



# Delivery Program and Operational Plans

2018-2021: **Our place. Our plan.**

Revised to include Special Rate Variation

Adopted January 2019



PORT STEPHENS  
COUNCIL

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# Integrated Plans and resourcing strategies



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The Delivery Program and Operational Plans of Port Stephens Council have been prepared in accordance with Section 404 and 405 of the *Local Government Act 1993*.

## Acknowledgement

Port Stephens Council acknowledges the Worimi People as the traditional custodians of the land of Port Stephens. We also pay our respect to Aboriginal Elders past, present and future.

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## Mayor's Foreword

When I was elected Mayor of Port Stephens in September 2017, I had a strong sense that our community was focussed on building a better future. With that in mind I made a firm commitment to help drive positive change in Port Stephens.

Earlier this year, as a new Council, we presented our first suite of Integrated Planning and Reporting (IP&R) documents. These documents outlined when and how we would tackle opportunities and challenges throughout our three year term.

Now, a little over a year into our term as Council, we are looking to fast-track some of the projects our community have been asking for. We are determined to deliver more than ever before, changing the face of Port Stephens for the better.

To help achieve this we are proposing to make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a rate increase – known as a special rate variation. This is a tough decision and not one which we have taken lightly. But, following extensive community consultation throughout July and August we heard the message loud and clear – our community wants more.

More jobs, safer roads, better drainage, revitalised town centres, stronger local economies and more community facilities for all to enjoy.

We know that for some in our community this rate increase will come with some financial stress and that's why we're developing affordability strategies, to ensure everyone enjoys the benefits of this unprecedented investment in our area.

We're now asking our community to provide feedback on these IP&R documents. You can have your say by attending one of the community meetings or providing a submission – visit [portstephens.nsw.gov.au](http://portstephens.nsw.gov.au) for details.

This is an exciting time for us in Port Stephens. Together, we are can build a better future for the next generation. To ensure Port Stephens continues to be somewhere our children want to live, work, play and grow.

Ryan Palmer  
MAYOR





# Context

## What are the Integrated Plans?

The NSW Government's Integrated Planning and Reporting (IP&R) Framework is required for all local governments. The diagram on page six illustrates this Framework. The Integrated Plans are the Community Strategic Plan, the Delivery Program and the Operational Plans. The Delivery Program and Operational Plan are Council's response to the Community Strategic Plan, which is a summary of the community's aspirations and priorities over the next 10 years.

Each newly elected Council in New South Wales must develop a four year Delivery Program to outline how it will contribute to achieving the goals of the Community Strategic Plan. The Delivery Program is reviewed on a four year cycle, in line with the local government election timetable. However, due to the NSW Government merger process, the Port Stephens Council election was deferred for one year and the Delivery Program for this term articulates Council's plans and what it will undertake up to 2021.

The Community Strategic Plan, Delivery Program and Operational Plans (Integrated Plans) are founded on a basis of social, economic, environmental and governance factors through four Focus Areas: 'Our Community, Our Place, Our Environment and Our Council'. These Focus Areas provide a structure for all of the Plans and highlight the key priorities, enabling Council to meet the community's vision of 'A great lifestyle in a treasured environment'.

Council forms partnerships with many other government departments, agencies, and private enterprise to help deliver on all aspects of the community's aspirations and priorities.

The Operational Plan is the detailed action plan for the year ahead. It enables Council to achieve the objectives set out in both the Delivery Program and Community Strategic Plan and provides the community with more information on what they can expect to occur and which areas of Council are responsible.

The Operational Plan is implemented with a supporting annual budget to fund the necessary works. This budget is included in the Long Term Financial Plan.

At Port Stephens Council we develop our Operational Plans in advance, with year 2020-2021 included in this document, however noting that they are annually reviewed and subject to change.

## What are the resourcing strategies?

The resourcing strategies are Council's long-term strategies for how the Integrated Plans will be resourced. The resourcing strategies consist of three plans which provide more detail on the financial, workforce and asset matters that Council is responsible for:

- Long Term Financial Plan
- Workforce Plan
- Strategic Asset Management Plan

## How to read this document and plans

The Community Strategic Plan, Delivery Program and Operational Plans are organised under four Focus Areas agreed with our community:

- Our Community
- Our Place
- Our Environment
- Our Council



Under each Focus Area are:

- Community Strategic Plan Key Directions – which are the long term priorities to achieve the vision and outline where we want to be.
- Delivery Program Objectives – set out Council’s objectives for the 3 year period to assist in achieving the Community Strategic Plan Key Directions.
- Operational Plan Actions – set out the actions that Council will undertake to implement its Delivery Program, which area of Council is responsible for implementing each action and what we deliver.

In reading these documents, the following symbols are used to represent Council’s various roles in delivering the Community Strategic Plan Key Directions.

- ✓ Sole Responsibility
  - Deliver – As part of its core

business, Council provides these services and assets

- ↻ Shared Responsibility
  - Facilitate and support – Support and connect agencies to provide services in the community

This document should be read in conjunction with the Community Strategic Plan and the resourcing strategies. The Community Strategic Plan and resourcing strategies are set out in companion documents to this volume. Council’s Fees and Charges 2019-2020 also form part of the annual budget and are set out in a separate document.

This document has two parts, the Delivery Program without the Special Rate Variation (SRV) (pages 42 to 63) and if the SRV is successful, the additional projects are identified on pages 64 to 73.

## Proposed Special Rate Variation

Council is proposing to make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV) of 7.5% per annum (inclusive of rate peg) for seven years from 2019-2020 to 2025-2026 inclusive.

Council's decision to apply for a rate increase has not been taken lightly and follows considerable community consultation.

The cumulative percentage increase, including rate peg, of this proposal is 65.9% over the seven years. Council is proposing that the increase be retained permanently in its rates general income base. This means that the rate levels in 2025-2026 will increase by the rate peg in 2026-2027 and subsequent years and rates will not be reduced to pre-SRV levels.

The SRV is proposed to commence in the financial year starting on 1 July 2019.

The purpose of the SRV would be to fund a range of infrastructure, facilities and services to meet community expectations as outlined in Council's Community Strategic Plan 2018-2028 (CSP).

### Background

Shortly after the local government elections in September 2017, Council sought views on the possibility of a rate rise as part of community consultation on our Integrated Planning and Reporting (IP&R) Framework.

A discussion paper to review the Community Strategic Plan 2018-2028 was circulated in the community for comment and feedback and further input from Councillors on key priorities was also sought at a Councillor Workshop on 21 October 2017.

Specific feedback received from these activities included:

- Town centres need attention to make them more attractive to visitors and residents.
- Need for improved public amenities and more pathways for walkers and cyclists.
- Infrastructure should be first with proper planning.
- Much greater priority needs to be given to place making and strategic planning of our urban centres.
- Ecologically sustainable development should be formally recognised as a key commitment.

These items, as well as Councillor priorities (developed from their own discussions with the community), were included in the development of the draft CSP and other IP&R documents, which were placed on public exhibition in April 2018.

From this public consultation, a number of topics were recurring across the submissions relating to:

- Special Rate Variation
- Height increases
- Drainage
- Roads
- Anna Bay
- Cycleways and pathways
- Ecologically sustainable development
- Readability of the documents

In response to this feedback, the IP&R documents were revised and adopted by Council on 26 June 2018.

As part of the endorsed Delivery Program 2018-2021, Key Priorities were detailed (pages 6-11) and Council further considered a SRV as a way to raise funds to undertake these unfunded projects and others outlined in the Strategic Asset Management Plan (SAMP 8: 2018).

In July/August 2018, Council undertook extensive community consultation about a proposed SRV, possible rate options and projects and services to be funded.

Council considered the community feedback from this consultation at its meeting in October and resolved to move forward with an application for increased rates to assist with better town centres, improved infrastructure including safer roads and more effective drainage, enhanced library/ community services and support for tourism which attracts people, investment, jobs and events.

In October 2018, Council reviewed community feedback and formally resolved to apply to IPART for a SRV.

Council's current income streams cover a substantial delivery program with a modest surplus (approximately \$1m in 2017-2018).

Some of these revenue sources, such as developer contributions (formerly section 94, now known as section 7.11) and grants, cannot be planned in advance. For example, Council does not control when the funding collected through developer contributions

will become available as it depends on when new developments go ahead. The expenditure of these funds is also highly regulated through legislation (*Environmental Planning and Assessment Act 1979*).

Similarly, grant programs may have different priorities and so may not be available to fund the identified local community priorities. They also often require matching funding.

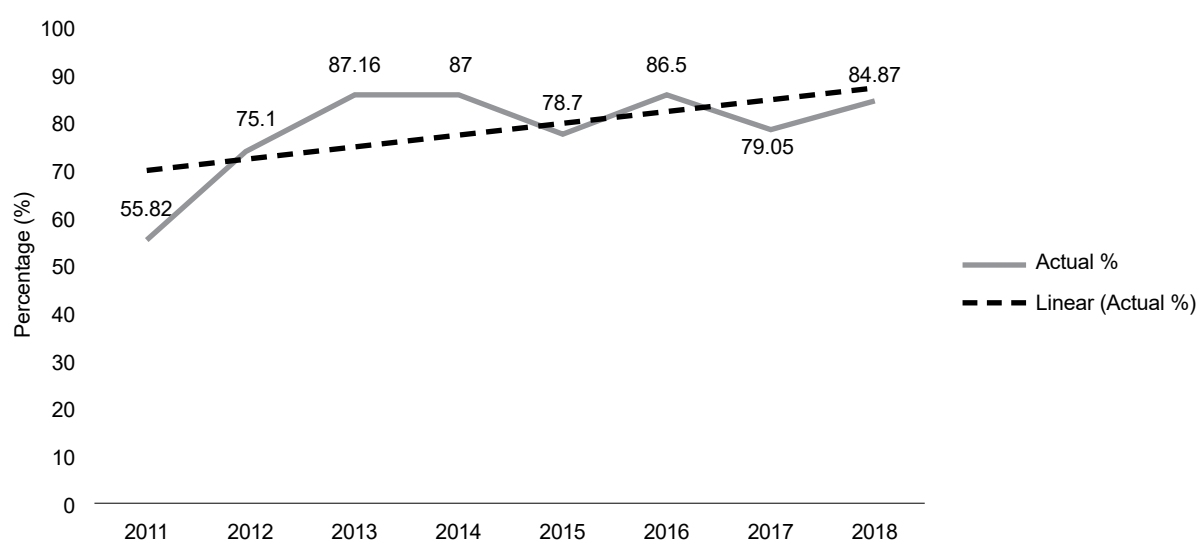
It is proposed that the revenues from Council's Williamtown sand extraction contract will be used to part fund the redevelopment of Council's depots. Some proposed SRV funds will also be used for this project.

## Benefits of a SRV

The community has consistently provided feedback that while it is generally happy with Council's delivery of infrastructure, maintenance and services, it aspires for more major community projects to enhance the local area.

Council's annual Customer Satisfaction Survey results confirms this satisfaction with overall scores above 75% since 2012.

## Overall Satisfaction with Council's Services



While Council is financially fit, it does not have the required additional resources to deliver additional community infrastructure and services, as consistently requested as part of IP&R community consultation.



## Asset maintenance

Service	2018-2019 annual budget	Increased service
Tree maintenance	<p>\$0.350m per annum</p> <p>This fluctuates each year due to weather conditions.</p>	<p><i>Proposed recurring cost per annum of \$0.100m in 2019-2020 increasing to \$0.650m pa from 2023-2024 onwards.</i></p> <p>The current backlog of works for street trees is \$0.200m and parks/reserves is currently \$0.050m.</p> <p>This funding would address the backlog of hazardous trees in parks, reserves and street reserves with removal and replacement of trees rated 3 and 4 and the development of a proactive tree inspection program in line with Council's insurer's best practice manuals and guidelines.</p> <p>This funding would also allow inspection of trees that, while not dangerous in themselves are causing and will cause damage to Council's infrastructure.</p> <p>Ratings:</p> <ol style="list-style-type: none"> <li>1. Needs to done immediately</li> <li>2. Needs to done within three months</li> <li>3. Needs to be done within 12 months</li> <li>4. Reviewed and carried out within two years</li> </ol>
Open drain Maintenance	<p>\$0.400m per annum</p> <p>This fluctuates each year due to weather conditions.</p>	<p><i>Proposed additional recurring cost per annum of \$0.100m in 2019-2020 increasing to \$0.500m pa from 2023-2024 onwards.</i></p> <p>Council's assets are rated in one of following five asset condition-rating categories:</p> <ol style="list-style-type: none"> <li>1. Near perfect</li> <li>2. Good</li> <li>3. Satisfactory</li> <li>4. Very poor</li> <li>5. Unserviceable</li> </ol> <p>With additional funds, undertake additional drainage maintenance – excavation, mowing and spraying (varying from year to year based on growing conditions).</p> <p>Council will increase service level from Level 4 to Level 2.</p>
Sports facilities maintenance	<p>\$0.400m per annum</p> <p>This fluctuates each year due to breakdowns and vandalism.</p>	<p><i>Proposed additional recurring cost per annum of \$0.100m in 2019-2020 increasing to \$0.500m pa from 2023-2024 onwards.</i></p> <p>Current allocation is not adequate to reduce the logged defect list impacting on services provided to community.</p> <p>Council's defect list currently includes 706 carpentry defects, 453 paint defects, 77 electrical defects and 80 plumbing defects. These are defects on Council's community and recreation buildings with the majority of them on sporting facilities. This does not include any upgrades or proactive maintenance.</p> <p>Funding will increase Council's capacity to undertake large scale maintenance tasks across sporting facilities to:</p> <ul style="list-style-type: none"> <li>• Improve functionality and visual amenity.</li> <li>• Repair or replace deteriorated assets (including carpentry, paint, electrical and plumbing defects).</li> </ul>

Service	2018-2019 annual budget	Increased service
Roads	Approximately \$4m per annum of Council funds augmented by external grants.	<p><i>Proposed additional recurring cost per annum of \$0.500m in 2019-2020 increasing to \$5m pa from 2025-2026 onwards.</i></p> <p>The road network condition is functioning well given Council's focus on asset management as documented in Council's Strategic Asset Management Plan. A large portion of our road network is currently in the satisfactory to good condition rating. Though it should be noted, like most Councils, there is still a road pavement backlog that requires work.</p> <p>While our focus is road user safety and keeping good roads good, the increasing costs for road maintenance above income and grants will, in the future, result in an increasing backlog and road network deterioration. This will move the road network overall "satisfactory to good condition rating" down to a level, which would be lower than the community expectation.</p>

## Increased events and library services

Service	2018-2019 annual budget	Increased service
Library	<p>Operational budget \$1.78m per annum</p> <p>Capital budget \$0.250m per annum</p>	<p><i>Proposed additional recurring cost per annum of \$0.100m in 2019-2020 increasing to \$0.500m pa from 2024-2025 onwards.</i></p> <p>Library services currently fall well below the NSW Living, Learning Libraries Standards and Guidelines for Public Libraries 2014 for Library Expenditure per capita per annum. Port Stephens libraries receive \$28.63 per capita per annum whereas the baseline Standard is \$49.70 per capita per annum.</p> <p>While increasing the library budget will not meet the baseline standard, it will improve operational performance and services to the community.</p>
Events	\$0.164m per annum	<p><i>Proposed additional recurring cost per annum of \$0.350m in 2019-2020 increasing to \$0.500m pa from 2023-2024 onwards.</i></p> <p>In 2017-2018, Council provided financial support for 23 events across Port Stephens totalling \$115,237; providing an economic benefit to the area of approximately \$8.26 million.</p> <p>Council proposes to establish an expanded event management team as well as sponsorship programs designed to support events which increase visitation and visitor spend and reduce seasonal fluctuations. This will increase economic output across the community and also drive key social and cultural outcomes.</p>

## Increased infrastructure maintenance

Service	2018-2019 annual budget	Increased service
Infrastructure maintenance	N/A	<p><i>Proposed recurring cost per annum increasing as the SRV projects are delivered to \$2.5m pa in 2028-2029.</i></p> <p>As new and upgraded infrastructure is completed, their ongoing maintenance gradually increase over 10 years.</p> <p>The life of new assets is estimated at 20 years.</p>

## Proposed SRV funds expenditure

If successful, the proposed rate increase will provide additional funds (with the use of loans) to deliver major projects and increased services requested by the community; in particular:

- town centre and neighbourhood revitalisation
- new and improved infrastructure
- enhanced services and maintenance.

It will fund projects that will stimulate the local economy, drive business growth, attract visitors and enhance our region for residents. It will fund more cycleways and footpaths, allow for a boosted road resealing and rehabilitation program, improved amenities, enhanced services in the libraries and provide stronger support for local events.

The rate increase would remain permanently in place to fund ongoing delivery of events and community services, continue capital road projects, service the remaining loan requirements and maintain existing and new infrastructure built as part of the SRV program.

Over the 10 year period from 2019-2020 to 2028-2029, Council proposes to use the SRV funds to:

### 1. Fund major, one-off infrastructure projects with additional loan borrowings

The estimated \$133.4m raised over ten years through the proposed SRV will be leveraged with loans of \$60 million over

20 years for new and enhanced major infrastructure projects as well as renewal of existing assets to be built over a 10 year period. These are:

Town centre and neighbourhood revitalisation	\$43m
Road resealing and rehabilitation	\$35.150m
Paths and cycleways	\$9.7m
New and improved community amenities	\$8m
Sports facilities upgrades	\$6.8m
Depot relocation and rehabilitation	\$5m
Foreshore improvements	\$3m
Shoal Bay drainage	\$2m
Street lighting upgrade	\$2m
Soldiers Point carpark	\$0.500m
	<b>\$115.150m</b>

More details are available in the LTFP.

## 2. Fund enhanced services with ongoing infrastructure maintenance SRV funds only

The followings services are recurring costs per annum which will increase as SRV funds become available over 10 years.

10 year spend	
Enhanced community services	\$19.5m
Increased infrastructure maintenance	\$11.2m

More details are available in the LTFP.

## Loans

The reason for loan funding in addition to the SRV income is to provide funds to start and complete the SRV capital works program in reasonable time frame, that 10 years, while maintaining cash flow for the enhanced services and loan repayments. The loans and their repayments are over 20 years, the estimated life of new infrastructure assets.

Historically, Council's policy regarding the use of loan funding has been that loan funding is only available where the proposed expenditure will result in a future revenue stream that will fund the loan repayments. As a result, the majority of

## 3. Fund repayments for loans borrowed to undertake the projects.

The estimated costs of loan repayments in the first ten years are as follows:

- \$18.17m on loan interest payments, and
- \$25.2m on loan principal repayments.

