Koala Sanctuary portstephenskoalas Sanctuary.com.au

Mayoral Academic Scholarships

For 14 years, the Port Stephens Mayoral Academic Scholarship program has been the launch pad for local talent. Over 170 students have received a combined \$350,000 in scholarships, thanks to the long-standing partnership and generous support of 17 local businesses and Council.

This year, our generous sponsors contributed \$40,000 to 20 truly inspiring young people. Through rigorous applications and interviews with the Mayor and senior staff, these students demonstrated their academic prowess and potential.

Our scholarship program goes beyond financial assistance. Scholarship winners are connected with their sponsors creating opportunities for valuable networking and mentorship.



Learn more and find out who our sponsors and scholarship winners were at portstephens.nsw.gov.au/community/grants-funding-and-scholarships/mayoral-academic-scholarships

Checking in on business

It's important we have a strong dynamic business sector in Port Stephens. To understand the needs and aspirations of our business community, we conduct the Port Stephens Business Health Check every 2 years. This valuable survey provides insights into the challenges and opportunities facing local businesses. Responses help us plan how we support business moving forward, shaping economic development initiatives that drive our region's success.

In 2024, the Business Health Check received responses from a wide range of business types from across Port Stephens, with 73% of respondents rating Port Stephens as an Good or Excellent place to do business.



Learn more about how we support business at portstephens.nsw.gov.au/business/support-for-businesses



Our Place

FEATURE ARTICLE



Making our roads a priority

This year saw significant progress in improving our road network, a key priority for both Council and the community. While there's always more to be done, substantial investments are paving the way for a safer and more connected future.

Through our community Advocacy Program, we worked hard to secure funding to support road repairs and rehabilitation. This financial year, we secured \$10 million from the NSW Government to help deliver these works.

This investment is funding essential repairs and upgrades across the road network. Tomaree Road, Shoal Bay was completed in May 2024 with new kerb and gutters, road pavement reconstruction, minor drainage repairs, and elements that will facilitate future footpath construction.

Other roads selected for rehabilitation thanks to this commitment include:

- Fairlands Road, Medowie
- Rookes Road, Salt Ash
- Swan Bay Road, Swan Bay
- Avenue of the Allies, Tanilba Bay
- Beach Road, Nelson Bay
- Short Street, Fingal Bay
- Trevally Street, Nelson Bay
- Italia Road, East Seaham
- East Seaham Road, East Seaham

The focus on improving our roads will continue. Looking forward, additional rate revenue from the Special Rate Variation will enable more funding dedicated to revitalising our road network. We'll also continue to apply for grant funding for projects like the \$3.4 million upgrade to Avenue of the Allies in Tanilba Bay.



Learn more about our road maintenance program at
psccouncil.info/road-maintenance



Taylors Beach playground – Councillor Leah Anderson and Mayor Ryan Palmer

Goal 2: Infrastructure and facilities

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

Inclusive playgrounds for all

This year, we've upgraded 5 playgrounds across Port Stephens, delivering exciting new spaces for children of all abilities to enjoy.

Supported by a combination of Council and external funding, Taylors Beach, Salamander Bay, Karuah, Tanilba Bay and Nelson Bay now boast more inclusive and welcoming playgrounds.

The community were involved in the playground designs, with residents prioritising elements like climbing structures, swings, slides,

and opportunities for sensory play. These preferences were incorporated alongside adherence to the "Everyone Can Play" guidelines, ensuring both fun and safety.

These upgrades represent our commitment to enhancing the well-being and overall liveability of Port Stephens. By investing in quality public spaces, we encourage families to spend time outdoors, fostering a sense of community and promoting healthy lifestyles for all ages.



Learn more about the play spaces and their locations
haveyoursay.portstephens.nsw.gov.au/projects-works

Building a sporting future for Port Stephens

Sport is integral to our community - the surf to the sporting fields, Port Stephens offers a diverse range of activities for everyone.

This year, we embarked on a journey to enhance 2 key facilities – Lakeside and Mallabula Sports Complexes – through the development of dedicated masterplans. Working closely with the West Ward and Tilligerry Sports Councils we're ensuring these spaces meet the changing needs of our community.

Lakeside Sporting Complex is set to become a dynamic hub for sports and recreation, with an additional international-sized field, upgraded amenities including enhanced facilities for women and girls, and a potential indoor sports centre. Mallabula Sporting Complex, will expand its capacity, improving accessibility, and creating a safer environment for all users through additional fields, upgraded parking, and enhanced security measures.

These initiatives are just the beginning. We recognise the power of sport to improve physical and mental health, foster social connections, and build a stronger community. Looking forward, we'll continue to prioritise projects like this that enhance the sporting experience for everyone, regardless of age, ability, or background.



Learn more and view the masterplans at portstephens.nsw.gov.au/development/strategies-and-planning-guides/open-space-and-recreation-planning

Revitalising our town centres

Our town centres are the heart of our communities. We're committed to revitalising town centres across Port Stephens, creating vibrant hubs that stimulate economic growth, attract visitors, and enhance the overall quality of life for our residents.

A key example of our commitment is the recently completed Lemon Tree Passage Foreshore revitalisation. Thanks to funding from the

NSW Public Spaces Legacy Program, we've transformed this area into a beautiful, accessible, and inviting space for everyone. This project includes a new shared pathway, expanded park amenities, and a space for events and activities.

In Raymond Terrace, we're continuing to build on the community-driven Raymond Terrace Public Domain Plan, transforming the town centre into a vibrant destination. Stage 2 of the William Street revitalisation, completed earlier this year, has already brought new life to the area with new landscaping, entry feature signage, art installations, and improved pedestrian crossings.

Looking forward, we'll continue this momentum, working closely with the community to create a town centre that everyone can be proud of.

Expanding the Hunter's cycling network

The Hunter is a thriving tourism hub, attracting over 10 million visitors annually. Cycling tourism is a key driver of economic growth and Port Stephens has stunning landscape to offer.

In collaboration with Transport NSW, we've been designing part of the proposed Shiraz to Shore Cycle Trail, a 6.8km shared pathway from Fern Bay to Newcastle Airport. This pathway has been identified by the Hunter Joint Organisation as a vital missing link, enabling safe and reliable active transport between Newcastle City and the Newcastle Airport.

Aiming for completion by April 2025, the design work we're completing for this project will help to build the pathway that connects picturesque wine country to breathtaking coastal vistas and enhance connectivity, providing a safe and enjoyable active transport option for locals and visitors alike.



Learn more about the Fern Bay to Newcastle Airport shared path at pscouncil.info/shiraz-to-shore



Goal 3: Thriving and safe place to live

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

Creating homes in Raymond Terrace

We know that housing supply is a big issue for our community. Social housing in particular is urgently needed to help reduce the impacts of homelessness on our community.

Over the past year, Council has worked in partnership with Hume Community Housing, NSW Land and Housing Corporation (now Homes NSW), and Tract Consulting to investigate social housing opportunities in Raymond Terrace.

Funded by the NSW Government through the Regional Housing Strategic Planning Fund, the project aimed to facilitate an increase in social housing supply and diversity in Raymond Terrace. The project identified two key precincts, which had a high proportion of ageing, low-density, single dwelling style public housing. The plan identified how government investment could both increase and improve social housing supply in this location.

Moving forward, Council is continuing to work with Homes NSW and Hume Community Housing to advocate for funding to deliver these works.

New Depot and EOC opens

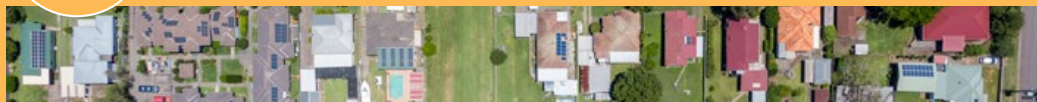
This year, we opened our new Raymond Terrace Depot. After many years of work, the depot has created a space that has improved staff safety, efficiency, and collaboration. With upgraded office spaces, modern training facilities, and improved car park accessibility, our team now operates in a more comfortable and productive environment.

Central to the new facility is the state-of-the-art Emergency Operations Centre (EOC). Designed to be a hub for coordinated emergency response, the EOC brings together essential agencies such as the SES, Rural Fire Service, NSW Ambulance, Fire & Rescue NSW, and Marine Rescue during times of crisis. Strategically located in Raymond Terrace, the EOC ensures rapid response capabilities across the entire Port Stephens region. When not in use for EOC purposes, the space is used by other Council training and meetings, maximising the facility's value for our community.



Our Place

FEATURE ARTICLE



Creating homes for everyone

Like many regional communities across Australia, Port Stephens is facing a huge challenge – the trifecta of housing supply, diversity, and affordability.

The NSW Government has forecast that Port Stephens will 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're seeing 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.

To help deliver solutions to this increasing issue, we endorsed the Port Stephens Local Housing Strategy and Port Stephens Housing Supply Plan. These plans set the blueprint for future housing growth across Port Stephens, identify what types of housing can be built, where new homes can be located and what is required to support new development and opportunities for more town houses and apartments in our town centres close to shops, services and public transport.

We know that by increasing the diversity and affordability of housing types, our residents can continue to live in their community close to family, friends, community and networks through all stages of their life.

As a Council we are committed to the getting housing right - we need more housing but we also need more services – we know one can't happen without the other.

Having this strategy endorsed is the first step in looking forward – there is so much more to be done but by working together, we can make positive change to shape the future of our community.



Read more about the Port Stephens Local Housing Strategy by visiting pscouncil.info/housing-strategy

Fast tracking Development Applications

This year, Port Stephens Council approved 592 Development Applications (DA) with a total value of \$391.9 million. These DAs were determined in an average time of 26 days.

Improving our DA assessment timeframes has been a key priority for Council for a number of years. We've put together a dedicated team to fast-track DA lodgements and are working to integrate our systems with the NSW Planning Portal – this means things are more efficient, speeding up the whole process.

This investment in improving DA assessment time frames have been part of a bigger focus for Council - housing supply, affordability and diversity is impacting many in our community. We've recently secured a Federal Government grant to help us further reduce red tape to make it easier, quicker and more affordable to lodge a DA.

In the last financial year, Council staff assessed and determined major development applications including high technology facilities at the Newcastle Airport, residential flat buildings in Nelson Bay, major industrial facilities, large residential subdivisions, seniors housing and commercial developments. This includes approving a long-standing development application for a 700 lot footprint in the Kings Hill Urban Release Area.

Looking forward we'll be fast tracking assessments for single houses, granny flats and subdivisions and simplify the application process. We'll also be working to attract investment to more housing types around our town centres by promoting the advantages of investing in Port Stephens.

Planning for our places

Our newest Place Plans for Hinterland and Shoal Bay were adopted in 2023-2024 setting the community's vision for these places. The Hinterland Place Plan aims to address the challenges rural landowners face due to ongoing weather events and increasing development. It focuses on improving economic and social outcomes by promoting pedestrian-friendly activities, better connectivity between towns and villages, and protecting the unique local environment.

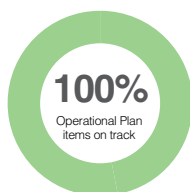
The Shoal Bay Place Plan highlights infrastructure projects that will improve liveability and inform plans for future development, such as the Shoal Bay Precinct Drainage Investigation Concept Design, undertaken through a State government grant of \$250,000. The Place Plan also outlines how local events and activations, like the Shoal Bay Food and Wine Festival to be delivered by Council in November 2024, will support year round vibrancy. It also emphasises protecting and celebrating Shoal Bay's natural assets through projects like clean up days, beachfront stabilisation, environmental volunteering and education campaigns.

We're also working on our next Place Plan for the Tilligerry and we've started involving the community in shaping the vision for the peninsula.

Actions from our existing place plans for Karuah and Medowie continue to be delivered. Projects include further town centre beautification and investigations into short term RV and motorhome parking sites in Karuah, and initiating planning for the town centre expansion site in Medowie.



Learn more about our Place Plan at portstephens.nsw.gov.au/development/place-plans



Our Place Performance

Aspirational measures

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

P1 | Strong economy, vibrant local businesses, active investments

What we said we'd do	How effective were we?	Target	2023-2024	
P1.1.1.1 Deliver Economic Development Strategy actions	Actions implemented from our Economic Development Strategy	Delivered	On track	
	Small business month activities delivered	Delivered	On track	
P1.1.2.1 Provide strategic and financial support to Destination Port Stephens	Increase in visitor expenditure per annum	Increase	On track	

P2 | Infrastructure and facilities

What we said we'd do	How effective were we?	Target	2023-2024	
P2.1.1.1 Provide, manage and maintain community assets	Progress completion of civil, community and corporate asset program inspection	>90%	92%	
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%	89%	
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	
P2.1.4.1 Maintain Council's civil and community infrastructure	High priority road defects fixed on time	100%	90%	
	Comment: Due to the amount of wet weather, Council has been unable to meet all interventional levels for servicing defects. 5% decrease from 2022-2023.			
	High priority roadside drainage and maintenance defects fixed on time	100%	90%	
	Comment: Due to the amount of wet weather, Council has been unable to meet all interventional levels for servicing defects. 10% increase from 2022-2023.			
	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	100%	100%	

P3 | Thriving and safe place to live

What we said we'd do	How effective were we?	Target	2023-2024	
P3.1.1.1 Develop, implement and monitor land use plans and strategies	Revised LSPS on Public Exhibition	Exhibited & adopted	On-track	✓
	Revised LHS adopted by Council	Adopted	On-track	✓
	Raymond Terrace Sub-precinct Masterplan finalised	Finalised	On-track	✓
	Raymond Terrace Strategy Review on public exhibition	Exhibited	The State reforms for low and mid-rise housing were announced which will achieve similar results (raising height limits).	✓
	Planning Proposals assessed within timeframes as per DPE LEP Making Guideline (Sept 2022)	Compliant	On-track	✓
	Local Infrastructure Contribution updated endorsed	Endorsed	On-track	✓
	No more than 10% overdue planning certificates	Compliant	On-track	✓
	Local Infrastructure Contribution referrals completed within the agreed timeframe	Compliant	On-track	✓
P3.2.1.1 Provide development services	Median net determination time for Development Applications	≤40 days	26 Days	✓
	Maintain certification market share	43% (2022-2023)	38%	—
	Increase the number of premises added to the fire safety program	Annual increase-	22 added	✓
P3.2.1.2 Provide compliance & ranger services	Development compliance customer requests closed as a proportion of number received	≥ 95%	95%	✓
	Ranger customer requests closed as a proportion of the number received	≥ 95%	100%	✓
P3.2.1.3 Provide environmental health services	Environmental health customer requests closed as a proportion of the number received	>95%	99%	✓
P3.3.1.1 Implement the actions within Place Plans across centres and coordinate place management and activation programs	Support the delivery of Place Plan actions	Delivered	On-track	✓
	Deliver a LGA wide place activation program	Delivered	On-track	✓
P3.3.2.1 Provide financial assistance for the community	Provide an annual community financial assistance program	Delivered	On-track. Refer page 103.	✓
P3.4.1.1 Deliver emergency management services, programs and resources	APZ 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.

Stepping up our koala protection efforts

In a significant step towards wildlife conservation, we successfully completed the Port Stephens Drive Koala Vehicle Strike Project. This initiative aims to reduce the number of interactions between cars and koalas on this busy road.

The project involved building a new fence and underpass to guide koalas safely away from traffic. Additional structures were installed to help koalas return to safety if they entered the road. This collaborative effort, involving Council, the NSW Government, and local experts, has created a safer environment for our iconic koala population.

The project has been Highly Commended in the Environmental Leadership category at the LG Professionals, NSW Excellence Awards Dinner.

Beyond this project, Council is committed to long-term koala conservation. Council has secured \$300,000 funding from the State Government to prepare and deliver updated koala habitat mapping for Port Stephens. The mapping will help inform Council's land management decisions on a regional and local scale.

On a local scale, Council's Koala Landholder Partnership Program encourages community members to create koala-friendly habitats on their private properties by planting trees and removing harmful weeds. This grassroots approach demonstrates the power of community involvement and collaboration in protecting our incredible flora and fauna.

By combining infrastructure improvements and community engagement, we're taking significant strides to ensure the survival of our beloved koalas for generations to come.



Learn more about our koala protection projects at portstephens.nsw.gov.au/environment/koalas/key-documents-and-links



Vegetation mapping to inform our decisions

Port Stephens boasts a diverse range of ecosystems, and effective land management relies on comprehensive environmental data. To better understand and protect our valuable habitats, we've secured State and Federal funding to develop and deliver a detailed vegetation map for all of Port Stephens.

This multi-stage project will create the first vegetation map specifically tailored to Port Stephens. This mapping will help pinpoint sensitive habitats, identify biodiversity corridors and rehabilitation areas, and inform decisions to protect threatened species and restoration of our natural environment.

The first stage, focusing on the Tomaree and Tilligerry Peninsula, has been completed, with the remaining areas to be completed by December 2025. This invaluable resource will complement existing statewide mapping efforts and provide a solid foundation for future conservation initiatives.

Keeping our landscape safe together

We're proud to partner with the Worimi Local Aboriginal Land Council, Firesticks Alliance, and Hunter Local Land Services to revitalize our natural environment through culturally-informed cool burns. This year, we held 2 workshops in Mallabula educating the community about this traditional land management practice.

Cool burns, conducted by the Worimi people, are essential for restoring our landscape. By carefully managing undergrowth, they

create ideal conditions for eucalypt trees, a vital food source for koalas, reduce the risk of devastating wildfires and restore the natural balance of the ecosystem by promoting the growth of native plants.

Looking forward, we're committed to expanding this important initiative to Salamander Bay demonstrating our commitment to protecting our environment and koalas, and honouring the deep cultural connection between the Worimi people and the land.

Taking action on unwanted invaders

Invasive species pose a significant threat to our beautiful natural environment. These unwanted invaders are impacting our waterways, coastlines, and parks.

We've secured \$160,000 in grant funding from the NSW Government to combat the spread of invasive plant species across Port Stephens. This funding is helping us weed out unwanted aquatic species like Alligator weed, Water Hyacinth, and Giant Salvinia, as well as terrestrial pests such as Chinese Violet, Bitou Bush, and Long-leaf Willow Primrose.

By fighting the war on weeds, we're protecting our environment, preserving Port Stephens' natural beauty and ensuring our public spaces remain enjoyable for everyone.



Learn more about weeds at portstephens.nsw.gov.au/environment/weeds

Goal 2: Environmental sustainability

Our community uses resources sustainably, efficiently and equitably.

Emissions Reduction Action Plan

We're committed to a sustainable future.

We're working towards carbon neutrality in our operations by 2025 and have already achieved a significant reduction in emissions. This progress is due to initiatives like solar panels installation at the Administration Building, libraries, community centres, and Salamander Waste Transfer Station. We also installed water-saving irrigation and energy-efficient LED lighting at sporting facilities.

To guide our ongoing efforts, we've developed an Emissions Reduction Action Plan (ERAP) aligned with the broader state and federal Net Zero targets by 2050. By taking decisive steps to reduce our carbon footprint, we're looking forward and committed to a leadership role in environmental sustainability.



Learn more about our achievement in reducing emissions at [portstephens.nsw.gov.au/environment/sustainability-and-climate-change](https://nsw.gov.au/environment/sustainability-and-climate-change)

Driving our circular economy

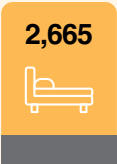
We continue to focus on a circular waste economy, finding ways to reuse, recycle and repurpose items that come to our waste transfer station. By diverting unwanted household items from landfill and transforming them into new products, we're conserving natural resource such as energy, water and materials and preserving the beauty Port Stephens has to offer.

This year, we hosted various problem waste drop off days where residents responsibly disposed of items like mattresses, tyres, electronics, and chemicals. These materials are then recycled or repurposed becoming part of our circular economy.

Here's an idea of how much we've recovered and examples of the new life these items take on:



By choosing to recycle and reuse,
you're helping to create a cleaner,
greener Port Stephens for everyone.



Mattresses and bed bases

- Foam is turned into carpet underlay
- Textiles are recycled into acoustic panelling
- Springs are sent to scrap metal and recycled into metal roofing
- Timber bases are turned into a mulch or weed matting



Electronic waste

- Plastic components are turned into plastic sleepers, plant stakes, posts, insulation or plastic trays
- Metal components are repurposed into other electronic components, or even jewellery
- Glass components have heavy metals removed and are then turned back into new screens



Tyres and rims

- Rubber is turned into alternative fuel sources or crumb rubber products
- Steel is recycled



Batteries

- Cobalt within batteries is reused to create new batteries



Chemicals

- Paints are used as an alternative fuel in cement kilns



Oils

- Paints are used as an alternative fuel in cement kilns



Our Environment FEATURE ARTICLE



Rolling out new green bins

In response to strong community demand, we introduced 32,000 garden organics bins across Port Stephens in July 2023. A key initiative of our Waste Management Strategy, it's a significant step towards a greener future, diverting 25% of green waste from landfill. After processing, garden organics waste is mulched and composted for reuse.

With a fortnightly collection, residents now have the convenience of recycling garden prunings, lawn clippings, and more directly from their home. We've also retained weekly green waste drop off days for larger loads after community feedback expressed the value in this service for those who have larger garden organics loads to dispose of.

Along with the new green bins, we've rolled out a new waste app. It's a one stop shop for waste in Port Stephens. With over 7000 downloads to date, it is a valuable tool providing essential information on what can be recycled and where, making waste management easier than ever.



Learn more about waste and recycling at
portstephens.nsw.gov.au/services/waste-and-recycling

Embracing sustainability with Good for the Hood

This year, we joined the Good for the Hood @ Home program to empower our community to live more sustainably. This free online program offers practical workshops and resources to help residents reduce waste, save energy, and adopt eco-friendly habits.

Workshop topics included:

- Reducing food waste in the home
- Reusing cloth nappies for infants, and reusable sanitary items for menstruation
- Electric vehicles
- How to save on your electricity bills with solar energy
- Composting
- Homemade skin care and easy, green cleaning
- Switching to induction cooking
- Crafting an egg-cellent Easter

An online hub was also created specifically for Port Stephens residents, serving as a space for participants to connect, share tips and conduct discussions around sustainability and reducing waste.

Our community has enthusiastically embraced the program.

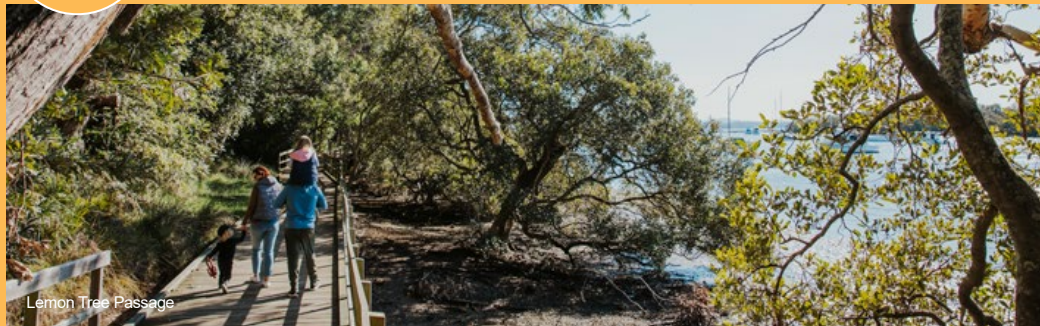
Nationally there are 1067 Good for the Hood members, 159 of which hail from Port Stephens – almost 15%!

We're proud to see so many Port Stephens locals signing up to the Good for the Hood program and looking for ways to improve their sustainability and keep Port Stephens beautiful.





Our Environment FEATURE ARTICLE



Protecting our coastal assets

Here in Port Stephens, we all know our coast is one of our greatest assets. We're blessed with some of the world's most beautiful sandy beaches and bays, rocky headlands, mangroves, saltmarshes and seagrass beds.

Over the years, we've seen our coast constantly change. The ongoing changes to our coastlines are hard to ignore and as a community we need to make sure we're working together to reduce the impacts of climate change.

