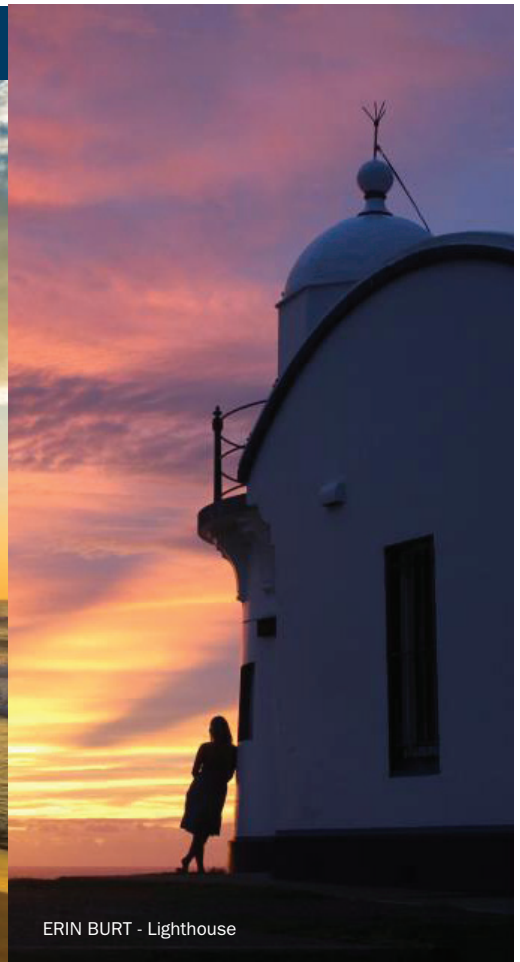




BRETT DOLSEN - Aboriginal Hands



MATHEW CRAMER - South Beach Dunbogan



ERIN BURT - Lighthouse

Port Macquarie-Hastings Council

ANNUAL REPORT

2011-2012

PART A



**PORT MACQUARIE
HASTINGS**



PORT MACQUARIE
HASTINGS

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Table of Contents

ABOUT THE PORT MACQUARIE HASTINGS AREA.....	3
SNAPSHOT OF THE REGION.....	4
MESSAGE FROM THE GENERAL MANAGER	5
INTRODUCTION.....	6
COUNCIL MEETINGS	9
COUNCIL REPRESENTATIVES	9
HOW TO READ THIS REPORT	10
ACHIEVEMENTS AND AWARDS 2011/12	11
LOCAL GOVERNMENT ACT 1993 AND GENERAL REGULATION 2005 REQUIREMENTS.....	14
HUMAN RESOURCES	14
ADMINISTRATOR FEES	16
SUMMARY OF RATES AND CHARGES WRITTEN OFF DURING 2011/12	17
THE TOTAL AMOUNT GRANTED UNDER SECTION 356 OF THE LOCAL GOVERNMENT ACT 1993	18
DETAILS OF CONTRACTS AWARDED AND AMOUNTS GREATER THAN \$150,000.....	19
GENERAL MANAGER REMUNERATION PACKAGE	20
SENIOR STAFF REMUNERATION PACKAGES	20
REGISTER OF OVERSEAS TRAVEL	21
SPECIAL VARIATIONS OF RATING INCOME	22
SUMMARY OF LEGAL PROCEEDINGS: EXPENSES AND PROGRESS	29
STATEMENT OF EXTERNAL BODIES EXERCISING DELEGATED FUNCTION BY COUNCIL	29
STATEMENT OF ALL CORPORATIONS, PARTNERSHIPS, TRUSTS, JOINT VENTURES, SYNDICATES OR OTHER BODIES IN WHICH THE COUNCIL PARTICIPATED	30
STATEMENT OF STORMWATER MANAGEMENT SERVICES PROVIDED	31
STATEMENT DETAILING THE COASTAL PROTECTION SERVICES PROVIDED.	31
PARTICULARS OF ANY ENVIRONMENTAL UPGRADE AGREEMENT ENTERED INTO	31
COMPANION ANIMALS ACT 1998 AND REGULATION	32
GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009	34
COMMUNITY STRATEGIC PLAN - END OF TERM REPORT	50
DELIVERY PROGRAM AND OPERATIONAL PLAN REPORT	119
PAYMENT OF EXPENSES & PROVISION OF FACILITIES TO COUNCILLORS POLICY	229
ATTACHMENT 1 - FINANCIAL STATEMENTS	244
ATTACHMENT 2 – 2011-2012 COMMUNITY REPORT CARD	

About the Port Macquarie Hastings Area

The Port Macquarie-Hastings Local Government area lies within the Mid North Coast region of New South Wales. The area has many small localities and villages in addition to three main townships of Port Macquarie, Laurieton and Wauchope.

The analysis done to prepare the Port Macquarie-Hastings Urban Growth Management Strategy indicates that demographic change will have significant impacts on the local economy, requirements for infrastructure and services and on the types of residential development required.

The population for the Port Macquarie-Hastings local government area is forecast to grow to more than 104,591 by 2031. This makes it one of the fastest growing regions in NSW.

A distinguishing characteristic of the population growth in Port Macquarie-Hastings is that it is derived entirely from net migration (people moving to the area). Natural population increase does not contribute overall because in recent years births have been less than deaths.

Council acknowledges the Birpai Nation as the traditional owners of the lands within its local government boundaries. Under the Land Rights Act 1983, the area has four Aboriginal representative bodies being the Birpai, Bunyah, Kempsey and Taree/Purfleet Local Aboriginal Land Councils.



Snapshot of the Region

Community Profile

Estimated population 30 June 2011 (Source: Community ID)	74,949
Population growth rate 2010/2011 (Source: Community ID)	0.7%
Projected population growth rate pa (med proj) 2008-2031 (Source: Snapshots)	1.3%
Number of households 30 June 2011 (Source: Community ID)	34,126
Population median age 2011 (years)	47
Value (GDP) of the Regional economy March 2008 (Source: Remplan)	\$2,93B
Value of building approvals for 6 months of 2012 to June Quarter – Residential	\$87,1M
Value of building approvals for 6 months of 2012 to June Quarter – Non -Residential (Source: ABS 1368.1)	\$38,97M

Financial Profile

Total Assets	\$2,097,396,000
Total Liabilities	\$122,602,000
Total Grants and Subsidies	\$40,899,000
Total Rates and Annual Charges Revenue	\$70,093,000
Total Other Revenue	\$34,337,000
Total Infrastructure, property, plant & equipment additions	\$39,305,000

Message from the General Manager



The Delivery Program adopted for 2011/12 sets out the four year program to deliver outcomes for the community in line with the Community Strategic Plan (CSP). The CSP was developed as a result of extensive public consultation during 2010. The annual Operational Plan (OP) that is developed each year outlines how the organisation will deliver outcomes to meet community expectations. The OP focuses on delivering essential services to the highest quality within the budget framework.

By applying the 7.30% Special Rate Variation (SRV), determined by the State Government, to all rateable properties an additional \$2.5 million in revenue was generated. Even with this increase, a deficit of \$970,000 was forecast for the financial year. Stringent financial management throughout the year resulted in the forecast deficit becoming a small surplus by year end.

The SRV allowed Council to concentrate on delivering a roads maintenance schedule that focused on maintenance and repairs to sealed roads together with grading and re-sheeting rural unsealed roads. The additional funds were expended in the following areas:

• Road maintenance – Reseal program	\$1,006,008
• Road maintenance – heavy patching program	\$501,996
• Road maintenance- unsealed roads program	\$500,000
• Parks, reserves & sporting fields maintenance	\$421,677
• Tree maintenance program	\$50,200
• Bushfire management program	\$20,079
• Beach safety program	\$10,040
Total	\$2,510,000

During the financial year significant capital works on King Creek Road, Hastings River Drive, Clifton Drive and Ocean Drive were completed to deliver an improved road network. The refurbishment of Woodlands Bridge on the North Shore of the Hastings River was also completed.

Council has continued increased allocations for roadside vegetation management and roadside furnishing programs as well as bridges and drainage works. The additional funding for these essential services, along with an increased frequency in maintenance and repairs to our parks and reserves, are reflecting the expectations of the community gathered through the Integrated Planning community engagement program undertaken during 2010.