Council's existing debt portfolio relates to its commercially focused activities being the holiday parks, Newcastle Airport and the commercial property portfolio.

Council's current debt portfolio is detailed in the LTFP.

Council would raise all external borrowings at the most competitive rates available and from sources available as defined by legislation. Loan drawdowns will be timed to optimise cash flow and minimise interest expenses. A summary of expected loan drawdowns over the next four years based on the capital works delivery schedule attached to the SRV is as follows:

Purpose of loan	Loan amount per annum			
	2019-2020	2020-2021	2021-2022	2022-2023
<ul style="list-style-type: none"><li>• Town centre revitalisation</li><li>• Community amenities</li><li>• Carparking</li><li>• Sport facilities</li><li>• Paths and cycleways</li><li>• Drainage</li><li>• Roads</li></ul>	\$11m	\$11m	\$10m	\$8m



# Revision of the Integrated Planning and Reporting documents

The revised IP&R documents are the plans that outline how Council will deliver the SRV funded projects over the next 10 years.

More detail about the proposed SRV projects for the next two years is available in the Delivery Program and Operational Plans 2018-2021.

The IP&R documents have been revised in a way that:

- If the SRV application is successful, the plans clearly show how Council will deliver the identified SRV projects and programs; or
- If the SRV application is not successful, show how Council will continue to deliver its program with a rate rise of rate pegging only.

The IP&R documents, as legislated under the Local Government Act 1993, are:

- Community Strategic Plan 2018-2028;
- Delivery Program 2018-2021;
- Operational Plans 2018-2021 including a Statement of Revenue Policy;
- Strategic Asset Management Plan 2019-2029\* (SAMP 9);
- Long Term Financial Plan 2019-2029\*; and
- Workforce Plan 2018-2021.

All are reviewed annually with some being rolling 10 year plans (marked \*), while others are fixed to the term of council. In this case, Council's current term expires in September 2020.

# Proposed SRV projects

## Town centre and neighbourhood revitalisation – \$43m

Location	Cost	Details
Nelson Bay	\$15m one off cost	Implement Stage One of Nelson Bay Town Centre and Foreshore Strategy actions, including: <ul style="list-style-type: none"> <li>• implement proposed Public Domain Plan</li> <li>• implement Apex Park Masterplan</li> </ul> Provide new car parking facilities
Raymond Terrace	\$15m one off cost	Implement Stage One of Raymond Terrace and Heatherbrae Strategy by upgrading William Street between Sturgeon and King Street, including: <ul style="list-style-type: none"> <li>• drainage works</li> <li>• kerb and gutter upgrades</li> <li>• street tree planting and gardens</li> <li>• increased pedestrian access for greater accessibility and dining</li> </ul> Undertake King Street revitalisation including: <ul style="list-style-type: none"> <li>• construct footpaths along the riverbank</li> <li>• provide access connection from King Street to the levee</li> <li>• reintroduce heritage streetscape</li> </ul>
Medowie	\$5m one off cost	Aligned with the Medowie Planning Strategy, enhance the town centre as a focus for commercial and community activity.  Review purchase of land for centrally located open space and drainage works to reduce flooding, improve planning and release land for development.
Karuah	\$2m one off cost	Aligned with the Karuah Growth Strategy, undertake Mustons Road culvert widening and pedestrian walkway.  Provide main street vista with: <ul style="list-style-type: none"> <li>• town signage</li> <li>• formalised parking</li> <li>• gardens on road blisters and footpaths</li> </ul>
Anna Bay	\$2m one off cost	Review and refine Anna Bay Strategy and Town Plan and implement with construction of: <ul style="list-style-type: none"> <li>• footpaths for pedestrian access</li> <li>• town signage</li> <li>• formalised parking</li> <li>• gardens on road blisters and footpaths</li> </ul>

Location	Cost	Details
Lemon Tree Passage/ Tanilba Bay	\$2m one off cost	Implement McCann Park improvements.  Provide a sense of town arrival from Lemon Tree Passage Road and John Street.  Provide main street vista with: <ul style="list-style-type: none"> <li>• footpaths for pedestrian access</li> <li>• town signage</li> <li>• gardens on road blisters and footpaths</li> </ul>
Fern Bay	\$1m one off cost	<ul style="list-style-type: none"> <li>• Construct pathways for pedestrian access along Nelson Bay Road and the original Fern Bay suburb</li> <li>• Construct bus shelter</li> </ul>
Fingal Bay	\$0.500m one off cost	Provide main street vista with: <ul style="list-style-type: none"> <li>• footpaths for pedestrian access along and to Market Street</li> <li>• town signage</li> <li>• formalised parking</li> <li>• gardens on road blisters and footpaths</li> </ul>
Seaham	\$0.500m one off cost	Provide a sense of place through: <ul style="list-style-type: none"> <li>• road pavement delineation</li> <li>• bus stop interchange</li> <li>• street trees planting</li> </ul>

## Road resealing and rehabilitation — \$35.15m over 10 years

Road resealing and rehabilitation projects are funded as a recurring cost per annum.

This program will increase the number of road rehabilitations and sealing of gravel roads. The first two years will focus on the first seal on gravel roads and the required design and investigation in preparation of future road rehabilitations to match allocated funds. The third year of the SRV program (2021-2022) will substantially increase the amount of first seal gravel roads and road rehabilitation.

Depending on the road pavement terrain, location and surrounding environment road rehabilitations cost \$60 per m<sup>2</sup> to \$120 per m<sup>2</sup> and gravel road first seals cost \$850,000 per km to \$1.4mil per km.

The level of work varies from year to year across 10 years. The details of specific road projects are listed in Attachment 4 of SAMP 9 with funding listed in the LTFP.

Roads	Cost	Details
Resealing and rehabilitation	Recurring cost per annum	<p>Increase the number of road rehabilitation and road reseals as outlined in SAMP 9 (Attachment 4).</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>

## Enhanced community services, event management and asset maintenance – \$19.5m over 10 years

This includes library, community and event services (\$7.6m over 10 years), tree maintenance (\$4.6m over 10 years), open drain maintenance (\$3.65m over 10 years) and sporting facility maintenance (\$3.65m over 10 years).

These services are funded as a recurring cost per annum. The service levels

gradually increase over 10 years in line with the SRV.

After Year 10, the services will continue to be funded by the rates income based on the SRV that will remain permanently in place.

Please refer to LTFP for details.

Service	Cost	Details
Event management	Recurring cost per annum	<p>Establish and resource a team to develop, manage and attract events to drive cultural and economic benefits for Port Stephens.</p> <ul style="list-style-type: none"> <li>Establish an expanded events team to manage events sponsorship and coordination of Council owned and operated events across the LGA</li> <li>Establish expanded event sponsorship and procurement program. Focus is attracting events that will deliver economic benefit to Port Stephens, particularly through overnight visitation in 'off peak' tourism season</li> <li>Initiate, coordinate and manage 2 to 3 community based events throughout the year to complement Council's place making and place activation programs, driving desired social and cultural outcomes</li> </ul> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>
Library and community services	Recurring cost per annum	<p>Expand homebound delivery and children's literacy programs, extend technology training for seniors, increase opening hours.</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>
Open drain maintenance	Recurring cost per annum	<p>Undertake an additional drainage maintenance program of 250 lineal metres (lm) of excavation, 1,500 lm of mowing and 5,000 lm of spraying per \$0.100m.</p> <p>Maintenance is a mixture of spraying and mechanical works, which varies from year to year based on growing conditions.</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>



Service	Cost	Details
Sports facilities maintenance	Recurring cost per annum	<p>Funding will increase Council's capacity to undertake large scale maintenance tasks across sporting facilities to:</p> <ul style="list-style-type: none"> <li>• Improve functionality and visual amenity</li> <li>• Repair or replace deteriorated assets (including carpentry, paint, electrical and plumbing defects).</li> </ul> <p>These funds would be used to reduce the defect list by rectifying an estimated 150 additional building trade defects (including carpentry, paint, electrical and plumbing defects) per \$0.100m (actual number dependent on final inspections prior to work and time taken to undertake each remediation).</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>
Tree maintenance	Recurring cost per annum	<p>This funding would address the backlog of hazardous trees in parks, reserves and street reserves with removal and replacement of trees rated 3 and 4 and the development of a proactive tree inspection program in line with Council's insurer's best practice manuals and guidelines.</p> <p>This funding would also allow inspection of trees that, while not dangerous in themselves, are causing and will cause damage to Council's infrastructure.</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>

After Year 10, the services will continue to be funded by the rates income based on the SRV that will remain permanently in place.

## Increased infrastructure maintenance – \$11.2m over 10 years

Infrastructure Maintenance	Cost	Details
Infrastructure maintenance	Recurring cost per annum	<p>As new and upgraded infrastructure is completed, their ongoing maintenance will increase as reflected in the increasing recurring cost across 10 years</p> <p>Per annum amount will increase as SRV funds become available over seven years.</p> <p>Please refer to the LTFP for details.</p>

## Paths and cycleways – \$9.7m

Infrastructure Maintenance	Cost	Details
Paths and cycleways	\$7.7m one off cost	<p>Paths to provide connectivity along major community and tourist centres in accordance with Council's Pathway Plan:</p> <ul style="list-style-type: none"> <li>• Anna Bay – two missing links on Gan Gan Road</li> <li>• Medowie – Medowie Rd from Ferodale Rd to South St intersection and Waropara Rd from Ferodale Rd to school.</li> <li>• Shoal Bay Foreshore – missing link from Shoal Bay Centre towards Nelson Bay past Anzac Park</li> <li>• Raymond Terrace – multiple missing links across suburb</li> <li>• Tilligerry – The missing Mallabula to Lemon Tree Passage link, LTP Boat ramp to Rudd Reserve, shared waterfront path between Swan Street, Tanilba Bay and Tanilba Sailing Club</li> </ul>
Brandy Hill	\$2m one off cost	Design and construct safe pedestrian and cycle access in an area where the community has been impacted by increased trucking movements for two quarries.

## New and improved community amenities – \$8m

Infrastructure Maintenance	Cost	Details
Art Centre	\$2m one off cost	<p>Provide a multi-functional cultural space in Raymond Terrace</p> <p>To construct a facility to replace the modest arts space, currently in Raymond Terrace library, better meeting the community's cultural needs.</p>
Birubi Information Centre	\$3m one off cost	To support the implementation of the Birubi Point Aboriginal Place Management Plan, the proposed Birubi Information Centre has been designed to provide increased car and coach parking, reduce congestion and other site access issues around visitor activity at Birubi Point. It will provide a sheltered area and space for dune operators and amenities, including public toilets and a kiosk.
BBQ facilities	\$0.500m one off cost	<p>Full replacement of BBQ shelters and seating at:</p> <ul style="list-style-type: none"> <li>Henderson Park, Lemon Tree Passage</li> <li>Fingal Bay Foreshore</li> <li>Caswell Reserve, Mallabula</li> <li>George Reserve, Soldiers Point</li> <li>Memorial Park, Karuah</li> <li>Boomerang Park, Raymond Terrace</li> <li>Medowie Town Centre</li> </ul> <p>Please refer to SAMP 9 (Attachment 4) for details.</p>

Infrastructure Maintenance	Cost	Details
Mallabula Hall	\$0.500m one off cost	Upgrade of community hall to improve safety, convenience and reliability of current hall Provide potential youth facility adjacent to other youth infrastructure
Public amenities	\$2m one off cost	Provision of toilets, bike racks, drinking fountains and beach showers: Shoal Bay West Foreshore Longworth Park, Karuah Neil Carroll Park, Nelson Bay Aliceton Reserve, Karuah Henderson Park, Lemon Tree Passage Fingal Bay North Foreshore Bettles Park, Raymond Terrace George Reserve, Soldiers Point Spencer Park, Soldiers Point Little Beach Foreshore One Mile Beach Shoal Bay East Foreshore Meadowie Town Centre Please see SAMP 9 (Attachment 4) for details.

## Sports facilities upgrades – \$6.8m

Sports Facilities	Cost	Details
Tomaree Sports Complex	\$3m one off cost	In accordance with the Tomaree Sports Complex Master Plan, undertake renovation and expansion of the sporting grounds, new multipurpose amenities buildings, car parking and traffic improvements, accessibility upgrades and improved community event spaces.
King Park Sports Complex	\$3m one off cost	In accordance with the Master Plan (to be completed in 2019), undertake car parking and traffic upgrades, stormwater harvesting, field lighting upgrades, playing surface renovations and landscape movements.
Stuart Park, Hinton	\$0.800m one off cost	Replace out of date facility which is no longer fit for purpose with a new multipurpose sports amenities building.

## Depot relocation and rehabilitation – \$5m

The existing Raymond Terrace depot has passed its asset and economic life, is functionally obsolete and meets with difficulty current safety and environmental practices. The depot is also physically separated from other functions of Council that it relies on.

Combining the Raymond Terrace depot and Administration Building into a single location would reduce Council's facility footprint and improve overall staffing and services function, hence reducing administration waste and re-work.

This location is also near a small industrial section of Raymond Terrace. Material stockpiles traditionally located at depots are no longer needed and sourced through suppliers and not stored on depot site.

The existing Nelson Bay depot is currently situated on NSW Crown land which is not suitable for this location. Similar to the Raymond Terrace depot, combining Council facilities at the Salamander Bay Waste Transfer Station reduces the overall Council facility footprint and improves the Council's overall staffing and services function, hence reducing administration waste and re-work.

This project also includes the rehabilitation of the existing sites.

SRV funds will be used to part-fund this project with the remaining funds sourced from other Council revenue.

Depots	Cost	Details
Depot relocation and rehabilitation	\$5m one off cost	Relocate the Raymond Terrace depot adjacent to the Council administration building as a single functioning space in accordance with concept plans and preliminary costings. This project also includes the rehabilitation of the existing site.  Relocate Nelson Bay depot to Salamander Bay Waste Transfer Station in accordance with concept plans and preliminary costings. Rehabilitation of existing sites.

## Foreshore improvements – \$3m

Foreshore	Cost	Details
Foreshore improvements and coastal protection works	\$3m one off cost	Conroy Park, Corlette - Coastal Process Study - Precinct 1-4 outcomes stage 1 to 3  Little Beach, Nelson Bay - boat ramp upgrade and sand back passing  Soldier's Point – Foreshore revetment and pathway west of Thou Walla Retreat  Gibber Point Reserve, Lemon Tree Passage and Tilligerry Habitat and Caswell Reserve, Mallabula - bank stabilisation, vegetation and repair  Waterfront Road, Swan Bay – revetment wall upgrade



## Shoal Bay drainage – \$2m

Drainage	Cost	Details
Shoal Bay drainage	\$2m one off cost	Stage 2 Creation of a large detention basin between Horace Street and Government Road. Works includes augmentation to trunk system, kerb inlet and infiltration pits from Rigney Street to Shoal Bay Beach outlet.

## Street lighting upgrade – \$2m

Street lighting upgrade	Cost	Details
Street lighting upgrade	\$2m one off cost	Stage One: Replace approximately 2,600 of 4,400 ageing street lights with LED lights to improve energy efficiency and cost savings.

## Soldiers Point carpark – \$0.500m

Carpark	Cost	Details
Soldiers Point	\$0.500m one off cost	Improve traffic facilities on the peninsula which is subjected to high levels of traffic during peak seasons.  Provide formal car parking adjacent to Spencer Park to ease traffic congestion

### Please note:

These figures are rounded and indicative, based on 2018 estimates and are subject to change. More details are available in the LTFP. All IP&R documents are reviewed annually.

Identified priority projects may change over time dependent on ongoing needs such as community preferences (as identified in regular IP&R consultations) and successful grant funding. In this case, Council would notify IPART of the change.

More details on the staged expenditure is available in the LTFP.

## Reporting

If the SRV application is approved by IPART, Council would be required to report in Council's Annual Report on the amount collected from the variation and its expenditure on specified projects.

SRV funds collected and unspent for the purpose in which it was intended (eg capital works delivery schedule) will be restricted until such time as an alternate project is identified.

## Impact on Ratepayers

The following tables outline the financial impact on ratepayers of the proposed rate rise.

Table One is based on the standard rate peg increase without any special variations (rate rise). Table Two is based on the proposed SRV of 7.5% inclusive of the rate peg increase. The effect of multi-year increases means there is a cumulative impact on ordinary rates. The effect of multi-year increases on the average rate assessment in each land category is shown in the following tables.

*Note: IPART has advised NSW councils that the 2019-2020 rate peg is set at 2.7%. Councils have been advised to model any Special Rate Variation application on the actual rate peg for 2019-2020 and assume a rate of 2.5% for 2020-21 and in the future.*

**Table One – The impact of Rate Peg only increases on average residential, business and farmland rates**

Comparison Item	Average Land Value <sup>1</sup>	Current rates 2018-19 <sup>2</sup>	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	Year 6 2024-25	Year 7 2025-26	Cumulative Increase
Rate Peg Percentage Increase			2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	19.10%
Average Residential Rate Levy	\$224,000	\$1,048	\$1,077	\$1,104	\$1,131	\$1,159	\$1,188	\$1,218	\$1,249	\$201
Average Business Rate Levy	\$340,000	\$4,451	\$4,571	\$4,686	\$4,803	\$4,923	\$5,046	\$5,172	\$5,301	\$850
Average Farmland Rate Levy	\$422,000	\$1,649	\$1,693	\$1,736	\$1,779	\$1,824	\$1,869	\$1,916	\$1,964	\$315

1. 2016 base date category average land value. 2. Current Rates are ordinary rates excluding annual charges.

Under the rate peg only option, there is a cumulative increase of 19.10% over the seven years which will see rate rises of \$201 for the average residential rate assessment, \$850 for the average business rate assessment and \$315 for the average farmland rate assessment.

**Table Two – The impact of Special Rate Variation of 7.5% per annum (including rate peg) on average residential, business and farmland rates**

Comparison Item	Average Land Value <sup>1</sup>	Current rates 2018-19.2	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	Year 6 2024-25	Year 7 2025-26	Cumulative Increase
Rate Peg Percentage Increase			2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	19.10%
SRV Percentage Increase			4.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	40.44%
<b>Total proposed rate increase</b>			<b>7.5%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>7.5%</b>	<b>65.90%</b>
Average Residential Rate Levy	\$224,000	\$1,048	\$1,127	\$1,212	\$1,303	\$1,401	\$1,506	\$1,619	\$1,739	\$691
Average Business Rate Levy	\$340,000	\$4,451	\$4,785	\$5,144	\$5,530	\$5,945	\$6,391	\$6,870	\$7,385	\$2,934
Average Farmland Rate Levy	\$422,000	\$1,649	\$1,773	\$1,906	\$2,049	\$2,203	\$2,368	\$2,546	\$2,736	\$1,087

1. 2016 base date category average land value. 2. Current Rates are ordinary rates excluding annual charges.