To protect our amazing coastline for generations to come, we've developed a Coastal Management Program. This plan outlines steps we can take to manage the challenges we might have with our coastline in the future.

We've been talking with the community since 2021 to understand the coastal areas most valued and what coastal hazards affect them. We've mapped these coastal hazards to 2040, 2070 and 2120. We've also looked at potential management options to reduce the impact of the hazards into the future.

We've used this valuable feedback, along with expert advice, to develop a program that works for everyone. Our Coastal Management Program includes 60 actions to protect our beaches, improve water quality, and support our local wildlife. It's a 10 year program with some actions driving outcomes during that period and other actions setting the ground work for action further into the future.

The draft Coastal Management Program is now with the NSW Minister for Environment, awaiting certification and we're looking forward to commencing implementation from late 2024.



Learn more about the draft Coastal Management Program at
pscouncil.info/cmp-2024

Goal 3: Environmental resilience

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

Taking action to reduce our flood risk

Flooding has long been a challenge for communities in the Lower Hunter, often impacting multiple council areas. When considering planning decisions and development applications that are located in a flood plain each council needs to make sure development doesn't impact the flood risk of our neighbours

We all use computer modelling to understand the impact and behaviour of the floods as they travel down to the ocean and have a better understanding of the impact across all areas. However, the approach undertaken to analyse these impacts varies at each Council. Without a consistent approach, there's the potential of increasing flood risks in other areas.

With the help of funding by the NSW Government, we've been working with Maitland City Council and the City of Newcastle to develop new planning controls that are consistent across the region.

These new rules will help us determine where and how much development is safe in flood-prone areas, and what steps can be taken to reduce flood risks across the region. We're excited to share these new plans with the community soon.

By working together, we can better protect our communities from the threat of flooding.



Learn more about flood management at portstephens.nsw.gov.au/development/flood-safety

Improving the health of the Hunter River Estuary

The Hunter Estuary is one of the largest and most complex estuaries in NSW. Its home to internationally important shorebirds and wetlands and faces pressures from mining, agriculture, industry, urbanisation and Climate Change.

Despite its importance, the health of the Hunter Estuary is under pressure, having been assessed as fair to poor in its recent water quality studies.

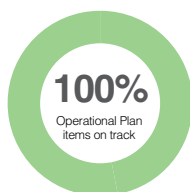
To address these challenges, a collaborative partnership, the Hunter Estuary Alliance (HEAL) has been formed. HEAL comprises of the City of Newcastle, Port Stephens Council, Maitland City Council, Cessnock City Council, Dungog Shire Council, Hunter Local Land Services, Hunter Water and Department of Planning and Environment. HEAL is developing a comprehensive Coastal Management Program (CMP) to restore and protect the Hunter Estuary.

The Hunter Estuary CMP will focus on the coastal areas of Port Stephens in the Hunter River catchment area, from Fern Bay up through Raymond Terrace and along the Paterson, Williams and Hunter rivers. Its development occurs across 4 stages, and Stage 1 and 2 have been completed with the key risks, vulnerabilities and opportunities for the Hunter Estuary identified.

Looking forward we'll embark on Stage 3, consulting with key stakeholders and the community, to identify and evaluate options to improve the health of the Hunter Estuary.



Learn more about the Hunter Estuary CMP by visiting portstephens.nsw.gov.au/environment/environmental-plans-and-strategies/hunter-estuary-coastal-zone-plan-of-management



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	2023-2024	
E1.1.1.1 Develop and monitor environmental policies and strategies	Completed stage 1 of revised koala habitat mapping (vegetation mapping)	Delivered	Stage 1 Vegetation Map has been received in draft.	
	Comment: Mapping refinements being completed with partner government agencies. Stage 2 of the mapping is underway.			
E1.1.1.2 Provide environmental impact assessment services and a range of nature conservation, biosecurity and rehabilitation programs	Median determination time for tree assessment	≤15 days	Compliant	
	<ul style="list-style-type: none"> Completed Environmental Volunteer Action Plans: <ul style="list-style-type: none"> Nyrang Reserve Kent Guardians Landcare Group Shoal Bay Landcare Group Shoal Bay West Landcare Group Greater than 75% Natural Assets at Category 1 to 3 (Satisfactory Level) 1847 number of sites inspected in accordance with DPI MoU Biosecurity customer requests closed as a proportion of number received ≥ 95% 1041 hours spent on weed treatments 	Delivered	On-track	
	Commenced Environmental Volunteer Action Plans: <ul style="list-style-type: none"> Nelson Bay West Landcare Volunteers Group Soldiers Point Salamander Bay Parks, Reserves & Hall Committee Fly Point Nature Reserve Group Tanilba Foreshore Parks Group Fingal Bay Parks Group 	Delivered	On-track	

E2 | Environmental sustainability

What we said we'd do	How effective were we?	Target	2023-2024	
E2.1.1.1 Develop and implement a Carbon Neutral Action Plan	Endorsed Carbon Neutral Action Plan	Endorsed	Emissions Reduction Action Plan delivered	✓
E2.2.1.1 Implement the Waste Management Strategy 2021- 2031	Community satisfaction score for: <ul style="list-style-type: none"> garbage collection access to waste depot / transfer stations 	Better than baseline of: <ul style="list-style-type: none"> 81% 67% 2023 Community Satisfaction Survey	<ul style="list-style-type: none"> 87% 75% 2024 Community Satisfaction Survey	✓
	Waste diverted from landfill	≥ 40%	42%	✓
	Satisfaction with safe, clean public amenities (i.e. toilets, fish bins, BBQs etc.)	61%	64%	✓
		2023 Community Satisfaction Survey	2024 Community Satisfaction Survey	

E3 | Environmental resilience

What we said we'd do	How effective were we?	Target	2023-2024	
E3.1.1.1 Develop and implement the Coastal Management Program (CMP) incorporating climate change risks	Completed Stage 3 of Port Stephens CMP	Delivered	Stage 4 CMP delivered, lodged for certification with NSW Minister for Environment	✓

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)

Advocacy for our community

The State and Federal Governments have recognised Port Stephens as a thriving economic hub for the region. It's our vision to build a vibrant and liveable place that supports local economic growth.

We've been working hard to secure funding and support from the State and Federal Government. Our goal is to ensure Port Stephens and our community is at the forefront of their future planning.

We've made significant progress, including securing a \$10 million grant for road upgrades across Port Stephens. We've also focused on support for housing supply, affordability and diversity, expediting development of the Williamstown and Tomago Defence, Aviation and Advanced Manufacturing precinct and investing in our town centres and multi-functional sport precincts.

We'll continue to actively ask our State and Federal Government representatives to make our vision a reality and we work together on building a bright tomorrow for Port Stephens.



Learn about all our advocacy priorities at portstephens.nsw.gov.au/council/plans-and-reporting/community-advocacy-priorities

Community feedback shaping our decisions

We're committed to delivering outcomes that improve the wellbeing and liveability of our community. One of the many ways in which we seek feedback from our community is through our Community Satisfaction Survey. This data and information helps us reflect on what our community value and how well we are delivering our services. In October 2023

and again in April 2024 we invited residents to have their say. We used social media, newspaper advertisements, flyers and our website to reach as many people as we could.

In October 2023 residents rated their overall satisfaction with the performance of Council's services as a mean score of 2.94 out of 5. In April 2024 this increased to a mean score of 3.08 out of 5. This translates to 51% satisfied, 38% dissatisfied and 12% neutral.

We know our roads remain our biggest priority to work on and we've been tackling some of our known hot spot roads via the delivery of some major road improvement projects such as Tomaree Road with Fairlands Road, Medowie and East Seaham Road, East Seaham scheduled to begin in 2025.

Whilst our results showed promise, the response sample of 211 in 2024 was not statistically representative of our population. We will continue to work with our Council on how we obtain information from our community.



Learn more about Our Community Satisfaction at portstephens.nsw.gov.au/community-satisfaction-survey

Respect is everyone's role

In response to a concerning rise in aggression towards council staff since the COVID-19 pandemic, Port Stephens Council joined forces with seven other Hunter councils and the United Services Union to launch the 'Respect is Everyone's Role' campaign in July 2023. This collaborative initiative aimed to foster a culture of respect and safety for all council employees.

The campaign highlights the human impact of aggression, showcasing the faces of 24 dedicated council staff members who deserve to be treated with dignity and respect. By sharing their personal stories and passions, we aimed to remind the community that council employees are everyday people who simply want to do their jobs.

We invite organisations, public figures, and community members to join us in committing to a respectful workplace and community. Together, we can create a culture where everyone feels valued and safe.

Investing in our people: This is life at PSC!

Over the past couple of years, we have embarked on a journey to redefine what it means to work at Port Stephens Council. By deeply understanding our employees' experiences and aspirations, we crafted a compelling Employer Value Proposition (EVP) that encapsulates our inclusive culture, commitment to growth, and dedication to our community.

Our EVP is more than just words; it's a promise. It reflects the pride and passion our team brings to work every day. By sharing authentic employee stories, we're showcasing the unique and rewarding journey that comes with being part of our organisation.

Looking ahead, we're committed to continuously enhancing our workplace and fostering an environment where our employees thrive. By aligning our strategies with our EVP, we're building a high-performing team capable of delivering exceptional outcomes for our community. Our people are our greatest asset, and we're investing in their success.



Learn more about life at PSC at portstephens.nsw.gov.au/careers



Our Council FEATURE ARTICLE



Connecting our community

Over the past year, we've actively engaged with our community through a diverse range of events and initiatives. From large-scale celebrations to intimate community gatherings, our aim has been to create opportunities for residents to connect with each other and Council.

The Raymond Terrace Festival was a highlight, showcasing the area's rich heritage. It brought together Council, local families and business with live music, delicious food, and family-friendly activities.

Our Night at the Beach event transformed Birubi into a magical space, bringing both locals and the wider community together for a night under the stars. It combined entertainment with creative sand sculptures and illuminated puppets, as well as educating our community on the value of the incredible Worimi Conservation Lands and how this amazing place came to be.

Illuminate, our biggest cultural event yet, transformed Raymond Terrace into a vibrant celebration of community and diversity. It was a night filled with dazzling fire and light, cultural performances, and a warm sense of belonging. Our newest Australians were personally invited to connect with their new community in a fun and lasting way.

Our popular Community Catch-up events have also provided valuable face-to-face conversations between the Mayor, Councillors, Council's Executive Team, and residents. They have created opportunities for residents to share their thoughts and concerns and find out more about Council projects.

These events have also served as platforms for gathering essential community feedback on key initiatives such as Smart Parking, waste services, coastal management, and housing to name a few. By working closely with our community, and providing opportunities for each other to connect, we're building a stronger, more vibrant Port Stephens.

Goal 2: Financial Management

Our Council is financially sustainable to meet community needs.

Proactively funding our future

We continue to be committed to financial sustainability with opportunities to save on costs and increase our revenue, identified as actions within our Financial Sustainability Strategy.

In June 2023, IPART approved a three year Special Rate Variation (SRV), bringing in additional income to fund existing services. This helped us continue to deliver services to the community this year, without any operational deficits as inflation has grown, securing Council's long term financial sustainability.

In future years this additional income will also be spent on priority areas identified by our community - fixing our roads is the highest priority and in later years looking after our public space, waterways and foreshores.

Our Financial Sustainability Strategy has also guided our focus on diversifying where our non-rate revenue comes from and ensuring we deliver services for the community in the best possible way.

The successful rollout of smart parking, the growth in our investment portfolio and the attraction of grant funding have helped us generate more non-rate revenue. By using Business Excellence tools we're also continuing to improve how we allocate our resources, ensuring we deliver the best value for our community.

To further strengthen our financial sustainability and invest in our community's future, we've established the Resilience Fund. This strategic reserve will fund high-impact projects aligning with our community's priorities such as major infrastructure developments and expanded services. By investing surplus non-rate revenue, such as dividends from Newcastle Airport, into this fund, we're positioning our community for long-term growth and prosperity.

The Resilience Fund helps us to look forward and plan for the future, making sure our community continues to thrive.

Investing in our future

Generating non-rate revenue is key to our long term financial sustainability. This year, we focused on maximising returns from our commercial property portfolio.

One property in particular posed significant challenges due to high maintenance costs and a poor rental location. With the commercial property market in the broader region flooded with new buildings, finding tenants willing to pay market rates became increasingly difficult. To attract new tenants, we would have needed to offer significant incentives such as fit out contributions and rent free periods, negatively impacting our Long Term Financial Plan.

Faced with the potential loss of our remaining major tenant and rental income, we made the strategic decision to sell the property. This allowed us to invest in an industrial facility in Tomago, which is generating similar rental income but with significantly lower maintenance costs. This move has not only stabilised our revenue but also positioned us for future growth.

Looking forward, we'll continue to optimise the property we own, building a stronger financial foundation for Port Stephens.



Holiday season drives revenue for Council

Across the peak seasons, Port Stephens Beachside Holiday Parks welcomed thousands of visitors to the region who enjoyed the first class beachfront facilities at Fingal Bay, Shoal Bay and Halifax Holiday Parks.

With over 570 villas, cabins and caravan sites available across all parks, an estimated 2,500 guests can be accommodated each night in Port Stephens - the largest tourist accommodation provider in the region.

Our Beachside Holiday Parks are one of our non-rate revenue streams supplementing our operational budget and the daily services we provide to the community. This year occupancy levels at our Holiday Parks continue to be very strong.

Looking forward, we're enhancing the guest experience with upgrades at Shoal Bay Holiday Park. New amenities, including an indoor kitchen, accessible BBQ area, communal dining space with luxury fireplace, and a children's playground and multi use court, will create a more inviting and comfortable environment for visitors.

These improvements will not only attract more holiday makers to our region but also strengthen our financial position, enabling us to continue providing the services we deliver for our community.



Learn more about our Beachside Holiday Parks at beachsideholidays.com.au

Goal 3: Communication and engagement

Our Council is committed to enabling an engaged and informed community

Communications and Engagement Advisory Group

A key action of our 2022-2027 Communications and Engagement Strategy, is to establish a Communications and Engagement Advisory Group (CEAG). This year the CEAG was formed bringing together 8-12 community representatives, Councillors from each Ward and Council support staff.

The CEAG has direct input into shaping our communication and engagement strategies and has already made significant contributions, providing valuable input on key projects like the Local Housing Strategy Review, Port Stephens Coastal Management Program and Smart Parking. By incorporating diverse community perspectives, we aim to improve how we communicate, provide meaningful community engagement opportunities and build trust in Council decision-making.

Looking forward, the CEAG will continue to play a vital role in ensuring our community's voice is heard and valued.



Read the agenda and minutes of the CEAG at portstephens.nsw.gov.au/committees

Making it easier to have your say

To improve our community engagement, we've launched a new Have Your Say platform. This online tool enables residents to provide input on Council projects and decisions.

The platform removes geographical and time constraints, allowing for broader participation anytime, anywhere, gathering valuable data to inform decision-making. Interactive features like mapping tools and online forums facilitate real-time feedback and collaboration.

The Have Your Say platform also fosters transparency by providing access to project updates and past engagement results. This empowers residents to stay informed and participate in shaping their community's future.

The platform is a key component of our 2022-2027 Communications and Engagement Strategy, leveraging technology to broaden participation and ensuring diversity of voice and opinion in engagement activities.

This platform enhances our ability to connect with the community and make informed decisions that reflect the needs and aspirations of our residents.



Sign up to the Have Your Say to make sure you don't miss a chance to share your thoughts haveyoursay.portstephens.nsw.gov.au



Our Council

FEATURE ARTICLE



Improving our online services

Our online services aim to make it easier for residents, businesses and visitors to interact with us. This year, we've launched exciting new features on our website.

Our new Report, Request and Apply page is a one stop shop for accessing our services. This centralised hub makes it easier to navigate and report issues, submit requests, and access crucial applications. Available anywhere, anytime, it puts the power to interact with us directly at our community's fingertips.

We've also completed some extra work in the background to make sure our community can use keywords to locate specific services or resources faster and with ease. No more browsing through irrelevant pages – users can get straight to what matters most, saving valuable time.

We've also developed a dedicated Projects and Works webpage easily accessible from our homepage. This page provides regular updates, including progress images, funding details, and completion timelines. our community can easily search by suburb or project name to stay informed about what's happening in their area.

These improvements are just the beginning of our ongoing commitment to providing exceptional online experiences. We're constantly working to make interacting with us as smooth and efficient as possible.



Learn more at pscouncil.info/project-and-works

Stakeholders unite for housing solutions

Port Stephens, like many Australian communities, is facing a housing crisis. Soaring housing prices, workforce shortages and rising living costs are making it hard for people to find affordable homes. On top of this, our population is expected to grow by 20,000 people over the next 20 years. To address this complex issue, we undertook a comprehensive review of our Local Housing Strategy (see page 70).

A key component of the review was a Housing Forum, bringing together over 50 key stakeholders, including community groups, businesses, developers, and real estate professionals. Individual community members were also invited through a formal Expression of Interest process. Stakeholders were purposely dispersed throughout the forum enabling robust conversations and all voices and perspectives to be heard. Through in-depth discussions and expert insights, we discussed the housing crisis and shared potential solutions.

The valuable feedback gathered from the forum informed the revision of our Local Housing Strategy, which was endorsed in June 2024. This updated strategy provides a roadmap for addressing the housing challenges facing our community.



Learn more about the Port Stephens Housing Strategy at portstephens.nsw.gov.au/local-housing-strategy





Our Council Performance

Aspirational measures

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

L1 | Governance

What we said we'd do	How effective were we?	Target	2023-2024	
L1.1.1.1 Implement the Workforce Management Strategy	Employee Engagement Score	>80%	84%	
L1.2.1.1 Coordinate and deliver Councillor and executive support services	Maintain Elected Member's satisfaction with executive support services	100%	100%	
L1.2.1.2 Conduct citizenship ceremonies	Citizens conferred	100%	100%	
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	Maintained	On-track	
L1.2.1.4 Develop shareholder value through an effective partnership with Newcastle Airport	Maintain participation in NAPL/ GNAPL Board meetings	Maintained	On-track	
L1.2.1.5 Work with Hunter Councils to enhance the Hunter Region	Maintain participation in Hunter Joint Organisation meetings	Maintained	On-track	
L1.3.1.1 Deliver governance and legal services and enterprise risk management	Maintain Risk maturity score	≥ 85%	86%	
	Decrease in the rolling projected workers' compensation deposit premium (rounded)	Pay < base and <100%	Refer comment below	
	Comment: Significant reduction in our premium has been achieved. However, this measure is no longer considered an appropriate reflection of performance. A revised measure is in place for the period 2024-2025.			
L1.3.1.2 Coordinate and report on the internal audit process	Percentage of Audit-identified issues resolved within the expected timeframe	100%	100%	
L1.3.2.1 Undertake a community satisfaction survey	Community satisfaction score with Council	Better than baseline of 45% 2023 Community Satisfaction Survey	51% 2024 Community Satisfaction Survey	

What we said we'd do	How effective were we?	Target	2023-2024	
L1.3.2.2 Implement the legislative requirements of the Integrated Planning and Reporting Framework	Integrated Plans delivered on time	≥ 95%	100%	✓
L1.3.2.3 Deliver the Business Excellence workplan	Progress of the Business Excellence workplan	Delivered	On track	✓
L1.3.3.1 Implement the annual service review program	Progress of the service review program, % completed on time	Delivered	100%	✓
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	2023-2024	
L2.1.1.1 Manage Council's financial resources in accordance with the Financial Services Work plan	Underlying financial result is better than the budget	Delivered	On-track	✓
	Maintain Unqualified Annual Financial Statements	Delivered	On-track	✓
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	≥ Australian All Property Index	Yield has been maintained 1.3% above industry baseline	✓
	Maintain property vacancy rate below the Newcastle industry standards	Maintain	Vacancy rate is 3%	⊖
	All projects are delivered in accordance with Property Investment Strategy	Delivered	On-track	✓
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% Koala Sanctuary >75%	Beachside Holiday Parks 71% The Koala Sanctuary 91%	✓
	Progress of actions under the Beachside Holiday Parks and Koala Sanctuary Operational Plan	Delivered	On-track	✓

L3 | Communication and engagement

What we said we'd do	How effective were we?	Target	2023-2024	
L3.1.1.1 Develop, implement and monitor Council's Customer Experience Roadmap and Action Plan	Actions implemented from the Customer Experience Road Map and Action Plan	Delivered	On track	✓
	Maintain the number of tour and accommodation bookings on behalf of operators	5,106 (2022-2023)	4,674	✗
Comment: Growing completion from multi-national booking platforms affecting direct bookings through the Visitor Information Centre.				
L3.2.1.1 Manage Council's communications and community engagement activities	Number of visits to the PSC website	244,220 (2022-2023)	489,210	✓
	Social media engagement	369,000 (2022-2023)	6,226,150	✓
	Number of communications and engagement projects considered by the Communications and Engagement Advisory Panel	New	7	✓
	Community members who feel they can provide input into Council decision making	Better than baseline of 31% 2023 Community Satisfaction Survey	41% 2024 Community Satisfaction Survey	✓



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 or clause is highlighted beside each report.



Statutory information

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

Overview of reporting requirements

Below is an overview of reporting requirements that have been achieved, reported elsewhere in this report, 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 2022 to 2032 – Section 428(2) the Act	Yes, reporting on the previous Council term, see Volume 3
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 to page 111
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 at our libraries, electronically on our website and a link to our website provided to the Minister for Local Government's office.
Induction training and ongoing professional development of Mayor and Councillors - Section 186 the Regulations	Yes, refer to page 38.
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, refer to page 44.
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.
Condition of Civil Assets	Yes, view special schedule 7 of volume 2



Overview of reporting requirements continued

Legislation	Achieved
Carers Recognition Act 2010	Did not provide service.
Environmental Upgrade Agreements – Section 54P(1) Local Government Act 1993	Council did not levy any charges to repay advances under an environmental upgrade agreement.
Disability Inclusion – Disability Inclusion Act 2014, section 13(1)	Yes, refer to page 62.