The implementation of the Integrated Planning and Reporting Framework continues to be a major focus for Council. By adopting the principles of working with the community to set priorities and reporting back on how they are being achieved our forward planning will continue to become far more inclusive and reflective of the community's desires.

Completion of the Town Beach Skate Park during the year delivers a much needed facility for our youth and will also have long term benefits not only for our youth, but also for the broader community.

Reinvigorating our assets remains a challenge and it is an issue that the Council is fully focussed on achieving. A newly elected Council coming on board following four and a half years under Administration will see democracy return to the Port Macquarie Hastings area.

Tony Hayward
General Manager

Introduction

The 2011/12 Annual Report highlights Council's key achievements during the year and also includes a range of statutory information that Council is required to report on under the Local Government Act 1993.

Council is structured around a guiding principle of ensuring good governance and four focus areas that are the foundations of the Community Strategic Plan (CSP), these represent the shared vision for Council and the community and sets clear strategies to meet this vision.

Council's Four Year Delivery Program (DP) and Annual Operational Plan (OP) identifies the priorities and actions that respond to the strategies, objectives and the outcomes in the Port Macquarie-Hastings Towards 2030 Community Strategic Plan.

Council produces community newsletters throughout the year which detail Council's major achievements. These newsletters, together with Council's website and weekly newspaper advertisements, provide general information relating to Council's current projects and future plans.



Photo: Comboyne Hinterland

Council Information

Council's Vision

A sustainable high quality of life for all.

Council's Mission

To provide regional leadership and meet the community's needs in an equitable and inclusive way that enhances the area's environmental, social and economic qualities.

Council's Values

- Sustainability
- Excellence in Service Delivery
- Consultation & Communication
- Openness & Accountability
- Community Advocacy

Sustainability: We will be constantly mindful of the impact on future generations of our decisions and policies and strive to develop a sustainable community.

Excellence in service delivery: We will respect our customers and deliver services which provide value for money. We will continually improve the quality and efficiency of our services by being creative and innovative.

Consultation and communication: We will consult and communicate with our community and actively listen to and respond to their input.

Openness and accountability: We will be transparent, accessible and fair.

Community advocacy: We will respect the interests of the community and be an advocate for the area in dealing with governments and industry.

Guiding Principle

- Ensuring good governance

Focus Areas

- Looking after our people
- Helping our community prosper
- Looking after our environment
- Planning and providing our infrastructure

Ensuring good governance: A collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

Looking after our people: Our social infrastructure and community programs create a healthy, inclusive and vibrant community.

Helping our community prosper: The Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

Looking after our environment: We understand and manage the impact that the community has on the natural environment. We protect the environment now and in the future.

Planning and providing our infrastructure: Our population growth is supported through public infrastructure and land use development strategies that create a connected, sustainable and accessible community.

Council Meetings

Members of the community are welcome to attend and address Council Meetings. Council Meetings are predominately held on the fourth Wednesday of every month.

Business Papers for these Meetings are available for inspection during office hours at Council's Offices and Libraries on the Monday prior to the Council Meeting. The Business Paper is also available on Council's website www.pmhc.nsw.gov.au on the Friday prior to the Meeting.

Council's Public Forum provides residents with the opportunity to address the Council on matters not listed on the agenda. If you wish to raise an issue at the Public Forum, a request must be submitted on the standard application form available at Council's offices, or via Council's website, by 4.30pm on the day prior to the meeting day.

Members of the public may address Council on items listed in the Agenda. If you wish to address a Council Meeting on an Agenda item, a request must be submitted on the standard application form available at Council's offices, or via Council's website, by 4.30pm on the day prior to the meeting day.

In instances where more than two (2) persons have requested to address Council speaking for or against the recommendation on an Agenda item, Council's Policy of only allowing 2 speakers "for" and 2 speakers "against" the recommendation is applied.

To obtain the date and time of the next Council Meeting you may contact Council on ☎(02) 6581 8111 or visit Council's website. Regular advertisements detailing meeting venues and times are also published in local newspapers.

Council Representatives

On 26 February 2008, the Governor of NSW declared all civic offices at the Council to be vacant and appointed Mr Dick Persson as the Administrator of the Council. Mr Persson resigned from this position effective 30 January 2009.

Mr Garry Payne AM was appointed as the Administrator effective 31 January 2009 however he also resigned from this position effective 29 April 2011.

Mr Neil Porter was subsequently appointed as Administrator of the Council on 30 April 2011 until the ordinary Local Government elections in September 2012. The Administrator had the responsibilities and duties of the Mayor and Councillors as set out in the Local Government Act 1993.

How to read this report

The 2011/12 Annual Report is prepared in accordance with the Local Government Act 1993 and Regulation 2005 and is divided into 2 parts.

Part A: Annual Report

Part B: State of the Environment Report

Part A: Annual Report

The report includes statutory information that is provided under the Local Government Act.

The Annual Report shows the governance framework under which Council operates, it reports Council's achievements against the Delivery Program and Operational Plan which is made up of a guiding principle and four focus areas:

- Ensuring good governance
- Looking after our people
- Helping our community prosper
- Looking after our environment
- Planning and Providing our infrastructure

Financial Statements

The statutory financial statements have been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the regulation
- The Australian Accounting Standards and professional pronouncements
- The Local Government Code of Accounting Practice and Financial Reporting

Part B: State of the Environment Report

The State of the Environment report for the 2011/12 financial year reports on the environmental issues managed by Council.

Previous Annual Reports

A copy of this Annual Report, Financial Statements and State of the Environment Report, as well as previous year's reports can be found on Council's website at:

www.pmhc.nsw.gov.au/annualreport

Achievements and Awards 2011/12

Date Awarded	Award Name	Awarding Authority	Description
June 2011	Achievement	Australian Institute of Criminology	Council asked to showcase Town Beach Skate Park community engagement process at the International Crime Conference in Sydney.
August 2011	Local Government Week – Heart Foundation Healthy Communities Award Move, Eat, Live Well NSW State Winner and National Finalist	Heart Foundation	The Heart Foundation Healthy Community Awards have a strong focus on Council initiatives working together to create a healthy community. Applications should aim to address as many of these elements as possible, describing their integration within strategic and operational planning and the resultant measured health outcomes for their community, such as: • Improved health behaviours leading to healthier lifestyles • (including physical activity, healthy catering, improved food • supply and smoke-free environments). • Built environment enhancements resulting in environments • which support healthy lifestyles and connected • communities. • Improved social inclusion and community cohesion
August 2011	Local Government Managers Association – Excellence Awards Excellence in Collaboration Move, Eat, Live, Well Winner	Local Government Managers Association	The LGMA NSW Management Excellence Awards are integral to the pursuit of excellence and improvement in local government. These awards recognise outstanding and innovative leaders, managers and councils in addition to our emerging leaders – the next generation. The aim of the LGMA NSW Management Excellence Awards are to: • raise the standard and quality

Date Awarded	Award Name	Awarding Authority	Description
			of the local government profession; recognise LGMA NSW members and their teams for their local government management initiatives and achievement; recognise excellence and best practice in the local government profession
August 2011	Baxter Awards Move Eat Live Well – Losing it in the Bush Finalist	Australian Public Hospitals Association	The Australian Private Hospitals Association (APHA) seeks to stimulate, encourage and recognise the pursuit and achievement of excellence among its members. Peer recognition provides an impetus for further achievement; improves the image of the organisation and its members, both within the health care sector and across the broader community; increases morale and aids in the continuing endeavour towards improving quality outcomes for patients.
August 2011	Performing Arts Centre of the Year Honourable Mention Glasshouse	Australian Performing Arts Centres Association	The Drover Awards recognise and celebrate the contribution made by Australia's best performing arts touring talent. The awards do this by acknowledging the skill and expertise required for touring – whether it be through major cities or in the often rough and challenging terrain of regional and remote Australia. The Glasshouse was recognised as an outstanding venue worthy of special mention by the panel. NB: The Glasshouse went on to win this award in 2012
September 2011	2011 IMAGinE Award for Exhibitions & Public Engagement Organisation with 1-4 paid staff Glasshouse Regional Gallery	Museums and Galleries NSW, Museums Australia (NSW), Regional Public Galleries NSW & Museums Australia (ACT)	
September 2011	2011 Countrylink North Coast Tourism Award Cultural & Heritage	Tourism Industry Council NSW (TICNSW)	This category aims to recognise tourism operations that foster a greater understanding of history,

Date Awarded	Award Name	Awarding Authority	Description
	Attraction Gold Award Glasshouse		heritage and/or culture. Entrants offer visitors an insight into Australia's history and heritage and its contemporary culture.
November 2011	NSW Tourism Awards Visitor Information and Services - The Rod Murdoch Memorial Award Gold Award Greater Port Macquarie Visitor Information Centre	Tourism Industry Council NSW (TICNSW)	Aims of the award are to: • Encourage and celebrate creativity, professionalism and innovation • Provide a benchmark for best practice within the tourism industry • Promote business planning amongst New South Wales tourism operators • Encourage the continual raising of standards

Local Government Act 1993 and General Regulation 2005 Requirements

Human Resources

Who we are

One of Council's most important resources is its people. Council's workforce currently comprises 557 people; equating to 444 Full Time Equivalent (FTE) employees.