Under a rate increase of 7.5% per annum option, there is a cumulative increase of 65.90% over the seven years which will see rate rises of \$691 for the average residential rate assessment, \$2,934 for the average business rate assessment and \$1,087 for the average farmland rate assessment.

This rate increase will remain permanently in the rate base.

**Table Three – Summary of the annual and cumulative increases of a SRV of 7.5% per annum (including rate peg) for seven years**

This table shows the annual and cumulative impact of the proposed SRV.

Year	Financial Year	Rate Peg Limit Percentage	Additional Percentage Requested	Total Annual Percentage	Cumulative Percentage Impact from 2019-2020	IPART Application Percentage	Additional annual impact on \$1,000	Cumulative Impact on \$1000 in rates
1	2019-2020	2.7%	4.8%	7.5%	7.5%	7.5%	\$75	\$1,075
2	2020-2021	2.5%	5.0%	7.5%	15.56%	7.5%	\$81	\$1,156
3	2021-2022	2.5%	5.0%	7.5%	24.23%	7.5%	\$86	\$1,242
4	2022-2023	2.5%	5.0%	7.5%	33.55%	7.5%	\$93	\$1,335
5	2023-2024	2.5%	5.0%	7.5%	43.56%	7.5%	\$101	\$1,436
6	2024-2025	2.5%	5.0%	7.5%	54.33%	7.5%	\$107	\$1,543
7	2025-2026	2.5%	5.0%	7.5%	65.90%	7.5%	\$116	\$1,659



**Table Four – Annual residential rate increases under the proposed SRV**

Land value	2018-2019 Current rates	Annual increase							Totals 65.90% \$	2025-2026 Future rates
		Year 1 7.5%	Year 2 7.5%	Year 3 7.5%	Year 4 7.5%	Year 5 7.5%	Year 6 7.5%	Year 7 7.5%		
\$50,000	\$521	\$39	\$42	\$45	\$59	\$52	\$56	\$60	\$343	\$864
\$100,000	\$672	\$50	\$54	\$58	\$63	\$67	\$72	\$78	\$443	\$1,115
\$150,000	\$824	\$62	\$66	\$71	\$77	\$83	\$89	\$95	\$543	\$1,367
\$200,000	\$976	\$73	\$79	\$85	\$91	\$98	\$105	\$113	\$643	\$1,619
<b>\$224,000*</b>	<b>\$1,048</b>	<b>\$79</b>	<b>\$85</b>	<b>\$91</b>	<b>\$98</b>	<b>\$105</b>	<b>\$113</b>	<b>\$121</b>	<b>\$691</b>	<b>\$1,739</b>
\$300,000	\$1,279	\$96	\$103	\$111	\$119	\$128	\$138	\$148	\$843	\$2,122
\$400,000	\$1,582	\$119	\$128	\$137	\$147	\$158	\$170	\$183	\$1,043	\$2,625
\$500,000	\$1,886	\$141	\$152	\$163	\$176	\$189	\$203	\$218	\$1,243	\$3,128
\$600,000	\$2,189	\$164	\$176	\$190	\$204	\$219	\$236	\$253	\$1,443	\$3,631
\$800,000	\$2,795	\$210	\$225	\$242	\$260	\$280	\$301	\$324	\$1,842	\$4,638
\$1,000,000	\$3,402	\$255	\$274	\$295	\$317	\$341	\$366	\$394	\$2,242	\$5,644

\*\$224,000 is the category average land value, amounts are subject to rounding.

**Table Five – Annual business rate increases under the proposed SRV**

Land value	2018-2019 Current rates	Annual increase							Totals 65.90% \$	2025-2026 Future rates
		Year 1 7.5%	Year 2 7.5%	Year 3 7.5%	Year 4 7.5%	Year 5 7.5%	Year 6 7.5%	Year 7 7.5%		
\$50,000	\$1,983	\$149	\$160	\$172	\$185	\$199	\$213	\$229	\$1,307	\$3,289
\$100,000	\$2,408	\$181	\$194	\$209	\$224	\$241	\$259	\$279	\$1,587	\$3,996
\$150,000	\$2,834	\$213	\$228	\$246	\$264	\$284	\$305	\$328	\$1,868	\$4,702
\$200,000	\$3,260	\$244	\$263	\$283	\$304	\$326	\$351	\$377	\$2,148	\$5,408
\$300,000	\$4,111	\$308	\$331	\$356	\$383	\$412	\$443	\$476	\$2,709	\$6,820
<b>\$340,000*</b>	<b>\$4,451</b>	<b>\$334</b>	<b>\$359</b>	<b>\$386</b>	<b>\$415</b>	<b>\$446</b>	<b>\$479</b>	<b>\$515</b>	<b>\$2,934</b>	<b>\$7,385</b>
\$400,000	\$4,962	\$372	\$400	\$430	\$462	\$497	\$534	\$574	\$3,270	\$8,233
\$600,000	\$6,665	\$500	\$537	\$578	\$621	\$668	\$718	\$771	\$4,392	\$11,057
\$800,000	\$8,367	\$628	\$675	\$725	\$780	\$838	\$901	\$969	\$5,515	\$13,882
\$1,000,000	\$10,070	\$755	\$812	\$873	\$938	\$1,009	\$1,084	\$1,166	\$6,637	\$16,707
\$1,200,000	\$11,773	\$883	\$949	\$1,020	\$1,097	\$1,179	\$1,268	\$1,363	\$7,759	\$19,531

\*\$340,000 is the category average land value, amounts are subject to rounding.

**Table Six – Annual farmland rate increases under the proposed SRV**

Land value	2018-2019 Current rates	Annual increase							Totals 65.90% \$	2025-2026 Future rates
		Year 1 7.5%	Year 2 7.5%	Year 3 7.5%	Year 4 7.5%	Year 5 7.5%	Year 6 7.5%	Year 7 7.5%		
\$100,000	\$672	\$50	\$54	\$58	\$63	\$67	\$72	\$78	\$443	\$1,115
\$200,000	\$976	\$73	\$79	\$85	\$91	\$98	\$105	\$113	\$643	\$1,619
\$300,000	\$1,279	\$96	\$103	\$111	\$119	\$128	\$138	\$148	\$843	\$2,122
\$400,000	\$1,582	\$119	\$128	\$137	\$147	\$158	\$170	\$183	\$1,043	\$2,625
<b>\$422,000*</b>	<b>\$1,649</b>	<b>\$124</b>	<b>\$133</b>	<b>\$143</b>	<b>\$154</b>	<b>\$165</b>	<b>\$178</b>	<b>\$191</b>	<b>\$1,087</b>	<b>\$2,736</b>
\$500,000	\$1,886	\$141	\$152	\$163	\$176	\$189	\$203	\$218	\$1,243	\$3,128
\$600,000	\$2,189	\$164	\$176	\$190	\$204	\$219	\$236	\$253	\$1,443	\$3,631
\$700,000	\$2,492	\$187	\$201	\$216	\$232	\$250	\$268	\$288	\$1,642	\$4,135
\$800,000	\$2,795	\$210	\$225	\$242	\$260	\$280	\$301	\$324	\$1,842	\$4,638
\$900,000	\$3,099	\$232	\$250	\$269	\$289	\$310	\$334	\$359	\$2,042	\$5,141
\$1,000,000	\$3,402	\$255	\$274	\$295	\$317	\$341	\$366	\$394	\$2,242	\$5,644

\*\$422,000 is the category average land value, amounts are subject to rounding.



## Williamtown Management Area subcategory

In 2018-2019, Council made sub-categories of the ordinary residential and farmland rate categories for properties located within the Williamtown Management Area. The Williamtown Management Area is an area defined by the NSW Environment Protection Authority (EPA) consisting of three zones - the Primary Management Zone, the Secondary Management Zone and the Broader Management Zone which have or may potentially have contamination from per- and poly- fluoroalkyl substances (PFAS) associated with the use of fire-fighting foam at the Department of Defence RAAF Base at Williamtown.

Council made sub-categories of the residential rate and farmland rate affecting 471 properties reducing ordinary rates by approximately 50% in the Primary Management Zone, approximately 25%

in the Secondary Management Zone and approximately 10% in the Broader Management Zone.

There are 44 business rate assessments within the Williamtown Management Area - primarily aviation industries, service stations, public utilities and sand extraction. Council is unable to make a different business rate for only some of the business premises and there is little justification for reducing rates for Newcastle Airport, Hunter Water, Telstra and Council infrastructure, service stations, hotel, restaurant, tourist facilities, sand extraction and aviation related businesses.

Table Seven shows the cumulative effect of the proposed SRV on the Williamtown Management Area sub-categories since Council implemented reduced rates in 2018-2019.



**Table Seven – Special Rate Variation increases of 7.5% per annum (including rate peg) for seven years on average residential and farmland rates in the Williamtown Management Area**

*Note: Ordinary Rates for 2017-2018 are included in this table to show the decrease that occurred with the introduction of the Williamtown Management Area sub-categories in 2018-2019. Those average rates in 2017-2018 however are excluded from the cumulative change figures to clearly show the impact of the proposed SRV increases on these sub-categories over the seven years commencing 1 July 2019.*

Comparison Item	Category	Average Land Value <sup>1</sup>	Prior Year 2017-18	Current Year 2018-19 <sup>2</sup>	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	Year 6 2024-25	Year 7 2025-26	Cumulative Increase <sup>3</sup>
SRV Percentage Increase					7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	65.90%
Primary Mgt. Zone Average Rate Levy	Residential	\$225,454	\$1,028	\$525	\$565	\$607	\$653	\$702	\$754	\$811	\$872	\$347
Secondary Mgt. Zone Average Rate Levy	Residential	\$198,907	\$949	\$728	\$782	\$841	\$904	\$972	\$1,045	\$1,123	\$1,207	\$479
Broader Mgt. Zone Average Rate Levy	Residential	207,618	\$975	\$897	\$964	\$1,037	\$1,114	\$1,198	\$1,288	\$1,384	\$1,488	\$591
Primary Mgt. Zone Average Rate Levy	Farmland	\$328,444	\$1,333	\$681	\$732	\$787	\$846	\$910	\$978	\$1,051	\$1,130	\$449
Secondary Mgt. Zone Average Rate Levy	Farmland	\$378,471	\$1,481	\$1,135	\$1,220	\$1,312	\$1,410	\$1,516	\$1,630	\$1,752	\$1,883	\$748
Broader Mgt. Zone Average Rate Levy	Farmland	\$360,125	\$1,426	\$1,312	\$1,411	\$1,517	\$1,630	\$1,753	\$1,884	\$2,025	\$2,177	\$865

*1. 2016 base date sub-category average land value. 2. Current year rates are ordinary rates excluding annual charges. 3. Cumulative increase is over the life of the SRV 2019-2020 to 2025-2026*

Properties within the Williamtown Management Area are proposed to be subject to the same SRV increases as the rest of Port Stephens, however average residential and farmland rate assessments in the Williamtown Management Primary Zone are expected to have rates in 2025-2026, the seventh year of the SRV, that are lower than they were in 2017-2018, subject to the effect of general revaluations expected in 2019 and 2022. Rates in the secondary and broader management zones are expected to be higher in 2025-2026 than they were in 2017-2018 by approximately 27% and 53% respectively.

## Affordability and Hardship

Council is aware that a rate rise may cause hardship for some ratepayers. Council currently has the following hardship mitigation measures in place to assist ratepayers experiencing financial hardship:

- mandatory pensioner rate concession (half up to \$250 per annum)
- flexible repayments
- interest reduction
- financial assistance in the year following a general revaluation
- backdating of pensioner rate concessions and extending concessions

- deferral of rates against their estate for aged pensioners
- Williamstown residential and farmland rate sub-categories

Should the SRV proceed, Council proposes to introduce two programs to assist eligible rate payers. These are:

1. domestic waste service annual charge reductions for eligible pensioners; and
2. a new Rates Assistance Program.

## Domestic Waste Service annual charge reduction for pensioners

*Note: Domestic Waste Management Charges are not subject to rate pegging. They are subject to the reasonable cost of providing the service. Some costs associated with domestic waste management are beyond Council's control including State Waste Levies and potential cost changes when collection, recycling and disposal contracts are renewed, including during the term of the SRV.*

If the SRV application is successful, Council plans to phase in domestic waste

service charge reductions for eligible pensioners over the term of the SRV. The existing \$418 annual charge will be reduced by increments of approximately \$30 per annum. The annual charge for eligible pensioners would be pegged at approximately 50% of the non-pensioner domestic waste service annual charge from 2026-2027 onward.

Table Eight shows the effect of reducing domestic waste service annual charges for pensioners.



**Table Eight – Domestic Waste Service Annual Charges for pensioners: 2019-2020 to 2026-2027**

Comparison Item	Current Year 2018- 2019	Year 1 2019-2020	Year 2 2020-2021	Year 3 2021-2022	Year 4 2022-2023	Year 5 2023-2024	Year 6 2024-2025	Year 7 2025-2026	Post SRV 2026-2027
No SRV – Waste Service Charges <sup>1</sup>	\$418	\$428	\$439	\$450	\$461	\$473	\$485	\$497	\$509
Proposed SRV – eligible pensioner <sup>2</sup> reduction	\$0	\$30	\$60	\$90	\$120	\$150	\$180	\$210	\$228
Proposed SRV – Pensioner waste service annual charge	\$418	\$398	\$379	\$360	\$341	\$323	\$305	\$287	\$281
Proposed SRV – Non-pensioner waste service charge	\$418	\$436	\$453	\$471	\$490	\$508	\$527	\$546	\$563

1. Estimated domestic waste management service charges assume a 2.5% annual increase. These charges will apply to all ratepayers including eligible pensioners if the SRV does not proceed.

2. An eligible pensioner is a pensioner eligible for a pensioner rate concession under the Local Government Act 1993.

## Rates Assistance Program

To further mitigate hardship, Council is reviewing its current Debt Recovery and Hardship Policy and assessing additional ways to assist ratepayers. If the SRV proceeds, Council proposes to incorporate a Rates Assistance Program into the policy.

As part of the Rates Assistance Program, Council would partner with local welfare/ financial counselling services to act as a referral points for ratepayers experiencing financial hardship.

Council envisages potential partnering organisations to be delegated to assess ratepayer's individual financial

circumstances and recommend to Council that assistance of up to \$250 be provided due to financial hardship.

Each participating service would be given an annual limit that they could recommend for financial assistance. Assistance would be limited to non-pensioners to assist individuals or families who are experiencing financial hardship and difficulty paying rates, but are not eligible for a pensioner rate concession.

Council's Debt Recovery and Hardship Policy provides further detail about existing hardship mitigation measures and the proposed Rates Assistance Program.









# Our planning

## *Delivery Program and Operational Plans*

### **Key Priorities 2018-2021**

The following key priorities were nominated for investigation and progression over the period 2018-2021 reflecting the aspirations of the Port Stephens community and Councillors.

This is not an exhaustive list of projects and programs for Council to undertake in delivering the Operational Plans, but a selection of key priorities for the period which are in the process of being approved or proposed for further investigation. Council has been investigating funding sources to resource these initiatives and infrastructure projects as outlined below.

A summary of each of the selected key priorities is listed below.

### **Accessible Playgrounds**

Council's Disability Inclusion Action Plan outlines the need for more accessible facilities and services in the local government area. Over the period Council will investigate options for securing grant or other funding to provide more accessible playgrounds in Raymond Terrace and the Tomaree Peninsula included in Council's Works Plus Plan featured in the Strategic Asset Management Plan (Attachment 3). Council has already commenced making improvements to some of our existing playgrounds.

*Key Delivery Program Objective: C1.3  
Encourage Port Stephens to be inclusive  
and access friendly*

### **Airport DAREZ drainage environmental approval**

Council is seeking to re-establish a direct discharge point from Dawsons Drain to Fullerton Cove in order to support future development in the Williamstown Defence and Related Employment Zone (DAREZ) and Newcastle Airport.

The NSW Government has awarded Council a grant of \$140,000 towards carrying out the environmental assessment to support the project, with a further commitment from Council of \$50,000. The NSW Department of Planning and Environment issued environmental assessment requirements for the project in late December 2017.

The proposed drainage works will involve assessment by three tiers of government, and a wide range of permits and approvals, including Commonwealth approvals related to the protection of adjacent wetlands. Given the scope of the assessment requirements, Council is continuing to seek further funding opportunities to assist in completing the necessary studies to obtain approvals and carry out the drainage works.

It is anticipated that this discharge point will alleviate local flooding issues and support economic development.

*Key Delivery Program Objective: P3.1  
Provide land use plans, tools and advice  
that sustainably supports the community*

## **Birubi Point Aboriginal Place Tourism Interchange, a working title that is now known as Birubi Information Centre (part SRV project)**

Council is leading the design and development of a purpose-built tourism interchange at Anna Bay – the entrance to the Birubi Point Aboriginal Place and the Worimi Conservation Lands. With more than 120,000 visitors each year accessing Worimi Conservation Lands and the Stockton sand dunes, the demand for the interchange is unquestionable. Council has partnered with Worimi Conservation Lands Board of Management, Worimi Local Aboriginal Land Council, NSW Crown Lands, NSW National Parks and Wildlife Service and tourism operators to plan for, fund and deliver an interchange at the intersection of Gan Gan Road and the 4WD access to the sand dunes. Design and development approval of the interchange is expected in 2018-2019 with construction of stage one subject to government funding and delivery in 2019-2020.

*Key Delivery Program Objective: C2.1 Recognise and support local Aboriginal and Torres Strait Islander people.*

## **Cycleways and footpaths (SRV project)**

Council has an endorsed Port Stephens Pathways Plan, which is a series of maps that show existing footpaths and shared paths throughout the Local Government Area. It also identifies locations for future pathway construction when funding becomes

available. Over the period Council intends to investigate an accelerated cycleway and footpath construction program in accordance with this plan. If funding is approved, works will be undertaken across all three wards over the period.

*Key Delivery Program Objective: P2.2 Build Council's civil and community infrastructure to support the community*

## **Coastal Management Plan (part SRV project)**

Over the period Council will be partnering with neighbouring Councils, relevant state agencies and stakeholders to develop a Coastal Management Plan. The plan will set the long term strategy for the coordinated management of land within the coastal zone for the next 10 years.