Rates and charges written off during 2023 to 2024

Section 132 the Regulations

Type	Amount	Type	Amount
Pensioner concessions	\$1,513,388	Uneconomical to recover	\$1,478
Postponed rates	\$3,628	Ratepayer's hardship (interest charges)	\$236
Small debts	\$906	Not legally recoverable	\$1,445
Conservation agreements	\$3,079	Total	\$1,524,160

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	\$90,460	Mobile phone rental	\$0
Councillors' fees and allowances	\$234,630	Mobile phone calls	\$2,082
Councillors' superannuation	\$25,809	Landline phone rental	\$0
Councillors' expenses (see below)	\$70,379	Landline phone calls	\$0
Cost of catering	\$41,820	Fax rental	\$0
Cost of Mayoral vehicle	\$5,509	Fax calls	\$0
Total	\$468,608	Internet	\$2,481
		Intrastate travel	\$11,988
		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	\$11,928
		Conferences	\$12,759
		Training	\$0
		Partners' expenses	\$45
		Computers	\$3,486
		Stationery	\$523
		Awards and ceremonies	\$1,046
		Child care expenses	\$1,458
		Communications bundle	\$3,093
		Councillors' uniforms	\$0
		Professional development	\$19,490
		Total	\$70,379

Contracts awarded greater than \$150,000

Section 217(1)(a2) the Regulations

Name of contractor	Contract details and purpose	Contract value
Drumderg Services Australia Pty Limited	Victoria Parade Footbridge Stage 3 - Demolition	\$424,819
Husky Demolition Pty Ltd	8 & 10 Donald Street - Demolition	\$198,547
Drumderg Services Australia Pty Limited	Victoria Parade Footbridge Stage 3 - Concreting	\$188,509
Downer EDI Works Pty Ltd	PSC Asphalt Package of Works	\$830,385
RDO Equipment Pty Ltd	Supply and delivery of 1x Wide Area Wing Deck Cabin Mower	\$159,500
ANA Asphalt	TfNSW Mix 3 Bump And Heavy Patching	\$239,634
Downer EDI Works Pty Ltd	PSC Asphalt Package of Works	\$182,537
Worley Consulting Pty Ltd	Shoal Bay Precinct Drainage Design	\$154,374
Enviroculture Maintenance Services Pty Limited	PSC Cemeteries Maintenance - Mowing	\$383,350
Boral Construction Materials Group Ltd	Spray Sealing Services	\$1,358,675
Fulton Hogan Industries Pty Ltd		\$525,563
Polite Enterprises Corporation Pty Ltd	Bus Shelter Supply	\$164,934
Boral Construction Materials Group Ltd	TfNSW State Roads - Reseals	\$676,044
VVG Services NSW Pty Ltd	Supply of 2x Truck Cab Chassis	\$289,244
Glascott Landscape And Civil Pty Ltd	William Street, Raymond Terrace	\$237,508
ANA Asphalt	TfNSW Asphalt Resurfacing and Heavy Patch	\$1,385,770
VVG Services NSW Pty Ltd	Supply of 1x Truck Cab Chassis	\$156,886
Downer EDI Works Pty Ltd	TfNSW State Roads - Extra Asphalt Resurfacing	\$707,971
ANA Asphalt	Fly Point: Victoria Parade and Beach Road - Asphalt Works	\$300,271
ANA Asphalt	Local Road Reseal Asphalt Patching	\$295,903
Syscon	Beach Rd, Nelson Bay - Lighting Upgrade	\$163,184
Otis Elevator Company Pty Ltd	Raymond Terrace Community Care Centre Elevator Replacement	\$181,500
Byrne Pipe And Civil Pty Limited	Teramby Road, Nelson Bay - Landslip Remediation	\$993,141
Byrne Pipe And Civil Pty Limited		\$1,008,339
Bolte Civil Pty Limited	Avenue Of The Allies, Tanilba Bay - Road Reconstruction	\$3,365,280

Name of contractor	Contract details and purpose	Contract value
Professional Traffic Solutions Pty Ltd	Traffic Control Services	\$549,086
Watchout Training & Traffic Control		\$1,425,765
Retro Traffic Pty Ltd		\$279,642
Killalea Construction Pty Ltd	Yulong Oval Amenities	\$4,570,522
Byrne Pipe And Civil Pty Limited	Marine Drive - Landslip Remediation	\$1,217,541
Programmed Property Services Pty Ltd	External Preventative Maintenance Program	\$1,174,510
Finn Valley Plant & Civil Pty Ltd	Teramby Road, Nelson Bay - Landslip Remediation	\$464,502
Ferry Building Group Pty Ltd	Minor Building Works	\$224,563
Killalea Construction Pty Ltd		\$288,714
MRW Building Pty Limited		\$560,680
Certis Security Australia Pty Ltd	PSC Security Services (excl. Holiday Parks)	\$430,277
Business Security & Management Solutions Pty Ltd	Holiday Parks Security Services	\$216,700
Anna Bay Sand & Earthmoving	Plant And Equipment Hire And Haulage	\$524,665
Hunter Spraying & Slashing		\$262,977
Show Mow & "All Go"		\$387,734
ATAK Industries Pty Ltd		\$248,278
Elbourne Plant Hire Pty Ltd		\$364,695
Boral Construction Materials Group Ltd	Supply Of Quarry Materials	\$927,561
Fenworx Pty Ltd	Bitumen, Emulsions and Asphalt Materials	\$625,267
Humes Concrete Products	Minor and Major Civil Works	\$267,735
Holcim (Australia) Pty Ltd	Supply and Delivery of Readymix Concrete	\$200,249
Hanson Construction Materials Pty Ltd		\$272,268
KJ Fitz Trading Pty Limited	Project Management - 12 months from 28 Feb 2024 to 28 Feb 2025	\$207,515
Loyalty Management Solutions Pty Limited	Project Management - 12 months from 17 Jun 2024 to 17 Jun 2025	\$200,200
Southern Cross Protection Ltd	PSC Security Services	\$157,956
Bluewater Stainless	William Street, Raymond Terrace	\$177,155
Ausroad Manufacturing Pty Ltd	HD45 Series Road Maintenance Truck	\$420,310

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 2023 to 30 June 2024.

Workers compensation and other employment matters, public liability and professional indemnity claims are not included. Our Council recovered \$141,108 in legal costs.

Legal matter	Details	Status	Cost
Land and Environment Court			
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. Court refused grant of development consent.	Completed	\$ 2,111
Ward & Ward	Appeal against Council refusal to grant development consent for single dwelling. Court granted development consent.	Completed	\$ 2,888
Connect Global Limited	Appeal against Development Control Order and Council refusal to grant development consent regarding use of premises as a transitional group home.	Ongoing	\$ 88,412
Kinala Pty Ltd	Appeal against Council refusal to grant development consent for 9 storey residential flat building. Court granted development consent.	Completed	\$ 4,011
Clippers Anchorage Pty Ltd	Appeal against Council refusal to grant development consent for alterations and additions to marina. Court refused grant of development consent.	Completed	\$ 107,494
Kingshill Development No 1 and 2 Pty Ltd	Appeal against Court refusal to grant development consent for residential subdivision concept development application.	Ongoing	\$ 1,890
Mims Love Pty Ltd	Appeal against Council refusal to grant development consent for a residential flat building.	Ongoing	\$ 3,873
Local Court			
Davis	Prosecution for alleged waste offences. Defendant found guilty, fined a substantial amount and ordered to pay Council professional fees.	Completed	\$ 7,908
Williams	Prosecution for dog offences. Defendant found not guilty, matter dismissed.	Completed	\$ 620
Kinsella	Prosecution for dog not under effective control in public place. Matter withdrawn by consent.	Completed	\$ 1,591
Myers	Prosecution for dog not under effective control in public place. Defendant found guilty, no conviction recorded and ordered to pay Council professional fees.	Completed	\$ 2,054
Maxus Builders	Prosecution for failure to comply with clean-up notices. Defendant found guilty, fined and ordered to pay Council professional fees.	Completed	\$ 6,143
NSW Civil and Administrative Tribunal			
FHH & FTU	Appeal of Tribunal decision. Appeal dismissed. Council seeking costs in the matter.	Ongoing	\$ 35,759
Total			\$ 268,035

*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	\$49,770
Mayoral academic scholarship grant*	\$40,328
Ward fund grants	\$32,789
Aboriginal project grants	\$28,608
Community support grants	\$67,433
Environmental projects grants	\$13,135
Total	\$232,063

*Thanks to sponsorships. Refer to page 65 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	\$25,849
Major event sponsorship	\$129,913
My Incredible Place micro grants	\$8,500
Community event development sponsorship	\$32,845
Vibrant spaces sponsorship fund	\$66,208
Total	\$263,315

Hardship rate relief and rate donations

Council provided \$24,393.29 in hardship rate relief and rate donations under sections 601 and 356 of the Act in 2023 to 2024 consisting of \$20,987.50 under the Rates Assistance Program and \$2,656.01 under the Waste Assistance Program of the Debt Recovery and Hardship Policy and \$749.78 under the section 601 revaluation hardship provisions.

Waste services

Under our Financial Assistance for the Disposal of Waste in Port Stephens Policy, \$47,587 was provided to the following organisations:

Organisation	Amount
1st Anna Bay Cubs And Scouts	\$417
State Emergency Services – Port Stephens Unit	\$201
Clean4shore NSW	\$7,697
Hunter Horse Haven Inc.	\$269
Lemon Tree Passage Rural Fire Service	\$329
Medowie Assembly Of God Fellowship	\$813
Port Stephens Community Woodworkers	\$649
Port Stephens Koalas	\$7,855
Raymond Terrace Early Education Centre	\$366
Port Stephens Uniting Church - Salamander	\$69
Raymond Terrace Men's Shed	\$153
Rotary Club Of Raymond Terrace	\$507
Salamander Bay Recycling	\$5,956
Salamander Men Shed	\$2,900
Salvation Army Hope Centre	\$421
Salvation Army Port Stephens	\$403
Scope Home Access Hunter Region	\$2,526
St Vincent De Paul Anna Bay	\$6,016
St Vincent De Paul Raymond Terrace	\$50
St Vincent De Paul Society - Nelson Bay	\$529
State Emergency Services - Port Stephens Unit	\$9,461
Total	\$47,587

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%.

Corporate Entities of the Hunter Councils

For nearly 70 years, local government in the Hunter has found significant benefit in working together through positive cooperation and resource sharing.

The ten Hunter 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, and Upper Hunter Shire Council.

Arising from this collaboration, the ten Hunter councils collectively own and manage the following corporate entities:

Hunter Joint Organisation – a statutory body under the Act established in 2018 to identify, advocate for and collaborate on regional strategic priorities for the Hunter. Its 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.

Arrow Collaborative Services Limited (and its wholly-owned subsidiary Hunter Councils Legal Services Limited) – companies limited by guarantee under the Corporations Act 2001 and established to improve the quality and efficiency of services provided by Hunter councils and local government more broadly across NSW. The services provided focus on specialised planning and environmental law, and regional purchasing and procurement. Arrow also provides direct support to the operations of the Hunter Joint Organisation.

Hunter Councils Incorporated – an incorporated association under the Associations Incorporation Act 2009 that holds property assets for the Hunter Joint Organisation and Arrow Collaborative Services.

We have representation on each entity's board and share ownership and governance of the entities with the other 9 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 Directors. All senior staff are employed under standard contracts.

- General Manager \$365,000 *
- Senior staff (excluding the General Manager) \$991,901.65*

*In accordance with the Total Remuneration Package (TRP) outlined in their senior staff contract.

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 2023-2024, our council is required to report the total number of persons who performed paid work on 14 February 2024*, including:

- Number of persons directly employed by the council:
 - on a permanent full-time basis: 406
 - on a permanent part-time basis: 99
 - on a casual basis: 62
 - under a fixed-term contract: 34
- the number of persons employed by the council who are "senior staff" for the purposes of the Local Government Act 1993: 4 (General Manager and Directors)
- 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: 48
- the number of persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee: 15

*These figures differ to the figures on page 8 due to the date and reporting requirements.

Companion animals

Section 217(1) (f) the Regulations

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:

- 188 reported dog attacks – 46 dog attack incident reports entered into the Companion Animals Register, which is down 10% on the previous year.
 - 357 companion animals were impounded.
- Of the companion animals impounded:
- 131 were either collected by their owner or returned to their owner before being transported to the pound
 - 170 were sold to new owners or released to rescue organisations
 - 55 were surrendered to the pound by the public.

Companion Animal management and activities

For the year 2023-2024, we spent \$248,069 related to companion animal management and activities (excluding Ranger salaries and vehicle costs). Of this, \$3,385 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 (30 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.
- Rangers attended RAAF Base Williamtown's open day. The Rangers supported Councils presence at the event. We had the chance to talk to people who have just posted into the local area about the NSW Companion Animal rules and regulations, local rules as well as provide information on how to get their animals details updated on the Companion Animals Register. It was great day and good opportunity to have positive interactions with our community.
- Rangers attended 'Store for Paws' community event Bunnings Heatherbrae – owners of pets came in to check their pets details are all up to date, Rangers provided information on responsible pet ownership - 20 interactions
- Careers Day at Irawang Primary School.

Ranger Ralph attended the parade – Rangers provided information on all things compliance as well as responsible pet ownership - 7 education classes and 170 children attended.

- Ranger Ralph (Ranger Mascot) attended Australia Day celebrations in Raymond Terrace and Nelson Bay where Companion Animal promotional and educational items were given to customers.

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. The Council Animal Refuge have done a great job in reducing euthanasia rates.

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 \$54,719 in registration fees and forwarded to the Office of Local Government. We received \$204 for the hire of cat traps and produced total income amount of \$97,098 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 2024

Name of project	Progress	Budget as at 30 June 2024 (excluding GST)	Previous Financial Years Expenditure (excluding GST)	Expenditure 2023 to 2024 (excluding GST)
Birubi Information Centre	In progress	\$1.5M	\$1.175M	\$204K
Depot	Completed	\$13.399M	\$10.867M	\$2.532M

Special Rate Variation

The 2023-2024 financial year is the first year of Council's three year special rate variation which was approved by the Independent Pricing and Regulatory Tribunal (IPART) in June 2023.

Consistent with the community consultation process undertaken during the application process the additional funds generated during the first financial year were used by Council to assist in maintaining baseline services for the Community across all areas. This has assisted in avoiding operational deficits during a period of high inflation, in an approach aimed at securing Councils long term financial sustainability.

The second year of the special rate variation will provide enhanced services in key areas of community priority and continue to maintain existing services to a growing population. The enhanced services program will see funds being spent on road rehabilitation and resurfacing, recreational facilities, waterways and protecting our natural environment.

A key condition of IPART's approval is providing information to the Community outlining how funds have been spent. This will be undertaken annually as part of the Annual Report presented to the Community.

Special rate variation income and expenditure for 2023-2024

Priority Area	Unspent Balance Brought Forward	Allocation 2023/2024	Total Funding Available	Actual Expenditure 2023/2024	Unspent Closing Balance
Maintaining existing service levels	-	2,468,819	2,468,819	2,468,819	-
Fixing our roads	-	-	-	-	-
Protecting our natural environment	-	-	-	-	-
Looking after our waterways and foreshores	-	-	-	-	-
Looking after our public spaces	-	-	-	-	-
Total	-	2,468,819	2,468,819	2,468,819	-

As demonstrated within the Financial Statements, Council was able to avoid an operating deficit (after capital capital) which enabled existing service levels to be maintained in line with inflationary cost pressures. The budget variations section of the financial statements also demonstrate that there were no significant differences between the actual and forecasted operating expenditure within the Long Term Financial Plan for 2023/2024.

Council isn't solely reliant on the income from the special rate variation in order to main financial stability. A number of cost saving and revenue generating actions where outlined in the application to IPART. These actions and there status are outlined as follows:

Area	Activity	Actioned	Partially Actioned	Future Action	Ongoing Action
Productivity & Cost Savings	Continued delivery of the service review program				✓
	Installation of solar panels on 14 community buildings	✓			
	Investigate the transition of Council fleet to electrical vehicles		✓		
	Participate in the ATO's trial of E-invoicing in the Hunter region	✓			
	Implementation of a new green bin service	✓			
	Development of a Carbon Neutrality Action Plan	✓			
	Implementation of new booking software for children services	✓			
	Development of a new waste services app	✓			
Generate non rate revenue	Review of surplus land		✓		
	Continued implementation of SMART Parking		✓		
	Establishment of the Resilience Fund	✓			

The direct impact that all of these initiatives has had on Councils overall financial sustainability is difficult to quantify. This is due to broad nature of some of these projects, however the comparison between the actual underlying operating result and the original budgeted underlying result demonstrates a positive improvement in Councils financial sustainability. The actual underlying result also demonstrates that without the additional special rate variations funds, Council would have recorded an operating deficit.

	Original Budget	Actual
Underlying operating result	769	1,473

Service Reviews

Section 428(3), 428(4)(b) the Act

Since 2011 we've been reviewing all of our business and our services at Council. Completing a full review of all of our service packages (60+ Service Packages) every 4 years and mid-point review every 2 years. Refer to our Operational Plan 2023 to 2024 and Annual Report 2022-2023 for more background of what this process involves.

The following scheduled reviews were undertaken over the 2023-2024 financial year:

Full Service Reviews – 17 Service Packages (SP)

- Community Services Part 2 – August 2023 (3 SP)
- End to End Infrastructure Delivery – April 2024 (14 SP)

Midpoint Reviews – 16 Service Packages (SP)

- Compliance (unscheduled) – July 2023 (1 SP)
- Financial Services – July 2023 (4 SP)
- Capital Works / Survey team (unscheduled) - November 2023 (1 SP)
- Public Domain and Services - February 2024 (6 SP)
- Financial Services (unscheduled) - February 2024 (4 SP)

Outcomes

None of the reviews completed resulted in a negative change to the service delivery to our community. The reviews provided process improvements, strengthening collaboration, system improvements, strategic planning improvements, resourcing improvements, increased service delivery, re-alignment of roles and responsibilities and operational savings.

We continue to improve and mature our service review program and processes. This includes the introduction of the Service Delivery Business Plan and more mature data analytics to strengthen our understanding of trends and community expectations.

Modern Slavery

Section 428(4)(c)&(d) the Act

This statement outlines Port Stephens Council's commitment to combatting modern slavery and the measures we have implemented during this reporting period to reduce the risk of our procurement activities impacting on human rights.

The procurement Policies, Framework and Processes ensure that the following objectives are applied to procurement activities undertaken by Council:

- Ensure that Council resources are used efficiently and effectively, providing value for money
- Achieve compliance with relevant legislative requirements achieving high standards of probity, transparency, accountability, and risk management
- Eliminate unnecessary purchases, maximise the re-use and recycling of productions, minimise waste and purchase fewer goods with negative environmental impact
- Increase purchaser awareness regarding 'sustainability advantage' of alternative products
- Deliver Council's commitments in relation to ecologically sustainable development (ESD), environmental management and social wellbeing objectives
- Where practical, Council will collaborate with other Councils to take advantage of economies of scale
- Give preference to procurements which provide community and social benefits
- Aim to eliminate practices of modern slavery or hidden labour exploitation including illegal wages and employment practices, discrimination and harassment, where identified
- Provide opportunities for local business to act as a supplier to Council

Council's procurement procedures set out how we plan, source, and manage contracts and suppliers throughout the procurement lifecycle. Procurement activities range from purchase orders and purchasing cards for low-risk purchases to formal Request for Quotation (RFQ) and Request for Tender (RFT) processes for high risk and high spend projects.

Port Stephens Council have adopted a hybrid centre-led procurement structure, where strategic vision is managed by the Procurement team, with a centralised approach to tenders and quotations over \$50,000. Low value quotations are decentralised and managed throughout the

Organisation. We recognise the importance of taking steps to ensure that goods and services procured by and for our Council are not the product of modern slavery.

Reasonable steps are being taken by Port Stephens Council to ensure goods and services procured are not a product of modern slavery and include the following:

Activity	Description	Actioned	Partially Actioned	Future Action
Staff Awareness & Training	Staff awareness of modern slavery and Council's policy and expectations	✓		
	Staff Training	✓		
Supplier Engagement	Awareness of Council's policy and expectations		✓	
	Supplier Training			✓
	Supplier self-assessment questionnaire (SAQ)		✓	
	High risk supplier engagement			✓
Risk Assessment	Inherent risk assessment at a category level	✓		
	Pre-purchase checklist to identify higher risk procurements	✓		
	Supplier risk assessment – existing suppliers	✓		
	Supplier risk assessment – new and potential suppliers	✓		
Tendering & Contracting	Modern slavery tender criteria	✓		
	Procurement process/procedure includes the requirement to assess that the tendered price allows for at least the minimum level of wages and other entitlements required by law	✓		
	Modern slavery contract clauses	✓		
	Supplier Code of Conduct	✓		
Reporting & Grievance Mechanisms	Confidential reporting mechanism/process for staff, contractors, community to report concerns related to modern slavery	✓		
Response & Remedy Framework	Response and remedy framework involving actions, such as facilitation of access to health, legal or psychosocial services, financial compensation and prevention of future harm			✓
Monitoring & Review	Monitoring and review of the effectiveness of modern slavery related processes		✓	

Government Information
(Public Access) (GIPA)
Act 2009, Government
Information (Public Access)
(GIPA) Regulation 2018

The GIPA Act 2009 has a number of mechanisms to access information – mandatory, proactive, informal and formal release.

This year, our Council processed 1665 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:

**Review of proactive release
program – clause 7(a)**

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.

Clause 8, Schedule 2

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

**Number of access applications
received – clause 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 – 62

**Number of refused applications for
Schedule 1 information – clause 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
	1	1	2
% of total	50%	50%	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	3	1	1	0	0	0	12	17	26%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	1	4	0	2	0	0	0	3	10	15%
Members of the public (other)	2	3	0	2	1	1	0	30	39	59%
Total	3	10	1	5	1	1	0	45	66	100%
Percentage of total	5%	15%	2%	7%	2%	2%	0%	68%		

*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)	3	9	1	5	1	1	0	44	64	97%
Access applications that are partly personal information applications and partly other	0	1	0	0	0	0	0	1	2	3%
Total	3	10	1	5	1	1	0	45	66	100%
Percentage of total	5%	15%	2%	7%	2%	2%	0%	68%		100%

**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%
Total number of invalid applications received	0	0%
Invalid applications that subsequently became valid applications	2	100%
Total	2	100%

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	2	67%
Excluded information	1	33%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Total	3	100%

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	6	14%
Law enforcement and security	2	4%
Individual rights, judicial processes and natural justice	20	44%
Business interests of agencies and other persons	17	38%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	45	100%

*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)	62	98%
Decided after 35 days (by agreement with applicant)	1	2%
Not decided within time (deemed refusal)	0	0%
Total	63	100%

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	0	0	0	0%
Review by Information Commissioner*	1	0	1	100%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	1	0	1	
Percentage of total	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	1	100%
Applications by persons to whom the information the subject of access application relates (section 54 of the Act)	0	0%
Total	1	100%

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%
Total	0	0%



Little Beach

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 2023 to 2024.

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	4
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 #Matter refers to an ongoing investigation.	1 [#]
e)	Without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period - Investigation found a breach had occurred	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 - The matter remains with the Office of Local Government	1
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	\$7,949

Fisheries Management Act 1994

Section 220ZT (2)

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 2023-2024 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.
- Marine Park Permit for Lemon Tree Passage Shared Path (Henderson Park) - Issued Jan 2023 for 1 year.
- Fisheries Permit PN22/518 for Lemon Tree Passage Shared Path (Henderson Park) - Issued Jan 2023 for 2 years.

The following fisheries permits were sought in the 2023-2024 financial year:

- Fisheries Permit for Notts Creek Bridge Replacement Glen Oak- issued October 2023
- Fisheries Permit for Teramby Road Landslip scuba stair replacement- issued March 2024

Marine Parks permits:

The following marine park permit was sought in the 2023-2024 financial year:

- Marine Park Permit for Teramby Road scuba stair replacement- Issued Mar 2024
- Marine Park Permit for Nelson Bay and Shoal Bay Foreshore stairs upgrades- Issued August 2023

Environmental Planning and Assessment Act 1979

Section 7.5(5)

There were 2 planning agreements executed and in force during 2023 to 2024.

Swimming pool inspections

Swimming Pools Act 1992 section 22f(2), Swimming Pools Regulation 2018 clause 18(b)(c)

A review of the "reports" previously utilize by the Compliance team are no longer active or not reflective of the information that is required. Therefore the numbers below have been extracted directly from the NSW Swimming Pool Register, in this regard the numbers detailed are dated between 01/07/2023-25/06/2024, due to NSW report updates.