Council's workforce is spread across five groups:

- Executive Services
- Community & Cultural Development
- Infrastructure Services
- Development & Environmental Services
- Corporate & Business Services

Approximately 50% of Council's workforce is involved in operational services such as Parks, Roads, Water, Sewer, Waste, and associated functions.

The other 50% comprises 'indoor' and administrative functions such as Libraries, Community Development, Finance, Building & Development, Customer Service, and related administration functions.

Council employees represent 0.61% of the population of the Port Macquarie-Hastings Local Government Area.

Focus on Developing our People

Council is committed to developing our people through the provision of ongoing training and professional development opportunities. This starts with the Induction Program on commencement; a comprehensive program which includes a bus tour, which introduces staff to the full range of Council work sites and locations. Ongoing learning opportunities include Work Health & Safety and compliance based training, as well as seminars, conferences, and professional development programs.

Council's Apprenticeship & Traineeship Program offers opportunities for individuals to develop skills on the job in traditional trade fields such as Electrical and Mechanical, but also areas such as Laboratory, Library, and IT. In recent years, the achievements of Council's apprentices have been recognised at a regional and state level, an indicator of the high standard of our Apprenticeship & Traineeship Programs.

Council's Educational Assistance Program provides financial assistance to those wishing to pursue higher education qualifications related to their career path. In 2011/12, 2.16% of Council's workforce received Educational Assistance over and above the standard training provided to all staff.

In 2011/12, Council's overall training spend amounted to almost \$700 per individual employee.

Focus on Work Health & Safety

Council has a culture of safety, and this priority is reflected in our injury and lost time outcomes, which are very favourable in comparison to other Councils. In 2011/12, Council achieved a Lost Time Injury Frequency Rate (LTIFR - number of injuries involving absence from work per million hours worked) of 10.79, compared to an average of 32.5 amongst other NSW Councils, as reported in the preliminary findings of the LGSA HR Benchmarking Survey.

Council recorded a Lost Time Injury Severity Rate (LTISR) of 14.26 compared to an average 643.8 amongst other NSW Councils that participated in the LGSA Benchmarking Survey. LTISR is a measure of how many injuries are “severe”, comprising 60 days lost time or more, compared to the total number of injuries. Council’s comparatively low LTISR indicates the success of our accident and incident prevention strategies, and injury management practices.

Focus on Wellbeing

At Council, we recognise that the wellbeing of our workforce is paramount, and that wellness encompasses a wide range of things, from healthy eating and exercise, to stress management, life balance, financial wellbeing, emotional and mental health. Council has a range of schemes to enable employees to address their own wellbeing. Life balance is an important component of overall wellbeing, and Council provides a range of flexible and family friendly practices. Purchased Leave is a new initiative which was launched in 2011/12, and provides the opportunity for employees at various life stages to manage the demands of work and life.

Focus on Equal Employment Opportunity – Reg cl 217(1)(a9)

At Council, diversity within our workforce is a key tool to enable us to meet the needs of our local community.

In 2011/12, Council have undertaken a range of initiatives to promote EEO, equity and diversity within the workplace, including:

- Provision of Auslan sign language training to front line staff within Customer Service, Events, and Community Development.
- Securing a trainee position through NSW Health’s Aboriginal Environmental Health Officer Traineeship Program.
- Participation in 50:50 Vision – Councils for Gender Equity, to encourage equity for women in relation to participation in local government in both employment and in elected representation.
- Equal Employment Training provided to all Council employees, by the NSW Anti-Discrimination Board, in the first half of 2011/12.
- Participation in a range of local expos, events, to promote Local Government as a career choice for young people.
- Providing work placement opportunities for People with a Disability to assist in developing their work skills.
- Implementing flexible work practices including working from home, revised hours of work and part-time work to accommodate carers’ responsibilities.
- The launch of Council’s Purchased Leave Policy, enabling eligible employees to “purchase” additional weeks’ recreational leave to assist work life balance.
- Mental Health Awareness training was provided to all employees who supervise or manage others, to provide skills for assisting and supporting mental health issues in the workplace.

Administrator Fees
For the year ended 30 June 2012
Reg cl 217(1)(a1)

The total amount of money expended during the 2011/12 financial year on Administrator's fees was as follows:

1. Mayoral Allowance	0.00
2. Councillor Fees	0.00
3. Administrator Fees	\$98,799
Total	<u>\$98,799</u>

The total of other costs associated with the Administrator for 2011/12 was:

Administrator Expenses

Phone	\$285
Phones – Mobile	\$1,185
Travelling	\$11,928
Out of Pocket Expenses	\$1,788
	<u>\$15,186</u>

Other

Meeting Catering	\$5,702
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Total Expenses	<u>\$20,888</u>
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Financial Reports

Included in this report are the following:

- Summary of Rates and Charges written off during 2011/12 Reg cl 132
- The total amount granted under Section 356 of the Local Government Act 1993 Reg cl217(1)(a5)
- Details of Contracts awarded and amounts greater than \$150,000 Reg cl 217(1)(a2)
- Senior Staff remuneration packages Reg cl 217(b)(c)
- Details of overseas visits undertaken during the year by Councillors, Council Staff or other persons representing the Council LGA s428(4)(b) Reg cl 217(1)(a)
- Special variations of rating income s508(2) s508A

A full copy of Council's Financial Statements for the financial year ending 30 June 2012 are included in this report..

Summary of Rates and Charges written off during 2011/12	
Abandoned Pensioners	
General Fund Rates	1,492,041.58
Sewerage Services Annual Charges	623,698.67
Domestic Waste Annual Charges	555,335.33
Other Waste Annual Charges	1,067.82
Water Supply Usage Charges	78,169.06
Water Supply Annual Charges	583,846.86
	3,334,159.32
Abandoned Other	
General Fund Rates	30,580.82
Water Supply Annual Charges	-21,883.85
Sewerage Services Annual Charges	0.00
Domestic Waste Annual Charges	41.00
Other Waste Annual Charges	0.00
Water Supply Usage Charges	45,011.40
Sewerage Services Usage Charges	295.39
Onsite Effluent Annual Charges	0.02
	54,044.78
Abandoned Interest	
General Fund	7,949.73
Water Supply	512.73
Sewerage Services	0.00
Domestic Waste Management	0.00
Other Waste Management	0.00
	8,462.46
Total Rates and Charges written off in 2011/12	
	3,396,666.56