Stage one of the following prescribed process for developing Coastal Management Plans is currently underway.

- Stage One – Scoping Study (issues, threats/hazards and risk identification)
- Stage Two – Detailed studies of vulnerabilities and opportunities
- Stage Three – Response identification and evaluation
- Stage Four – Finalise, exhibit, certify and adopt coastal management program
- Stage Five – Implementation, monitoring and reporting

Council will commence physical works subject to approval of the SRV.

*Key Delivery Program Objective: E3.1 Encourage community resilience to coastal hazards*



## Events (SRV project)

Council continues to support events that add economic value across Port Stephens. Key events for the upcoming year will include Nations of Origin, the Port Stephens Pro, The Port Stephens Triathlon, Sail Port Stephens, NSW Outrigging Canoe Championships and the NSW Stand Up Paddleboarding Titles. A number of smaller events will also help ease seasonal fluctuations, create economic benefit and add to the vibrancy of our local communities. A review of the current event sponsorship process is currently underway with a more streamlined process expected to be launched within the 2018-2019 financial year. This includes a review of the current approach regarding ongoing support for events that rely on Council funding.

In Council's proposed SRV application funding has been earmarked for a significant increase in event activity. This includes both an increase in sponsorship to attract events to Port Stephens, and an ability to stage and merge our own events.

*Key Delivery Program Objective: P1.2 Support and deliver services that attract sustainable visitation to Port Stephens*

## Funding investigations (SRV project)

Last year, as part of the Operational Plan 2018-2019, Council endorsed investigation of other funding options for a range of major projects.

This work has been undertaken and Council now proposes to make an application to IPART for a SRV of 7.5% per annum (inclusive of rate peg) for seven years from 2019-2020 to 2025-2026 inclusive. Detailed information on the proposed SRV is provided elsewhere in this document.

If the SRV application is successful, Council will undertake the projects and services as outlined in this document. Council will continue seek other funding sources such as State and Federal Government grants for specific projects. However, SRV funds (and the use of loans) will allow Council to expedite projects that would normally wait for appropriate grant programs (if available) for a specific project, with no guarantee of success. Further, grant funds often require matching funds for the applicant.

If the SRV application is unsuccessful, Council will continue to seek a broader range of State and Federal Government grants. The challenge is that grant program priorities often do not match those of local projects. Council will continue to optimise its investment returns.

*Key Delivery Program Objective: L2.1 Maintain strong financial sustainability*

## Gateway, location and town signage (part SRV project)

Over the period Council proposes to plan and construct new gateway and town signage throughout the local government area.

Installation has commenced for Stage One of the gateway signage program.

*Key Delivery Program Objective: P2.2 Build Council's civil and community infrastructure to support the community*



## Key roads projects

Council has a plan to deliver capital construction works over the period. As part of this program Council will undertake the following key road projects:

- Fingal Bay Link Road (estimated at \$100M) – Council will undertake preliminary survey and geometric design subject to State Government funding through Roads and Maritime Services;
- Tanilba Road, Mallabula – Council will be reconstructing Tanilba Road from Bay Street to The Parkway Ave North including pavement widening, kerb and gutter construction, and drainage upgrades;
- Fairlands Road, Medowie – Council will be rehabilitating the full length of the Fairlands Road including road widening and drainage improvements;
- Warren Street, Seaham – rehabilitation and widening of the existing road pavement from Seaham Park to Duncan Street, utilising Council funding as well as Roads and Maritime Services Regional Roads funding;
- Church Street, Nelson Bay – Council has reconstructed the road pavement along the full length of Church Street over two financial years to improve the ride quality and pavement strength, as well as minor drainage improvements and pedestrian accessibility; and
- Tomaree Road, Shoal Bay – Council is continuing with stage two of the full reconstruction of Tomaree Road between Marine Drive and Verona Road. This is to include pavement

widening, kerb and gutter and footpath construction, and drainage upgrades, utilising Council funding as well as Roads to Recovery funds and proposed SRV funding if approved.

*Key Delivery Program Objective: P2.2 Build Council's civil and community infrastructure to support the community*

## Koala Sanctuary

The Koala Sanctuary Port Stephens (Koala Sanctuary) is a Council-endorsed project to build and operate a koala hospital, education and eco-tourism facility at Treescape Holiday Park at One Mile Beach in conjunction with Port Stephens Koalas. Council was successful in obtaining a \$3 million grant from the NSW Government Regional Growth Tourism and Environment Fund to contribute to the construction of the facility. Council has also committed \$3 million in funding to complete the project. Funds will be repaid from the profits of the ongoing business operations. It is proposed that the Koala Sanctuary:

- be constructed and commence operations in October 2019;
- play a vital role in caring for sick, injured and orphaned koalas;
- include scientific research and education; and
- will deliver a profitable tourist accommodation opportunity with additional environmental and economic benefits.

*Key Delivery Program Objective: P1.1 Support sustainable business development in Port Stephens*



## Medowie Multi-Purpose Community Centre

Funding and construction of a new Multi-Purpose Community Centre at Medowie has been approved by Council to:

- provide club facilities at Council's Medowie Sporting Precinct;
- provide multiple community groups access to use the facility under a sublease agreement with the Medowie Sport and Community Club; and
- be designed and constructed to allow for use as an emergency evacuation centre.

Over the second year of the Delivery Program 2019-2020 it is proposed that Council will complete construction of the facility.

*Key Delivery Program Objective: P2.2  
Build Council's civil and community infrastructure to support the community*

## Offleash dog parks

Offleash dog parks have been identified as a community priority, with the options for provision of more parks to be investigated over the period.

*Key Delivery Program Objective: P2.1  
Plan civil and community infrastructure to support the community*

## Placemaking (part SRV project)

Placemaking has been identified as a priority for Council, with a view to creating people friendly, vibrant places and making business growth easier in Port Stephens.

Council has already commenced :

- Preparation of a draft Public Domain Plan, Wayfinding Strategy, and Street Tree Masterplan for Nelson Bay Town Centre;
- Works to implement the Apex Park Masterplan;
- Establishment of Implementation Panels who will drive delivery of strategic plans for Raymond Terrace, Medowie and Nelson Bay; and
- Grant funding applications seek to enable Council to invest in public infrastructure to support the visitor economy in Nelson Bay.

Over the period, Council will continue to champion placemaking initiatives, such as revitalisation of Raymond Terrace main street and shopping precinct (SRV); building the 'Nelson Bay Next' brand to assist in building public confidence and momentum; engaging with local businesses and community groups in town centres, and support for public art, events and other cultural activities across the local government area.

*Key Delivery Program  
Objective: P1.1  
Support sustainable  
business development in  
Port Stephens*

## Port Stephens Council depot development (part SRV project)

A substantial part of Council's work is providing the construction and maintenance of community infrastructure, roads, parks and gardens. The staff and equipment, including specialised machinery, require safe locations to store and maintain a substantial specialised fleet. This also includes servicing NSW Rural Fire Service vehicles.

In recent years, depots at Nelson Bay and Raymond Terrace have become operationally vulnerable and need to be upgraded to meet current environmental and safety requirements. The locations are also due for review. It is planned to relocate the Nelson Bay Depot to the Salamander Bay Waste Transfer Station. The Raymond Terrace Depot will also be relocating possibly in the vicinity of Council's Administration Building.

Both existing sites will be rehabilitated. The total cost of this project is \$20m. Funding models have been prepared with proposed SRV funds to fund \$5m of the costs. Commencement is anticipated in 2019-2020.

*Key Delivery Program Objective: P2.2  
Build Council's civil and community infrastructure to support the community*

## Strategic Planning Statement and Local Housing Strategy

Council is completing a range of long term strategies to provide an integrated approach to housing through the upcoming review of the Port Stephens Planning Strategy 2011 (PSPS). A Local Strategic Planning Statement and Local Housing Strategy

are currently being prepared to replace the PSPS as part of the review.

Under the Hunter Regional Plan 2016 and Greater Newcastle Metropolitan Plan 2018, the Department of Planning and Environment committed to preparing guidelines to assist councils in preparing local housing strategies to implement the Regional Plan.

The Local Housing Strategy is being prepared in accordance with those guidelines so that it can be endorsed by the Department.

Over the period, Council will undertake the necessary strategic planning to guide the supply of a mix of housing and development types including for rural residential development in Port Stephens. This will ensure a clear position on urban development across the local government area is well defined to meet the future needs of the Port Stephens local government area.

*Key Delivery Program Objective: P3.1  
Provide land use plans, tools and advice that sustainably supports the community*

## Williamstown management area

Over the period, Council will continue to support the community through advocacy and participation at relevant forums such as:

- the Williamstown Community Reference Group; and
- Elected Members Group

Council will also continue to cooperate with other government agencies to support the community in this area.

*Key Delivery Program Objective: E3.2  
Encourage community resilience to detrimental impacts from the environment*



## Business Excellence and continuous improvement

Our goal at Port Stephens Council is to develop a high performing organisation that has a strong culture of 'working together doing the right things the best way'. We want to be recognised by our community as a leading local government authority and as a 'best employer'. We are doing this by pursuing the philosophy within the Australian Business Excellence Framework.

The Framework is based on a set of nine universal principles (outlined further in the Workforce Plan page 132) which describe the elements that allow us to measure and continuously improve our systems, processes and relationships, and to measure what we do in order to be a sustainable Council.

Business Excellence is about:

- having clear direction and knowing how our employees all contribute to the big picture

- having focus on our customers
- implementing best practice
- doing our best every single day

Council has implemented a Business Operating System (BOS) which follows the structure of the Australian Business Excellence Framework, allowing us to achieve our key metrics which are outlined in the next section.





## Measuring success

Appendix Two provides a further outline of these key metrics.



By balancing these key metrics, Council ensures that:

- “we deliver on what we say we’re going to do”
- the community is satisfied with the level of service provided
- the right practices and governance are in place
- Council has an appropriate risk maturity
- we have engaged employees who deliver on what we say we’re going to do
- Council is financially sustainable.



## Reporting on performance

Council uses a variety of reporting documents to outline its progress towards achieving the outcomes set out in the Delivery Program and the goals of the Community Strategic Plan. These include the:

- Annual report
- Six monthly report
- Quarterly financial report
- End of Term report



# Focus Area One | Our Community

*Port Stephens is a thriving and strong community respecting diversity and heritage*

- ✓ Sole Responsibility
- ↻ Shared Responsibility

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction C1 <b>COMMUNITY DIVERSITY</b> Our community accesses a range of services that support diverse community needs	C1.1 Provide facilities and services for children ↻	C1.1.1 Deliver early education and care of children	✓	✓	✓	Facilities and Services	Community Services	Children's Services	Provide: • Family day care services • Mobile preschool service • Outside school hours care services
	C1.2 Provide support for young people to build their confidence and contribution to the community ↻	C1.2.1 Deliver youth projects and support youth services provided by other agencies	✓	✓	✓	Development Services	Communi-cations	Community Development and Engagement	• Review and implement Council's Youth Strategy • Administer the youth advisory panel • Undertake youth focused events • Provide training opportunities for young people
	C1.3 Encourage Port Stephens to be inclusive and access friendly ↻	C1.3.1 Identify and plan for an inclusive and access friendly community	✓	✓	✓	Development Services	Strategy and Environment	Strategic Planning	Review and implement the Disability Inclusion Action Plan
	C1.4 Support needs of an ageing population ↻	C1.4.1 Identify and plan for the needs of an ageing population	✓	✓	✓	Development Services	Strategy and Environment	Strategic Planning	Review and implement the Ageing Strategy
	C1.5 Support volunteers to deliver appropriate community services ↻	C1.5.1 Coordinate Council's volunteer program	✓	✓	✓	Facilities and Services Corporate Services	Community Services Organisation Development	Contract and Services Volunteer Management	• Administer Council's 355c committees • Administer the volunteer program

<b>Key Direction C2</b> <b>RECOGNISED TRADITIONS AND LIFESTYLES</b> Our community supports the richness of its heritage and culture	C2.1 Recognise and support local Aboriginal and Torres Strait Islander people	✓	✓	✓	Development Services	Communications	Community Development and Engagement	<ul style="list-style-type: none"> <li>Develop and manage the Aboriginal plan of action</li> <li>Administer the Aboriginal Projects Fund grant program.</li> <li>Administer the 355c Aboriginal Strategic Committee</li> </ul>
	C2.1.1 Support and facilitate initiatives and projects to promote and empower Aboriginal culture	✓	✓	✓	Facilities and Services	Community Services	Office of the Community Services Section Manager	Manage Aboriginal Places in Port Stephens.
	C2.2 Support and promote local cultural activities	✓	✓	✓	Development Services	Communications	Community Development and Engagement	<ul style="list-style-type: none"> <li>Implement actions of Cultural Plan</li> <li>Administer the Cultural Projects Fund grant program</li> <li>Facilitate local artist programs</li> <li>Manage Public Art Policy and implement public art projects</li> <li>Administer 355c Strategic Arts Committee</li> <li>Administer the Cultural Interagency</li> </ul>
	C2.3 Recognise and support the heritage of Port Stephens	✓	✓	✓	Development Services	Strategy and Environment	Strategic Planning	<ul style="list-style-type: none"> <li>Develop a Heritage Strategy</li> <li>Administer Council's Heritage Projects Fund grant program</li> <li>Administer the 355c Heritage Committee</li> </ul>
	C2.4 Provide public libraries as vibrant community spaces	✓	✓	✓	Facilities and Services	Community Services	Library Services	Provide: <ul style="list-style-type: none"> <li>Community literacy programs</li> <li>Mobile Library service</li> <li>Raymond Terrace library</li> <li>Tilligerry community library</li> <li>Tomaree library and community centre</li> </ul>
	C2.1.2 Support the planning and management of Aboriginal Places in Port Stephens	✓	✓	✓				
	C2.2.1 Support initiatives and projects to encourage local cultural activities	✓	✓	✓				
	C2.3.1 Support the preservation of Port Stephens heritage	✓	✓	✓				
	C2.4.1 Deliver public library services, resource and community literacy programs	✓	✓	✓				

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
<b>Key Direction C3 COMMUNITY PARTNERSHIPS</b> Our Council works with community to foster creative and active communities	C3.1 Assist community service providers to effectively deliver services in the region	C3.1.1 Assist community service providers to deliver services for vulnerable people and families	✓	✓	✓	Development Services	Communications	Community Development and Engagement	<ul style="list-style-type: none"> <li>Implement the Community Development Policy</li> <li>Administer Council's community interagency</li> <li>Participate in other interagencies</li> <li>Manage Mylink community notice board</li> <li>Manage Council's community directory</li> <li>Partner with community to develop local services and projects</li> </ul>
	C3.2 Support local community events that highlight and foster the creative and diverse nature of our community	C3.2.1 Provide financial, logistical and marketing support for local events	✓	✓	✓	Development Services	Communications	Community Development and Engagement Economic Development and Tourism	Manage community events such as: <ul style="list-style-type: none"> <li>Australia Day</li> <li>NAIDOC Week</li> <li>Youth Week</li> </ul> Provide support to appropriate community events
	C3.3 Provide recreational and leisure services	C3.3.1 Initiate and manage leisure contracts with recreational and leisure services	✓	✓	✓	Facilities and Services	Community Services	Contract and Services	Manage: <ul style="list-style-type: none"> <li>Aquatic Centre management contract</li> <li>Surf Life Guard contract</li> <li>Leases and licences for commercial operators on community land</li> <li>Sailability at Grahamstown Dam Aquatic Reserve</li> </ul>



<p>C3.4 Support financially creative and active communities</p> 	<p>✓</p>	<p>✓</p>	<p>General Manager's Office</p>	<p>Office of the General Manager</p>	<p>Office of the General Manager</p>	<p>Administer:</p> <ul style="list-style-type: none"> <li>• Mayoral Funds</li> <li>• Wards Funds</li> <li>• Community Projects Fund grant program</li> </ul>
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# Focus Area Two | Our Place

*Port Stephens is a livable place supporting local economic growth*

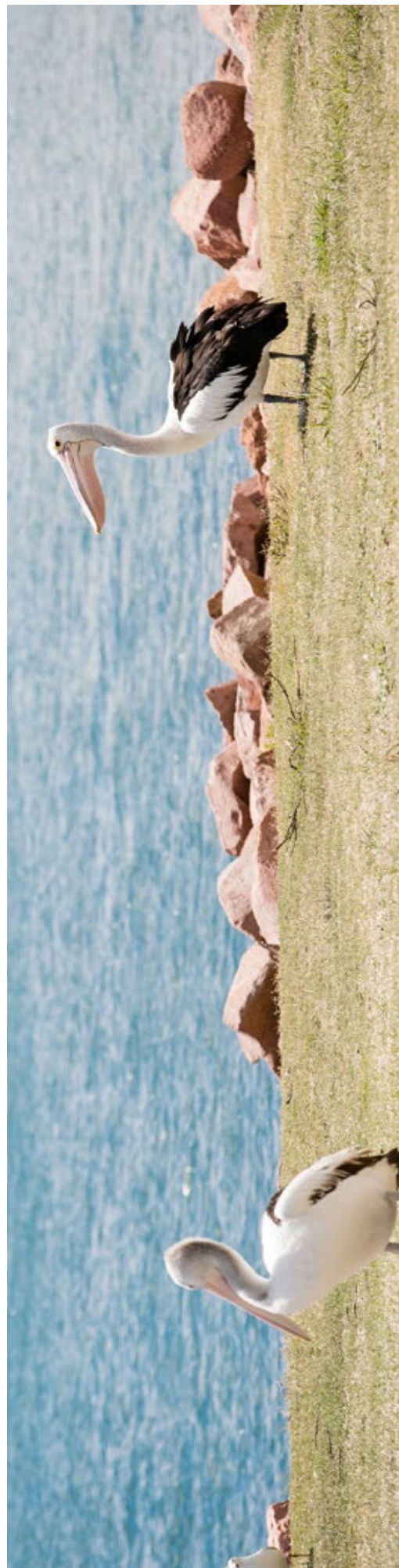
- ✓ Sole Responsibility
- ⚙ Shared Responsibility

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction P1 <b>STRONG ECONOMY, VIBRANT LOCAL BUSINESSES, ACTIVE INVESTMENT</b> Our community has an adaptable, sustainable and diverse economy	P1.1 Support sustainable business development in Port Stephens	P1.1.1 Support sustainable business in Port Stephens	✓	✓	✓	Development Services	Communications	Economic Development Tourism	<ul style="list-style-type: none"> <li>Support and facilitate business engagement programs</li> <li>Enable business growth</li> </ul>
		P1.1.2 Provide funding support to business initiatives that create economic benefit	✓	✓	✓	Development Services	Communications	Economic Development Tourism	<ul style="list-style-type: none"> <li>Develop and implement Economic Development and Tourism Strategy</li> <li>Coordinate Place Management and Activation Services</li> <li>Engage with local business communities to deliver outcomes they value</li> </ul>
		P1.1.3 Coordinate place management and activation	✓	✓	✓	Development Services	Communications	Economic Development Tourism Community Development & Engagement	<ul style="list-style-type: none"> <li>Coordinate Place Management and Activation Services</li> <li>Facilitate vibrant public spaces</li> </ul>
		P1.1.4 Develop the Port Stephens Koala Sanctuary	✓	✓	✓	Corporate Services	Holiday Parks	Koala Sanctuary	Develop, construct and maintain a business model, hospital, tourism and accommodation facilities.