Total number of inspections of visitor accommodation and premises with more than 2 dwellings	45
Number of inspections that resulted in the issuance of a Certificate of Compliance	201
Number of inspections that resulted of the issuance of a Non-Compliance Certificate	62

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
Port Stephens Local Infrastructure Contributions Plan	SRF17	King Park Sports Complex, Raymond Terrace – Implementation of Masterplan
Port Stephens Local Infrastructure Contributions Plan	RW46	One Mile Beach Reserve 2, One Mile
Port Stephens Local Infrastructure Contributions Plan	SRF2	Brandon Park, Seaham - netball and tennis surface upgrades
Port Stephens Local Infrastructure Contributions Plan	SRF9 / SRF22	Yulong Oval, Medowie - multipurpose amenities upgrades
Port Stephens Local Infrastructure Contributions Plan	OSF33	Spencer Park, Soldiers Point - playground and park furniture
Port Stephens Local Infrastructure Contributions Plan	SRF16	Tomaree Sports Complex, Nelson Bay - sports pavilion B1
Port Stephens Local Infrastructure Contributions Plan	OSF56	Boomerang Park, Raymond Terrace – playground upgrade, park facilities improvements and skate park improvements
Port Stephens Local Infrastructure Contributions Plan	OSF11	Aliceton Reserve, Karuah – landscaping, playground and recreation facilities
Port Stephens Local Infrastructure Contributions Plan	OSF16	Aliceton Reserve, Karuah – Public amenities
Port Stephens Local Infrastructure Contributions Plan	RW34	Avenue Of The Allies, Tanilba Bay - Diggers Drive to Lemon Tree Passage Road"
Port Stephens Local Infrastructure Contributions Plan	Civic Administration	Traffic and Transport Study at Fern Bay
Port Stephens Local Infrastructure Contributions Plan	OSF22 / OSF29 / OSF21	Henderson Park, Lemon Tree Passage – reserve upgrades
Port Stephens Local Infrastructure Contributions Plan	TCU4	Raymond Terrace -Town Centre Upgrades
Port Stephens Local Infrastructure Contributions Plan	FD20	Medowie – improve and enlarge existing drains crossing roads, overland flow paths, downstream drainage systems
Port Stephens Local Infrastructure Contributions Plan	FD21	Tomaree – construct and / or improve drainage and overland flow paths
Port Stephens Local Infrastructure Contributions Plan	SP2	Brandy Hill Drive, Brandy Hill – shared path from Clarence Town Road to Seaham Road
Port Stephens Local Infrastructure Contributions Plan	RW29	Ferodale Road/Peppertree Road, Medowie – upgrade intersection to signalised"
Port Stephens Local Infrastructure Contributions Plan	SP36	Cook Parade, Lemon Tree Passage – shared path from Morton Avenue to Meredith Avenue
Port Stephens Local Infrastructure Contributions Plan	SP52	Beach Road, Nelson Bay – shared path from Victoria Parade to boat ramp
Port Stephens Local Infrastructure Contributions Plan	TCU3	Nelson Bay – Town Centre Upgrades pedestrian facilities

	Location	Purpose	FY23/24 Actual Dev Cont Expenditure	Contribution expended to date	Project status	Percentage of costs funded by Developer Contributions
	All catchment areas	Sports & Leisure Facilities	\$62,637.00	\$150,000.00	Complete	28%
	Tomaree	Roadworks	\$196,141.00	\$196,141.00	Underway	NA
	Raymond Terrace and the Hinterland	Sports & Leisure Facilities	\$80,784.00	\$80,784.00	Complete	10%
	Central Growth Corridor	Sports & Leisure Facilities	\$715,368.00	\$715,368.00	Underway	NA
	Tomaree	Public Open Space, Parks & Reserves	\$32,973.00	\$32,973.00	Underway	NA
	All catchment areas	Sports & Leisure Facilities	\$33,321.00	\$450,000.00	Complete	13%
	All catchment areas	Public Open Space, Parks & Reserves	\$32,504.00	\$47,504.00	Complete	89%
	Central Growth Corridor	Public Open Space, Parks & Reserves	\$76,788.00	\$76,788.00	Complete	41%
	Central Growth Corridor	Public Open Space, Parks & Reserves	\$3,378.00	\$3,378.00	Underway	NA
	Central Growth Corridor	Roadworks	\$438,629.00	\$438,629.00	Complete	12%
	Civic Administration	Civic Administration	\$31,700.00	\$31,700.00	Complete	100%
	Central Growth Corridor	Public Open Space, Parks & Reserves	\$140,000.00	\$210,000.00	Complete	25%
	All catchment areas	Town Centre Upgrades	\$400,000.00	\$400,000.00	Complete	
	Central Growth Corridor	Flood & Drainage Works	\$5,289.00	\$5,289.00	Underway	NA
	Tomaree	Flood & Drainage Works	\$17,535.00	\$60,000.00	Complete	100%
	7.12	7.12	\$13,092.00	\$249,999.81	Underway	NA
	Central Growth Corridor	Roadworks	\$75,000.00	\$75,000.00	Underway	NA
	7.12	7.12	\$327,977.00	\$327,977.00	Complete	33%
	Tomaree	Shared Paths	\$85,880.00	\$85,880.00	Complete	10%
	All catchment areas	Town Centre Upgrades	\$131,723.00	\$356,723.00	Complete	62%



Contributions Plan	Project number / ID	Project description
Port Stephens Local Infrastructure Contributions Plan	CAF3	Council Admin Building Upgrade, Raymond Terrace – Phase 1
Port Stephens Local Infrastructure Contributions Plan	SP63	Nelson Bay Road, Fern Bay – shared path from Braid Road to Bayway Village
Port Stephens Local Infrastructure Contributions Plan	SP50	Marine Drive, Fingal Bay – shared path from Boulder Bay Road to Barry Park
Port Stephens Local Infrastructure Contributions Plan	CCF2	Library Resources
Port Stephens Local Infrastructure Contributions Plan	CAF1	Raymond Terrace Works Depot
Port Stephens Local Infrastructure Contributions Plan	CAF1	Raymond Terrace Works Depot

Section 218(A)(3)(a)(b)

Total value of all developer contributions received for financial year 2024 \$4,612,828

Total value of all developer contributions expended for financial year 2024 \$4,872,811

Note: No new borrowings have been expended for another purpose under the same or another Contributions Plan



	Location	Purpose	FY23/24 Actual Dev Cont Expenditure	Contribution expended to date	Project status	Percentage of costs funded by Developer Contributions
	7.12	7.12	\$287,200.00	\$287,200.00	Underway	NA
	Fern Bay	Shared Paths	\$86,500.00	\$86,500.00	Underway	NA
	Tomaree	Shared Paths	\$150,000.00	\$150,000.00	Complete	
	All catchment areas and 7.12	Community & Cultural and 7.12	\$248,392.00	\$994,090.11	Complete	100%
	Civic Administration - Works Depot	Civic Administration - Works Depot	\$220,000.00	\$1,309,220.00	Complete	
	7.12	7.12	\$980,000.00	\$2,232,274.00	Complete	

Appendix

Section 6

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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, Risk and Improvement Committee Formerly the 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 Councillors Doohan and Dunkley were members up to August 2023 due to new Guidelines (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

Ref	Committee name	Purpose of Committee	Delegates
9	Port Stephens Sister Cities Committee	To promote and have ongoing relationships between international communities providing opportunities for cultural exchange.	Mayor and all Councillors
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.	C 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 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 Alternate 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 Alternate 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 Alternate 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 Support Fund	To make recommendations to Council on applications received through the Grants process.	Mayor Palmer Cr Arnott Cr Doohan Cr Dunkley Alternate 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 Alternate Cr Francis
27	General Manager Performance Review Panel	To conduct evaluation of the performance of the General Manager.	Mayor Palmer Cr Anderson Cr Arnott (nominated by the Council). Plus a Councillor nominated at the time by the General Manager).

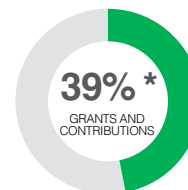
Ref	Committee name	Purpose of Committee	Delegates
28	Heritage Advisory Panel	To provide community representation for consultation, advice and advocacy of heritage matters in Port Stephens.	Cr Wells Alternate Cr Kafer
29	Hunter Joint Organisation	The Hunter Joint Organisation is a collaborative body that 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 Alternate 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 Alternates 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 Alternate 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 G Arnott Cr Kafer
35	Lower Hunter Community Advisory Group	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

Ref	Committee name	Purpose of Committee	Delegates
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 Alternate Cr Arnott
40	Port Stephens Local Heath Committee	To provide leadership in the community to: <ul style="list-style-type: none"> • Ensure health services meet local community health needs • Promote health services and initiatives • Enhance the health of the community. 	Cr Anderson Alternate 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 Alternate 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 Alternate 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 Alternate 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 Alternate Cr Arnott
45	Williamtown Consultative Committee Forum	To provide a forum for the residents of Williamtown 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 Alternate Cr Francis

Capital works projects

Capital works project expenditure in 2023 to 2024.

*Grant funds contributed to this project



Classification	Job description	Cost (\$)
31.304 mm	Little Beach Jetty*	79,060.30
Bridge	Notts Creek Bridge*	557,588.53
Buildings	Yulong Oval Amenities*	2,174,585.97
Buildings	Birubi Surf Lifesaving Club Upgrades*	76,144.09
Buildings	Lakeside Leisure Centre Grid Mesh	6,882.31
Buildings	Tomaree Aquatic Centre De Filter	34,150.00
Buildings	Tilligerry Aquatic Centre Splash Pad	22,955.29
Buildings	Raymond Terrace Activity Van Switchboard	8,696.40
Buildings	Community Assets DIF Installations	33,371.36
Buildings	Raymond Terrace Depot	2,532,214.38
Buildings	Little Beach Amenities Replacement*	308,060.71
Buildings	Solar Panel Rollout	106,568.67
Buildings	Victoria Parade Amenities, Fixture and Fittings Upgrades	6,410.33
Buildings	Little Beach Changing Places Amenities Replacement*	314,028.12
Buildings	Medowie Childcare Centre Shade Shelter Replacement	40,674.02
Buildings	King Park Sport Complex Seating and Building Upgrades*	35,082.38
Buildings	Lakeside Aquatic Centre Playground*	31,783.55
Buildings	Fingal Bay North Amenities*	8,650.04
Buildings	Administration Building and IT Modifications	305,838.32
Buildings	Raymond Terrace Activity Van Roof Replacement	9,049.99
Buildings	Lakeside Leisure Pool Heat Pump	48,784.26
Carparks	Birubi Tourism Interchange*	204,277.60
Carparks	Little Beach Carpark Design*	17,520.00
Carparks	Shoal Bay Carpark	106,147.67
Carparks	Inner Lights Carpark Retaining Wall	12,968.02
Commercial Investment	Commercial Investment and Land*	14,887,869.00
Digital Assets	Smart Parking Implementation	498,628.02
Natural Disaster	Teramby Road, Landslip and Pathway*	616,973.92
Natural Disaster	Marine Drive, Fingal Bay Landslip*	1,248,886.45
Natural Disaster	Bourke St Flood Pump	45,673.55
Natural Disaster	Kangaroo St Flood Pump	176,816.88

Classification	Job description	Cost (\$)
Drainage	Nelson Bay Drainage Works	427,606.22
Drainage	Canomii Close, Nelson Bay Drainage Works	17,535.38
Drainage	Corrie Parade Drainage Works	55,621.52
Drainage	Irene Crescent Drainage Works	85,943.56
Fleet	Fleet Replacement Program*	3,024,150.79
Holiday Parks	Holiday Park Improvements	2,284,967.91
ICT	Information Technology Improvements	1,255,285.08
Libraries	Library Resources	248,392.30
Libraries	Library Check in Machines	16,952.01
Open Space	Tomaree Sports Complex - Field Lighting*	248,563.46
Open Space	Koroa Oval Playground*	66,669.04
Open Space	Fishermans Bay Reserve Infrastructure	20,780.02
Open Space	Little Beach Reserve Irrigation	47,934.66
Open Space	Gula Park Boardwalk	48,459.29
Open Space	Salamander Sports Complex Surface Releveling	184,602.17
Open Space	Nelson Bay Foreshore Access Points*	29,018.08
Open Space	Shoal Bay Foreshore Access Points*	15,943.64
Open Space	Taylors Beach Playground*	134,541.55
Open Space	Little Beach Fish Cleaning Tables*	59,248.11
Open Space	Spencer Park Upgrades	32,972.68
Open Space	Brandon Park Upgrades*	208,920.57
Open Space	Little Beach Retaining Wall	65,142.65
Open Space	Foster Park Shelters and Tables	5,871.88
Open Space	Little Beach Furniture, and BBQs*	297,857.99
Open Space	Aliceton Reserve Playground*	152,337.80
Open Space	Centennial Park Playground	75,686.05
Open Space	Tomaree Sports Complex Playground	89,526.74
Open Space	Corlette Headland Boardwalk*	8,490.00
Open Space	Boomerang Park BBQs	32,504.43
Open Space	Sports Facility Masterplans*	45,100.00
Open Space	Raymond Terrace Netballs Court Renovations	36,558.31
Pathways	Brandy Hill Pathway	73,091.95
Pathways	Fly Point to Halifax Pathway*	806,992.75
Pathways	Lemontree Passage Town Centre Upgrades*	750,348.07
Pathways	Nelson Bay Road Fern Bay Pathway*	1,014,736.06
Pathways	Lemontree Passage Town Centre Pathway*	865,870.42
Pathways	King Park Sport Complex Pathway	51,241.24

Classification	Job description	Cost (\$)
Pathways	Shoal Bay Road Footpath Design*	117,470.28
Pathways	Teramby Road, Landslip and Dive Site*	368,299.89
Pathways	Shared Pathway Design - Shiraz to Shore*	170,831.74
Pathways	Bus Shelter Upgrades*	277,095.18
Pathways	Marine Drive, Fingal Bay Pathway Extension	155,181.01
Roads	Reseal Program*	2,620,467.26
Roads	Avenue of the Allies, Tanilba Way*	3,420,494.46
Roads	Sturgeon Street, Raymond Terrace	1,025,742.73
Roads	Bucketts Way, Twelve Mile Creek*	280,885.51
Roads	Lemontree Passage Road, Oyster Cove*	1,450,765.86
Roads	East Seaham Road, East Seaham*	340,002.44
Roads	Medowie Road, Medowie*	307,994.89
Roads	Mustons Road, Karuah	163,047.25
Roads	Nelson Bay Town Centre Upgrades*	151,360.09
Roads	Port Stephens Street, Raymond Terrace*	144,055.40
Roads	Government Road, Nelson Bay	50,678.23
Roads	Clarencetown Road Upgrades*	104,331.76
Roads	Soldiers Point Rd retaining wall	9,750.00
Roads	Port Stephens Drive, Koala Blackspot*	808,819.97
Roads	Tanilba Road Mallabula	68,013.66
Roads	Hannah Parade, One Mile	196,141.22
Roads	Raymond Terrace Town Centre Upgrades*	769,671.39
Roads	Duns Creek Road, Duns Creek	9,817.46
Roads	Lavis Lane, Williamtown	564,413.61
Roads	Beach Road, Nelson Bay*	741,591.64
Roads	Janet Parade, Salt Ash*	59,138.06
Roads	Ferodale Road Design	74,999.99
Roads	William Street Clock, Raymond Terrace	48,926.00
Roads	Swan Bay Road*	987,232.97
Roads	Halloran Way Retaining Wall*	18,100.01
Roads	Tomaree Rd, Shoal Bay*	924,260.66
Roads	Italia Rd, East Seaham & Balickera*	2,034,947.95
Roads	Rookes Rd, Salt Ash*	468,262.63
Roads	Beach Road, Nelson Bay*	284,021.05
Roads	Sandy Point Road*	372,221.25
Roads	Lemontree Passage Road, Oyster Cove*	101,504.30

Glossary of terms and acronyms

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 2021 to 30 June 2022.

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.

Operational Plan: An annual action plan for how we'll implement the Delivery Program plus budgets, fees and charges.

PFAS: Per and poly fluoroalkyl substances. A synthetic chemical that has been linked to the historical use of firefighting foam.

Risk management: Coordinated activities to direct and control Council with regard to risk.

RMS: Roads and Maritime Services.

Special Activation Precinct (SAP): A 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.

YAP: Youth Advisory 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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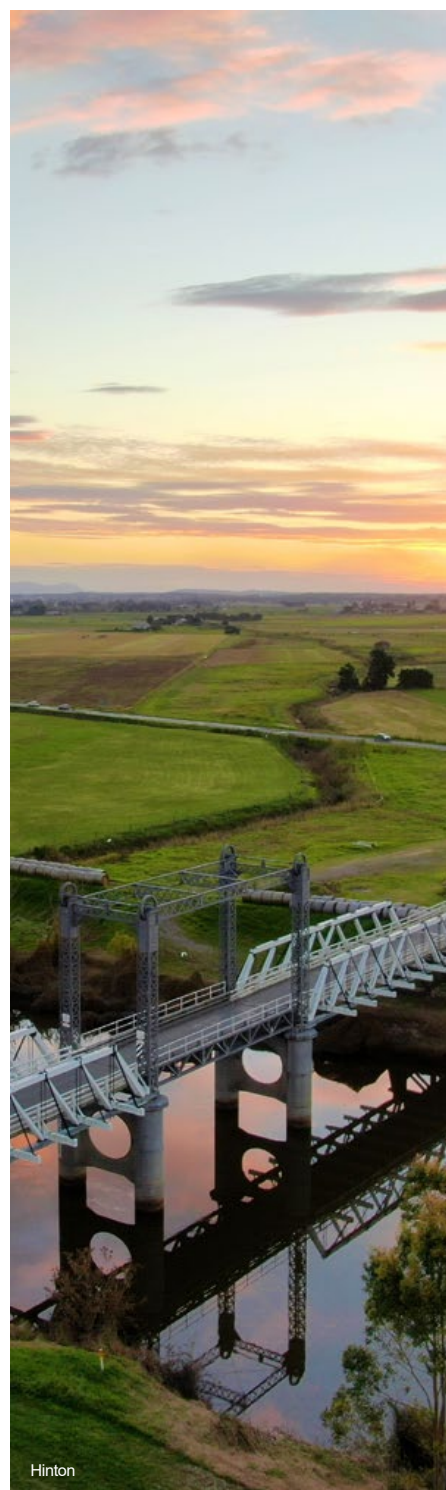
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Tomaree Coastal Walk, photo by Daniel Parsons/DPE

Annual Report

2023 to 2024

Volume 2

Financial **accounts.**



Port Stephens Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024

Port Stephens Council**General Purpose Financial Statements**
for the year ended 30 June 2024

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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

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.

Port Stephens Council

General Purpose Financial Statements for the year ended 30 June 2024

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 22 October 2024.



Leah Anderson
Mayor
22 October 2024



Jason Wells
Councillor
22 October 2024



Tim Crosdale
General Manager
22 October 2024



Glen Peterkin
Responsible Accounting Officer
22 October 2024

Port Stephens Council**Income Statement**

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Restated Actual 2023
Income from continuing operations				
75,284	Rates and annual charges	B2-1	75,064	69,094
60,216	User charges and fees	B2-2	57,143	53,448
4,343	Other revenues	B2-3	5,384	5,535
13,458	Grants and contributions provided for operating purposes	B2-4	17,992	20,661
30,294	Grants and contributions provided for capital purposes	B2-4	40,780	32,342
2,263	Interest and investment income	B2-5	4,780	3,181
4,171	Other income	B2-6	5,347	4,169
190,029	Total income from continuing operations		206,490	188,430
Expenses from continuing operations				
58,713	Employee benefits and on-costs	B3-1	61,489	57,998
65,366	Materials and services	B3-2	62,802	58,592
3,574	Borrowing costs	B3-3	2,942	2,324
20,529	Depreciation, amortisation and impairment of non-financial assets	B3-4	21,107	19,329
6,453	Other expenses	B3-5	7,343	7,360
(250)	Net loss from the disposal of assets	B4-1	3,879	1,715
154,385	Total expenses from continuing operations		159,562	147,318
35,644	Operating result from continuing operations		46,928	41,112
35,644	Net operating result for the year attributable to Council		46,928	41,112
Net operating result for the year before grants and contributions provided for capital purposes				
5,351			6,148	8,770

The above Income Statement should be read in conjunction with the accompanying notes.

Port Stephens Council

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	Restated 2023
Net operating result for the year – from Income Statement		46,928	41,112
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	73,764	107,083
Gain (loss) on revaluation of intangible assets		2,732	–
Total items which will not be reclassified subsequently to the operating result		76,496	107,083
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Gain (loss) on hedging instruments	C1-2	(122)	996
Total items which will be reclassified subsequently to the operating result when specific conditions are met		(122)	996
Total other comprehensive income for the year		76,374	108,079
Total comprehensive income for the year attributable to Council		123,302	149,191

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 2024

\$ '000	Notes	2024	Restated 2023	Restated 1 July 2022
ASSETS				
Current assets				
Cash and cash equivalents	C1-1	24,980	16,798	30,221
Investments	C1-2	42,000	53,650	17,679
Receivables	C1-4	11,665	11,367	11,387
Inventories	C1-5	277	214	42
Contract assets and contract cost assets	C1-6	7,929	3,547	1,086
Non-current assets classified as 'held for sale'		—	—	851
Other		1,448	1,581	1,471
Total current assets		88,299	87,157	62,737
Non-current assets				
Investments and derivatives	C1-2	20,053	30,150	22,652
Receivables	C1-4	142	140	153
Inventories	C1-5	10,097	9,903	10,617
Infrastructure, property, plant and equipment (IPPE)	C1-7	1,493,020	1,371,687	1,224,551
Investment property	C1-8	44,315	28,000	41,655
Intangible assets	C1-9	6,566	4,028	3,998
Right of use assets	C2-1	2,316	3,099	3,060
Other		5	33	17
Total non-current assets		1,576,514	1,447,040	1,306,703
Total assets		1,664,813	1,534,197	1,369,440
LIABILITIES				
Current liabilities				
Payables	C3-1	18,890	19,855	19,130
Contract liabilities	C3-2	8,110	11,458	11,482
Lease liabilities	C2-1	958	916	753
Borrowings	C3-3	2,163	3,385	2,897
Employee benefit provisions	C3-4	16,106	15,584	14,737
Total current liabilities		46,227	51,198	48,999
Non-current liabilities				
Payables	C3-1	1,571	2,036	165
Lease liabilities	C2-1	1,621	2,446	2,544
Borrowings	C3-3	61,607	48,108	36,515
Employee benefit provisions	C3-4	970	894	893
Total non-current liabilities		65,769	53,484	40,117
Total liabilities		111,996	104,682	89,116
Net assets		1,552,817	1,429,515	1,280,324
EQUITY				
Accumulated surplus		808,758	759,907	715,162
IPPE revaluation reserve	C4-1	743,185	668,612	565,162
Hedging reserve	C4-1	874	996	—
Total equity		1,552,817	1,429,515	1,280,324

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Port Stephens Council

Statement of Changes in Equity for the year ended 30 June 2024

	Notes	2024				2023			
		Accumulated surplus	IPPE revaluation reserve	Hedging reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Hedging reserve	Total equity
\$ '000									
Opening balance at 1 July		759,907	668,612	996	1,429,515	715,162	507,764	-	1,222,926
Correction of prior period errors	G4-1	-	-	-	-	-	57,398	-	57,398
Restated balance at 1 July		759,907	668,612	996	1,429,515	715,162	565,162	-	1,280,324
Net operating result for the year		46,928	-	-	46,928	40,877	-	-	40,877
Correction of prior period errors	G4-1	-	-	-	-	235	-	-	235
Restated net operating result for the period		46,928	-	-	46,928	41,112	-	-	41,112
Restated other comprehensive income									
Correction of prior period errors	G4-1	-	-	-	-	-	23,020	-	23,020
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	-	73,764	-	73,764	-	84,063	-	84,063
Gain (loss) on revaluation of intangible assets		-	2,732	-	2,732	-	-	-	-
Gain (loss) on hedging instruments	C1-2	-	-	(122)	(122)	-	-	996	996
Restated other comprehensive income		-	76,496	(122)	76,374	-	107,083	996	108,079
Total comprehensive income		46,928	76,496	(122)	123,302	41,112	107,083	996	149,191
Transfers between equity items		1,923	(1,923)	-	-	3,633	(3,633)	-	-
Closing balance at 30 June		808,758	743,185	874	1,552,817	759,907	668,612	996	1,429,515

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 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Cash flows from operating activities				
<i>Receipts:</i>				
75,481	Rates and annual charges		74,740	68,907
60,216	User charges and fees		59,790	56,419
2,202	Interest received		4,079	2,225
43,752	Grants and contributions		48,459	43,209
–	Bonds, deposits and retentions received		–	698
7,702	Other		15,234	15,434
<i>Payments:</i>				
(59,682)	Payments to employees		(63,528)	(57,142)
(62,431)	Payments for materials and services		(69,852)	(65,344)
(3,574)	Borrowing costs		(2,942)	(2,324)
–	Bonds, deposits and retentions refunded		(225)	–
(9,676)	Other		(8,320)	(7,553)
53,990	Net cash flows from operating activities	G1-1	57,435	54,529
Cash flows from investing activities				
<i>Receipts:</i>				
–	Sale of investments		115,379	70,031
–	Sale of investment property		–	15,371
250	Proceeds from sale of IPPE		626	5,233
<i>Payments:</i>				
–	Purchase of investments		(93,725)	(112,504)
–	Purchase of investment property		(13,655)	–
(51,093)	Payments for IPPE		(69,059)	(56,981)
(1,000)	Purchase of real estate assets		(148)	(49)
(400)	Purchase of intangible assets		(10)	(258)
(52,243)	Net cash flows from investing activities		(60,592)	(79,157)
Cash flows from financing activities				
<i>Receipts:</i>				
15,950	Proceeds from borrowings		14,500	15,100
<i>Payments:</i>				
(2,327)	Repayment of borrowings		(2,223)	(3,019)
(648)	Principal component of lease payments		(938)	(876)
12,975	Net cash flows from financing activities		11,339	11,205
14,722	Net change in cash and cash equivalents		8,182	(13,423)
10,175	Cash and cash equivalents at beginning of year		16,798	30,221
24,897	Cash and cash equivalents at end of year	C1-1	24,980	16,798
40,331	plus: Investments on hand (excl derivatives) at end of year	C1-2	61,160	82,804
65,228	Total cash, cash equivalents and investments		86,140	99,602

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 22 October 2024. 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 material accounting policy information related to these consolidated financial statements are set out below. Accounting 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 2022* (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, investment property, derivatives and biobanking credits.