**The total amount granted under section 356 of the Local
Government Act 1993**

For the year ended 30 June 2012

Arts Mid North Coast	12,300.00
Bellangry Tennis Club	10,000.00
Blokes Notes	500.00
Bonny Hills Surf Life Saving Club	10,000.00
Camden Haven Chamber of Commerce	2,500.00
Camden Haven Concert Band	7,224.00
Camden Haven Marine Rescue	8,000.00
Camden Haven Surf Life Saving Club	10,000.00
Donation of Rates	25,572.53
Donation of Waste Depot Tipping Fees	6,679.91
Donations - Other Community Grants Programme	161,366.52
Donations for DA/BA fees	3,275.50
Federation of Parents and Citizens	500.00
Glasshouse Community Grants	42,711.48
Hastings District Pipe Band	7,224.00
Koala Orchestra	5,676.00
Lake Cathie/Bonny Hills Lions Club	1,500.00
Lake Cathie Tennis Club	10,000.00
Long Flat Tennis Club	10,000.00
Maritime Museum – Rates	25,632.04
North Coast Academy of Sport	8,864.00
Pappinbarra Progress Association	500.00
Pembroke Social Tennis Club	10,000.00
PMHC Sporting Fund	26,648.55
Port Macquarie City Church	2,000.00
Port Macquarie Ministers Association	4,500.00
Port Macquarie Marine Rescue	8,000.00
Port Macquarie Surf Life Saving Club	10,000.00
Port Macquarie Town Band	10,320.00
Regional Development Australia Conference	3,300.00
Tacking Point Lions Club	454.55
Tacking Point Surf Life Saving Club	10,000.00
Wauchope Chamber of Commerce	3,000.00
Wauchope Info & Neighbourhood Centre	2,400.00
Wauchope Timbertown Tennis Club	10,000.00
	<u>470,649.08</u>

**Details of contracts awarded and amounts greater than
\$150,000
For the year ended 30 June 2012
Reg cl 217(1)(a2)**

Name of Contractor	Nature of goods and services supplied	Payable amount
Opus International Consultants	Design of the Stingray Creek Bridge	\$484,835
Convic Skatepark Pty Ltd	Construction of Port Macquarie Skate park	\$612,000
Richmond Valley Council	Replacement of Saltwater Creek Bridge	\$466,885
Database Consultants Australia	Supply and Installation of 615 in-ground Parking Sensors	\$410,100
Rocla Pipeline Products	Supply & Delivery of Precast Reinforced Concrete Box Culverts	\$369,687
Hitachi Construction Machinery	2 X Motor Graders	\$692,540
Red Head Machinery	2 X Backhoe Loaders	\$350,368
C&C Baker Backhoe	Kerb & Gutter Work at Crummer Street and Partridge Street	\$240,730
Apollo Energy	Supply & Installation of Photovoltaic System P.M Library	\$224,602
Ausroads System	Jetmaster Road Maintenance Unit	\$211,214
Sports Technology International	Installation of Synthetic Turf and Shock Pad – Port Macquarie Hockey Facility	\$338,600
Eames Construction	Refurbishment of the Port Macquarie Water Supply Pump Station.	\$1,249,234
Downer EDI Works	Construction of Roads and Drainage for Flood Access for Dunbogan	\$1,091,604
Kazac Civil	Separable portion 2 Construction of Herons Creek Sewerage Scheme	\$187,275

General Manager Remuneration Package
For the year ended 30 June 2012
Reg cl 217 (1)(b)

The remuneration for the General Manager for the year ended 30 June 2012 was \$278,137. In accordance with Section 217(1)(b) of the Local Government (General) Regulation 2005, the statement of total remuneration for the General Manager includes the following:

Salary component	\$212,672
Total amount of any bonus payments, performance payments or other payments made to the general manager that do not form part of the salary component	Nil
Total amount payable by the Council by way of the employer's contribution or salary sacrifice to any superannuation scheme to which the general manager may be a contributor	\$49,582
Total value of any non-cash benefits for which the general manager may elect under the package	\$14,000
Total amount payable by the Council by way of fringe benefits tax for any such non-cash benefits	\$1,883
Period Covered (1)	15 July 2011 - 30 June 2012

(1) The General Manager did not commence employment until 15 July 2011.

Senior Staff Remuneration Packages
For the year ended 30 June 2012
Reg cl 217 (1)(c)

In addition to the General Manager, Council has classified the four Directors positions as Senior Staff positions under Section 428(4)(b) of the Local Government Act 1993:

The total combined remuneration packages for the four Senior Staff was \$723,755 for the year ended 30 June 2012.

In accordance with Section 217(1)(c) of the Local Government Regulation, the Statement of the total remuneration comprised in remuneration packages of all senior staff members is to be expressed as the total (not of the individual members) and shall include the following:

Salary components	\$572,212
Total amount of any bonus payments, performance payments or other payments made that do not form part of the salary components.	nil
Total amount payable by the council by way of the employer's contribution or salary sacrifice to any superannuation scheme	\$96,575
Total value of any non-cash benefits	\$47,408
Total amount payable by way of fringe benefits tax	\$7,560

The following positions are classified as Senior Staff:

- Director Corporate and Business Services
- Director Infrastructure Services
- Director Development and Environmental Services
- Director Community and Cultural Development

All positions were occupied for the entire duration of the 2011/12 year with the exception of the Director Corporate and Business Services, which was occupied from 10 February 2012 to 30 June 2012.

Register of Overseas Travel
For the year ended 30 June 2012
Reg cl 217(1)(a)

There were no overseas visits undertaken by Councillors, Council staff or other persons representing the Council during the period July 2011 to June 2012.

Special Variations of Rating Income s508(2) s508(a)

In the last ten years Council has received the following special rating variations. Each year, Council has allocated the approved rate pegging limit to give a total amount received from each special variation. The table below outlines how the total amount of the rating increases have been expended to 30 June 2012.

Year	Special Variation	Amount	
2004/05	19.16%	3,902,058	<i>Road works, parks, environmental management and increased community expectations</i>
2005/06	4.00%	1,034,823	<i>Road works, parks, environmental management and increased community expectations</i>
2010/11	7.36%	2,441,953	<i>Infrastructure maintenance/renewal (1 year only)</i>
2011/12	7.30%	2,510,328	<i>Infrastructure maintenance/renewal (1 year only)</i>

The 2010/11 approval was originally approved for a period of one year only. As part of the 2011/12 special variation application it was approved for a second year.

Current Value of Special Variation Approvals					
	Rate Pegging Limit	2004/05 Approval	2005/06 Approval	2010/11 Approval	2011/12 Approval
Amount of Original Approval		3,902,058	1,034,823	2,441,953	2,510,328
2004/05	3.5%	3,902,058			
2005/06	3.5%	4,038,630	1,034,823		
2006/07	3.6%	4,184,021	1,072,077		
2007/08	3.4%	4,326,277	1,108,527		
2008/09	3.2%	4,464,718	1,144,000		
2009/10	3.5%	4,620,983	1,184,040		
2010/11	2.6%	4,741,129	1,214,825	2,441,953	
2011/12	2.8%	4,873,881	1,248,840		2,510,328
Total		35,151,697	8,007,132	2,441,953	2,510,328

2004/05 Approval**Maintenance Items**

Increase in road maintenance	4,958,280
Increase in parks maintenance	4,688,925
Increase in library operations	1,072,913
Increase in Community Services Funding	3,573,673

Works Programme Items

Acid Sulphate Soil Remediation	58,546
Riverbank Protection Works	91,435
Regional Stadium - Covered Grandstand	237,400
Upgrade Aquatic Facilities	69,229
Urban Bushland Reserve Projects	87,437
Upgrade regional indoor stadium	69,510
Provide Athletics Facilities	18,885
Provide new major regional facilities	374,715
Ring Road construction - Revenue	3,291,099
Provide for Social and Cultural Infrastructure	6,763

Loan Repayments

Provide new major regional facilities (Wayne Richards Park) - Loan Repayments - \$209,890	84,950
Provide new major regional facilities (Wayne Richards Park) - Loan Repayments - \$205,000	168,647
Regional Stadium - Covered Grandstand - Loan Repayments - \$904,675	998,698
Ring road construction - Loan Repayments - \$1,630,000	1,499,579
Ring road construction - Loan Repayments - \$4,705,280	3,548,787
Performing Arts Facility - Loan Repayments	10,252,226
	<u>35,151,697</u>

2005/06 Approval	
Maintenance Items	
Increase in road maintenance	2,623,799
Increase in parks maintenance	2,099,233
Increase in library operations	819,281
Increase in lifeguard funding	618,634
Operational budget for The Glasshouse	1,697,442
Works Programme Items	
Acid Sulphate Soil Remediation	3,873
Riverbank Protection Works	9,548
Upgrade Aquatic Facilities	52,783
Urban Bushland Reserve Projects	54,750
Provide new major regional facilities	27,789
	<u>8,007,132</u>

2010/11 Approval	
Beach Safety	9,768
Bushfire Management	19,535
Parks, Reserves & Sporting Field Maintenance	410,245
Tree Maintenance	48,839
Road Maintenance – Heavy Patching	488,387
Road Maintenance – Resealing Programme	1,123,309
Unsealed Road Maintenance Programme	341,870
	<u>2,441,953</u>

2011/12 Approval	
Beach Safety	10,042
Bushfire Management	20,082
Parks, Reserves & Sporting Field Maintenance	421,732
Tree Maintenance	50,206
Road Maintenance – Heavy Patching	502,062
Road Maintenance – Resealing Programme	1,154,762
Unsealed Road Maintenance Programme	351,442
	<u>2,510,328</u>

Outcomes

The following projects and outcomes have been achieved or will be achieved in the future using funding from the special rating increases in addition to other applicable funding.