2018-2019 progressed



P1.2 Support and deliver services that attract sustainable visitation to Port Stephens	P1.2.1 Manage an integrated event licensing process	✓	✓	✓	Develop- ment Services	Communi- cations	Economic Development Tourism	Coordinate approvals and licensing for temporary events on Council owned and managed land
	P1.2.2 Manage the Nelson Bay Visitor Information Centre	✓	✓	✓	Develop- ment Services	Communi- cations	Economic Development Tourism	<ul style="list-style-type: none"> <li>• Provide visitor information</li> <li>• Manage tour and accommodation booking services</li> <li>• Support the visitor economy</li> </ul>
	P1.2.3 Provide strategic and financial support to Destination Port Stephens	✓	✓	✓	Develop- ment Services	Communi- cations	Economic Development Tourism	<ul style="list-style-type: none"> <li>• Attract year round visitation and increase overnight visitor expenditure</li> <li>• Promote Port Stephens to key domestic and international markets</li> </ul>
	P1.2.4 Attract and facilitate major events that deliver economic benefit	✓	✓	✓	Develop- ment Services	Communi- cations	Economic Development Tourism	<ul style="list-style-type: none"> <li>• Attract and support a diverse range of events that create economic benefit and support destination marketing strategies</li> </ul>



Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction P2 INFRASTRUCTURE AND FACILITIES  Our community's infrastructure and facilities are safe, convenient, reliable and environmentally sustainable	P2.1 Plan civil infrastructure and community to support the community	2.1.1 Plan for and initiate civil assets	✓	✓	✓	Facilities and Services	Assets	Civil Projects	Deliver civil asset infrastructure in the Capital Works Program
		P2.1.2 Plan for the operation, maintenance and replacement of Council's fleet	✓	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<ul style="list-style-type: none"> <li>• Manage Council's fleet</li> <li>• Review and implement the fleet replacement program</li> <li>• Monitor fleet utilisation, efficiency and effectiveness</li> </ul>
		P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	✓	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<ul style="list-style-type: none"> <li>• Manage Council's civil assets</li> <li>• Report and model civil asset condition</li> <li>• Optimise capital works and maintenance activities</li> <li>• Manage activities on road reserves</li> </ul>
		P2.1.4 Plan, design and provide advice services for drainage and flooding	✓	✓	✓	Facilities and Services	Assets	Engineering Services	<ul style="list-style-type: none"> <li>• Provide specialist technical assessment, planning and design services in drainage and flooding</li> <li>• Monitor and implement standards, regulations and policies for drainage and flooding</li> </ul>
		P2.1.5 Provide traffic engineering services and conduct road safety programs	✓	✓	✓	Facilities and Services	Assets	Engineering Services	<ul style="list-style-type: none"> <li>• Provide specialist technical assessment, investigative and planning services in traffic engineering and road safety</li> <li>• Administer the Local Traffic Committee</li> </ul>





<p><b>P2.1.6</b> Provide development engineering assessment and advice services</p>	✓	✓	✓	Facilities and Services	Assets	Engineering Services	<ul style="list-style-type: none"> <li>• Provide specialist technical assessment, investigative and planning services in development engineering</li> <li>• Provide a compliance and certification service to developments</li> </ul>
	✓	✓	✓	Facilities and Services	Assets	Community and Recreation	<ul style="list-style-type: none"> <li>• Manage community land, buildings, foreshores, sport and park infrastructure</li> <li>• Monitor, model and report on community and recreation asset conditions.</li> <li>• Plan community and recreation infrastructure delivery</li> </ul>
	✓	✓	✓	Facilities and Services	Assets	Asset Systems	Provide corporate data management and systems to support asset modelling and long term financial forecasts



Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction P2 INFRASTRUCTURE AND FACILITIES Continued	P2.2 Build Council's civil infrastructure and community to support the community	P2.2.1 Provide survey services	✓	✓	✓	Facilities and Services	Capital Works	Survey and Land Information	Provide: <ul style="list-style-type: none"> <li>• Engineering survey services for Council projects</li> <li>• Cadastral and property boundary survey services for Council and development related activities</li> <li>• External surveying consultancy services.</li> </ul>
		P2.2.2 Provide design and specialist engineering services	✓	✓	✓	Facilities and Services	Capital Works	Design	<ul style="list-style-type: none"> <li>• Provide engineering design services for Council projects</li> <li>• Engage specialist consultancy services including geotechnical, structural and environmental advice and support.</li> </ul>
		P2.2.3 Provide project and contract management services	✓	✓	✓	Facilities and Services	Capital Works	Design, Civil Contracts	Provide: <ul style="list-style-type: none"> <li>• Project management services for Council projects</li> <li>• Contract management and administration services for externally delivered construction works</li> <li>• Project quality and environmental surveillance services for Council projects</li> </ul>
		P2.2.4 Construct Council's Capital Works projects	✓	✓	✓	Facilities and Services	Capital Works	Construction	Provide civil construction services for Capital Works projects



P2.3 Maintain Council's civil and community infrastructure to support the community	P2.3.1 Provide roads maintenance	✓	✓	✓	Facilities and Services	Public Domain and Services	Roads	Maintain Council controlled roads
	P2.3.2 Provide roadside and drainage maintenance	✓	✓	✓	Facilities and Services	Public Domain and Services	Roadside and Drainage	<ul style="list-style-type: none"> <li>• Maintain road reserves</li> <li>• Maintain Council controlled drains</li> </ul>
	P2.3.3 Provide open space and foreshore maintenance	✓	✓	✓	Facilities and Services	Public Domain and Services	Parks	<ul style="list-style-type: none"> <li>• Maintain Council controlled parks, reserves and foreshore</li> <li>• Prepare sites for events</li> </ul>
	P2.3.4 Provide building trades services	✓	✓	✓	Facilities and Services	Public Domain and Services	Building Trades	Maintain Council's buildings and associated infrastructure
	P2.3.5 Provide depot, stores and workshop services	✓	✓	✓	Facilities and Services	Public Domain and Services	Mechanical Maintenance and Stores	Provide: <ul style="list-style-type: none"> <li>• Stores Services</li> <li>• Mechanical Services</li> <li>• Fabrication Services</li> </ul>
	P2.3.6 Provide cemetery administration and cemetery maintenance services	✓	✓	✓	Facilities and Services	Community Services	Contract and Services	Administer and maintain cemeteries
P2.4 Deliver road infrastructure services on behalf of Roads and Maritime Services	P2.4.1 Maintain roads as contracted with RMS	✓	✓	✓	Facilities and Services	Capital Works	Civil Contracts	Maintain RMS roads by providing: <ul style="list-style-type: none"> <li>• Survey services</li> <li>• Design and specialist engineering services</li> <li>• Project and contract management services</li> <li>• Construction and maintenance services</li> </ul>



Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction P3 THRIVING AND SAFE PLACE TO LIVE  Our community supports a healthy, happy and safe place	P3.1 Provide land use plans, tools and advice that sustainably support the community	P3.1.1 Manage Council's key planning documents	✓	✓	✓	Development Services	Strategy and Environment	Strategic Planning	Review, develop and implement: • Local Environmental Plan • Development Control Plan • Development Contributions Plans
		P3.1.2 Optimise land use to maximise social, economic and environmental needs of area	✓	✓	✓	Development Services	Strategy and Environment	Strategic Planning	Provide: • Land use planning advice to the community
	P3.2 Enhance public safety, health and liveability through use of Council's regulatory controls and services	P3.2.1 Provide development assessment services	✓	✓	✓	Development Services	Development Assessment and Compliance	Planning and Development and Relations	• Provide development application assessments • Provide information and advice relating to development applications and development proposals
		P3.2.2 Provide Building certification services	✓	✓	✓	Development Services	Development Assessment and Compliance	Building and Development and Relations	Provide: • Building certification • Swimming Pool safety program • Fire Safety program
		P3.2.3 Provide environmental health services	✓	✓	✓	Development Services	Development Assessment and Compliance	Environmental Health and Compliance	Provide: • Inspections and audits • Environmental regulation • Food, commercial premises and public health surveillance • Onsite Sewage Management Program
		P3.2.4 Provide land use compliance services	✓	✓	✓	Development Services	Development Assessment and Compliance	Environmental Health and Compliance	• Investigate and resolve unauthorised developments • Compliance education

P3.2.5 Provide regulatory ranger services	✓	✓	✓	Development Assessment and Compliance	Environmental Health and Compliance	Provide ranger services including parking surveillance, animal management and environmental regulation
	✓	✓	✓	Development Assessment and Compliance	Environmental Health and Compliance	Provide illegal dumping compliance program
P3.3 Support the amenity and identity of Port Stephens	✓	✓	✓	Strategy and Environment	Strategic Planning	Develop and monitor implementation of town strategies
P3.4 Support emergency services and protect Council assets from bushfires and extreme weather events	✓	✓	✓	Facilities and Services	Emergency Management	<ul style="list-style-type: none"> <li>• Provide and maintain buildings for RFS and SES</li> <li>• Administer Rural Fire Fighting Fund for the Lower Hunter Fire District.</li> </ul>
	✓	✓	✓	Facilities and Services	Contracts and Services	Maintain asset protection zones and fire trails on Council
P3.4.3 Maintain and implement a Local Emergency Management Plan	✓	✓	✓	Facilities and Services	Emergency Management	Maintain and deliver the Local Emergency Management Plan

# Focus Area Three | Our Environment



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

- ✓ Sole Responsibility
- 🔄 Shared Responsibility

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
<b>Key Direction E1 ECOSYSTEM FUNCTION</b> Our community has healthy and dynamic environmental systems that support biodiversity conservation	E1.1 Protect and enhance the local natural environment	E1.1.1 Develop and monitor environmental policies, strategies and technical information	✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	Provide strategic guidance, current knowledge and best practice advice
		E1.1.2 Develop and implement a range of nature conservation programs	✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	Develop and implement environmental projects to protect and enhance: <ul style="list-style-type: none"> <li>• wetlands and bushland</li> <li>• koala conservation projects</li> <li>• coastal and estuarine environment</li> </ul> Administer the Environmental Projects Fund grant program
		E1.1.3 Provide environmental impact assessment services	✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	<ul style="list-style-type: none"> <li>• Provide ecological and environmental planning services for Council's operations</li> <li>• Provide ecological and environmental planning services for the community</li> <li>• Administer Council's Tree Permit System</li> <li>• Provide tree assessment services (compliance, risk and environmental assessments) for Council</li> </ul>



2018-2019 progressed

<b>Key Direction E2 ENVIRONMENTAL SUSTAINABILITY</b> Our community uses resources sustainably, efficiently and equitably		<b>E1.2</b> Educate the community about the natural environment	<b>E1.1.4</b> Manage biosecurity risks (weeds and pests)	✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	<ul style="list-style-type: none"> <li>Coordinate the management of biosecurity risks (weeds and pests) on Council owned and managed land</li> <li>Regulate biosecurity risks (weeds) in Port Stephens</li> </ul>
				✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	Provide environmental education programs and grants for the community
				✓	✓	✓	Facilities and Services	Community Services	Waste Management	Provide a range of waste collection, recycling and disposal services and education programs
				✓	✓	✓	Facilities and Services	Office of the Group Manager	Office of the Group Manager	Coordinate and implement projects identified by Council's Sustainable Energy Group
<b>Key Direction E3 ENVIRONMENTAL RESILIENCE</b> Our community is resilient to environmental risks, natural hazards and climate change		<b>E3.1</b> Encourage community resilience to coastal hazards	<b>E3.1.1</b> Implement coastal, estuary and foreshore management projects	✓	✓	✓	Facilities and Services	Assets	Community and Recreation	Investigate options, methodology and funding options for coastal management projects such as: <ul style="list-style-type: none"> <li>Kangaroo Point foreshore</li> <li>Shoal Bay foreshore</li> <li>John Parade foreshore</li> <li>Sandy Point and Conroy Park</li> </ul>
				✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	Develop a Coastal Management Program for Port Stephens
				✓	✓	✓	Facilities and Services	Assets	Community and Recreation	Develop an emergency response coastal management plan for priority coastal area
				✓	✓	✓	Facilities and Services	Assets	Community and Recreation	Develop an emergency response coastal management plan for priority coastal area

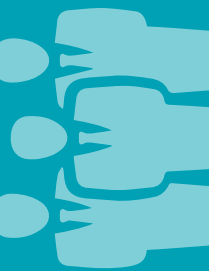


Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction E3 ENVIRONMENTAL RESILIENCE Continued	E3.2 Encourage community resilience to detrimental impacts from the environment	E3.2.1 Support affected communities in the Williamtown PFAS Management Area and surrounds	✓	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Support the community through advocacy at relevant forums such as: <ul style="list-style-type: none"> <li>the Williamtown Community Reference Group</li> <li>Elected Members Group</li> </ul>
		E3.2.2 Monitor and manage environmental impacts from decommissioned waste landfill sites	✓	✓	✓	Facilities and Services	Community Services	Waste Management	Rehabilitate, monitor and manage decommissioned landfill sites
	E3.3 Encourage community resilience to the impacts of climate change	E3.3.1 Review Climate Change Adaptation Action Plan	✓	✓	✓	Development Services	Strategy and Environment	Natural Resources	Develop a Climate Change Policy









# Focus Area Four | Our Council

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

- ✓ Sole Responsibility
- ⚙ Shared Responsibility

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
<b>Key Direction L1 GOVERNANCE</b> Our Council's leadership is based on trust and values of Respect, Integrity, Teamwork, Excellence and Safety (RITES)	L1.1 Develop and encourage the capabilities and aspirations of a contemporary workforce	L1.1.1 Manage and deliver the Human Resources program	✓	✓	✓	Corporate Services	Organisation Development	Human Resources	Provide: <ul style="list-style-type: none"> <li>• Apprentice, Trainee and Cadet Program</li> <li>• Cultural Development</li> <li>• Education Assistance</li> <li>• Employee Benefits</li> <li>• Employee Relations</li> <li>• Employment Services</li> <li>• Human Resource Information System</li> <li>• Learning and Development</li> <li>• Performance Management</li> <li>• Recognition</li> <li>• Salary System</li> <li>• Workforce Equity and Diversity</li> </ul>
			✓	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Support the Mayor, Councillors and senior executive officers.
			✓	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Host citizenship ceremonies
			✓	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Liaise with Federal, State and local governments and other government agencies on regulatory and governance matters and other community issues.

L1.3 Provide a strong ethical governance structure	L1.2.4 Develop shareholder value through an effective partnership with Newcastle Airport	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Support commercial aviation services through participation in the boards of: <ul style="list-style-type: none"> <li>Newcastle Airport Pty Ltd</li> <li>Newcastle Airport Partnership</li> </ul>
	L1.2.5 Work with Hunter councils to enhance the Hunter Region	✓	✓	Office of the General Manager	Office of the General Manager	Office of the General Manager	Manage strategic and operational matters for: <ul style="list-style-type: none"> <li>Hunter Councils Joint Organisation</li> <li>Strategic Services Australia Ltd</li> <li>Local Government Legal Ltd</li> </ul>
	L1.3.1 Coordinate and deliver governance and legal services	✓	✓	Office of the General Manager	Governance	Governance	Provide: <ul style="list-style-type: none"> <li>Governance, legislative and policy advice</li> <li>Governance Health Check</li> <li>Internal legal advice and advocacy</li> <li>Legal services</li> </ul>
	L1.3.2 Coordinate and report on the internal audit process	✓	✓	Office of the General Manager	Governance	Governance	Coordinate Council's internal audit.
	L1.3.3 Undertake a community satisfaction survey	✓	✓	Corporate Services	Office of the Corporate Services Group Manager	Corporate Reporting	Undertake a community satisfaction survey of Council's services and facilities
L1.3.4 Manage the Integrated Planning & Reporting Framework		✓	✓	Corporate Services	Office of the Corporate Services Group Manager	Corporate Reporting	Manage and report on: <ul style="list-style-type: none"> <li>Community Strategic Plan</li> <li>Delivery Program</li> <li>Operational Plan</li> <li>Review of Resourcing Strategy (Long Term Financial Plan, Strategic Asset Management Plan and Workforce Plan)</li> <li>Council Achievements &amp; Awards</li> <li>Performance of Council activities</li> </ul>
	L1.3.5 Manage access to information and privacy processes	✓	✓	Office of the General Manager	Governance	Governance	Provide access to information.





Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction L1 GOVERNANCE Continued	L1.4 Provide strong supportive business systems for Council's operations	L1.4.1 Facilitate the four-year rolling Service Review of Council's processes and services	✓	✓	✓	Corporate Services	Business Systems Support	Business Excellence	Provide specialist advice, information and support for Service Reviews.
		L1.4.2 Manage the Corporate Improvement and Business Systems program of work	✓	✓	✓	Corporate Services	Business Systems Support	Business Excellence Corporate Systems and Business Improvement Information and Communication Technologies Information Services	Provide: <ul style="list-style-type: none"> <li>• A framework for enabling Council to deliver services in the best possible way (Business Excellence)</li> <li>• Corporate systems and business improvement</li> <li>• Information and communication technology maintenance and support</li> <li>• Records services</li> </ul>
	L1.5 Reduce risk across Council	L1.5.1 Manage the Integrated Risk Management System program of works	✓	✓	✓	Corporate Services	Organisation Development	Risk Management Environmental Management Work Health and Safety	Provide: <ul style="list-style-type: none"> <li>• Corporate Risk Management System</li> <li>• Incident Management and Business Continuity</li> <li>• Management of Council's insurance portfolio</li> <li>• Environmental Auditing</li> <li>• Environmental Management System</li> <li>• Environmental Performance</li> <li>• Environmental Regulatory Licenses, Permits and Certificates</li> <li>• Incident Management</li> <li>• Contractor Management</li> <li>• Corporate Wellness</li> <li>• Injury Management</li> <li>• Work Health and Safety Management System</li> </ul>

**Key Direction  
L2 FINANCIAL  
MANAGEMENT**

Our Council  
is financially  
sustainable to meet  
community needs

<b>L2.1 Maintain strong financial sustainability</b> ✓	<b>L2.1.1 Manage Council's financial resources</b>	✓	✓	✓	Corporate Services	Financial Services	Finance Revenue Finance Expenditure Finance Reporting	Review the: <ul style="list-style-type: none"> <li>• Long Term Financial Plan</li> <li>• Fees and Charges</li> <li>• Annual Revenue Policy</li> </ul> Complete Annual Financial Reports
	<b>L2.2 Maximise non-rate revenue and investment to support Council services</b>	✓	✓	✓	Corporate Services	Property Services	Facilities Manage- ment	Manage: <ul style="list-style-type: none"> <li>• Commercial agreements to maximise non-rate revenue</li> <li>• Assets in accordance with executed legal documents</li> </ul>
		✓	✓	✓	Corporate Services	Property Services	Facilities Manage- ment	Develop and implement: <ul style="list-style-type: none"> <li>• Plans of Management for Crown Holiday Parks</li> <li>• Property Services Capital Works work plan</li> </ul>
		✓	✓	✓	Corporate Services	Property Services	Commercial Invest- ments Statutory Property	<ul style="list-style-type: none"> <li>• Develop and deliver land acquisition and divestment projects</li> <li>• Maintain bio-banking sites and where appropriate divest of bio- banking credits to maximise non- rate revenue</li> </ul>
		✓	✓	✓	Corporate Services	Holiday Parks	Holiday Parks Marketing and Promotions	Provide: <ul style="list-style-type: none"> <li>• a range of quality accommodation and tourist experiences across Council's owned and managed holiday parks</li> <li>• marketing and promotion services for Council's holiday parks</li> </ul>

Community Strategic Plan Key Direction	Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
			2018-2019	2019-2020	2020-2021	Group	Section	Service package	
Key Direction L3 COMMUNICATION AND ENGAGEMENT Our community understands Council's services and can influence outcomes that affect them	L3.1 Promote a customer first organisation	L3.1.1 Develop, implement and monitor Council's Customer First Framework	✓	✓	✓	Development Services	Communications	Customer Relations	Provide: <ul style="list-style-type: none"> <li>• Front line customer service</li> <li>• Telephone service and reporting</li> <li>• Coordinate Customer First initiatives</li> <li>• Financial transactions</li> <li>• Customer service training</li> <li>• Customer Relations Management initiative</li> </ul>
	L3.2 Provide information in a range of accessible formats	L3.2.1 Manage Council's communications	✓	✓	✓	Development Services	Communications	Public Relations and Marketing	Provide: <ul style="list-style-type: none"> <li>• Media management</li> <li>• Internal communication</li> <li>• Marketing management</li> <li>• Issues management</li> <li>• Social media management</li> </ul>
	L3.3 Strengthen Council's reputation	L3.2.1 Manage Council's digital services	✓	✓	✓	Development Services	Communications	Digital and Website	<ul style="list-style-type: none"> <li>• Manage website, intranet and digital services</li> <li>• Coordinate digital strategies</li> </ul>
	L3.4 Provide a voice for the community	L3.3.1 Manage Council's brand and reputation	✓	✓	✓	Development Services	Communications	Public Relations and Marketing	Provide: <ul style="list-style-type: none"> <li>• Crisis and issues management</li> <li>• Management of Council's visual brand</li> <li>• Assist with civic and community events and functions</li> <li>• Relationship management</li> <li>• Media management</li> </ul>
		L3.4.1 Conduct Council's community engagement activities	✓	✓	✓	Development Services	Communications	Community Development and Engagement	<ul style="list-style-type: none"> <li>• Deliver engagement activities in line with the Community Engagement Framework</li> <li>• Undertake engagement projects on behalf of all groups of Council</li> </ul>





# Delivery Program 2018-2021 and Operational Plans 2019-2021 (Proposed SRV)

## Proposed Special Rate Variation Projects

In the next two years, the following projects will be undertaken:

## Town Centre and Neighbourhood Revitalisation

Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
		2018-2019	2019-2020	2020-2021	Group	Section	Service package	
P2.1 Plan civil and community infrastructure to support the community	P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<b>Nelson Bay</b> <ul style="list-style-type: none"> <li>Implement Stage One of Nelson Bay Town Centre and Foreshore Strategy</li> <li>Includes public consultation on Public Domain Plan and initial design work</li> </ul> <b>2019-2020: \$0.375m</b> <b>2020-2021: \$0.375m</b>
	P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<b>Raymond Terrace</b> <ul style="list-style-type: none"> <li>Implement Stage One of Raymond Terrace and Heatherbrae Strategy</li> <li>Consult and refine the William Street Masterplan</li> <li>Review King Street plan with public consultation</li> <li>Minor utility relocation</li> </ul> <b>2019-2020: \$0.375m</b> <b>2020-2021: \$0.375m</b>

P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<p><b>Lemon Tree Passage</b>  <b>2019-2020: \$0.500m</b></p> <ul style="list-style-type: none"> <li>• Begin McCann Park improvements</li> <li>• Finalise designs for Lemon Tree Passage Road and John Street to provide a sense of town arrival with town signage, gardens on road blisters and footpaths</li> <li>• Minor utility relocation</li> </ul> <p><b>2020-2021: \$1.5m</b></p> <ul style="list-style-type: none"> <li>• Construction of town signage, gardens on road blisters and footpaths.</li> </ul>
P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<p><b>Karuah</b>  <b>2019- 2020: \$0.500m</b></p> <p>In alignment with the Karuah Growth Strategy:</p> <ul style="list-style-type: none"> <li>• Design Mustons Road culvert widening and pedestrian walkway</li> <li>• Provide main street improvements such as town signage, formalized parking, gardens on road blisters and footpaths</li> </ul> <p><b>2020-2021: \$1.5m</b></p> <ul style="list-style-type: none"> <li>• Construct Mustons Road culvert widening and pedestrian walkway, town signage, formalized parking, gardens on road blisters and footpaths</li> </ul>
P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	N/A	Facilities and Services	Assets	Civil Assets Planning	<p><b>Seaham</b>  <b>2019-2020: \$0.500m</b></p> <ul style="list-style-type: none"> <li>• Construct road pavement delineation, bus stop interchange and plant street trees</li> </ul>

## New and Improved Infrastructure

Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			What we deliver
		2018-2019	2019-2020	2020-2021	Group	Section	Service package	
P2.1 Plan civil and community infrastructure to support the community	P2.1.3 Plan for the operation, maintenance and renewal of Council's civil assets	N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<b>Paths and cycleways</b> Implement Council's Pathways Plan: <b>2019-2020: \$3.6m</b> Anna Bay - \$0.700m Raymond Terrace - \$0.400m Tanilba Bay - \$1m Medowie (Stage One) - \$1.5m <b>2020-2021: \$2.6m</b> Raymond Terrace - \$0.600m Shoal Bay - \$2m
		N/A	N/A	✓	Facilities and Services	Assets	Civil Assets Planning	<b>Street lighting upgrades</b> <b>2020-2021: \$1m</b> <ul style="list-style-type: none"> <li>Negotiate contract with energy supplier and identify approximately 4,400 ageing street lights with LED lights to improve energy efficiency and cost savings</li> <li>Commence replacement</li> </ul>
		N/A	✓	✓	Facilities and Services	Assets	Civil Assets Planning	<b>Road rehabilitation and reseals</b> <b>2019-2020: \$0.500m</b> Investigate and design rehabilitation and seals for SRV funded roads - \$90,000 First seal - Swan Bay Road, Swan Bay - \$410,000 <b>2020-2021: \$1m</b> Investigate and design rehabilitation and seals for SRV funded roads - \$150,000 First seal - East Seaham Road, East Seaham - \$850,000

P2.1.4 Plan, design and provide advice services for drainage and flooding	N/A	✓	N/A	Facilities and Services	Assets	Engineering Services	<b>Shoal Bay drainage</b> 2019-2020: \$2m <ul style="list-style-type: none"> <li>• Complete master design for drainage network</li> <li>• Commence staged drainage construction with creation of a large detention basin between Horace Street and Government Road. Works includes augmentation to trunk system, kerb inlet and infiltration pits from Rigney Street to Shoal Bay Beach outlet.</li> </ul>
P2.1.7 Provide, manage and maintain community and recreation assets	N/A	✓	✓	Facilities and Services	Assets	Community and Recreation	<b>Foreshore improvements</b> 2019-2020: \$0.500m <ul style="list-style-type: none"> <li>• Conroy Park/Sandy Point – implement Coastal Process Study – Precinct 1-4 outcomes - \$0.500m</li> </ul> 2020-2021: \$1.5m <ul style="list-style-type: none"> <li>• Conroy Park/Sandy Point Coastal Process Study – Actions and outcomes of report - \$0.100m</li> <li>• Little Beach boat ramp upgrade - \$1.4m</li> </ul>
P2.1.7 Provide, manage and maintain community and recreation assets	N/A	✓	N/A	Facilities and Services	Assets	Community and Recreation	<b>BBQ facilities</b> 2019-2020: \$0.500m <ul style="list-style-type: none"> <li>• Replace or install BBQs and seating in the following locations:               <ul style="list-style-type: none"> <li>• Henderson Park, Lemon Tree Passage</li> <li>• Fingal Bay Foreshore</li> <li>• Caswell Reserve, Mallabula</li> <li>• George Reserve, Soldiers Point</li> <li>• Memorial Park, Karuah</li> <li>• Boomerang Park, Raymond Terrace</li> <li>• Meadowie Town Centre</li> </ul> </li> </ul>



P2.1.7 Provide, manage and maintain community and recreation assets	N/A	✓	✓	Facilities and Services	Assets	Community and Recreation	<p><b>Public amenities</b></p> <ul style="list-style-type: none"> <li>• Upgrade and install toilets, bike racks, drinking fountains and beach showers.in the following locations:</li> </ul> <p><b>2019-2020: \$1m</b></p> <ul style="list-style-type: none"> <li>• Bettles Park, Raymond Terrace - \$100,000</li> <li>• Shoal Bay Foreshore West - \$180,000</li> <li>• Longworth Park, Karuah - \$120,000</li> <li>• Neil Carroll Park, Nelson Bay - \$120,000</li> <li>• Aliceton Reserve, Karuah - \$180,000</li> <li>• Henderson Park, Lemon Tree Passage - \$120,000</li> <li>• Fingal Bay North Foreshore - \$180,000</li> </ul> <p><b>2020-2021: \$1m</b></p> <ul style="list-style-type: none"> <li>• Spencer Park, Soldiers Point</li> <li>• Little Beach Foreshore</li> <li>• Bettles Park, Raymond Terrace</li> <li>• One Mile Beach</li> <li>• Shoal Bay East</li> <li>• Medowie town centre</li> <li>• George Reserve, Soldiers Point</li> </ul>
P2.1.7 Provide, manage and maintain community and recreation assets	N/A	✓	N/A	Facilities and Services	Assets	Community and Recreation	<p><b>Stuart Park, Hinton upgrade</b></p> <p><b>2019-2020: \$0.800m</b></p> <ul style="list-style-type: none"> <li>• Replace existing building with multipurpose sports amenities building</li> </ul>
P2.2 Build Council's civil and community infrastructure to support the community	N/A	N/A	✓	Facilities and Services	Capital Works	Construction	<p><b>Depot relocation and rehabilitation</b></p> <p><b>2020- 2021: \$1.5m</b></p> <ul style="list-style-type: none"> <li>• Design and start construction on new depots at Raymond Terrace and Nelson Bay and remediate existing sites</li> </ul>

## Enhanced Services and Maintenance

Delivery Program Objective	Operational Plan Action	Delivery			Delivery responsibility			SRV Projects - What we deliver
		2018-2019	2019-2020	2020-2021	Group	Section	Service package	
C2.4 Provide public libraries as vibrant community spaces	C2.4.1 Deliver public library services, resources and community literacy programs	N/A	✓	✓	Facilities and Services	Community Services	Library Services	<b>Library services</b> <i>This is a recurring cost per annum and will increase to \$0.500m pa from 2024-2025 onwards.</i> <b>2019-2020: \$0.100m</b> <ul style="list-style-type: none"> <li>Children's Literacy program will be increased to support an extra 20 local families (target 260 families) and 40 children (target 350 children).</li> <li>Digital literacy for seniors program will be increased to support up to 400 seniors (target 400 seniors)</li> <li>Homebound book delivery service will be increased to support an extra 60 clients (target 120 clients)</li> </ul> <b>2020-2021: \$0.100m</b> <ul style="list-style-type: none"> <li>Homebound book delivery service will be increased to support an extra 30 clients (target 150 clients)</li> <li>Saturday business hours increased by 2 hours (from 12pm to 2pm) for Raymond Terrace and Tomaree libraries (target 6761 hours opened per year across all library services)</li> </ul>
		N/A	✓	✓	Development Services	Communi-cations	Community Development and Engagement  Economic Development and Tourism	<b>Event management</b> <i>This is a recurring cost per annum and will increase to \$0.500m pa from 2023-2024 onwards.</i> <ul style="list-style-type: none"> <li>Establish an expanded events team - \$0.130m</li> <li>Expand event sponsorship program- \$0.100m</li> <li>Initiate, coordinate and manage two to three community based events each year to support place making and place activation programs - \$0.120m</li> </ul> <b>2019-2020: \$0.350m</b> <b>2020-2021: \$0.350m</b>

P2.3 Maintain Council's civil and community infrastructure to support the community	P2.3.2 Provide roadside and drainage maintenance	N/A	✓	✓	Facilities and Services	Public Domain and Services	Roadside and Drainage	<p><b>Tree maintenance</b> This is a recurring cost per annum and will increase to \$0.650m pa from 2023-2024 onwards.</p> <ul style="list-style-type: none"> <li>Undertake the gradual increase in the removal and replacement of dangerous/hazardous trees that are listed as priority categories 2 and 3 across the LGA on road reserves, parks and reserves. This would equate to an increase of 100 trees per \$0.100m.</li> </ul> <p>Refer to SAMP 9 for tree hazard categories. <b>2019-2020: \$0.100m</b> <b>2020-2021: \$0.100m</b></p>
	P2.3.2 Provide roadside and drainage maintenance	N/A	✓	✓	Facilities and Services	Public Domain and Services	Roadside and Drainage	<p><b>Open drain maintenance</b> This is a recurring cost per annum and will increase to \$0.500m pa from 2023-2024 onwards.</p> <ul style="list-style-type: none"> <li>Undertake an additional drainage maintenance program of 250 lineal metres (lm) of excavation, 1,500 lm of mowing and 5,000 lm of spraying per \$0.100m.</li> </ul> <p><b>2019-2020: \$0.100m</b> <b>2020-2021: \$0.100m</b></p>
	P2.3.4 Provide building trades services	N/A	✓	✓	Facilities and Services	Public Domain and Services	Building Trades	<p><b>Sports facility maintenance</b> This is a recurring cost per annum and will increase to \$0.500m pa from 2023-2024 onwards.</p> <ul style="list-style-type: none"> <li>Rectify estimated 150 additional building trade defects (including carpentry, paint, electrical and plumbing defects) per \$0.100m (actual number dependent on final inspections prior to work and time taken to undertake each remediation).</li> </ul> <p><b>2019-2020: \$0.100m</b> <b>2020-2021: \$0.100m</b></p>

# Summary of SRV Projects 2019-2020 to 2028-2029

## One Off Capital Costs

Project	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	Year 6 2024-25	Year 7 2025-26	Year 8 2026-27	Year 9 2027-28	Year 10 2028-29	TOTAL SRV Funds
<b>Town Centre And Neighborhood Revitalisation</b>											
Nelson Bay	\$0.375m	\$0.375m	\$2.5m	\$2.5m	\$2.25m	\$2.25m	\$2.25m	\$2.25m	\$0.250m	0	\$15m
Raymond Terrace	\$0.375m	\$0.375m	\$2.5m	\$2.5m	\$2.25m	\$2.25m	\$2.25m	\$2.25m	\$0.250m	0	\$15m
Medowie - drainage	0	0	0	\$0.700m	\$2.25m	\$2.05m	0	0	0	0	\$5m
Karuah	\$0.500m	\$1.5m	0	0	0	0	0	0	0	0	\$2m
Anna Bay	0	0	0	\$0.250m	\$0.75m	\$1m	0	0	0	0	\$2m
Lemon Tree Passage/ Tanilba Bay	\$0.500m	\$1.5m	0	0	0	0	0	0	0	0	\$2m
Fingal Bay	0	0	\$0.500m	0	0	0	0	0	0	0	\$0.500m
Fern Bay	0	0	\$1m	0	0	0	0	0	0	0	\$1m
Seaham	\$0.500m	0	0	0	0	0	0	0	0	0	\$0.500m
<b>TOTAL</b>	<b>\$2.25m</b>	<b>\$3.75m</b>	<b>\$6.5m</b>	<b>\$5.95m</b>	<b>\$7.5m</b>	<b>\$7.55m</b>	<b>\$4.5m</b>	<b>\$4.5m</b>	<b>0</b>	<b>0</b>	<b>\$43m</b>
<b>New and Improved Infrastructure</b>											
<b>Drains and roads</b>											
Shoal Bay drainage	\$2m	0	0	0	0	0	0	0	0	0	\$2m
Foreshore improvements	\$0.500m	\$1.5m	\$0.500m	\$0.500m	0	0	0	0	0	0	\$3m
Street lighting upgrade	0	\$1m	\$0.500m	\$0.500m	0	0	0	0	0	0	\$2m
Road rehabilitation and reseal	\$0.500m	\$1m	\$2.5m	\$3.15m	\$4m	\$4m	\$5m	\$5m	\$5m	\$5m	\$35.15m
<b>TOTAL</b>	<b>\$3m</b>	<b>\$3.5m</b>	<b>\$3.5m</b>	<b>\$4.15m</b>	<b>\$4m</b>	<b>\$4m</b>	<b>\$5m</b>	<b>\$5m</b>	<b>\$5m</b>	<b>\$5m</b>	<b>\$42.15m</b>



Community amenities													
Arts Centre	0	0	0	0	0	0	0	0	0	0	\$250,000	\$1.75m	\$2m
Birubi Information Centre	0	0	0	0	0	0	0	0	0	0	\$3m	0	\$3m
Mallabula Hall	0	0	\$0.500m	0	0	0	0	0	0	0	0	0	\$0.500m
BBQ facilities	\$0.500m	0	0	0	0	0	0	0	0	0	0	0	\$0.500m
Public amenities	\$1m	\$1m	0	0	0	0	0	0	0	0	0	0	\$2m
Soldiers Point carpark	0	0	0	0	0	0	0	0	0	0	0	\$0.500m	\$0.500m
Tomaree Sports Complex	0	0	0	0	0	\$3m	0	0	0	0	0	0	\$3m
King Park sports complex	0	0	0	0	0	0	\$2m	\$1m	0	0	0	0	\$3m
Stuart Park, Hinton	\$0.800m	0	0	0	0	0	0	0	0	0	0	0	\$0.800m
TOTAL	\$2.3m	\$1m	\$0.500m	0	\$3m	\$3m	\$2m	\$1m	\$3m	\$0.750m	\$1.75m	\$15.3m	
Paths and cycleways													
Paths and cycleways	\$3.6m	\$2.6m	0	0	0	0	0	0	\$0.500m	\$0.500m	\$0.500m	\$7.7m	
Brandy Hill paths and cycleways	0	0	0	0	0	0	0	0	0	\$2m	0	\$2m	
TOTAL	\$3.6m	\$2.6m	0	0	0	0	0	0	\$0.500m	\$2.5m	\$0.500m	\$9.7m	
Depot relocation and rehabilitation													
	0	\$1.5m	\$2m	\$1.5m	0	0	0	0	0	0	0	\$5m	
TOTAL	0	\$1.5m	\$2m	\$1.5m	0	0	0	0	0	0	0	\$5m	

#### Notes

Capital Expenditure Reviews are to be undertaken for these projects (anticipated total cost of greater than \$5m): Raymond Terrace revitalisation, Nelson Bay revitalisation and car parking, Medowie CBD and Depot relocation and rehabilitation. These reviews will be lodged with the Office of Local Government as required under Section 23A of the *Local Government Act 1993*.