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. 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. The Consolidated Fund has been included in the financial statements of the Council. Cash and other assets relating to the following activities have been included as part of the Consolidated Fund:

- general purpose operations
- domestic waste service
- tourism facilities
- community halls

A1-1 Basis of preparation (continued)

- libraries

Volunteer services

Council has volunteers working in various areas. These volunteer services have not been recognised as income as per AASB 1058.18. This is because the fair value of such services cannot be reliably measured and it would not have been purchased if they were not donated.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2023.

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities

This Standard amends AASB 13, including adding authoritative implementation guidance and providing related illustrative examples, for application by not-for-profit public sector entities.

In particular, this standard provides guidance on:

- (a) highest and best use
- (b) financially feasible uses
- (c) use of assumptions
- (d) nature of costs to include in the replacement cost of a reference asset and on the identification of economic obsolescence when using the cost approach.

The amendment may result in changes to the fair value of non-financial assets. The impact is yet to be quantified.

New accounting standards adopted during the year

The following new standard is effective for the first time at 30 June 2024:

- **AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates**
- **Equivalent standard for JO's is AASB 2021-6 Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards**

The most significant change introduced by this standard is to remove the requirement to disclose significant accounting policies and instead require disclosure of material accounting policy information.

"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements."

In applying the new requirements, Council has after taking into account the various specific facts and circumstances applied professional judgement to ensure it discloses only material accounting policies as opposed to significant accounting policies throughout these financial statements.

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	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
				Restated		Restated				Restated
Functions or activities										
Our Community	8,194	7,539	12,608	11,480	(4,414)	(3,941)	855	758	249,870	238,807
Our Council	125,714	108,187	61,491	57,454	64,223	50,733	23,205	9,170	459,209	412,774
Our Environment	25,843	24,912	24,149	21,530	1,694	3,382	457	519	6,028	6,190
Our Place	46,739	47,792	61,314	56,854	(14,575)	(9,062)	34,255	42,556	949,706	876,426
Total functions and activities	206,490	188,430	159,562	147,318	46,928	41,112	58,772	53,003	1,664,813	1,534,197

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; Liason 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	2024	2023
Ordinary rates			
Residential	2	41,282	37,639
Farmland	2	1,078	905
Business	2	10,258	9,185
Less: pensioner rebates (mandatory)		(973)	(939)
Rates levied to ratepayers		51,645	46,790
Pensioner rate subsidies received	2	586	563
Total ordinary rates		52,231	47,353
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)			
Domestic waste management services	2	17,911	17,062
Waste management services (non-domestic)	2	5,204	4,975
Section 611 charges	2	10	10
Less: pensioner rebates (mandatory)		(541)	(553)
Annual charges levied		22,584	21,494
Pensioner annual charges subsidies received:			
– Domestic waste management	2	249	247
Total annual charges		22,833	21,741
Total rates and annual charges		75,064	69,094
Timing of revenue recognition for rates and annual charges			
Rates and annual charges recognised over time (1)		–	–
Rates and annual charges recognised at a point in time (2)		75,064	69,094
Total rates and annual charges		75,064	69,094

Council has used 1 July 2022 valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

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.

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	2024	2023
Specific user charges (per s502 - specific 'actual use' charges)			
Waste management services (non-domestic)	2	1,691	1,799
Total specific user charges		1,691	1,799
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Private works – section 67	2	62	97
Section 10.7 certificates (EP&A Act)	2	214	187
Section 603 certificates	2	156	146
Building inspection fees	2	218	306
Building services	2	1,423	1,159
Shop inspection fees	2	301	297
Subdivision fees	2	457	233
Total fees and charges – statutory/regulatory		2,831	2,425
(ii) Fees and charges – other (incl. general user charges (per s608))			
Animal control	2	9	5
Cemeteries	2	229	261
Child care	1	3,738	3,487
Holiday parks	2	15,946	15,928
Leisure centre	2	2,596	2,492
Library	2	96	102
Newcastle Airport Partnership	2	20,805	18,520
Waste disposal tipping fees	2	426	423
Transport for NSW works (state roads not controlled by Council)	2	4,371	4,188
Parking meters	2	1,326	903
Sewerage management fees	1	744	735
Other	2	1,707	1,636
Rental income - other Council properties	2	628	544
Total fees and charges – other		52,621	49,224
Total other user charges and fees		55,452	51,649
Total user charges and fees		57,143	53,448
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		4,482	4,221
User charges and fees recognised at a point in time (2)		52,661	49,227
Total user charges and fees		57,143	53,448

Material accounting policy information

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 holiday 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	2024	2023
Ex gratia rates	2	97	122
Fines – parking	2	549	373
Fines – other	2	194	181
Legal fees recovery – rates and charges (extra charges)	2	106	86
Legal fees recovery – other	2	36	30
Commissions and agency fees	1	216	215
Wage subsidies and incentives	2	121	180
Insurance claims recoveries	2	263	197
Sales – general	1	285	246
Events and promotions	2	112	61
Private works	1	206	282
Royalties - sand extraction	2	2,576	2,704
Other revenue - Newcastle Airport Partnership	2	39	31
Other	2	584	827
Total other revenue		5,384	5,535

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	709	743
Other revenue recognised at a point in time (2)	4,675	4,792
Total other revenue	5,384	5,535

Material accounting policy information 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 2024	Operating 2023	Capital 2024	Capital 2023
General purpose grants and non-developer contributions (untied)					
Current year allocation					
Financial assistance	2	332	1,900	—	—
Payment in advance - future year allocation					
Financial assistance	2	6,995	7,917	—	—
Amount recognised as income during current year		7,327	9,817	—	—
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Bushfire and emergency services	2	1,303	1,038	—	58
Child care	1	493	404	—	—
Environmental programs	1	449	520	—	—
Floodplain management	2	105	60	—	—
Heritage and cultural	1	112	312	—	—
Library	2	280	275	14	54
LIRS subsidy	2	5	14	—	—
Recreation and culture	1	220	138	5,600	3,661
Newcastle Airport Partnership	1	—	—	16,737	1,133
Youth development	1	83	78	—	—
Street lighting	2	78	77	—	—
Transport (roads to recovery)	1	481	781	—	—
Transport (other roads, bridges and drainage funding)	1	3,099	3,056	7,218	10,311
Other specific grants	1	476	439	846	684
Kerb and gutter	2	—	—	36	—
Natural disaster funding contributions	2	1,000	947	1,542	—
Recreation and culture	2	—	—	52	310
Transport for NSW contributions (regional roads, block grant)	2	1,134	1,095	—	—
Other contributions	2	80	110	25	—
Economic development and tourism	2	—	6	—	—
Risk management	2	78	108	—	—
Total special purpose grants and non-developer contributions – cash		9,476	9,458	32,070	16,211
Non-cash contributions					
Bushfire services	2	—	—	218	—
Dedications – subdivisions (other than by s7.4 and s7.11 – EP&A Act, s64 of the LGA)	2	—	—	2,766	7,134
Total other contributions – non-cash		—	—	2,984	7,134
Total special purpose grants and non-developer contributions (tied)		9,476	9,458	35,054	23,345
Total grants and non-developer contributions		16,803	19,275	35,054	23,345

B2-4 Grants and contributions (continued)

\$ '000	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Comprising:					
– Commonwealth funding		9,165	12,203	17,382	7,353
– State funding		7,537	6,918	14,676	8,492
– Other funding		101	154	2,996	7,500
		16,803	19,275	35,054	23,345

Developer contributions

\$ '000	Notes	Timing	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
	G5					
Cash contributions						
S 7.4 – contributions using planning agreements		2	–	–	1,250	–
S 7.11 – contributions towards amenities/services		2	132	314	3,090	7,413
S 7.12 – fixed development consent levies		2	–	–	1,386	1,584
Haulage		2	1,032	1,072	–	–
Total developer contributions – cash			1,164	1,386	5,726	8,997
Non-cash contributions						
S 7.11 – contributions towards amenities/services		2	25	–	–	–
Total developer contributions non-cash			25	–	–	–
Total grants and contributions			17,992	20,661	40,780	32,342
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			5,411	5,691	30,501	15,733
Grants and contributions recognised at a point in time (2)			12,581	14,970	10,279	16,609
Total grants and contributions			17,992	20,661	40,780	32,342

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 2024	Operating 2023	Capital 2024	Capital 2023
Unspent grants and contributions				
Unspent funds at 1 July	2,839	1,504	7,860	8,658
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,304	1,186	–	–
Add: Capital grants received for the provision of goods and services in a future period	3,087	1,659	4,467	7,859
Less: Funds received in prior year but revenue recognised and funds spent in current year	(2,839)	(1,510)	(7,859)	(8,657)
Unspent funds at 30 June	4,391	2,839	4,468	7,860
Contributions				
Unspent contributions at 1 July	2,835	2,429	19,253	11,498
Add: Contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	1,164	1,387	4,476	8,997
Add: Contributions received and not recognised as revenue in the current year	13	17	5	551
Add: Interest	120	72	813	342
Less: Contributions recognised as revenue in previous years that have been spent during the reporting year	(2,420)	(1,070)	(4,841)	(2,135)
Unspent contributions at 30 June	1,712	2,835	19,706	19,253

Material accounting policy information

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.

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	2024	2023
Interest on financial assets		
– Overdue rates and annual charges (incl. special purpose rates)	270	162
– Cash and investments	4,002	2,561
– Newcastle Airport Partnership	508	458
Total interest and investment income (losses)	4,780	3,181
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
General Council cash and investments	3,848	2,767
Restricted investments/funds – external:		
Developer contributions		
– Section 7.11	932	414
Total interest and investment income	4,780	3,181

B2-6 Other income

\$ '000	Notes	2024	2023
Fair value increment on investment properties			
Fair value increment on investment properties		2,660	1,220
Total fair value increment on investment properties	C1-8	2,660	1,220
Rental income			
Investment properties and PPE			
Lease income (excluding variable lease payments not dependent on an index or rate)		2,513	2,685
Lease income relating to variable lease payments not dependent on an index or a rate		174	264
Total Investment properties		2,687	2,949
Total rental income	C2-2	2,687	2,949
Total other income		5,347	4,169

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	42,762	38,277
Salaries and wages – Newcastle Airport Partnership	5,696	5,644
Travel and other allowances	3,746	3,472
Employee Leave Entitlements (ELE)	9,933	9,955
Superannuation	5,868	5,236
Workers' compensation insurance	1,347	1,872
Fringe Benefits Tax (FBT)	14	15
Protective clothing	127	167
Corporate uniform	15	10
Employee medical assessments	21	8
Other	28	17
Total employee costs	69,557	64,673
Less: capitalised costs	(8,068)	(6,675)
Total employee costs expensed	61,489	57,998

Material accounting policy information

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	2024	2023
Raw materials and consumables		9,354	9,014
Waste collection and disposal contract		5,506	4,868
Other contractor and consultancy costs		22,391	22,199
Audit fees	F2-1	260	296
Councillor and Mayoral fees and associated expenses	F1-2	414	386
Bank charges		534	543
Electricity and heating		1,456	1,287
Insurance		2,533	2,386
Street lighting		1,206	1,180
Telephone and communications		231	249
Training costs (other than salaries and wages)		429	350
Memberships		221	214
Newcastle Airport Partnership		8,646	8,000
Legal expenses		465	586
Expenses from short-term leases		10	14
Expenses from leases of low value assets		8	19
Expenses from peppercorn leases		1	1
Variable lease expense relating to usage		8,182	6,138
Other		955	862
Total materials and services		62,802	58,592

B3-3 Borrowing costs

(i) Interest bearing liability costs

Interest on leases	107	112
Interest on overdraft	4	4
Interest on loans	582	630
Interest - Newcastle Airport Partnership	3,533	2,046
Total interest bearing liability costs	4,226	2,792
Less: capitalised costs	—	(35)
Less: capitalised costs - Newcastle Airport Partnership	(1,284)	(433)
Total interest bearing liability costs expensed	2,942	2,324
Total borrowing costs expensed	2,942	2,324

Material accounting policy information

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	2024	2023 Restated
Depreciation and amortisation			
Plant and equipment		1,586	1,448
Office equipment		311	247
Furniture and fittings		30	34
Land improvements (depreciable)		95	95
Infrastructure:	C1-7		
– Buildings		3,649	4,474
– Other structures		582	574
– Roads		5,776	4,212
– Bridges		70	62
– Footpaths		492	423
– Car parks		143	135
– Stormwater drainage		759	802
– Swimming pools		113	111
– Other open space		1,905	1,755
– Other infrastructure		678	676
Right of use assets	C2-1	938	902
Other assets:			
– Heritage collections		2	2
– Library books		319	366
– Newcastle Airport Partnership		3,455	2,783
Intangible assets	C1-9	204	228
Total depreciation, amortisation and impairment for non-financial assets		21,107	19,329

Material accounting policy information

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	2024	2023
Impairment of receivables			
Other		137	11
Total impairment of receivables	C1-4	137	11
Other			
Contributions/levies to other levels of government			
– Emergency services levy		1,299	1,104
– Lands department levy (holiday parks)		529	510
– Waste levy		4,553	4,905
Donations, contributions and assistance to other organisations (Section 356)		825	830
Total other		7,206	7,349
Total other expenses		7,343	7,360

B4 Gains or losses

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2024	2023
Disposal of Infrastructure, Property, Plant & Equipment (excl. investment property)	C1-8		
Proceeds from disposal – property		626	548
Less: carrying amount of property assets sold/written off		(1,663)	(6,252)
Gain (or loss) on disposal		(1,037)	(5,704)
Newcastle Airport Partnership	C1-7		
Proceeds from disposal – infrastructure		–	1
Less: carrying amount of infrastructure assets sold/written off		(2,870)	(74)
Gain (or loss) on disposal		(2,870)	(73)
Gain (or loss) on disposal of investment property	C1-8		
Proceeds from disposal – investment property		–	15,371
Less: carrying amount of investment property sold/written off		–	(14,875)
Gain (or loss) on disposal		–	496
Gain (or loss) on disposal of cash and investments	C1-1,C1-2		
Proceeds from disposal/redemptions/maturities – cash and investments		115,379	70,031
Less: carrying amount of cash and investments sold/redeemed		(115,351)	(70,031)
Gain (or loss) on disposal		28	–
Gain (or loss) on disposal of non-current assets classified as 'held for sale'			
Proceeds from disposal – non-current assets 'held for sale'		–	4,684
Less: carrying amount of 'held for sale' assets sold/written off		–	(1,118)
Gain (or loss) on disposal		–	3,566
Net gain (or loss) from disposal of assets		(3,879)	(1,715)

B5 Performance against budget**B5-1 Material budget variations**

Council's original budget was adopted by the Council on 27 June 2023 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	2024 Budget	2024 Actual	2024 ----- Variance -----	
Revenues				
Rates and annual charges	75,284	75,064	(220)	0% U
User charges and fees	60,216	57,143	(3,073)	(5)% U
Other revenues	4,343	5,384	1,041	24% F
Other revenues exceeded the original budget due to royalties surpassing original forecasts.				
Operating grants and contributions	13,458	17,992	4,534	34% F
Council budgets for operating grants and contributions once they are confirmed. During the year Council received confirmation of new grants and contributions relating to roads and sporting facilities. The new grants and contributions are reflected in subsequent quarterly budget revisions.				
Capital grants and contributions	30,294	40,780	10,486	35% F
Capital grants and contributions exceeded the original budget due to increased contributions, and increased capital grant income recognised for the Newcastle Airport Partnership. Council only budgets for competitive grants and contributions when they are confirmed.				
Interest and investment revenue	2,263	4,780	2,517	111% F
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.				
Other income	4,171	5,347	1,176	28% F
Other income exceeded budget due to an increase in the fair value of investment properties.				
Expenses				
Employee benefits and on-costs	58,713	61,489	(2,776)	(5)% U
Materials and services	65,366	62,802	2,564	4% F
Borrowing costs	3,574	2,942	632	18% F

The draw down on loans was lower than forecasted due to delays in construction funded through external borrowings.

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Depreciation, amortisation and impairment of non-financial assets	20,529	21,107	(578)	(3)% U
Other expenses	6,453	7,343	(890)	(14)% U

Other expenses exceeded budget due to higher than expected waste levy contributions from domestic waste.

Net losses from disposal of assets	(250)	3,879	(4,129)	1,652% U
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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 its unpredictability it is impracticable to budget.

Statement of cash flows

Cash flows from operating activities	53,990	57,435	3,445	6% F
Cash flows from investing activities	(52,243)	(60,592)	(8,349)	16% U

Cash flows from investing activities exceeded budget due to infrastructure projects being added to the capital works program as a result of new capital grants and contributions.

Cash flows from financing activities	12,975	11,339	(1,636)	(13)% U
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Decrease in net cash inflows from financing is reflective of reduced proceeds from borrowings and increased principal payments on leases. The reduced proceeds from borrowings has arisen due to delays in capital works for the Newcastle Airport Partnership.

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2024	2023
Cash assets		
Cash on hand and at bank	10,575	7,552
Cash on hand and at bank - Newcastle Airport Partnership	14,405	8,720
Cash equivalent assets		
– Short-term deposits	–	526
Total cash and cash equivalents	24,980	16,798

C1-2 Financial investments & derivatives

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Financial assets at amortised cost				
Long term deposits	42,000	19,160	53,650	29,154
Total	42,000	19,160	53,650	29,154
Derivatives				
Interest rate swap contract - cash flow hedge - Newcastle Airport Partnership	–	893	–	996
Total	–	893	–	996
Total financial investments and derivatives	42,000	20,053	53,650	30,150
Total cash assets, cash equivalents, investments and derivatives	66,980	20,053	70,448	30,150

Derivatives - instruments used

Newcastle Airport Partnership holds derivative financial instruments in the form of interest rate swaps. These interest rate swaps are designated to be in a 100% hedge relationship against Newcastle Airport Partnership's exposure to increases in interest rates for borrowings.

\$ '000	2024	2023
Hedge relationship	Cash flow hedges	Cash flow hedges
Instrument type	AUD IRS	AUD IRS
Notional amount	55,000	30,000
Weighted average hedged rate	3.799%	3.518%
Hedge ratio	1:1	1:1
At reporting date		
Carrying amount of hedging instruments – Assets	893	996
Balances deferred in OCI (Hedge Reserves)	(874)	(996)

C1-2 Financial investments & derivatives (continued)

\$ '000	2024	2023
Hedge relationship	Cash flow hedges	Cash flow hedges
During the period		
Change in fair value of hedging instruments	(103)	996
Change in value of hedged item used to determine hedge effectiveness	117	(1,106)
Changes in the value of the hedging instrument recognised in OCI	(122)	996
Hedge ineffectiveness recognised in profit or loss	(19)	-

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.

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.

C1-2 Financial investments & derivatives (continued)

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.