Estuary Management

Council produced estuary education resources in the form of community posters and postcards that highlight important environmental aspects of the estuaries in the LGA. These resources were provided to residents in mail outs as well as being used as educational aids at community events and during presentations to school groups.

Henry Kendall Reserve - Riverbank Protection

Council carried out riverbank restoration works at Henry Kendall Reserve to manage extensive erosion in Stingray Creek. The project involved the reshaping and rock armouring of around 300m of riverbank. The project has prevented further erosion and secured an important community asset in the Camden Haven.

Acid Sulphate Soils

Funding has been used to implement acid sulphate soil remediation works in the Hastings and Camden Haven River floodplains. Works included the installation of weirs within artificial drainage systems to prevent exposure of acid sulphate soils and contain acid groundwater and the recreation of significant areas of wet pasture/wetland. Additional information on this work can be found in Council's State of the Environment Report.

Urban Bushland Projects

Council has worked in co-operation with local Landcare Groups to implement a number of urban bushland restoration projects. Specific examples include Blair Reserve, Lighthouse Beach dunes and Middle Rock littoral rainforest. Restoration works include removal of noxious and environmental weeds, replanting with native local species and formalising access to prevent damage to vegetation.

Lifeguard Funding

The additional funding is used to adequately train and implement the current lifeguard service.

Parks Maintenance – 2004/05 and 2005/06 Approvals

The funding allocated to parks maintenance has been and will continue to be allocated to the following items:

- Improved plant & equipment
- The standard of CBD and roundabout landscaping has been elevated.
- Additional areas of open space in new development areas have been assumed.
- Additional maintenance of our new parks assets, for example Wayne Richards Park
- Replacement of playgrounds
- An additional tree inspection officer due to the number of tree requests.
- Elevation of standard of Council's sports grounds by increased watering/fertilising regime

Wayne Richards Park

Planning for a new Port Macquarie sporting complex began in 1996 when Council identified five areas as potential recreational sites. The Koala Street Playing Fields were selected as the preferred site for the future development of a new Port Macquarie sporting complex.

The project is made up of the following stages:

Stage 1: Two soccer fields & cricket pitch, car park and amenities and road upgrade

Stage 2: Additional parking and combined AFL oval, cricket oval and grassed athletics track with an additional soccer field

Stage 3: Two additional soccer fields and cricket pitch

Stage 4: Provision of further multi-use sporting facilities.

Stage 5: Hockey field

Regional Sports Stadium/Grandstand

The Port Macquarie Regional Sports Stadium is the premier sports facility in the Hastings. Constructed in 1992 with funding assistance from NSW Sport & Recreation, NSW Country Rugby League and Council, it became the home of rugby league in Port Macquarie.

The playing surface is considered by many to be the number one rugby league facility on the NSW North Coast. It boasts a 1,000 seat grandstand which has transformed the area from a playing field to a genuine high-quality sports stadium.

Underground irrigation and drainage make the site available on a year round basis and has been used for NRL pre-season matches as well as representative fixtures.

Rugby league is the predominant sport played at this location, however, rugby union and soccer fixtures, at the elite level, have been played there.

The principal users of the facility are the Port Macquarie Sharks Rugby League Football Club playing in the Country Rugby League Group 2 competition and the Port Macquarie City Breakers Rugby League Football Club associated with the Country Rugby League Group 3 competition.

A second field has been constructed on the western side of the main field. Car parking adjacent to Boundary Street has been completed as part of stage 2 works. A future car park on the western extremities of the site is proposed in the future.

Aquatic Facilities

Council has been developing strategies for the construction of an aquatic facility in the Hastings. Location options of the proposed facility have been on public exhibition but site selection is still underway.

It is proposed that the aquatic facility will cater for local, district and regional requirements and facilities within the proposed complex may include:

- Outdoor 10 lane 50 metre pool
- Diving pool
- Indoor heated 25 metre pool
- Program pool
- Recreation pool/children's play area
- Foyer/reception area
- Retail space
- Food outlet/coffee shop
- Car parking

Performing Arts Facility - The Glasshouse

The Glasshouse is a highly integrated multi-purpose facility. It has a high level of technical specifications delivered in a functional design after extensive research and direct community input.

It is being used for an extraordinary wide range of functions including events, performances, conferences, exhibitions, shows etc. The centre hosts arts, sports, entertainment, family events, leisure and civic functions. Projections indicate that more people, both local and visiting, will use this facility than any other Council provided facility in the LGA.

Ring Road (Link Road)

The 1.65 kilometres of road extends between the junction of Lochinvar Place (south) and Ocean Drive (north) and connects to Hindman Street at its junction with Kooloonbung Close, Port Macquarie, NSW.

The Link Road has been constructed as a dual carriageway with two travel lanes and footpaths in each direction within a new road reserve.

The northern end of the Link Road has provided a four-way roundabout to replace the existing three-way intersection of Hindman Street and Kooloonbung Close.

Dual bridges, each of overall length of 31 metres, cross Kooloonbung Creek on the Link Road. There is also a road bridge over Kooloonbung Creek on Lake Road east of its intersection with the Link Road.

Koala Street has been extended from its junction with the existing route of Ocean Drive to intersect with the Link Road in a three-way roundabout at the southern side of Kooloonbung Creek.

At Lake Road, traffic signals have been provided and the Lake Road approaches upgraded to meet traffic capacity requirements

Library Operations

The special rate funding was used to employ an additional librarian. The role was originally responsible for running Port Macquarie Library, which included rostering staff, organising displays and exhibitions and actively promoting our services. This position was changed in April 2007 to a Branch Coordinator. The responsibilities have increased to include the other two branch libraries and will also be responsible for the staff at the proposed new library in Sovereign Hills.

Road Maintenance – 2000/01, 2004/05 and 2005/06 Approvals

The additional road maintenance funding has been used on a number of maintenance activities including:

Additional resealing and gravel resheeting of Council's roads. This increase was based on a strategy to reduce the frequency of resealing and resheeting to once very ten years. Prior to these funds being applied the resealing and resheeting cycle was much longer.

Increases in heavy patching, jet patching, rural roadside slashing of sealed roads, maintenance grading of unsealed roads.

The appointment of an inspection officer to allow the conditional assessment of defects to be made so that maintenance works can be appropriately prioritised.

2010/11 Approval Outcomes

Parks & Reserves

This additional funding has allowed Council to increase maintenance levels of service, particularly mowing maintenance, which has resulted in a significant reduction in the number of customer requests that have been generated this financial year. High use areas such as Bain Park and Port Macquarie's Town Green have been particularly targeted for higher levels of service.

Lifeguard Funding

2010/11 - School Education Programmes delivered on 22 occasions to over 1,250 children across the LGA.

2011/12 – School Education Programmes delivered on 20 occasions to over 2,674 children across the LGA.

Tree Management

2010/11 - The additional funding provided for tree management significantly improved Council's position in relation to management of high risk trees. The number of jobs included in Council's Tree Works list reduced from 701 in June 2009 to 520 in June 2011 despite 180 new jobs being added to the list following the significant storm event of 17 March 2011.