## Recurring Costs

Project	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-23	Year 5 2023-24	Year 6 2024-25	Year 7 2025-26	Year 8 2026-27	Year 9 2027-28	Year 10 2028-29	TOTAL SRV Funds over 10 years
<b>Enhanced Services</b>											
<b>Libraries, community and events services (recurring costs per annum)</b>											
Events management	\$0.350m	\$0.350m	\$0.350m	\$0.350m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$4.4m
Library/Community services	\$0.100m	\$0.100m	\$0.100m	\$0.150m	\$0.250m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$3.2m
<b>TOTAL</b>	<b>\$0.450m</b>	<b>\$0.450m</b>	<b>\$0.450m</b>	<b>\$0.500m</b>	<b>\$0.750m</b>	<b>\$1m</b>	<b>\$1m</b>	<b>\$1m</b>	<b>\$1m</b>	<b>\$1m</b>	<b>\$7.6m</b>
<b>Maintenance (recurring costs per annum)</b>											
Tree maintenance	\$0.100m	\$0.100m	\$0.150m	\$0.350m	\$0.650m	\$0.650m	\$0.650m	\$0.650m	\$0.650m	\$0.650m	\$4.6m
Open drain maintenance	\$0.100m	\$0.100m	\$0.100m	\$0.350m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$3.65m
Sporting facilities maintenance	\$0.100m	\$0.100m	\$0.100m	\$0.350m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$0.500m	\$3.65m
Increased infrastructure maintenance	0	0	\$0.200m	\$0.500m	\$0.750m	\$1m	\$1.5m	\$2.25m	\$2.5m	\$2.5m	\$11.2m
<b>TOTAL</b>	<b>\$0.300m</b>	<b>\$0.300m</b>	<b>\$0.550m</b>	<b>\$1.55m</b>	<b>\$2.4m</b>	<b>\$2.65m</b>	<b>\$3.15m</b>	<b>\$3.9m</b>	<b>\$4.15m</b>	<b>\$4.15m</b>	<b>\$23.1m</b>

# Resourcing strategies

## Long Term Financial Plan snapshot

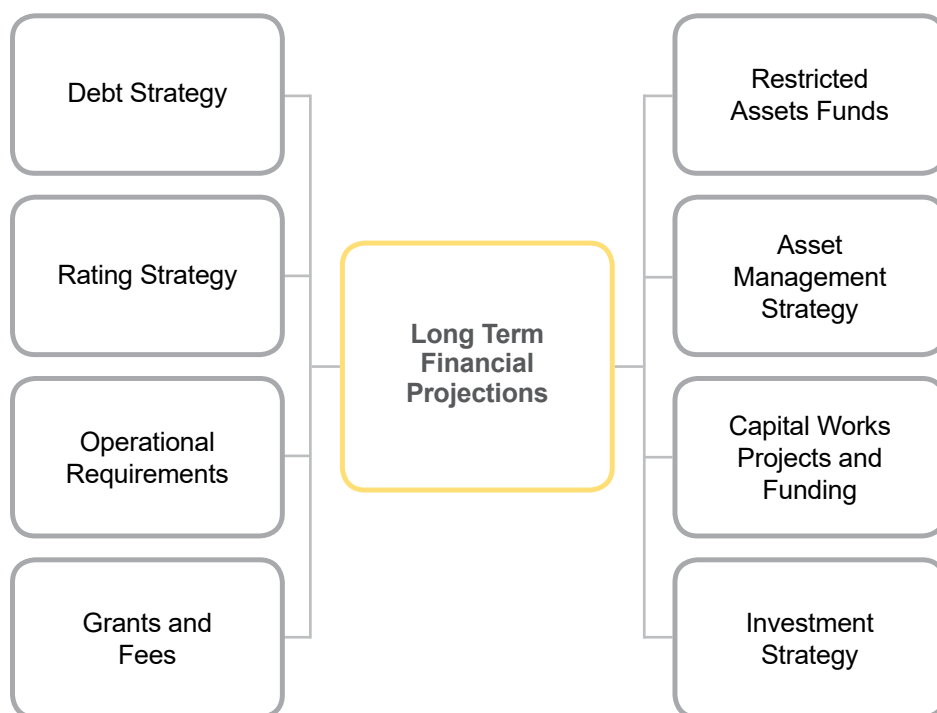
Port Stephens Council's Long Term Financial Plan (LTFP) outlines how we will deliver the objectives and strategies expressed in the Community Strategic Plan, by ensuring the objectives of the IP&R framework are matched by appropriate resources.

The LTFP must be for a minimum timeframe of ten years, covering the period from 2019-2020 to 2028-2029. It is then reviewed and rolled over annually.

In addition to acting as a resource plan, the LTFP endeavours to:

- a. establish a financial framework that combines and integrates financial strategies to achieve a planned outcome;
- b. establish a financial framework that allows us to measure Council's strategies, policies and financial performance;
- c. ensure that Council complies with sound financial management principles;
- d. allows Council to meet its obligations under the Local Government Act

The development of the long term financial projections represents the output of several strategy areas, that when combined, produce the financial direction of Council (see below)



The LTFP is based on achieving the following outcomes:

- maintaining the underlying operating surplus;
- ensuring Council infrastructure is maintained at satisfactory level;
- achieving a financial structure that allows us to pay for new assets and renew existing assets within our operating income; and
- the retention of services at present levels.

The LTFP contains a set of long range financial projections based on a set of assumptions which includes the proposed SRV. It is structured as a series of 'scenarios,' each of which shows a specific financial outlook. The LTFP (as at November 2018) presents financial forecasts associated with the following scenarios:

INCOME	Conservative	Standard	Proposed SRV
<b>Rates</b>			
Pegging factor applied 2020	2.7%	2.7%	2.7%
SRV peg factor applied 2020	-	-	4.8%
Ongoing peg factor beyond 2020	2.0%	2.5%	2.5%
SRV peg factor beyond 2020	-	-	5.0%
New annual rates assessment	100	150	150
User fees and charges Annual factor	2.2%	2.5%	2.5%
Operating grants and Contributions Annual factor	2.2%	2.5%	2.5%
<b>Other</b>			
Other income	2.2%	2.5%	2.5%
Cash investment returns	2.5%	2.5%	2.5%
Airport dividend	50%	50%	50%

EXPENSES	Conservative	Standard	Proposed SRV
Salaries and allowances	2.75%	2.75%	2.75%
Materials and contracts	2.3%	2.5%	2.5%
Capital spend over 10 years	\$208m	\$210m	\$210m
SRV capital spend over 10 years	-	-	\$112m
Local Government Cost Index	2.3%	2.5%	2.5%

PROJECTED RESULT	Conservative	Standard	Proposed SRV*
2019-2020	677,000	676,000	471,000
2020-2021	(161,000)	122,000	1,875,000
2021-2022	94,000	103,000	2,552,000
2022-2023	245,000	(11,000)	3,652,000
2023-2024	529,000	995,000	4,958,000
2024-2025	42,000	651,000	6,403,000
2025-2026	(1,026,000)	891,000	8,942,000
2026-2027	(1,321,000)	614,000	7,907,000
2027-2028	(1,441,000)	1,584,000	7,518,000
2028-2029	(2,392,000)	1,260,000	7,292,000

(\*) - The underlying operating result does not include loan repayments. The special rate variation income will be used to repay loans which are not an operating expense. Please refer to the Long Term Financial Plan for more detail

In summary, the LTFP presents a responsible financial blueprint for the future of Port Stephens Council.





## Strategic Asset Management Plan snapshot

Port Stephens Council's Strategic Asset Management Plan 2019 – 2029 (SAMP9) provides a framework to help us manage current and future Council assets so that appropriate services are effectively delivered to the community now and in the future.

It considers information about Council's assets, asset management processes and practices, and presents a plan to improve Council's asset provision and management capability.

Legislation requires that the SAMP is for a minimum 10 year period and that it is reviewed and rolled over annually.

Council is responsible for a very large and broad asset portfolio, which totals approximately \$894M. This asset base includes traditional asset infrastructure such as roads, footpaths, buildings and drainage as well as assets which

are unique to coastal councils such as seawalls, surf clubs, lifeguard towers, wharves and jetties.

Council has an ethical and legal obligation to effectively plan for, account for, and manage the public assets for which it is responsible. The successful delivery of Council's assets will enable the current and long term aspirations of the community to be met.

SAMP9 includes additional material in the event that the proposed SRV application is successful.



## Workforce Plan snapshot

Port Stephens Council's Workforce Plan (2018-2021) sets out what type of organisation we need to be and how we plan to get there.

In an ordinary Council term the Workforce Plan must for a minimum of four years, however for this cycle it is a three year plan.

In partnership with Council's Long Term Financial Plan and Strategic Asset Management Plans, the Workforce Plan ensures that there are sufficient resources available in the right place, at the right time, with the right skills to deliver on the community's vision and aspirations for their place and community.

A number of strategies have been developed and integrated by Port Stephens Council to support the Workforce Plan and to address the challenges of providing appropriately qualified staff for today and the future, being:

- Best Employer
- Talent Management
- Integrated Risk Management
- Continuous Improvement
- Workplace Governance
- Business Systems Digital Strategy



# Appendix

## Appendix One: Our Partners

Who assists Council achieve the community priorities.

- Ausgrid
- Australian Surf Life Saving Pty Ltd
- Department of Industry, Innovation and Science (Federal)
- Australian Tax Office (Federal)
- The Business Centre, Newcastle Region
- Department of Family and Children Services
- Department of Health
- Department of Planning and Environment
- Department of Primary Industries
- Department of Premier and Cabinet
- Destination NSW
- Destination Port Stephens
- Economic Development Australia
- Environment Protection Authority
- Hunter Business Chamber
- Hunter Region Business Hub
- Hunter Councils Inc.
- Hunter Local Lands Services
- Hunter Water Corporation
- Karuah Local Aboriginal Land Council
- National Parks and Wildlife Service
- Newcastle Airport Limited
- Newcastle Regional Library
- North Coast Destination Network
- Office of Environment and Heritage
- Office of Local Government
- Office of the NSW Small Business Commissioner





- Regional Development Australia, Hunter
- Roads and Maritime Services
- Rural Fire Service
- State Emergency Service
- State Library of NSW
- Tourism Australia
- Transport for NSW
- Volunteers
- Worimi Conservation Lands Board of Management
- Worimi Local Aboriginal Land Council

**Note:** This list is not exhaustive. Unless otherwise stated, the government departments and agencies are with the NSW government.





## Appendix Two: Performance Measures

Council deploys six key measures to record its performance against targets. The measures are:

### 1. Service Delivery

While the Community Strategic Plan lays out the general priorities for the community, the Delivery Program and Operational Plan detail how Council will deliver these priorities through objectives and actions.

Council reports against actions and budgets, detailed in the Delivery Program and the annual Operational Plan.

Council's Annual and Six Monthly reports provide details.

To be successful in this measure, Council has set a target to achieve greater than 95% of the Integrated Plans (which includes delivery of the actions set out in the annual Operational Plan) delivered on time.

## **2. Community Satisfaction**

Council's annual Community Satisfaction Survey provides the community an opportunity to comment on Council's performance against its targets. Council can also test community perceptions of its services.

To be successful in this measure, Council has set a target to achieve an overall satisfaction rating with Council's services of greater than 80%.

In addition to the Community Satisfaction Survey, Council undertakes two other annual surveys for Library and Children's Services.

## **3. Governance Health Check**

The Governance Health Check ensures Council is held to account in meeting its legislative and operational requirements. The Governance Health Check covers four key areas:

- Ethics
- Risk management
- Information management
- Reporting

To be successful in this measure, Council has set a target to achieve a rating of greater than 95%.

## **4. Employee Engagement**

Council's annual employee engagement survey measures an employee's energy and passion, their level of connection to the organisation and their willingness to apply discretionary effort to improve individual and business performance.

Research continues to find that organisations with higher engagement levels also have better talent, operational, customer and financial outcomes.

To be successful in this measure, Council has set a target to achieve an overall employee engagement rating of greater than 70%.

## **5. Risk Management Maturity Score**

Council's Integrated Risk Management Framework assists Council understand the broad spectrum of risks facing it in delivering a complex range of services to the community. The Framework provides tools to ensure that risk is appropriately managed.

To be successful in this measure, Council has set a target to achieve an overall risk management maturity score of greater than 80%.

## **6. Underlying Financial Position**

Council aims to achieve an underlying surplus which enables it to be financially sustainable.

**Other** - In some areas of Council, additional performance measures may be legislatively required.

## Appendix Three: Statement of Revenue Policy

The following two rates scenarios are presented for 2019-2020:

### Scenario 1 Rate pegging only

A 2.7% rate-pegging increase allowed by the NSW Government.

### Scenario 2 Special Rate Variation (SRV)

A 7.5% increase, including rate pegging, if Council's application for a SRV is approved by the Independent Pricing and Regulatory Tribunal (IPART).

Key elements of Council's rating policy are:

- Rates levied on the most recent land valuations provided by the NSW Valuer-General, being base date 1 July 2016;
- Total rate income will increase by approximately 2.7% or 7.5% above 2018-2019 levels in accordance with rate-pegging or SRV if approved by IPART;
- 35% base amounts are continued in the main residential category and business category;
- Sub-categories in the residential and farmland categories are continued;
- Farmland and residential rates in the same sub-category locations continue to have the same rate in the dollar and base amounts;
- No special rates under section 495 of the Local Government Act are proposed for 2019-2020.

### Special Rate Variation (SRV)

Council is proposing to make an application to IPART for a SRV of 7.5% per annum (inclusive of rate peg) for seven years from 2019-2020 to 2025-2026 inclusive. The cumulative percentage increase, including rate peg, of this proposal is 65.9% over the seven years. Council is proposing that the increase be retained permanently in its rates general income base. This means that the rate levels in 2025-2026 will increase by the rate peg in 2026-2027 and subsequent years and rates will not be reduced to pre-SRV levels. For more information refer to the proposed SRV section earlier in this document.

### Williamstown Management Area

Sub-categories are proposed to continue in 2019-2020 in the residential and farmland rate categories to enable different (lower) rates to be made in the Williamstown Management Area Primary, Secondary and Broader Management zones. The main residential and farmland

category rates are proposed to apply to all properties located elsewhere within the Port Stephens Council Local Government Area. The reason for the sub-categorisation is to provide financial assistance to residential and farmland ratepayers whose properties are included in the RAAF Base Williamstown per- and poly- fluoroalkyl substances (PFAS) contamination areas.

### Rating of Strata Lots

Each lot in a strata plan is rated separately but Council will include lots on one rate notice where one lot consists of either a residential unit or residential unit and garage and the other lots consist of either a garage or utility room. A maximum of three (3) separate strata lots can be included on one rate notice where only one lot must contain a residential unit. All lots must be within the same strata plan. Council will not allow aggregation in any other circumstances including multiple residential units, multiple garages, multiple





industrial bays, multiple retail premises and multiple marina berths. Council will allow aggregation of land values where new land values are received and amalgamation or consolidation of parcels owned by the same ratepayer is to occur, and the Valuer-General has confirmed that amalgamation will be approved. Council will also allow aggregation of land values with other land owned by the same ratepayer where land is subject to a license or enclosure permit and the Valuer-General has confirmed that amalgamation will be approved. Rates will be levied on the new aggregated land value, but not backdated for previous years.

#### **Categorisation of Land**

All land is placed within one of four mandatory categories for rating purposes according to the dominant use of the land: residential, farmland, business and mining. The land category is printed on the rate notice. Ratepayers may apply for their land category to be reviewed and applications are determined within 40 days. Where a ratepayer applies for their land category to be reviewed and this is approved, the date of effect for rating purposes is the date their application was received by Council. The date of effect may be backdated at Council's discretion, if there are exceptional circumstances that prevented the ratepayer from making an earlier application. Where Council initiates the review of a land category the date of effect shall be no earlier than the date the declaration is posted to the ratepayer.

#### **Exemption from Rates**

All land is rateable unless it is exempt under section 555 or section 556 of the *Local Government Act*. Eligible organisations (generally public charities) may apply for their land to be made exempt if they believe it to be exempt. Where a ratepayer applies for their land to be made exempt and this is approved the date of effect for rating purposes is the date their application was received by Council. The date of effect may be backdated, at Council's discretion, if there are exceptional circumstances that prevented the ratepayer from making an earlier application.