C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2024	2023
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(a) Externally restricted cash,
cash equivalents and
investments

Total cash, cash equivalents and investments	87,033	100,598
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Less: Externally restricted cash, cash equivalents and investments	(44,250)	(46,053)
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Cash, cash equivalents and investments not subject to external restrictions	42,783	54,545
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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	1,204	1,429
Specific purpose unexpended grants - AASB 1058 (exception & AASB 15)	5,890	8,955
External restrictions – included in liabilities	7,094	10,384

External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	22,610	22,089
Specific purpose unexpended grants (recognised as revenue) – general fund	2,969	1,744
Domestic waste management	6,450	5,905
Crown reserve	5,127	5,931
External restrictions – other	37,156	35,669
Total external restrictions	44,250	46,053

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	2024	2023
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(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions	42,783	54,545
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Less: Internally restricted cash, cash equivalents and investments	(42,783)	(54,545)
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Internal allocations

At 30 June, Council has internally allocated funds to the following:

Asset rehabilitation	1,624	2,002
Commercial properties	3,305	19,957
Federal Assistance Grant in advance	4,026	3,369
Fleet	1,168	2,304
Newcastle Airport Partnership	15,299	9,716
Other waste services reserve	–	156
Parking meters	621	398
Section 355C committees	647	658
IT Reserve	1,715	1,500
Emergency & Natural Disaster reserve	4,868	5,119
Repealed funds	1,783	2,455
Transport and Environment Reserve	221	587
Administration building reserve	172	550
Grants co-contribution	1,432	586

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2024	2023
Ward funds	25	29
Resilience fund	3,000	3,000
Community halls	79	69
Drainage	1,072	490
Election	500	358
Employee leave entitlements	1,000	1,000
Sustainable energy and water	26	42
Community loans	200	200
Total internal allocations	42,783	54,545

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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Rates and annual charges	3,147	–	2,823	–
Interest and extra charges	345	–	281	–
User charges and fees	497	–	305	–
Miscellaneous debtors	563	–	1,590	–
Contributions to works	33	–	19	–
Accrued revenues				
– Interest on investments	1,760	–	1,123	–
– Other income accruals	2,320	–	1,899	–
Government grants and subsidies	52	–	28	–
Net GST receivable	770	–	908	–
Newcastle Airport Partnership	2,304	–	2,394	–
Other debtors	–	142	–	140
Total	11,791	142	11,370	140
Less: provision for impairment				
User charges and fees	(16)	–	(3)	–
Newcastle Airport Partnership debtors	(110)	–	–	–
Total provision for impairment – receivables	(126)	–	(3)	–
Total net receivables	11,665	142	11,367	140

C1-4 Receivables (continued)

\$ '000	2024	2023
Movement in provision for impairment of receivables		
Balance at the beginning of the year	3	3
+ new provisions recognised during the year	137	3
– amounts already provided for and written off this year	–	(2)
– amounts provided for this year and written off this year	(14)	(1)
– amounts provided for but recovered during the year	–	–
Balance at the end of the year	126	3

Material accounting policy information

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

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
At cost				
Real estate development - land held for resale	–	10,097	46	9,903
Stores and materials	277	–	168	–
Total inventories at cost	277	10,097	214	9,903
Total inventories	277	10,097	214	9,903

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Real estate development - land held for resale				
Residential	–	2,419	–	2,370
Industrial/commercial	–	7,678	46	7,533
Total real estate development - land held for resale	–	10,097	46	9,903

Material accounting policy information

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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Contract assets	7,929	–	3,547	–
Total contract assets and contract cost assets	7,929	–	3,547	–

Contract assets

Work relating to infrastructure grants	1,568	–	2,414	–
Work relating to infrastructure grants - Newcastle Airport Partnership	6,361	–	1,133	–
Total contract assets	7,929	–	3,547	–

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	Asset movements during the reporting period										At 30 June 2024	
	At 1 July 2023											
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ⁽¹⁾	Additions new assets	Carrying value of disposals	Depreciation expense	Transfers	Reval increments (decrements) to equity (AFR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	31,025	–	31,025	15,684	2,010	(182)	–	(20,412)	–	28,126	–	28,126
Plant and equipment	27,939	(18,434)	9,505	195	3,037	(456)	(1,586)	529	–	30,244	(19,020)	11,224
Office equipment	3,959	(3,233)	726	1,115	118	–	(311)	–	–	5,192	(3,543)	1,649
Furniture and fittings	1,712	(1,208)	504	53	–	–	(30)	–	–	1,764	(1,237)	527
Land:												
– Operational land	77,170	(271)	76,899	3	1,061	(573)	–	–	–	77,661	(271)	77,390
– Community land	48,498	–	48,498	–	–	–	–	–	–	48,498	–	48,498
– Crown land	31,337	–	31,337	–	–	–	–	–	–	31,337	–	31,337
– Land under roads (post 1/7/08)	4,810	–	4,810	–	207	–	–	–	40	5,057	–	5,057
– Newcastle Airport	–	–	–	–	–	–	–	–	–	–	–	–
Partnership	82,500	–	82,500	–	–	–	–	129	10,371	93,000	–	93,000
Land improvements – depreciable	10,739	(2,753)	7,986	–	–	–	(95)	–	–	10,739	(2,848)	7,891
Infrastructure:												
– Buildings	232,641	(65,743)	166,898	2,027	3,488	–	(3,649)	10,816	–	248,972	(69,392)	179,580
– Other structures	14,553	(6,618)	7,935	357	193	–	(582)	2	–	15,105	(7,200)	7,905
– Roads	518,131	(82,551)	435,580	6,380	5,595	(107)	(5,776)	7,825	4,365	562,289	(108,427)	453,862
– Bridges	18,418	(2,570)	15,848	558	–	–	(70)	–	3,962	22,484	(2,186)	20,298
– Footpaths	87,177	(13,400)	73,777	274	10	(21)	(492)	277	4,459	93,083	(14,798)	78,285
– Car parks	19,860	(2,912)	16,948	21	–	–	(143)	–	861	20,925	(3,240)	17,685
– Stormwater drainage	280,431	(33,260)	247,171	315	842	–	(759)	893	33,882	309,155	(26,811)	282,344
– Swimming pools	4,949	(1,374)	3,575	–	23	–	(113)	–	–	4,972	(1,487)	3,485
– Other open space	40,133	(17,412)	22,721	2,489	–	(322)	(1,905)	70	11,074	50,678	(16,551)	34,127
– Other infrastructure	22,001	(8,526)	13,475	83	–	–	(678)	–	–	22,084	(9,204)	12,880
Other assets:												
– Heritage collections	237	(84)	153	–	–	–	(2)	–	–	237	(86)	151
– Library books	6,446	(4,685)	1,761	–	233	–	(319)	–	–	6,678	(5,003)	1,675
– Newcastle Airport	–	–	–	–	–	–	–	–	–	–	–	–
Partnership	90,802	(18,747)	72,055	–	25,688	(2,870)	(3,455)	(129)	4,750	118,132	(22,088)	96,044
Total infrastructure, property, plant and equipment	1,655,468	(283,781)	1,371,687	29,554	42,505	(4,531)	(19,965)	–	73,764	1,806,412	(313,392)	1,493,020

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	Asset movements during the reporting period											At 30 June 2023		
	At 1 July 2022													
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense Restated	Transfers	TfIs from/to 'held for sale' category	TfIs from/to real estate assets (Note C1-5)	Revaluation increments / (decrements) to equity (ARR) Restated	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated
\$ '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
Land improvements – depreciable	10,719	(2,658)	8,061	20	–	–	(95)	–	–	–	–	10,739	(2,753)	7,986
– Newcastle Airport Partnership	69,728	–	69,728	–	–	–	–	(7,228)	–	–	20,000	82,500	–	82,500
Infrastructure:														
– Buildings	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
– 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
– Car parks	18,415	(2,582)	15,833	–	–	–	(135)	356	–	–	893	19,860	(2,912)	16,948
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 Partnership	62,085	(15,741)	46,344	–	18,563	(74)	(2,783)	7,228	(245)	–	3,021	90,802	(18,747)	72,055
Total infrastructure, property, plant and equipment	1,512,905	(288,354)	1,224,551	26,289	37,802	(6,326)	(18,199)	–	(245)	730	107,084	1,655,468	(283,781)	1,371,687

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

Material accounting policy information**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:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	20
Office furniture	10 to 20	Benches, seats etc.	25
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings	10 to 145
Other plant and equipment	5 to 15		
		Stormwater assets	
Transportation assets		Drains	80 to 100
Sealed roads		Culverts	50 to 80
- Base	50	Flood control structures	80 to 100
- Seal	15 to 25		
- Sub-base	100	Other infrastructure assets	
Unsealed roads	100	Bulk earthworks	20
Bridge concrete	100	Swimming pools	50
Bridge other	60 to 100	Other open space/recreational assets	20
Kerb, gutter and footpaths	80	Other infrastructure	20
		Airport apron	60

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.

C1-7 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.

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.

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.

C1-8 Investment properties

\$ '000	2024	2023
Owned investment property		
Investment property on hand at fair value	44,315	28,000
Total owned investment property	44,315	28,000
Owned investment property		
At fair value		
Opening balance at 1 July	28,000	41,655
Acquisitions	13,655	—
Disposals during year	—	(14,875)
Net gain/(loss) from fair value adjustments	2,660	1,220
Closing balance at 30 June	44,315	28,000

Material accounting policy information

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

C1-9 Intangible assets

Intangible assets are as follows:

\$ '000	2024	2023
Software		
Opening values at 1 July		
Gross book value	3,778	3,765
Accumulated amortisation	(3,577)	(3,470)
Net book value – opening balance	201	295
Movements for the year		
Purchases	10	13
Amortisation charges	(88)	(107)
Closing values at 30 June		
Gross book value	3,788	3,778
Accumulated amortisation	(3,665)	(3,577)
Total Intangibles– net book value	123	201
Right to Operate		
Opening values at 1 July		
Gross book value	2,117	1,872
Accumulated amortisation	(533)	(412)
Net book value – opening balance	1,584	1,460
Movements for the year		
Transfers	–	245
Amortisation Charges	(115)	(121)
Closing values at 30 June		
Gross book value	2,117	2,117
Accumulated amortisation	(648)	(533)
Total Right to Operate – net book value	1,469	1,584
Bio Banking Credits		
Opening values at 1 July		
Gross book value	2,243	2,243
Net book value – opening balance	2,243	2,243
Movements for the year		
Revaluation	2,731	–
Closing values at 30 June		
Gross book value	4,974	2,243
Total BioBanking Credits – net book value	4,974	2,243
Total intangible assets – net book value	6,566	4,028

C1-9 Intangible assets (continued)

Material accounting policy information**IT development and software**

Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

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 Newcastle Airport Partnership's contractual / legal right to operate international airport services, and is recognised at cost as an intangible asset.

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.

C2 Leasing activities**C2-1 Council as a lessee**

Council has leases over a range of assets including land, vehicles, carparks 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 Partnership 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.

C2-1 Council as a lessee (continued)

(a) Right of use assets

\$ '000	Plant & Equipment	Newcastle Airport Partnership	Office equipment	Other assets - Other	Land - Operational Land	Total
2024						
Opening balance at 1 July	1,583	347	345	453	371	3,099
Adjustments to right-of-use assets due to re-measurement of lease liability	–	24	–	(30)	162	156
Depreciation charge	(529)	(4)	(191)	(119)	(95)	(938)
Balance at 30 June	1,054	366	154	304	438	2,316
2023						
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)
Balance at 30 June	1,583	347	345	453	371	3,099

(b) Lease liabilities

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Lease liabilities	943	1,243	915	2,078
Lease liabilities - Newcastle Airport Partnership	15	378	1	368
Total lease liabilities	958	1,621	916	2,446

(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
2024					
Cash flows	1,018	1,365	1,261	3,644	2,579
2023					
Cash flows	1,012	2,140	1,276	4,428	3,362

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	2024	2023
Interest on lease liabilities	107	112
Variable lease payments based on usage not included in the measurement of lease liabilities	8,182	6,138
Depreciation of right of use assets	938	902
Expenses relating to short-term leases	10	14
Expenses relating to leases of low-value assets	8	19
Expenses relating to peppercorn leases	1	1
	9,247	7,187

(e) Statement of Cash Flows

Total cash outflow for leases	9,245	7,158
	9,245	7,158

(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.

Material accounting policy information

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.

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.

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).

\$ '000	2024	2023
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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)	2,135	2,331
Lease income relating to variable lease payments not dependent on an index or a rate	174	264
Total income relating to operating leases for investment property assets	2,309	2,595

Operating lease expenses

Direct operating expenses that generated rental income	349	435
Total expenses relating to operating leases	349	435

Repairs and maintenance: investment property

Contractual obligations for future repairs and maintenance	143	81
Total repairs and maintenance: investment property	143	81

C2-2 Council as a lessor (continued)

\$ '000	2024	2023
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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)	378	354
Total income relating to operating leases for Council assets	378	354

Amount of IPPE leased out by Council under operating leases

Buildings	10,316	10,508
Furniture and Fittings	19	30
Land - Council Land	6,835	6,835
Open Space Other	241	156
Other Assets - Carparks	184	184
Other Structures	395	396
Total amount of IPPE leased out by Council under operating leases	17,990	18,109

(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	1,873	1,993
1–2 years	1,381	831
2–3 years	1,056	547
3–4 years	873	465
4–5 years	769	440
> 5 years	2,874	2,056
Total undiscounted lease payments to be received	8,826	6,332

C3 Liabilities of Council**C3-1 Payables**

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Goods and services	4,863	–	5,527	–
Goods and Services - Newcastle Airport Partnership	7,507	1,571	5,655	2,036
Accrued expenses:				
– Other expenditure accruals	3,270	–	5,257	–
Security bonds, deposits and retentions	1,204	–	1,429	–
Unclaimed monies	3	–	2	–
Rates in advance	1,910	–	1,860	–
Government departments and agencies	70	–	119	–
Other	63	–	6	–
Total payables	18,890	1,571	19,855	2,036

Current payables not anticipated to be settled within the next twelve months

\$ '000	2024	2023
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
Total payables	396	396

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	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Grants and contributions received in advance:					
Unexpended capital grants and contributions (to construct Council controlled assets)	(i)	4,467	–	7,859	–
Unexpended operating grants and contributions (received prior to performance obligation being satisfied)	(ii)	1,422	–	1,129	–
Total grants received in advance		5,889	–	8,988	–
User fees and charges received in advance:					
Fees - Holiday Park Deposits	(iii)	1,850	–	1,948	–
Fees - Newcastle Airport Partnership	(iii)	371	–	522	–
Fees - Children's Services		–	–	–	–
Total user fees and charges received in advance		2,221	–	2,470	–
Total contract liabilities		8,110	–	11,458	–

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 Partnership 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	2024	2023
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	4,533	4,154
Operating grants (received prior to performance obligation being satisfied)	738	439
User fees and charges received in advance:		
Fees - Holiday Park Deposits	1,948	1,969
Fees - Newcastle Airport Partnership	522	231
Fees - Children's Services	–	41
Total revenue recognised that was included in the contract liability balance at the beginning of the period	7,741	6,834

C3-3 Borrowings

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Loans – secured	2,163	12,607	3,385	13,608
Loans – secured - Newcastle Airport Partnership	–	49,000	–	34,500
Total borrowings	2,163	61,607	3,385	48,108

(a) Changes in liabilities arising from financing activities

\$ '000	2023 Opening Balance	Cash flows	2024 Closing balance
Loans – secured	16,993	(2,223)	14,770
Lease liability (Note C2-1b)	3,362	(783)	2,579
Loans – secured - Newcastle Airport Partnership	34,500	14,500	49,000
Total liabilities from financing activities	54,855	11,494	66,349

\$ '000	2022 Opening Balance	Cash flows	2023 Closing balance
Loans – secured	15,012	1,981	16,993
Lease liability (Note C2-1b)	3,297	65	3,362
Loans – secured - Newcastle Airport Partnership	24,400	10,100	34,500
Total liabilities from financing activities	42,709	12,146	54,855

(b) Financing arrangements

\$ '000	2024	2023
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Total facilities

Total financing facilities available to Council at the reporting date are:

Bank overdraft facilities ¹	2,500	2,500
Credit cards/purchase cards	1,000	1,000
Bank loan facilities - Newcastle Airport Partnership	117,500	117,500
Total financing arrangements	121,000	121,000

Drawn facilities

Financing facilities drawn down at the reporting date are:

– Bank overdraft facilities	–	–
– Credit cards/purchase cards	425	3
– Bank loan facilities - Newcastle Airport Partnership	49,000	34,500
Total drawn financing arrangements	49,425	34,503

Undrawn facilities

Undrawn financing facilities available to Council at the reporting date are:

– Bank overdraft facilities	2,500	2,500
– Credit cards/purchase cards	575	997
– Bank loan facilities - Newcastle Airport Partnership	68,500	83,000
Total undrawn financing arrangements	71,575	86,497

C3-3 Borrowings (continued)

Financial Covenants

Under the terms of the Newcastle Airport Partnership's bank loan facility, Newcastle Airport Partnership is required to comply with the following covenants:

- a. the Gearing Ratio is not greater than 75%; and
- b. the Interest Cover Ratio is greater than or equal to:
 - i. prior to and including the financial year ended 30 June 2024, 1.35:1; and
 - ii. from and including the Terminal Completion Step-up Date, 1.75:1.

Non-compliance with the loan covenants triggers a review event.

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of Council or Newcastle Airport Partnership's loans.

Security over loans

Council loans are secured by the general rating income of Council.

Newcastle Airport Partnership loans are secured by the assets of Newcastle Airport Partnership. Council is a gaurantor over the loan facility.

Lease liabilities are secured by the underlying leased assets.

⁽¹⁾ 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.

C3-4 Employee benefit provisions

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Annual leave	4,803	—	4,516	—
Sick leave	1,816	—	2,153	—
Long service leave	8,955	970	8,432	894
Flexi time / RDO leave	532	—	483	—
Total employee benefit provisions	16,106	970	15,584	894

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employee benefits	9,046	8,859
	9,046	8,859

Material accounting policy information

Long-term employee benefit obligations

The liability for annual leave, sick leave and long-service 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.

C4 Reserves

C4-1 Nature and purpose of reserves

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 Interests in other entities

D1-1 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	
			2024	2023	2024	2023
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	2024	2023
Council's share of assets jointly owned with other partners		
Current assets	23,279	12,591
Current liabilities	(8,774)	(6,944)
Non current assets (2023 Restated)	191,783	157,518
Non-current liabilities	(51,040)	(36,969)
Total net assets employed – Council's share	155,248	126,196

Council has entered into joint arrangements under the Newcastle Airport Partnership, which includes the Greater Newcastle Aerotropolis Partnership. Under these arrangements, the partners hold rights to their share of assets and liabilities of the entities, and their unanimous consent is required for decisions regarding the relevant activities of the entities. Council has classified these arrangements as joint operations and has included its interests in the assets, liabilities, revenue and expenses of the partnerships in the appropriate line items of the Statement of Financial Position and Income Statement respectively. The percentage ownership interest is equivalent to the percentage voting rights for both arrangements, and both arrangements have the same year end as Council.

During the 2023 financial year, the Newcastle Airport Partnership entered into a new finance arrangement. The arrangement places restrictions on the payment of distributions to partners, including a clause preventing payment of distributions until the terminal expansion has reached practical completion.

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.

Fair value is determined as follows:

- Cash and cash equivalents, receivables and payables are estimated to be the carrying value that approximates market value.
- Borrowings and financial investments are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

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	2024	2023
Impact of a 1% movement in interest rates – Equity / Income Statement	996	706

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.

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.

E1-1 Risks relating to financial instruments held (continued)**(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 other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly, and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile**Receivables - rates and annual charges**

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages the credit risk of these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. 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.

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 other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly, and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

\$ '000	Not yet overdue	overdue rates and annual charges		Total
		< 5 years	≥ 5 years	
2024				
Gross carrying amount	–	3,041	106	3,147
2023				
Gross carrying amount	–	2,701	122	2,823

E1-1 Risks relating to financial instruments held (continued)

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	
2024						
Gross carrying amount	14,733	298	239	88	1,357	16,715
Expected loss rate (%)	0.01%	0.04%	0.14%	0.49%	0.26%	0.04%
ECL provision	1	–	–	–	4	5
2023						
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

(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							
2024							
Payables	0.00%	1,204	17,686	1,571	–	20,461	20,461
Borrowings	6.17%	–	6,071	70,725	2,676	79,472	63,770
Lease liabilities	0.00%	–	1,018	1,365	1,261	3,644	2,579
Total financial liabilities		1,204	24,775	73,661	3,937	103,577	86,810

E1-1 Risks relating to financial instruments held (continued)

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2023							
Payables	0.00%	1,429	18,426	2,036	—	21,891	21,891
Borrowings	5.20%	—	6,029	20,598	37,942	64,569	51,493
Lease liabilities	0.00%	—	1,012	2,140	1,276	4,428	3,362
Total financial liabilities		<u>1,429</u>	<u>25,467</u>	<u>24,774</u>	<u>39,218</u>	<u>90,888</u>	<u>76,746</u>

E2-1 Fair value measurement

Council measures the following asset and liability classes at fair value on a recurring basis:

- Derivatives
- Investment property
- Infrastructure, property, plant and equipment
- Intangible assets - bio banking credits

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).

E2-1 Fair value measurement (continued)

	Notes	Fair value measurement hierarchy				
		Level 2 Significant observable inputs 2024	Level 2 Significant observable inputs 2023 Restated	Level 3 Significant unobservable inputs 2024	Level 3 Significant unobservable inputs 2023 Restated	Total 2024
\$ '000						2023
Recurring fair value measurements						
Derivatives						
Interest rate swap contract - cash flow hedge - Newcastle Airport Partnership	C1-2	893	996	-	-	996
Total derivatives		893	996	-	-	996
Investment property						
Investment properties held	C1-8	44,315	28,000	-	-	28,000
Total investment property		44,315	28,000	-	-	28,000
Infrastructure, property, plant and equipment						
Plant and equipment	C1-7	-	-	11,224	9,505	9,505
Office equipment		-	-	1,649	726	726
Furniture and fittings		-	-	527	504	504
Land - operational land		77,390	76,899	-	-	76,899
Land - community land		-	-	48,498	48,498	48,498
Land - crown land		-	-	31,337	31,337	31,337
Land - land under roads (post 1/07/2008)		-	-	5,057	4,810	4,810
Land - Newcastle Airport Partnership		93,000	82,500	-	-	82,500
Land - land improvements - depreciable		-	-	7,891	7,986	7,986
Infrastructure - buildings		-	-	179,580	166,898	166,898
Infrastructure - other structures		-	-	7,905	7,935	7,935
Infrastructure - roads		-	-	453,862	435,580	435,580
Infrastructure - bridges		-	-	20,298	15,848	15,848
Infrastructure - footpaths		-	-	78,285	73,777	73,777
Infrastructure - car parks		-	-	17,685	16,948	16,948
Infrastructure - stormwater drainage		-	-	282,344	247,171	247,171
Infrastructure - swimming pools		-	-	3,485	3,575	3,575
Infrastructure - other open space		-	-	34,127	22,721	22,721
Infrastructure - other infrastructure		-	-	12,880	13,475	13,475
Other assets		-	-	97,870	73,969	73,969
Total infrastructure, property, plant and equipment		170,390	159,399	1,294,504	1,181,263	1,340,662
Intangible assets						
Bio banking credits		4,974	2,243	-	-	2,243
Total intangible assets		4,974	2,243	-	-	2,243

E2-1 Fair value measurement (continued)**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 and Equipment, Office Equipment, Furniture and Fittings**

Plant and 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 and fittings - Chairs, desks and display boards.

Land

The main components of land include community land, operational land, Crown land, Newcastle Airport Partnership land and 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 and Newcastle Airport Partnership 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. Since extensive professional judgements were required to determine the inputs these assets were classified as having been valued using level 2 valuation inputs. During the reporting period a valuation was completed for Newcastle Airport Partnership land, resulting in an adjustment to prior period land values (refer to note G4).

E2-1 Fair value measurement (continued)

Land under roads were valued in accordance with the Australian Accounting Standard AASB 116 Property, Plant and Equipment, and the Local Government Code of Accounting Practice and Financial Reporting. Values were determined by applying the average rate per unit of land to the total size of Council's 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.

Between comprehensive valuations, Council reviews the carrying value of land assets and where necessary applies an appropriate index to align carrying values with approximate fair values.

Infrastructure

The main components of infrastructure include buildings, other structures, roads, bridges, footpaths, car parks, stormwater drainage, swimming pools, other open space and other infrastructure.

The valuation approach used for buildings and other structures estimated the replacement cost of each building by 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 process during the reporting period.

Roads, bridges, footpaths and car parks 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.

Stormwater drainage assets have been valued using the cost approach. 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 swimming pools, other open space, and other infrastructure have been valued in house by experienced engineering and asset management staff using the cost approach. The approach estimates the replacement cost for each pool by componentising its significant parts.

Between comprehensive valuations, Council reviews the carrying value of infrastructure assets and where necessary applies an appropriate index to align carrying values with approximate fair values.

Other Assets

Other assets include heritage collections, library books, and Newcastle Airport Partnership infrastructure, plant and equipment. 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.

Intangible assets

Council obtains valuations of its bio banking credits 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 bio banking credits 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 trading of similar ecosystem and species credits).

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.

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant & Office Equipment	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value.
Furniture & Fittings	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value.
Land & Land Improvements	Market approach: land values obtained from the NSW Valuer General.	Land value, land area, level of restriction (for example zoning restrictions).
Buildings	Cost approach	Current replacement cost of modern equivalent asset, asset condition, useful life and residual value.
Other Structures	Cost approach	Current replacement cost of modern equivalent asset, asset condition and useful life.
Infrastructure	Cost approach	Current replacement cost of modern equivalent asset, asset condition and useful life.
Other Assets	Cost approach	Current replacement cost of modern equivalent asset, asset condition and useful life.

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:

	Plant and office equipment		Furniture and fittings		Land and land improvements		Buildings	
\$ '000	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	10,231	10,021	504	539	92,631	90,109	166,898	119,365
Transfers from/(to) another asset class	529	8	—	—	—	—	10,816	385
Purchases	4,466	2,144	53	—	207	460	5,515	2,816
Disposals	(456)	(248)	—	—	—	—	—	(3,854)
Depreciation and impairment	(1,897)	(1,694)	(30)	(35)	(95)	(95)	(3,649)	(4,474)
Revaluation increments/decrements	—	—	—	—	40	2,157	—	52,660
Transfers from/(to) Note C1-9	—	—	—	—	—	—	—	—
Closing balance	12,873	10,231	527	504	92,783	92,631	179,580	166,898

	Other structures		Infrastructure		Other assets		Total	
\$ '000	2024	2023	2024	2023	2024	2023	2024	2023
Opening balance	7,935	8,489	829,095	784,388	73,969	48,372	1,181,263	1,061,283
Transfers from/(to) another asset class	2	67	9,064	7,724	(129)	7,228	20,282	15,412
Purchases	550	89	16,590	19,534	25,922	18,817	53,303	43,860
Disposals	—	(136)	(450)	(1,879)	(2,870)	(74)	(3,776)	(6,191)
Depreciation and impairment	(582)	(574)	(9,936)	(8,178)	(3,772)	(3,150)	(19,961)	(18,200)
Revaluation increments/decrements	—	—	58,603	27,506	4,750	3,021	63,393	85,344
Transfers from/(to) Note C1-9	—	—	—	—	—	(245)	—	(245)
Closing balance	7,905	7,935	902,966	829,095	97,870	73,969	1,294,504	1,181,263

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 AASB 119 *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 formula 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 8.5% of salaries for the year ending 30 June 2024 (increasing to 9.0% 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 2023. 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

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 Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2024 was \$272,836.96. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2023.