2011/12 – Despite the additional funding provided for tree management the number of outstanding items in relation to management of high risk trees has increased. The number of jobs included in Council's Tree Works list has increased from 559 in July 2011 to 657 in June 2012. This increase in the number of listed tree works has resulted from high wind storm events in January and February 2012 combined with periods of extreme wet weather.

Bushfire Management

The additional funding provided for Bushfire Management has allowed Council to construct additional Asset Protection Zones in the local government area which has reduced Council's risk in this area and provided improved bushfire protection for people and properties adjacent to these areas.

Road Funding

Council has allocated \$1.95 million from the 2010/11 Special Rate Variation to improving the condition of our roads. \$2.01m has been allocated from the 2011/12 Special Variation. Prior to the Special Rate Variations there was community discussion on the state of the road network, the levels of maintenance expected and the difference between the community's expectations and the maintenance levels actually being delivered.

As part of Council's "back to basics" program, a plan was adopted to attempt to bring local roads back to an appropriate standard for both sealed and unsealed roads. In the Port Macquarie-Hastings Local Government Area, we have 850 kilometres of sealed and 450 kilometres of unsealed roads.

As part of the 2010/11 Special Rate Variation, funding was reallocated to roads maintenance including heavy patching and rehabilitation works on several high traffic roads including Hastings River Drive, Ocean Drive, Bago Road, King Creek Road, Kennedy Drive, Blackbutt Road and Belah Road.

In 2011/12 the Special Rate Variation funding was allocated to roads maintenance including heavy patching and rehabilitation works on high traffic roads including William Street, Pacific Drive and Jindalee Road in Port Macquarie, Ocean Drive in Lake Cathie and Production Drive in Wauchope.

A revised resealing program has been undertaken based on condition data, roads hierarchy and traffic volumes. In 2010/11 resealing works were undertaken on high traffic arterial roads and in the industrial area of Port Macquarie, including Ocean Drive, Hastings River Drive and Jindalee Road. In 2011/12 further resealing works were undertaken on high traffic arterial roads and in the industrial area in Port Macquarie along with Ocean Drive between Bonny Hills and North Haven and between Laurieton and Kew.

A significant portion of the 2010/11 and 2011/12 Special Variation Funding has been allocated to undertake more core road maintenance works. These works included maintenance grading of unsealed roads, more pavement repairs, additional roadside vegetation slashing and drainage improvements.

Summary of legal proceedings: expenses and progress Reg cl 217(1)(a3)

During 2011/12, expenses incurred by Council in relation to legal proceeding were as follows:

Name of proceeding	Nature of proceeding	Costs	Result
PMHC vs Waite	Mortgage deed recovery & recovery of heritage item	\$3,016	Residual legal fees relating to enforcement of mortgage deed obligations and recovery of heritage item.
PMHC ats Fabcot Pty Ltd	Property Matter	\$11,793	Applicants appeal dismissed. Assessment process is ongoing, recovery of fees underway
PMHC vs BookEasy Australia Pty Ltd	Contractual dispute	\$34,300	Exit of contract relating to tourism bookings
PMHC ats Kelly	Property Acquisition	\$11,819	Resolved early 2012/2013.
PMHC ats Roach	Employment Contract Matter	\$12,969	Ongoing

Summary of resolutions made under Section 67 concerning work carried out on private land s67(3) Reg cl 217(1)(a4)

Description/detail of work	Cost	Council Subsidised
Nil	N/A	N/A

Statement of external bodies exercising delegated function by Council Reg cl217(1)(a6)

No external bodies exercised functions delegated by Council in the period 1 July 2011 to 30 June 2012.

Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which Council held a controlling interest Reg cl217(1)(a7)

There were no companies which Council held a controlling interest in the period 1 July 2011 to June 2012.

Statement of all corporations, partnerships, trusts, joint ventures, syndicates or other bodies in which the Council participated

Reg cl217(1)(a8)

Arts Mid North Coast

Arts Mid North Coast is a regional non profit, incorporated organisation and is the peak body for Arts and Cultural Development across the Mid North Coast region. Arts Mid North Coast works within the following seven Local Government Areas: Great Lakes, Greater Taree, Port Macquarie-Hastings, Kempsey, Nambucca, Bellingen and Coffs Harbour.

The organisation has been in existence for over ten years and is part of a state network of 13 Regional Arts Boards that provide the framework for Arts and Cultural Development across regional and rural NSW. Each Council contributes financially to the running of the organisation, and has a representative member on the Board.

The Executive Officer works across all seven Local Government Areas, and aims to engage with all relevant sectors of the regional community to promote, facilitate and advocate for excellence in arts and cultural development across the Mid North Coast region, by assisting with grant applications, project plans, implementation and support to Cultural Development in the areas through strengthening local cultural groups.

Mid North Coast Library Cooperative

Council is a part of the Mid North Coast Cooperative Library Service which enables rationalised purchasing of resources which are then shared with all residents. All branch libraries are on line so that readers can reserve or request items from any location. This year the Cooperative were once again successful with a Library Development Grant of \$51,000 to augment resources for the visually impaired. The Cooperative also rolled out its RFID project and introduced three new services:

- Freegal - downloadable music
- Mango - Online language courses
- Pressdisplay - World newspapers online

Mid North Coast Strategic Alliance

Council is a member of the Mid North Coast Strategic Alliance and has continued to actively participate in the strategic alliance with Great Lakes, Taree, Gloucester, Kempsey, Nambucca, Bellingen and Coffs Harbour Councils, which was formed with the objective of achieving cost savings and/or improved service delivery of identified functions, within the participating organisations. There are a number of groups actively working together to achieve both direct and indirect benefits. These benefits range from the sharing of information, networking shared tenders and benchmarking

The Open House Project, Glasshouse

At the beginning of 2012, Council signed a Memorandum of Understanding with the Sydney Opera House to establish the "Open House Project" partnership. This project has the objective of enhancing cultural, educational and entertainment experiences for the local community by enabling access to a range of cultural and educational experiences from the Sydney Opera House. The first of its kind in Australia, this partnership highlights the professional standard and value of the Glasshouse Performing Arts program as the Glasshouse aligns with one of the world's leading cultural institutions.

Council Art Collection

The Gallery Advisory Board continued to develop the Council Art Collection Donation Drive through the Cultural Gift Fund tax incentive scheme and during 2011/12 accepted 14 donations of art works from the artists, thereby increasing the value of the Collection by \$114,700. The art donations are by highly regarded artists and many of the works are exhibited regularly in the Gallery, the Glasshouse foyers and conference/meeting rooms.

Headspace

The 'each' led consortium has been successful in being granted funding to establish a Headspace centre in Port Macquarie in January 2013. Headspace is a service for young people aged between 12-25 that provides help with:

- Mental health and counselling
- Alcohol and other drug services
- General health

Council has been working in collaboration with this consortium during 2011/12.

Statement of Stormwater Management Services provided Reg cl 217(1)(e)

Annual charges for stormwater management service were used to fund operational stormwater maintenance, design, investigation and capital works across all urban areas of the Port Macquarie-Hastings in accordance with Council's intention.

A dedicated stormwater works crew provides a specific focus on the delivery of stormwater maintenance services to the community, to improve actual stormwater service levels, environmental health and customer response times.

Statement detailing the coastal protection services provided. Reg cl 217 (1)(e1)

Council did not levy services for coastal protection in the period 1 July 2011 to 30 June 2012.

Particulars of any environmental upgrade agreement entered into, in accordance with any requirements imposed under s406 s54P

Council have not entered into any arrangements during the period July 2011 to June 2012.

Report on Capital Works Projects Capital Expenditure Guidelines

Council's capital projects for infrastructure facilities, including renovations and extensions have not exceeded 10% of Council's annual rate revenue during the period July 2011 to June 2012.

Companion Animals Act 1998 and Regulation

Statement on activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation For the year ended 30 June 2012 Reg cl 217(1)(f)

Twenty eight (28) reported dog attacks took place in the Port Macquarie-Hastings Local Government area during the 2011/12 period.

Council funding (expenditure) for Companion Animal Management was approximately \$500,000.