#### **Hunter Local Land Services**

Council includes on its rate notice a catchment contribution collected on behalf of the Hunter-Local Land Services. The Local Land Services sets the rate in the dollar around June each year after receiving Ministerial approval. Catchment contributions are collected by Council under the *Local Land Services Act 2013* and are passed on to the Service. All rateable land with a land value exceeding \$300 within a defined river catchment area is subject to the contribution.

#### **Ordinary Rate Structure**

Council will adopt one of the following rating scenarios for 2019-2020 subject to adoption by Council and acceptance of the SRV by IPART.



## Scenario 1 Rate pegging only

Category	Sub-Category	Ad Valorem Rate c in \$	Base Amount \$	Base Amount Yield %	Estimated Rate Yield '000s
Residential	Williamstown Primary Zone	0.1554	189.00	35	\$12
Residential	Williamstown Secondary Zone	0.2331	283.50	38	\$116
Residential	Williamstown Broader Zone	0.27972	340.20	37	\$231
Residential	Residential	0.31146	379.00	35	\$33,645
Farmland	Williamstown Primary Zone	0.1554	189.00	27	\$6
Farmland	Williamstown Secondary Zone	0.2331	283.50	24	\$20
Farmland	Williamstown Broader Zone	0.27972	340.20	25	\$22
Farmland	Farmland	0.31146	379.00	22	\$773
Business	n/a	0.8742	1,599.00	35	\$8,372
Mining	n/a	0.8742	n/a	n/a	nil
Total					\$43,197





## Scenario 2 Special Rate Variation

Category	Sub-Category	Ad Valorem Rate c in \$	Base Amount \$	Base Amount Yield %	Estimated Rate Yield '000s
Residential	Williamstown Primary Zone	0.1627	198.00	35	\$13
Residential	Williamstown Secondary Zone	0.244	297.00	38	\$121
Residential	Williamstown Broader Zone	0.2928	356.40	37	\$242
Residential	Residential	0.3259	397.00	35	\$35,219
Farmland	Williamstown Primary Zone	0.1627	198.00	27	\$7
Farmland	Williamstown Secondary Zone	0.244	297.00	24	\$21
Farmland	Williamstown Broader Zone	0.2928	356.40	25	\$23
Farmland	Farmland	0.3259	397.00	22	\$809
Business	n/a	0.9151	1,673.00	35	\$8,762
Mining	n/a	0.9151	n/a	n/a	nil
Total					\$45,217

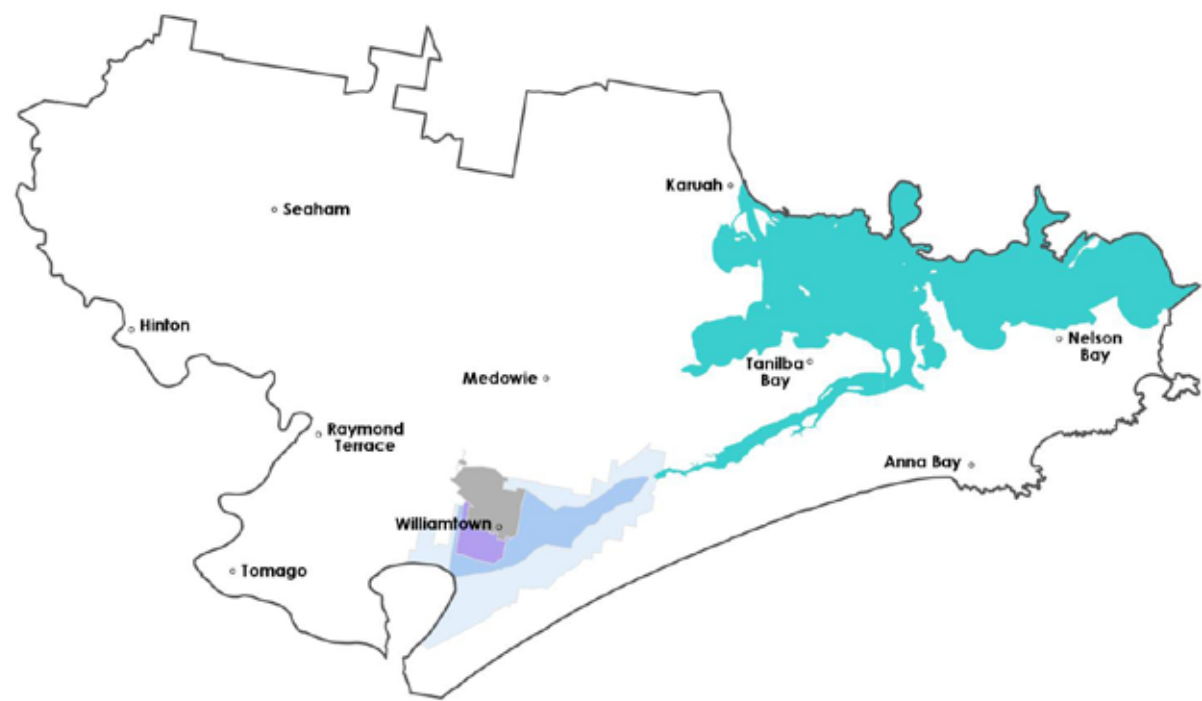




Ordinary rate sub-categories: Williamstown management area

Management zones

- Primary management zone
- Secondary management zone
- Broader management zone
- Williamstown RAAF Base



Residential, farmland, business and mining rates#

#Apply to the whole of Port Stephens LGA



Hunter Local Land Services

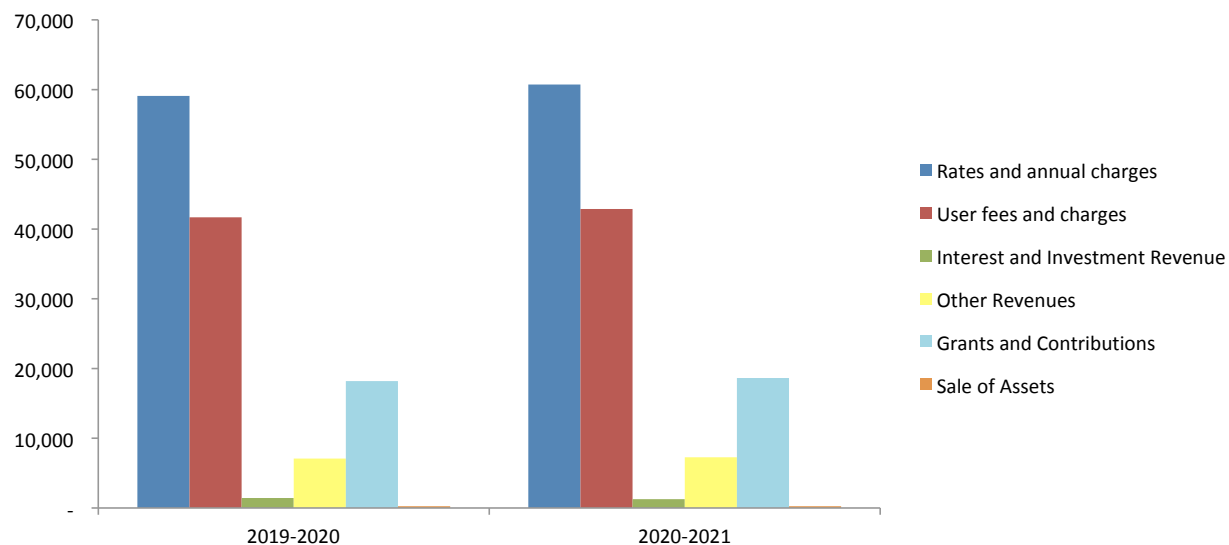
Catchment contribution area



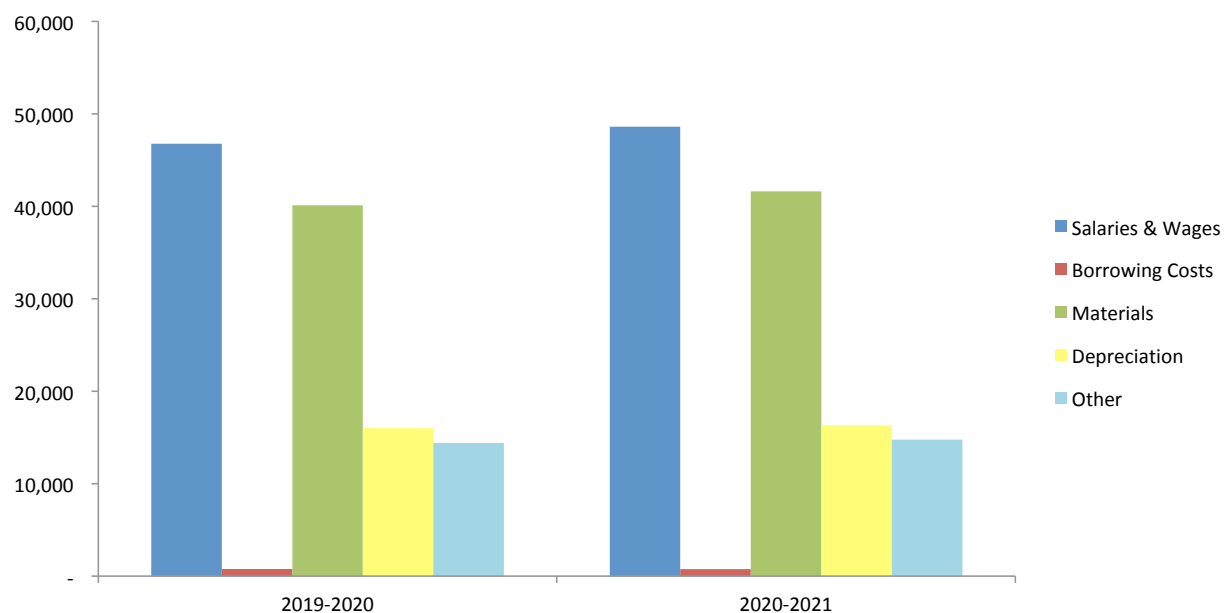


## Budget Summary (no SRV)

Revenue 2019-2020 to 2020-2021 (\$'000s)

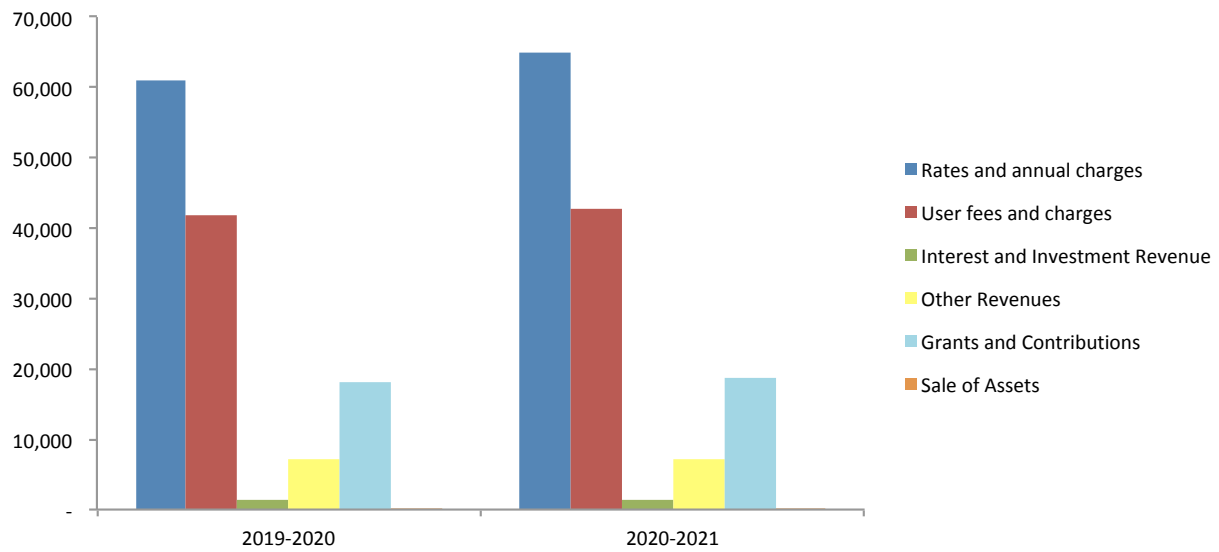


## Expenditure 2019-2020 to 2020-2021 (\$'000s)

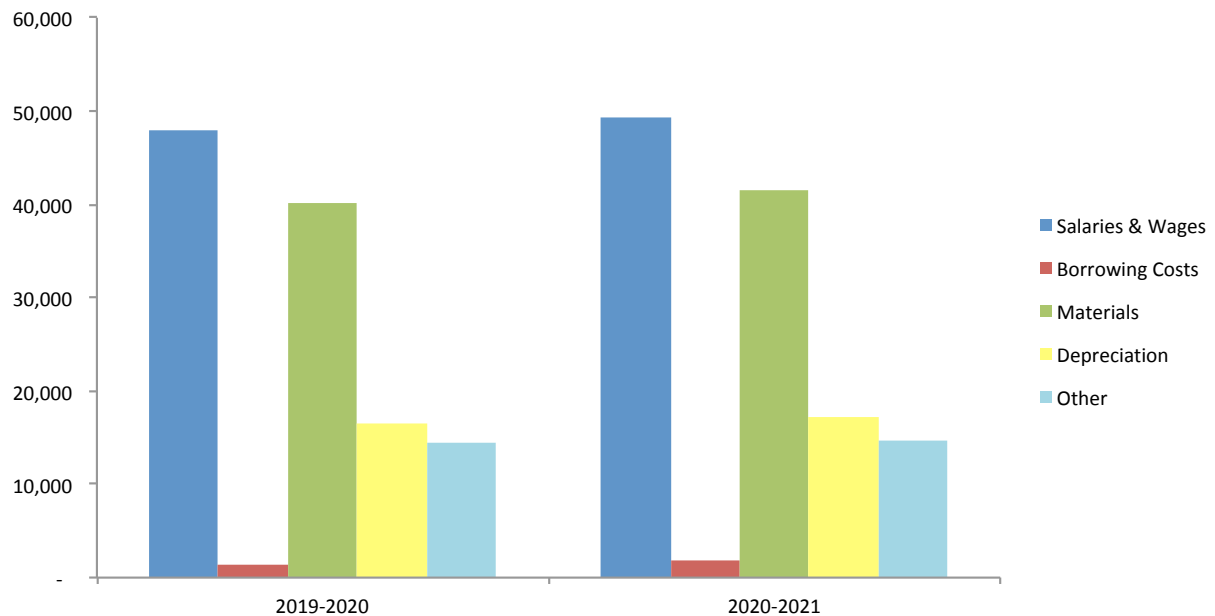


## Budget Summary (proposed SRV)

Revenue 2019-2020 to 2020-2021 (\$'000s)



## Expenditure 2019-2020 to 2020-2021 (\$'000s)



## Appendix Four: Statement of Waste Management

Council proposes a two level waste charge for 2019-2020.

### Waste Management Charge

A base waste management charge of \$62 will be applied to all rateable properties as authorised by sections 496 and 501 of the Local Government Act 1993. This charge contributes towards the management of the waste transfer station, the rehabilitation and environmental monitoring of decommissioned landfill sites and the provision of ancillary waste services including scheduled garden waste, electronic waste, household chemicals, mattress, dry recycling and tyre drop off events. In the case of properties categorised as farmland, if there is more than one property in the same ownership and run as a single undertaking then the full base charge will be applied to the first property plus a \$1 base charge against each subsequent property.

### Waste Service Charge

Council is proposing a SRV on ordinary rates in 2019-2020. Domestic Waste Management Charges are not subject to rate pegging. An affordability initiative that Council is considering is differentiating waste service charges for pensioners eligible for a pensioner rate concession to mitigate the effect of the rate increases.

As required by section 496 of the Local Government Act 1993, the following domestic waste service charges will be applied to all developed residential properties, whether occupied or unoccupied, including land categorised as 'residential' and 'farmland':

	<b>If SRV proceeds:</b>	<b>If SRV not approved:</b>
Eligible Pensioners	\$398	\$428
Non-pensioners	\$436	\$428

This charge will entitle the ratepayer to the weekly collection of residual waste using a 240 litre wheelie bin (red bin), the fortnightly collection of material for recycling using a 240 litre wheelie bin (yellow bin) and two on-call bulky/garden waste clean-up services.

A non-domestic waste service charge of \$436 (if the SRV proceeds) or \$428 (if the SRV is not approved) will be applied to each commercial and business property, whether occupied or unoccupied, as authorised by section 501 of the Local Government Act 1993. This charge will entitle the ratepayer to the weekly collection of residual waste using a 240 litre wheelie bin (red bin) and the fortnightly collection of materials for recycling using a 240 litre wheelie bin (yellow bin). For the purpose of applying a domestic or non-domestic waste service or management charge 'property' means any residence, business premises or commercial premises used or capable of being used as a separate premise whether or not situated on the same or separate rateable parcels of land, and whether occupied or unoccupied.

During the life of the SRV Council expects to develop a new waste management strategy and negotiate new contracts for certain service provision that may impact on the cost of providing domestic waste management services. New contract costs and state government levies are outside of the control of Council, and so the charges proposed for the next seven years below may be subject to change

## Waste Service Annual Charges: 2019-2020 to 2026-2027

Comparison Item	Current Year 2018-2019	Year 1 2019-2020	Year 2 2020-2021	Year 3 2021-2022	Year 4 2022-2023	Year 5 2023-2024	Year 6 2024-2025	Year 7 2025-2026	Post SRV 2026-2027
No SRV - Waste Service Charges <sup>1</sup>	\$418	\$428	\$439	\$450	\$461	\$473	\$485	\$497	\$509
Proposed SRV - eligible pensioner <sup>2</sup> reduction	\$0	\$30	\$60	\$90	\$120	\$150	\$180	\$210	\$228
Proposed SRV - Pensioner waste service annual charge	\$418	\$398	\$379	\$360	\$341	\$323	\$305	\$287	\$281
Proposed SRV - Non-pensioner waste service charge	\$418	\$436	\$453	\$471	\$490	\$508	\$527	\$546	\$563

1. Estimated domestic waste management service charges assume a 2.5% annual increase. These charges will apply to all ratepayers including eligible pensioners if the SRV does not proceed.

2. An eligible pensioner is a pensioner eligible for a pensioner rate concession under the Local Government Act 1993.







# Delivery Program and Operational Plans

2018-2021: **Our place. Our plan.**

November 2018

Revised to include Special Rate Variation

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