Council's expected contribution to the plan for the next annual reporting period is \$198,626.65.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2024 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,237.5	
Past Service Liabilities	2,141.9	104.5%
Vested Benefits	2,159.8	103.6%

* excluding member 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	3.5% for FY 23/24 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 2024.

(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.

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.

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	2024	2023
Compensation:		
Short-term benefits	3,882	3,660
Post-employment benefits	372	363
Termination benefits	–	221
Total	4,254	4,244

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	Ref	Transactions during the year	Outstanding balances including commitments
\$ '000			
2024			
Director remuneration	1	107	–
Director remuneration	2	46	–
Payment of contributions, annual membership and advertising	3	453	–
Legal services	4	136	14
Tourism services and annual subscription	5	99	–
Development fees & contributions	6	91	–
Development fees & contributions	7	297	30
Operating subsidy	8	199	–
2023			
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	–

F1-1 Key management personnel (KMP) (continued)

Nature of the transaction			Outstanding balances including commitments
\$ '000	Ref	Transactions during the year	
Development fees & contributions	6	133	—
Development fees & contributions	7	862	—
Operating subsidy	8	212	—

- 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.
- 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, development contributions and rates 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 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	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	90	85
Councillors' fees	260	255
Other Councillors' expenses (including Mayor)	64	46
Total	414	386

F2 Other relationships

F2-1 Audit fees

\$ '000	2024	2023
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During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:**(i) Audit and other assurance services**

Audit and review of financial statements	106	101
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Remuneration for audit and other assurance services	106	101
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Total Auditor-General remuneration	106	101
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Non NSW Auditor-General audit firms**(i) Audit and other assurance services**

Internal audit services - PKF	67	72
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Internal audit services - Newcastle Airport Partnership	16	76
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Audit and review of financial statements - Newcastle Airport Partnership	71	47
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Remuneration for audit and other assurance services	154	195
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Total remuneration of non NSW Auditor-General audit firms	154	195
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Total audit fees	260	296
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G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of Operating Result

\$ '000	2024	2023
Net operating result from Income Statement	46,928	41,112
Add / (less) non-cash items:		
Depreciation and amortisation	21,107	19,329
(Gain) / loss on disposal of assets	3,879	1,715
Non-cash capital grants and contributions	(3,009)	(7,134)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investment property	(2,660)	(1,220)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(423)	33
Increase / (decrease) in provision for impairment of receivables	123	–
(Increase) / decrease of inventories	(109)	(168)
(Increase) / decrease of other assets	161	(126)
(Increase) / decrease of contract asset	(4,382)	(2,461)
Increase / (decrease) in payables	(664)	1,261
Increase / (decrease) in other accrued expenses payable	(1,987)	3
Increase / (decrease) in other liabilities	1,221	1,353
Increase / (decrease) in contract liabilities	(3,348)	(24)
Increase / (decrease) in employee benefit provision	598	856
Net cash flows from operating activities	57,435	54,529

(b) Non-cash investing and financing activities

Non cash developer contributions	25	–
Dedicated subdivisions	2,766	7,134
RFS assets	218	–
Total non-cash investing and financing activities	3,009	7,134

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2024	2023
---------	------	------

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Road and Civil Infrastructure	2,019	3,333
Buildings	1,173	2,261
Plant and equipment	1,410	3,322
Newcastle Airport Partnership	31,972	9,158
Open Space Infrastructure	96	472
Other	99	87
Total commitments	36,769	18,633

These expenditures are payable as follows:

Within the next year	36,769	18,601
Later than one year and not later than 5 years	–	32
Total payable	36,769	18,633

Details of capital commitments

The majority of Councils capital commitments relate to Newcastle Airport Partnership 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 Correction of errors

In prior years, IPPE owned by Newcastle Airport Partnership has been measured at cost less any accumulated depreciation and any accumulated impairment losses. During the year ended 30 June 2024, Council undertook a valuation of Newcastle Airport Partnership's IPPE. The valuation identified a significant increase in the value of IPPE. A correction of prior period errors has been performed to increase the value of IPPE, with a corresponding increase to Revaluation Reserves.

The errors identified above have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2022) and taking the adjustment through to equity at that date.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

Changes to the opening Statement of Financial Position at 1 July 2022

Statement of Financial Position

\$ '000	Original Balance 1 July, 2022	Impact Increase/ (decrease)	Restated Balance 1 July, 2022
Infrastructure, property, plant and equipment	1,167,153	57,398	1,224,551
Total assets	1,312,042	57,398	1,369,440
Net assets	1,222,926	57,398	1,280,324
IPPE revaluation reserves	507,764	57,398	565,162
Total equity	1,222,926	57,398	1,280,324

Adjustments to the comparative figures for the year ended 30 June 2023

Statement of Financial Position

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Infrastructure, property, plant and equipment	1,291,034	80,653	1,371,687
Total assets	1,453,544	80,653	1,534,197
Net assets	1,348,862	80,653	1,429,515
Accumulated Surplus	759,672	235	759,907
IPPE revaluation reserve	588,194	80,418	668,612
Total equity	1,348,862	80,653	1,429,515

Income Statement

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Depreciation, amortisation and impairment of non-financial assets	19,564	(235)	19,329
Total expenses from continuing operations	147,553	(235)	147,318
Net operating result for the year	40,877	235	41,112

G4-1 Correction of errors (continued)

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2023	Impact Increase/ (decrease)	Restated Balance 30 June, 2023
Net operating result for the year	40,877	235	41,112
Gain (loss) on revaluation of infrastructure, property, plant and equipment	84,063	23,020	107,083
Other comprehensive income	85,059	23,020	108,079
Total comprehensive income for the year	125,936	23,255	149,191

G5 Statement of developer contributions
G5-1 Summary of developer contributions ¹

\$ '000	Opening balance at 1 July 2023	Contributions received during the year		Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024	Cumulative balance of borrowings (to)/from
		Cash	Non-cash Land						
Civic Administration	171	132	-	1	7	(335)	-	(25)	-
Civic Administration - Works									
Depot	85	144	-	1	4	(220)	-	13	-
Town Centre Upgrades	774	326	-	-	32	(531)	-	601	-
Public Open Space, Parks and Reserves	1,810	362	-	4	77	(286)	(166)	1,797	(43)
Sports and Leisure Facilities	8,133	843	-	12	342	(888)	166	8,596	43
Community and Cultural Facilities	2,146	199	-	4	91	(188)	-	2,248	-
Road Works	2,163	506	-	3	91	(711)	-	2,049	-
Medowie, Traffic and Transport	1,493	190	-	-	63	-	10	1,756	5
Shared Paths	358	313	-	-	16	(324)	(10)	353	(5)
Bus Facilities	25	10	-	-	2	-	-	37	-
Fire and Emergency	152	11	-	-	6	-	-	169	-
Flood and Drainage Works	602	138	-	-	25	(22)	-	743	-
Haulage	2,664	1,045	-	-	112	(2,084)	-	1,737	-
Kings Hill Urban Release Area	68	47	-	-	3	-	-	118	-
S7.11 contributions – under a plan	20,644	4,266	-	25	871	(5,589)	-	20,192	-
S7.12 levies – under a plan	1,445	1,391	-	-	61	(1,669)	-	1,228	-
Total S7.11 and S7.12 revenue under plans	22,089	5,657	-	25	932	(7,258)	-	21,420	-
S7.4 planning agreements	-	1,250	-	-	-	(60)	-	1,190	-
Total contributions	22,089	6,907	-	25	932	(7,318)	-	22,610	-

(1) Interest is earned according to the opening balance for the year

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.

G5-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2023	Contributions received during the year		Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
CATCHMENT DISTRICT – RAYMOND TERRACE - RURAL									
Town Centre Upgrades	170	143	-	-	7	(175)	-	145	-
Public Open Space, Parks and Reserves	534	46	-	-	23	(8)	-	595	-
Sports and Leisure Facilities	1,598	113	-	-	67	(95)	-	1,683	-
Community and Cultural Facilities	151	21	-	-	6	(62)	-	116	-
Road Works	338	236	-	-	14	-	-	588	-
Shared Paths	44	166	-	-	2	-	-	212	-
Bus Facilities	-	1	-	-	1	-	-	2	-
Fire and Emergency	51	3	-	-	2	-	-	56	-
Flood and Drainage Works	41	30	-	-	2	-	-	73	-
Kings Hill Urban Release Area	27	32	-	-	1	-	-	60	-
Total	2,954	791	-	-	125	(340)	-	3,530	-
CATCHMENT DISTRICT – CENTRAL GROWTH CORRIDOR									
Town Centre Upgrades	286	74	-	-	12	(175)	-	197	-
Public Open Space, Parks and Reserves	432	178	-	-	18	(229)	(166)	233	(43)
Sports and Leisure Facilities	4,250	407	-	-	179	(729)	166	4,273	43
Community and Cultural Facilities	1,079	135	-	-	46	(62)	-	1,198	-
Road Works	1,055	152	-	-	44	(515)	-	736	-
Meadow, Traffic and Transport	1,493	190	-	-	63	-	10	1,756	5
Shared Paths	-	10	-	-	-	-	(10)	-	(5)
Bus Facilities	3	1	-	-	-	-	-	4	-
Flood and Drainage Works	336	50	-	-	14	(5)	-	395	-
Kings Hill Urban Release Area	20	6	-	-	1	-	-	27	-
Total	8,954	1,203	-	23	377	(1,715)	-	8,819	-
CATCHMENT DISTRICT – TOMAREE									
Town Centre Upgrades	310	106	-	-	13	(175)	-	254	-
Public Open Space, Parks and Reserves	785	67	-	-	33	(41)	-	844	-
Sports and Leisure Facilities	2,135	70	-	-	90	(16)	-	2,279	-
Community and Cultural Facilities	915	42	-	-	39	(64)	-	932	-
Road Works	752	114	-	-	32	(196)	-	702	-

G5-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2023	Contributions received during the year		Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
Shared Paths	228	102	-	-	10	(236)	-	104	-
Bus Facilities	1	-	-	-	-	-	-	1	-
Fire and Emergency	101	8	-	-	4	-	-	113	-
Flood and Drainage Works	225	58	-	-	9	(17)	-	275	-
Kings Hill Urban Release Area	19	9	-	-	1	-	-	29	-
Total	5,471	576	-	-	231	(745)	-	5,533	-
CATCHMENT DISTRICT – FERN BAY									
Town Centre Upgrades	8	3	-	-	-	(6)	-	5	-
Public Open Space, Parks and Reserves	59	71	-	-	3	(8)	-	125	-
Sports and Leisure Facilities	150	253	-	-	6	(48)	-	361	-
Community and Cultural Facilities	1	1	-	-	-	-	-	2	-
Shared Paths	86	35	-	-	4	(88)	-	37	-
Road Works	18	4	-	-	1	-	-	23	-
Bus Facilities	21	8	-	-	1	-	-	30	-
Kings Hill Urban Release Area	2	-	-	-	-	-	-	2	-
Total	345	375	-	-	15	(150)	-	585	-
CATCHMENT DISTRICT – SHIRE WIDE									
Haulage	2,664	1,045	-	-	112	(2,084)	-	1,737	-
Civic Administration	171	132	-	1	7	(335)	-	(25)	-
Civic Administration - Works Depot	85	144	-	1	4	(220)	-	13	-
Total	2,920	1,321	-	2	123	(2,639)	-	1,725	-
S7.12 Levies – under a plan									
S7.12 LEVIES – UNDER A PLAN									
Section 7.12	1,445	1,391	-	-	61	(1,669)	-	1,228	-
Total	1,445	1,391	-	-	61	(1,669)	-	1,228	-
G5-3 S7.4 planning agreements									
Brandy Hill Shared Pathway	-	1,250	-	-	-	(60)	-	1,190	-
Total	-	1,250	-	-	-	(60)	-	1,190	-

G6 Statement of performance measures

G6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	Indicator 2023	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1, 2}	7,504	4.60%	5.99%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	163,050			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	145,058	71.17%	71.69%	> 60.00%
Total continuing operating revenue ¹	203,830			
3. Unrestricted current ratio				
Current assets less all external restrictions	62,534	2.18x	2.20x	> 1.50x
Current liabilities less specific purpose liabilities	28,694			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	31,553	5.17x	4.97x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	6,103			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	1,582	2.01%	1.72%	< 10.00%
Rates and annual charges collectable	78,544			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	86,140	6.98 months	8.77 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	12,336			

(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

End of the audited financial statements



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 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 2024, 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 2024 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) and Holiday Parks and Investment Property Report.

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:

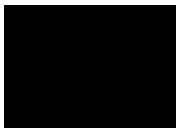
- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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. 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.



Nicky Rajani
Delegate of the Auditor-General for New South Wales

25 October 2024
SYDNEY



Cr Leah Anderson
Mayor
Port Stephens Council
PO Box 42
RAYMOND TERRACE NSW 2324

Contact: Nicky Rajani
Phone no: 0403 743 080
Our ref: R008-2124742775-7089 / 1779

25 October 2024

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2024
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 2024 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 2024 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

	2024 \$m	2023* \$m	Variance %
Rates and annual charges revenue	75.1	69.1	8.6
Grants and contributions revenue	58.8	53.0	10.9
Operating result from continuing operations	46.9	41.1	14.1

	2024	2023*	Variance
	\$m	\$m	%
Net operating result before capital grants and contributions	6.1	8.8	29.9

* The 2023 comparatives have been restated to correct a prior period error. Note G4-1 of the financial statements provides details of the prior period error.

Rates and annual charges revenue (\$75.1 million) increased by \$6.0 million (8.6 per cent) in 2023–24, mainly due to rate peg increase of 9.5 per cent.

Grants and contributions revenue (\$58.8 million) increased by \$5.8 million (10.9 per cent) in 2023–24 largely due to an increase of \$15.6 million of capital grants recognised for the Newcastle Airport Partnership. This increase was partially offset by the following decreases:

- \$3.5 million of developer contributions recognised during the year
- \$4.4 million of non-cash dedications of assets related to subdivisions
- \$2.5 million of the financial assistance grants primarily due to receiving 85 per cent for 2024-25 in advance (100 per cent in 2022-23).

Council's operating result from continuing operations (\$46.9 million including depreciation, amortisation and impairment expense of \$21.1 million) was \$5.8 million higher than the 2022–23 result primarily due to the increase in revenue from rates and annual charges (\$6.0 million), user charges and fees (\$3.7 million) and grants and contributions (\$5.8 million). The increase in revenue was partially offset by the increases in expenses including materials and services (\$4.2 million), employee benefits (\$3.5 million) and net loss from disposal of assets (\$2.2 million).

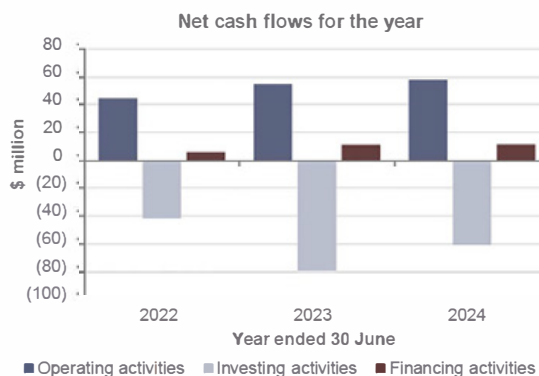
The net operating result before capital grants and contributions (\$6.1 million) was \$2.7 million lower than the 2022–23 result due to the higher proportion of revenue derived for capital purposes.

STATEMENT OF CASH FLOWS

Net cash inflows from operating activities increased by \$2.9 million, as revenue growth was higher than growth in payments.

Net cash outflows from investing activities decreased by \$18.6 million primarily due to the increase in the net proceeds from sale of investments.

Net cash inflows from financing activities marginally increased from the previous year primarily due to a reduction in repayments for borrowings.



FINANCIAL POSITION

Cash and investments

Cash and investments	2024	2023	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	87.0	100.6	External restrictions include unspent specific purpose grants, developer contributions, domestic waste levies and crown reserve proceeds.
Restricted and allocated cash, cash equivalents and investments:			Internal allocations are determined by council policies or decisions, which are subject to change.
• External restrictions	44.2	46.0	
• Internal allocations	42.8	54.6	

Debt

At 30 June 2024, Council had \$63.8 million in secured loans (\$51.5 million in 2022-23), of which \$49.0 million (\$34.5 million in 2022-23) is attributable to the Council's joint operation, Newcastle Airport Partnership.

PERFORMANCE

Performance measures

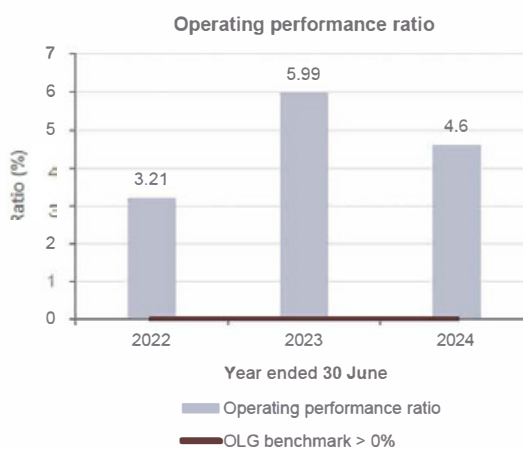
The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Housing and Infrastructure.

Operating performance ratio

The Council exceeded the benchmark for the current reporting period.

The 2023 ratio was restated to correct a prior period error.

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

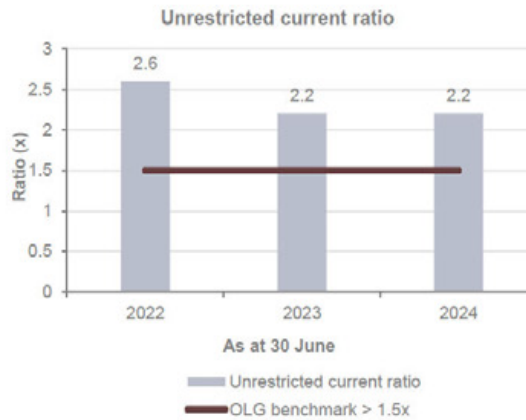
The Council exceeded the benchmark for the current reporting period.

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.

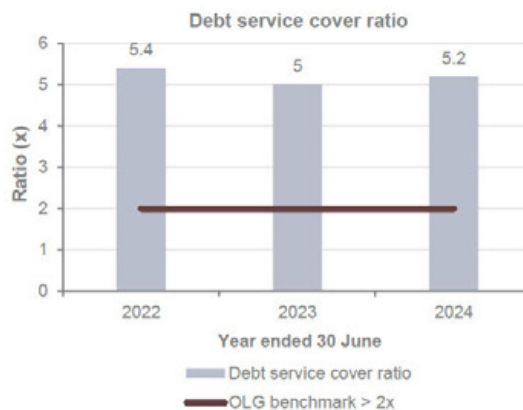
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

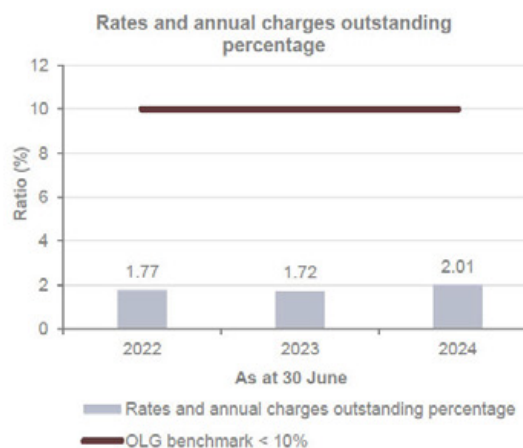
The Council exceeded the benchmark for the current reporting period.

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.

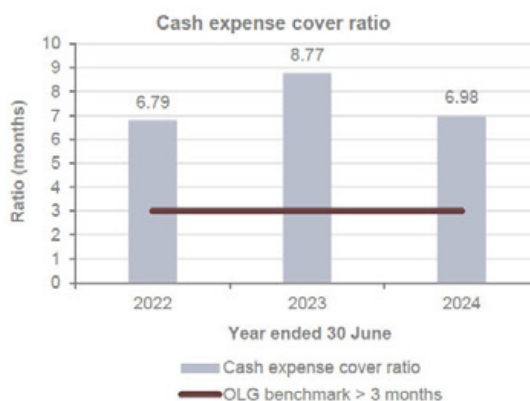
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



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 \$29.6 million of infrastructure, property, plant and equipment during the 2023-24 financial year (\$26.3 million in 2022-23). This was mainly spent on capital work in progress, roads, other open space and buildings. A further \$42.5 million was spent on new assets (\$37.8 million in 2022-23) across variety of asset classes including \$25.7 million on the Council's joint operation, Newcastle Airport Partnership.

OTHER MATTERS**Legislative compliance**

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation 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.



Nicky Rajani
Director - Financial Audit

Delegate of the Auditor-General for New South Wales



Port Stephens Council

SPECIAL SCHEDULES
for the year ended 30 June 2024

Port Stephens Council**Special Schedules**

for the year ended 30 June 2024

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Port Stephens Council

Permissible income for general rates

\$ '000	Notes	Calculation 2023/24	Calculation 2024/25
Notional general income calculation ¹			
Last year notional general income yield	a	47,913	52,917
Plus or minus adjustments ²	b	403	191
Notional general income	c = a + b	48,316	53,108
Permissible income calculation			
Percentage increase	d	9.50%	9.50%
Plus percentage increase amount ³	f = d x (c + e)	4,590	5,045
Sub-total	g = (c + e + f)	52,906	58,153
Plus (or minus) last year's carry forward total	h	60	49
Sub-total	j = (h + i)	60	49
Total permissible income	k = g + j	52,966	58,202
Less notional general income yield	l	52,917	58,071
Catch-up or (excess) result	m = k - l	49	131
Carry forward to next year ⁴	p = m + n + o	49	131

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 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).
- (4) 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 2025.

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 2023–24 (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 2024 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 comprise the general purpose financial statements, Special Schedule 'Report on infrastructure assets as at 30 June 2024' and Holiday Parks and Investment Property Report.

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:

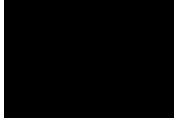
- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

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. 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.