Council conducted a School Education Program targeting Year 3, 4 & 5 students. This program was run in Term three (3) with visits to 23 schools within the Local Government Area which included 1305 students. Council also conducted an annual "Mongrel Dog Show" which is an education day and fundraiser with all proceeds being donated to a local charity. This show allows for Council's Enforcement Officers to positively interact with the local community and Companion Animal owners throughout the local government area. Additionally, Council conducted two (2) discounted microchipping days which allowed Companion Animal owners to have their pets microchipped at a reduced rate. This program is primarily targeting toward low income and disadvantaged families throughout the Local Government Area. Council also conducted an education stall at the Town Green in Port Macquarie during Local Government Week and at the RSPCA million paws walk at the Port Macquarie Race Course. In addition to these education programs and initiatives Rangers were also in attendance at both Port Macquarie and Laurieton Libraries to conduct story time talks with preschool children as part of Local Government Week.

Council works closely with the local branch of the RSPCA in nominating low income earners for discounted pet desexings. This program is primarily run and funded by the RSPCA.

Council Impounding Facility is run under contract by the State Branch of the RSPCA. This allows for all unclaimed animals to be released to them for assessment and suitability for re-housing. With this procedure in place it allows for all suitable unclaimed dogs and cats to be placed on the statewide rehousing network. Euthanasia rates for Council animals are therefore kept to an absolute minimum.

Council has a number of off-leash areas (beaches) throughout the Local Government area which can be found in Councils "Dogs in Public Open Spaces" Policy. As part of the Policy Council has identified three public reserve areas, in addition to the existing beach areas, within the Local Government Area which have been nominated and approved for the establishment of dog leash-free areas. Grant funding is being sort in addition to funding from the Companion Animals fund and will be utilised to establish and furnish the three areas.

Additionally, Council is working with community groups to identify a suitable site where joint funding can be used effectively to establish and maintain dog exercise and agility parks.

Companion Animal Fund monies are utilised to provide effective education programs throughout the schools in the Hastings together with discounted microchipping days to assist low income earners in compliance of the Companion Animals Act.

The Fund also assists Council in conducting its "Mongrel Dog Show" each year which raises money for charities as well as promotes Companion Animal Ownership and compliance. It allows Council to actively mix with the general public in a positive yet informative project.

**Council Animal Care Facility
For the year end 30 June 2012**

	Transferred to Council's Facility	In Council's Facility - start of month	Animals leaving Council's Facility	Remaining in Council's Facility end of month
July	57	6	58	5
August	64	5	60	9
September	78	9	82	5
October	52	5	56	1
November	69	1	61	9
December	54	9	60	3
January	63	3	60	6
February	60	6	64	2
March	73	2	66	9
April	34	9	35	8
May	53	8	53	8
June	53	8	53	8
Total	710	71	708	73

Government Information (Public Access) Act 2009

Section 125(1) – Clause 13 – Scheduled 1

Annual Report 2011/12

The Government Information (Public Access) Act (GIPA Act) replaced the Freedom of Information Act 1989 on 1 July 2010. The GIPA Act provided widespread reform for the public sector in the way community members access Government Information.

Council holds information, in various formats, in respect of the wide range of services provided and functions undertaken by it and information which is pertinent to different issues relating to the Port Macquarie-Hastings local government area. Under the provisions of the GIPA Act there is a right of access to certain information held by Council unless there is an overriding public interest against its disclosure.

Mandatory Proactive Release

Council must make information classified as *open access information*, under the GIPA Act, publicly available unless there is an overriding public interest against disclosure.

Open access information is required to be published on Council's website (unless to do so would impose an unreasonable additional cost on Council). In instances where unreasonable additional cost would be incurred, Council's website will indicate where and how the information can be obtained.

Open Access Information

- Information Guide
- Documents tabled in Parliament by or on behalf of Council
- Council's Policy Documents
- Disclosure Log of Access Applications
- Register of Government Contracts
- Council's Record of open access information that it has not made publicly due to an overriding public interest against disclosure

Other information can be prescribed under the Government Information (Public Access) Regulation as open access information. Currently Schedule 1 of the regulation prescribes the following documents as open access:

Information about Council

- Model Code of Conduct (Local Government Act 1993, s440(1))
- Council's Code of Conduct (Local Government Act 1993, s440(3))
- Council's Code of Meeting Practice
- Annual Report
- Annual Financial Reports
- Auditor's Report
- Integrated Planning Documents
- EEO Management Plan
- Annual Reports of bodies exercising functions delegated by Council (for example Section 355 Committees)
- Any Codes referred to in the Local Government Act 1993
- Returns of the Interests of Councillors, Designated Persons and Delegates
- Business Papers, agendas and minutes of Council/Committee meetings (except meetings that are closed to the public)
- Departmental representative reports presented at a meeting of Council (Local Government Act 1993, s433)
- Land Register

- Register of Investments
- Register of Delegations
- Register of Graffiti Removal Works (Graffiti Control Act 2008, s13)
- Register of current Declarations of Disclosures of political donations (Local Government Act 1993, s328A)
- Register of Voting on Planning Matters (Local Government Act 1993, s375A)

Plans and Policies

- Local policies adopted by the Council concerning approvals and orders
- Plans of management for Community Land
- Environmental Planning Instruments, Development Control Plans and Contributions Plans

Information about Development Applications

- Development applications (within the meaning of the Environmental Planning and Assessment Act 1979) and associated documents
- Records of decisions on Development Applications including decisions of appeals
- Records describing general nature of documents that Council decides to exclude from public view including internal specifications/configurations and commercially sensitive information.

Approvals, Orders and Other Documents

- Applications for approvals under Part 7 of the Local Government Act 1993
- Applications for approvals under any other Act and any associated documents received
- Records of approvals granted or refused, any variation from Council Policies with reasons for the variation, and decisions made on appeals concerning approvals
- Orders given under Part 2 of Chapter 2 of the Local Government Act 1993, and any reasons given under Section 136 of the Local Government Act 1993
- Orders given under the Authority of any other Act
- Records of Building Certificates under the Environmental Planning and Assessment Act 1979
- Plans of land proposed to be compulsorily acquired by Council
- Compulsory Acquisition Notices
- Leases and Licenses for use of Public Land classified as Community Land

Authorised Proactive Release

Council is authorised to make any information held publicly available unless there is an overriding public interest against disclosure.

Every twelve (12) months Council will review the current release of information and endeavour to identify the kinds of information Council hold that should, in the public interest, be made publicly available and that can be released without imposing unreasonable additional costs on Council.

Informal Release

Access to information which is not available as Mandatory Proactive Release or Authorised Proactive Release information may be provided through Informal Release. Applicants can request informal release of information by submitting an informal access application to Council.

Under informal release, again, Council is authorised to release information unless there is an overriding public interest against disclosure. To enable the release of as much information as possible, Council is also authorised to redact content from a copy of information to be released, if inclusion of the redacted information would otherwise result in an overriding public interest against disclosure.

Under informal release, Council has the right to decide by what means information is to be released and can release information subject to any reasonable conditions deemed fit.

Council in response to an informal access application cannot be required to disclose the information requested or cannot be required to consider the application.

Formal Access Applications

Initially, a person seeking information from Council should check if the information being sought is already available or could easily be made available by Council.

If the information:

- is not made available through mandatory, proactive or informal release, or
- is of a sensitive nature that requires careful weighing of the considerations in favour of and against disclosure, or
- contains personal or confidential information about a third party that requires consultation, or
- would involve an unreasonable amount of time and resources to produce

A formal access application will need to be made.

Applicants can request formal access by submitting a formal access application along with the formal access application fee. Please note that additional costs may also be incurred for formal applications, where processing time exceeds the allocated uncharged allowance. For further detail please refer to Councils adopted Schedule of Fees and Charges.

An applicant making a formal access application has a legally enforceable right to be provided with access to the information, unless there is an overriding public interest against disclosure.

Copies of documents provided are given for information purposes only and are provided by Council to meet its requirements under relevant legislation. Copyright laws still apply to each document. The copyright-owner's consent is required if any part of the document is used for any other purpose.

Where information is released to an applicant under a formal access application and Council considers that it will be of interest to other members of the public, Council will provide details of the information in a disclosure log for inspection by the public.

Port Macquarie-Hastings Council Government Information (Public Access) Obligations

Council has completed a desktop review of the current information available and has determined the release to be sufficient at this time.