Nicky Rajani
Delegate of the Auditor-General for New South Wales

25 October 2024
SYDNEY

Port Stephens Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost			2023/24 Required Council maintenance ^a	2023/24 Actual maintenance	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard \$ '000	to bring the service set by Council \$ '000	to bring assets agreed level of service set by Council \$ '000					1	2	3	4	5
Buildings	Other	888	2,389	2,827	2,997	2,997	179,580	248,972	21.1%	32.4%	39.5%	6.3%	0.7%
	Sub-total	888	2,389	2,827	2,997	2,997	179,580	248,972	21.1%	32.4%	39.5%	6.3%	0.7%
Other structures	Other structures	-	-	320	294	294	7,905	21,558	4.7%	52.9%	41.8%	0.5%	0.1%
	Sub-total	-	-	320	294	294	7,905	21,558	4.7%	52.9%	41.8%	0.5%	0.1%
Roads	Sealed roads	27,262	37,839	6,430	7,134	7,134	369,573	461,359	48.0%	21.3%	14.9%	10.4%	5.4%
	Unsealed roads	-	-	780	904	904	10,530	11,845	6.6%	44.3%	42.3%	6.8%	0.0%
	Bridges	-	-	1	1	1	20,298	22,484	51.9%	48.1%	0.0%	0.0%	0.0%
	Footpaths	1,273	4,731	248	332	332	78,232	93,030	26.2%	20.7%	46.9%	6.0%	0.2%
	Other road assets	1,275	1,699	2,974	3,097	3,097	91,498	107,571	27.0%	53.5%	16.5%	2.7%	0.3%
	Sub-total	29,810	44,269	10,433	11,468	11,468	570,131	696,289	41.3%	27.5%	19.4%	8.2%	3.6%
Stormwater drainage	Stormwater drainage	53	815	1,733	1,520	1,520	282,344	308,487	23.2%	66.3%	9.3%	1.1%	0.1%
	Sub-total	53	815	1,733	1,520	1,520	282,344	308,487	23.2%	66.3%	9.3%	1.1%	0.1%
Open space / recreational assets	Swimming pools	-	-	326	326	326	3,485	10,887	0.0%	0.0%	100.0%	0.0%	0.0%
	Open space	193	1,182	3,709	3,803	3,803	34,127	40,913	7.0%	42.5%	42.8%	7.6%	0.1%
	Sub-total	193	1,182	4,035	4,129	4,129	37,612	51,800	5.5%	33.6%	54.8%	6.0%	0.1%
Other infrastructure assets	Other	910	1,980	395	414	414	12,880	18,020	3.0%	53.0%	31.0%	13.0%	0.0%
	Sub-total	910	1,980	395	414	414	12,880	18,020	3.0%	53.0%	31.0%	13.0%	0.0%
Total – all assets		31,854	50,635	19,743	20,822	20,822	1,090,452	1,345,126	30.9%	38.3%	22.7%	6.1%	2.0%

(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

Port Stephens Council

Report on infrastructure assets as at 30 June 2024 (continued)

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 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2024	Indicator 2024	Indicator 2023	Benchmark
Buildings and infrastructure renewals ratio				
Asset renewals ¹	28,191	199.00%	198.80%	> 100.00%
Depreciation, amortisation and impairment	14,166			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	31,854	2.85%	2.28%	< 2.00%
Net carrying amount of infrastructure assets	1,118,577			
Asset maintenance ratio				
Actual asset maintenance	20,822	105.47%	105.58%	> 100.00%
Required asset maintenance	19,743			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	50,635	3.76%	3.66%	
Gross replacement cost	1,345,126			

(*) 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.

Port Stephens Council Holiday Parks and Investment Property Report Financial Year 2023/2024						
Holiday Parks		Operating Income	Operating Expenditure	EBITDA (2)	Net Yield % (1)	Notes
Fingal Bay	Crown	5,660,133	4,379,340	1,280,793	8%	
Halifax	Crown	3,662,357	2,852,280	810,076	7%	
Shoal Bay	Crown	1,345,078	921,551	423,527	7%	
	Council	2,498,002	1,711,453	786,550		
		3,843,080	2,633,004	1,210,076		
Thou Walla	Council	885,821	923,546	(37,725)	(0%)	
Koala Sanctuary	Council	2,234,691	2,787,810	(553,119)	(4%)	
Investment Property		Operating Income	Operating Expenditure	EBITDA	Net Yield % (1)	Notes
	Total	2,296,285	371,107	1,925,178	6%	
Newcastle Airport		Operating Income	Operating Expenditure	EBITDA	Net Yield % (3)	Notes
	Total	38,088,121	24,403,290	13,684,830	7%	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 capital expansion, no dividend was paid by the Newcastle Airport Partnership to Council.					



council@portstephens.nsw.gov.au | 02 4988 0255 | portstephens.nsw.gov.au [in](#) [f](#) [@](#) [v](#)



GUUDJI YIIGU

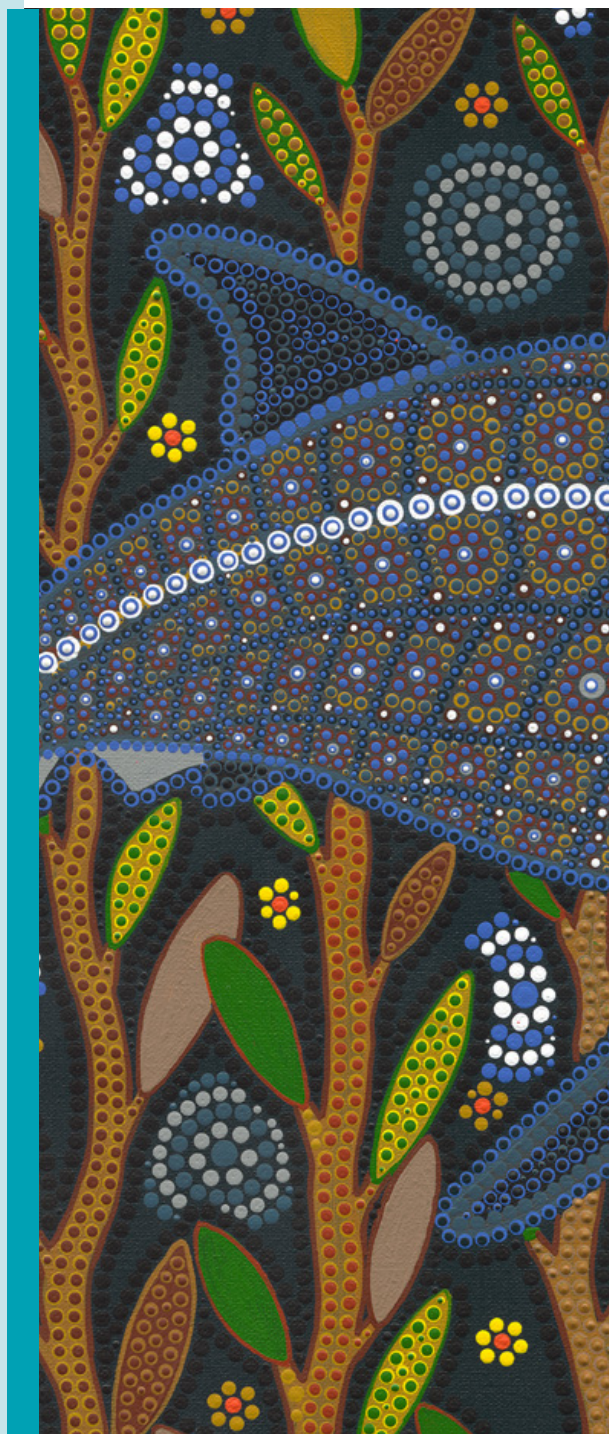
(GOO-JEE IK-KOO)

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.



Contents

General Manager's message	4
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Our Council	22

We use the Integrated Planning and Reporting (IP&R) Framework in the Local Government Act 1993 (the Act) to report on Council's achievements in implementing the Community Strategic Plan. This report has been prepared considering Section 428 (2) of the Act and the NSW Government's IP&R Guidelines 2021.

We have made our best effort to provide the latest data available from external sources and Council's operations at the time of writing this report. The report has been prepared for the period ending 30 June 2024, with more detailed information on Council's financial and operational performance available in Council's Annual Reports available on its website.

Despite our best efforts, Port Stephens Council makes no statements, representations or warranties about the accuracy, completeness or reliability of any information contained in the report. The Council disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages and costs you might incur as a result of the information being inaccurate or incomplete in any way, and for any reason.



General Manager's message

As we look back on the past three years, I'm filled with a strong sense of pride in the progress we've made together.

We began this term with the challenges posed by COVID-19 and like many others, the impacts of the pandemic took their toll on both our organisation and our community.

Income from our holiday parks, childcare centres and the Newcastle Airport was cut, while at the same time, construction, transport and insurance costs continued to rise. This was further impacted by a series of natural disasters, which affected our community, our infrastructure and our natural environment.

At this time, we were facing economic uncertainty. As an organisation, we needed to strike a balance between the needs of the community and our long-term financial sustainability.

In partnership with our Council, we developed a Financial Sustainability Strategy. We developed strategies to diversify our non-rate revenue and make sure we were ready to manage future challenges. We expanded our Smart Parking Program, made strategic commercial property investments, and conducted a thorough review of our surplus assets. We also maximized grant funding opportunities.

Internally we drove operational efficiencies prioritising our ongoing business improvement programs, helping us to better manage resources while improving what we do and how we do it. We also established a Resilience Fund to direct surplus non-rate revenue to significant infrastructure projects and increase services – all aligned to Councils strategic plans and priorities.

Following one of our largest ever community engagement programs, we were successful

in our application for a Special Rate Variation (SRV) of 9.5% per year for three years.

We remained committed to reconnecting our community and were successful in securing funding to deliver a variety of events and activations to bring people together. Events like Karuah By Night, Illuminate Raymond Terrace and Night at the Beach provided an opportunity for our community to come together and celebrate our incredible place.

Looking ahead, we focused on setting strong foundations for a sustainable and vibrant future. We finalized a number of important strategies including the Port Stephens Local Housing Strategy, the Coastal Management Program and our Emission Reduction Action Plan. We also developed several Place Plans and a Community Wellbeing Strategy, which works to ensure all people across Port Stephens no matter their age, background, or ability, lead happy, healthy and connected lives.

As always, roads remained a top priority for our community. We advocated for increased funding from the Federal and State governments

to improve our infrastructure. By securing external funding and redirecting resources, we were able to repair more potholes and rehabilitate key roads, taking big steps towards making the Port Stephens road network safer for all. The 2024-2025 budget has more funding than ever allocated to roads, with over \$37m, inclusive of Special Rate Variation funding, for road repairs and works.

The achievements over the last three years have set a strong foundation for Council and our community. I would like to thank our Mayor, Councillors and staff for their commitment and efforts through this term.

Together with our newly elected Council, we'll shift our focus to our future, and direct our efforts to building a vibrant and liveable place for generations to come.



Tim Crosdale

General Manager of Port Stephens Council



Karuah by Night

Our challenges



Throughout the term of Council, we've been working to address the challenges predicted in our 2022-2032 Community Strategic Plan Focus Areas - Our Community, Our Place, Our Environment, and Our Council.



Financial sustainability

Meeting day-to-day needs now and in the future for families, businesses and local government



Climate change and coastal impacts

We must work together to preserve our environment



Community voice

Capturing a representative voice of the community



Diversity, inclusivity and accessibility

Improved wellbeing is at the heart of our community life now and in the future



Housing affordability

Affordable and sustainable housing is required to meet the diverse needs of our growing community



Resilience

We need to be able to prepare, respond and recover from unforeseen events



Sustainable development

Mitigating the impacts on our natural environment of development and future visitor growth to Port Stephens

We've also experienced many unpredicted challenges throughout the 2021 to 2024 term of Council. These are expected to continue into the future.



Ongoing impacts of COVID



Supply and labour shortages



Austerity measures



Multiple extreme weather events



Inflation and rising costs of living



Workplace flexibility and a hybrid workforce

Our Community Strategic Plan



Our Community Strategic Plan has four Focus Areas to address social, economic, environmental and governance factors: Our Community, Our Place, Our Environment, Our Council. These Focus Areas and their 11 Key Directions help us achieve our shared community vision.

This report reflects on our key achievements during 2021-2024 for each of our Focus Areas and Key Directions. It shows the challenges experienced, future opportunities for improvement and how we are tracking towards success. Through this reflection, we'll use this report as a foundation for reviewing the Community Strategic Plan 2025-2035, with our new Council.



Our Community



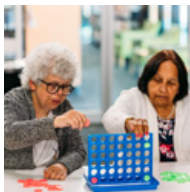
C1 – Community Wellbeing

Improved wellbeing for our diverse community supported by services and facilities.



Reflection

After multiple COVID-19 lockdowns, our focus became the wellbeing and liveability of our community. We worked with key partners to deliver programs and services that helped reconnect the community, fostering a sense of belonging and support. We adopted an integrated approach to our new Community Wellbeing Strategy to make sure Port Stephens is a place where individuals, regardless of their age, background or ability can lead healthy, happy and connected lives.



Challenges

- Connecting our community
- Appropriate support for those most vulnerable
- Responding to the values and priorities of our community



Opportunities for the future

- Improve wellbeing, inclusivity and accessibility across our community
- Provide facilities and learning options for children and families
- Ensure equitable and safe access to sports, recreational, cultural and leisure activities
- Support volunteers to deliver community programs and increase social connections

Key achievements



320,000

Childcare places*



360+

New citizens welcomed to Port Stephens



\$1.35M+

Community financial assistance and sponsorship

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

C2 – Recognised traditions and lifestyles

Our community supports the richness of its heritage and culture.



Reflection

We've worked in partnership with our Aboriginal Strategic Committee to deliver actions from Yabang Gumba Gu including our Aboriginal Protocols. We have provided more than \$60,000 in grants for projects that support our aboriginal community. Our community has enjoyed a rich program of events with arts and culture an important element in activating our town centres. We've also invested in our community's future by expanding our technology use in our libraries, introducing new collections and revitalising our Mobile library to support lifelong learning.



Challenges

- The diversity of our community is acknowledged, respected and celebrated
- Understand and respect cultural heritage
- Accessible spaces that enable connection and learning



Opportunities for the future

- Recognise and support the values and priorities of local Aboriginal and Torres Strait Islander People
- Support and promote local cultural activities
- Provide vibrant and inclusive community spaces to support lifelong learning

Key achievements



806,953

Library items
loaned



12

Grants awarded for
Aboriginal projects*



1845

Library programs
delivered

*Part of community financial assistance and sponsorship.



Our Place



Image credit: Destination NSW

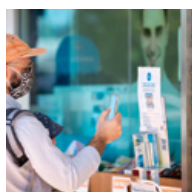
P1 – Strong economy, vibrant local businesses, active investment

Our community has an adaptable, sustainable and diverse economy.



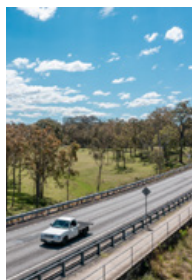
Reflection

We are committed to building a strong and resilient economy. We have actively supported the expansion of the Newcastle Airport and the growing defense, aviation and aerospace industries around Williamstown. We've supported local businesses with new procurement processes, grown awareness in the value of local spending and encouraged connections through training and networking events. We've also initiated a Commercial and Employment Lands Study to identify opportunities for economic growth and job creation.



Challenges

- Business sustainability in a challenging economy
- Seasonal fluctuations in the Visitor Economy
- External funding to support business, tourism and place



Opportunities for the future

- Invest in programs that support local business development, visitation and events
- Provide Strategic Funding Support for destination marketing
- Fund the delivery and maintenance of place based infrastructure
- Investment in Newcastle Airport to achieve international routes and significant industrial development

Key achievements



26%

increase in
number of
businesses*

2.5

MILLION
visitors nights**



\$783

MILLION
in visitor spend**



178

It's On!
events

* Trading in Port Stephens from June 2021 to April 2024. ** (TRA - year end March 2024)

P2 – Infrastructure and facilities

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



Reflection

Safe roads and community infrastructure have been a top priority for our community. We've invested significantly in upgrading our local road network and secured \$10 million in State government funding for local repairs. We've delivered new sporting and recreation facilities across the region offering a diverse range of activities for everyone. Our town centres have been revitalized creating vibrant hubs, and we've introduced Smart Parking in busy beachside locations, improving parking accessibility, and funding sources for local projects by keeping the revenue in the areas it is collected.



Challenges

- Funding to undertake maintenance, repairs and upgrades of our Community's infrastructure and assets to acceptable condition
- Connecting communities through infrastructure and services
- Resourcing to support infrastructure delivery



Opportunities for the future

- Invest SRV funds into enhanced services (roads, drainage, natural environment, waterways and public space) and seek additional State/ Federal funding into infrastructure.
- Plan and advocate for improved connections between our communities (transport, roads and footpaths)
- Improve infrastructure delivery to strengthen workforce sustainability

Key achievements



100+ km

of roads resealed,
rehabilitated, reconstructed



550 HECTARES

of open space
maintained annually



12

new playgrounds and
upgraded public amenities

P3 – Thriving and safe place to live

Our community supports a healthy, happy and safe place.



Reflection

As the impacts of housing supply, diversity and affordability continue to affect our community; we've worked across Port Stephens to deliver the Port Stephens Housing Strategy, the Port Stephens Housing Supply Plan, Place Plans and coordinated the Port Stephens Homelessness Stakeholder Action Group. We've also completed projects to minimise the impact of disasters across our community including Foreshore Drive, Teramby Road landslip and Marine Drive.



Challenges

- Housing supply diversity and affordability
- Investment in place based infrastructure to unlock housing
- Community resilience to natural disasters and rising cost of living



Opportunities for the future

- Provide land use plans, tools and advice to support sustainable investment
- Work with the State and Federal government to assist with the housing crisis
- Enhance public safety, health and liveability through regulatory controls and services
- Create, advocate and support connected and vibrant places that attract residents, workers and business
- Prioritise emergency services, disaster preparedness and the protection of community assets from natural disasters

Key achievements



2,400

development
applications approved



WEATHERED

4 declared
natural disasters



\$6 MILLION

in disaster funding
secured



E1 – Ecosystem function

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



Reflection

To ensure our natural environment is protected for future generations, we've been safeguarding our koala populations through the Port Stephens Koala Strike Project, implementing our Comprehensive Koala Plan of Management and supporting the Port Stephens Koala Sanctuary. We've focused on keeping our environment healthy by controlling weeds and supporting traditional 'cool burn' practices. We've also fostered community involvement through education programs and volunteer initiatives dedicated to protecting wetlands and endangered species.



Challenges

- Maintaining continued and ongoing volunteer support
- Complexity of environmental legislation
- Balancing the demand for housing with the protection of our environment



Opportunities for the future

- Communicate the value of the natural environment
- Improve data and mapping accuracy to provide a better understanding of our environment
- Build better frameworks that enable a more proactive approach to environmental sustainability

Key achievements



**OVER
\$4 million**
in environmental grants/
funding received



**449.5
HECTARES**
regenerated



7,330
volunteer hours
dedicated to natural
area maintenance



21,000+
trees planted,
thanks to the help of
volunteers

E2 – Environmental Sustainability

Our community uses resources sustainably, efficiently and equitably.



Reflection

To protect and enhance the incredible natural beauty of our area we've focused on reducing landfill and greenhouse emissions and adapting to our changing climate. We've developed a Waste Management Strategy and implemented key actions to reducing landfill waste such as a new garden organics service, expanded polystyrene recycling, and a permanent drop-off for hazardous waste. We've also completed our Emissions Reduction Action Plan to guide our organisation to reduce our carbon footprint.



Challenges

- Changing regulatory environment for waste management
- A consistent approach to environmental sustainability regarding carbon emissions across all layers of government
- Enabling technology to support emissions reductions



Opportunities for the future

- Deliver actions that support renewable energy and alternative fuel use
- Invest in programs that improve resource recycling and reduction of waste
- A regional approach to waste management and renewal of waste collection and processing contract

Key achievements



33,000 recycling bins collected fortnightly
36,000 red lid bins collected fortnightly



40% reduction in carbon emissions from Council Operations*



32,000 garden organic bins collected fortnightly

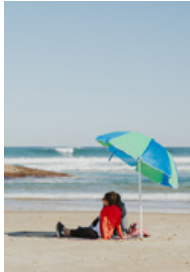


7,000 tonnes of garden organics reused, diverting from landfill through the introduction of Garden organics bin

* From 2020-2021 to 2021-2022 financial years

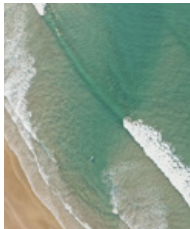
E3 – Environmental Resilience

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



Reflection

Our environment is constantly changing and we've developed a Coastal Management Program to identify how we can protect our greatest coastal asset from coastal inundation, tidal inundation, coastal erosion and dune transgression over the next 10 years. We've also been working with partners across the Hunter region to develop the Hunter Estuary Coastal Management Program for our inland and river locations.



Challenges

- Protecting our coastline and waterways from natural disasters and longer term coastal processes
- A shared approach to asset protection
- Government funding to support environmental resilience



Opportunities for the future

- Seek funding from the State Government for the delivery of the Coastal Management Program to improve environmental resilience and asset protection
- Drive collaboration between coastal Councils to ensure better environmental outcomes
- Advocate for permanent protection high risk infrastructure in active coastal erosion areas such as Shoal Bay beach

Key achievements



\$4 million

in storm repair works
on our coastlines



Endorsed

Coastal Management Plan in
June 2024



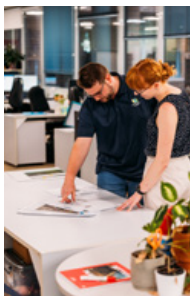
Port Stephens Drive Koala
Vehicle Strike Project
received a **Highly
Commended Award** at the
2024 NSW Local Government
Excellence Awards

Our Council



L1 – Governance

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



Reflection

The State and Federal Governments recognize Port Stephens as a regional economic driver. We've been advocating to State and Federal Ministers to raise awareness around key issues impacting our community, making sure Port Stephens is at the forefront of their planning. We have also strengthened our employee value proposition and continuous improvement program, to ensure we have engaged staff delivering the best value for our community.



Challenges

- Workforce attraction and retention
- Community Advocacy
- Increasing complexity of legislation and changing technology to support service delivery
- Increasing community satisfaction with Council services



Opportunities for the future

- Develop and encourage the capabilities and aspirations of Council's workforce
- Provide strong leadership, advocacy role and government relations
- Provide a strong ethical governance structure and systems for Council
- Invest in digital technologies to improve Council performance and support to customers

Key achievements



72

new online forms developed



60

service reviews completed



24

Apprentices, trainees and cadets employed

L2 – Financial Management

Our Council is financially sustainable to meet community needs.



Reflection

We projected an \$80 million budget shortfall over the next 10 years due to COVID-19, natural disasters and rising operational costs despite providing the same level of service. We developed a Financial Sustainability Strategy focusing on increasing income and allocating resources wisely and successfully applied for a Special Rate Variation. With a strong focus on non-rate revenue we rolled out smart parking, focused on the performance of our investment portfolio and worked hard to attract grant funding. We've established a Resilience Fund which will be supported from the dividend we receive from our 50% share in the Newcastle Airport and will be used to invest in significant strategic projects across Port Stephens.



Challenges

- Financial sustainability
- Optimizing our investments
- Reliance on external funding sources



Opportunities for the future

- Enhance non rate revenue
- Optimise our investments
- Ensure Financial Resilience

Key achievements



5.06%*

Cash and investment portfolio return for the last 12 months



Underlying result better than budget for the last

3 YEARS



<5%**

outstanding rates and annual charges

* 69 basis points better than Ausbond Bank Bill index

** Benchmark is <10%

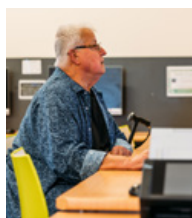
L3 – Communication and Engagement

Our Council is committed to enabling an engaged and informed community.



Reflection

We focused on transparent and timely communication, involving our community in meaningful community engagement. We've developed a Communications and Engagement Strategy to build trust and community participation in decision making of our place. We introduced the Communication and Engagement Advisory Group to provide input into how we engage with stakeholders for our major projects and created new opportunities for our community to connect with our Councillors with our Community Catch Ups. We've also improved the digital experience and online services to better reflect the diverse needs of our community.



Challenges

- Community expectations for meaningful participation in Council decision making
- Expanding our reach to a more diverse and representative audience
- Increasing demand for online services



Opportunities for the future

- Grow a customer first organisation through best practice processes and technology
- Provide genuine opportunities for the community and stakeholders to actively participate in council decision making

Key achievements



111

community
engagement
opportunities



514,488

users of the
website*



70,760

Customer Service
requests lodged



21,348

uses of text to
voice software on
our website

* For the period 1 July 2022 to 30 June 2024