Council, during this reporting period, has replaced its electronic document management system with the TRIM electronic document management system. Compliance with the GIPA Act was identified and is being progressively addressed through the implementation plan.

In addition to the advancement in the electronic document management, Council has purchased a new module for its applications and property IT system that will allow the direct publishing of development application information to the website. This initiative is planned for installation in late 2012 and will significantly improve the level of information proactively released to the community. It is proposed that plans, reports, application details and notification information will all be available online for community access.

A thorough review, under Section 7(3) will commence once implementation is finalised. The total number of access applications received by Council during the reporting year (including withdrawn applications but not including invalid applications) was twenty nine (29).

The total number of access applications received by Council during the reporting year that Council refused, either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act was zero (0). Information for which there is conclusive presumption of overriding public interest against disclosure was zero (0).

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	2	2	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	1	3	0	1	0	1	0	0
Members of the public (other)	11	3	1	4	0	0	0	0

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications#	5	0	0	1	0	0	0	0
Access applications (other than personal information applications)	9	8	1	4	0	1	0	0
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0

A **personal information application** is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications	
Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act	
	Number of occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	9
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	25
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	4
Total	29

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
Total	0	0	0

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Environmental Planning & Assessment Act 1979 Particulars of
compliance with and effect of planning agreements in force during
the 2011/12 year.

s93G(5)

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
Sovereign Hills Estate Highway Works Planning Agreement	13 April 2007	Parts of Lot 2 Deposited Plan 1065263, Lot 4 Deposited Plan 588214, Lot 52 Deposited Plan 776844, Lot 2 Deposited Plan 603648 and the Oxley Highway Road Reserve, Thrumster	The planning agreement will allow the early provision of an upgraded section of the Oxley Highway and the provision of a major intersection to serve a proposed new Town Centre identified in the Area 13 Urban Investigation Area Structure Plan Urban Design Guidelines. The developer will bare the full cost of the proposed works with offsets to development contributions being received overtime as development within the structure plan area proceeds.	Port Macquarie Hastings Council Sovereign Hills Project Pty Ltd NT Australia Pty Ltd Taisei Oncho Australia Pty Ltd, MMTR Pty Ltd Almaty Pty Ltd	The highway upgrading was completed during the previous financial year.
Sovereign Hills Estate Planning Agreement	18 June 2008	Lot 1 DP 603648, Lot 32 DP 792453, Lot 4 DP 588214, Lot 101 DP 843811, Lot 5 DP 809815, Lot 102 DP 1106752, Lot 2 DP 1108055, Lots 1, 2 & 3 DP 1112929 Oxley Highway Thrumster.	The planning agreement relates to the early provision of infrastructure, including roads open space and community facilities, required to serve a proposed new Town Centre and urban expansion proposed by the Area 13 LEP. The developer will bare the full cost of the proposed works with offsets to development contributions being received overtime as development within the LEP area proceeds.	Port Macquarie Hastings Council Sovereign Hills Project Pty Ltd (Developer) NT Australia Pty Ltd, Taisei Oncho Australia Pty Ltd, MMTR Pty Ltd, Almaty Pty Ltd, The Gateway (Port Macquarie) Pty Ltd, K M Gleeson and C A Gleeson, MEL Properties Pty Ltd (Owners)	Development commenced during the financial year. Part contributions received.
Area 13 Environmental Land Management Planning	18 June 2008	Lot 1 DP 603648, Lot 32 DP 792453, Lot 4 DP 588214,	The planning agreement provides for payment of a contribution for management of	Port Macquarie Hastings Council Sovereign Hills Project Pty Ltd	Development commenced during the financial year. Part

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
Agreement		Lot 101 DP 843811, Lot 5 DP 809815, Lot 102 DP 1106752, Lot 2 DP 1108055, Lots 1, 2 & 3 DP 1112929 Oxley Highway Thrumster.	environmental areas following establishment, dedication and initial maintenance.	(Developer) NT Australia Pty Ltd, Taisei Oncho Australia Pty Ltd, MMTR Pty Ltd, Almaty Pty Ltd, The Gateway (Port Macquarie) Pty Ltd, K M Gleeson and C A Gleeson, MEL Properties Pty Ltd (Owners)	contributions received.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 4 DP 613304 Oxley Highway Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council Chewton Glen Pty Ltd	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 1102031 Oxley Highway Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council Christian Outreach Centre	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 3 DP 565437 & Lot 206 DP 754434 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council J C L'Estrange	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 35 DP 1157283, Lindfield Park Road Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following	Port Macquarie Hastings Council D L Fanning	The development had not commenced during the financial year.

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
			establishment, dedication and initial maintenance.		
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 2 DP 701760 Thrumster St Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council P J & R L Gray	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 565437 Thrumster St Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council P J & R L Gray	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lots 8 & 9 DP 22692 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council T O & N J Hamilton & L & A M Stokman	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 147 DP 754434 Oxley Highway Port Macquarie.	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council Lankester Investments Pty Ltd	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 5 DP 809161 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council R L Maloney	The development had not commenced during the financial year.
Area 13	18 June	Lot 6 DP	The planning	Port Macquarie	The

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
Environmental Land Management Planning Agreement	2008	809161 Thrumster St Thrumster	agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Hastings Council G R & M P Murcott	development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 505954 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council W & B J Muras	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 619643 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council New Pacific Australia Co Pty Ltd	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 119272, Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council N Panos	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot G DP 400213 & Lots 22, 23 & 24 DP 1089272 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council C H & E J Pilcher	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 552051 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas	Port Macquarie Hastings Council N L Ramm	The development had not commenced during the financial

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
			following establishment, dedication and initial maintenance.		year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 2 DP 244442, Lindfield Park Road Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council A M & C K Smith	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lots 10,11 & 12 DP 22692 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council K F & D Y Tanswell	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 2 DP 613304 Bestglen PI Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council G R & G J Teasdel	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 1 DP 574816 Oxley Highway Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council P J & A J Willoughby	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 3 DP 619643 Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council A D Witchard	The development had not commenced during the financial year.

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
Area 13 Environmental Land Management Planning Agreement	18 June 2008	Lot 2 DP 619643, Oxley Highway Port Macquarie	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council E C & D Witchard	The development had not commenced during the financial year.
Macquarie Park Planning Agreement	18 June 2008 Amended 31 March 2009	Lot 2 DP 1112365, Grant St Port Macquarie	The planning agreement provides for payment of a contribution for the provision of new or upgraded public parking facilities within a designated area.	Port Macquarie Hastings Council Macquarie Park Developments Pty Ltd	Development completed. Contribution received.
Area 13 Environmental Land Management Planning Agreement	24 Sept 2008	Lot 71 DP 1061516 Oxley Highway Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council Sovereign Hills Project Pty Ltd (Developer)	The development had not commenced during the financial year.
Area 13 Environmental Land Management Planning Agreement	24 Sept 2008	Lot 1 DP 6133304 Oxley Highway Thrumster	The planning agreement provides for payment of a contribution for management of environmental areas following establishment, dedication and initial maintenance.	Port Macquarie Hastings Council G E & S J Vaughan	The development had not commenced during the financial year.
Lake Cathie Residential Community Planning Agreement	12 June 2009	Lot 5 DP 594793, Lot 4 DP 255923 and Crown Road subject to Road Closure Application No. W401951 07/4356, Ocean Drive Lake Cathie	The planning agreement provides for payment of contributions for local sewerage services and major roads, construction of an intersection with Ocean Drive, construction of a watermain with contribution offsets, dedication of a link road to adjoining property and establishment,	Port Macquarie Hastings Council Gwynvill Trading Pty Ltd	The development commenced during the financial year. Draft Ocean Club Residential Community Planning Agreement exhibited will revoke this planning agreement.

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
			dedication and maintenance of environmental open space.		
Timber Town Estate Planning Agreement	16 Feb 2010	Lot 21 DP 245751, Part Lot 328 and Lots 329 and 330 DP 1120104 and Lot 319 DP 1065651, Colonial Circuit and Bullock Drive Wauchope	The planning agreement provides for payment of contributions for local roads and open space, construction of a watermain with contribution offsets, dedication and construction of link roads to adjoining property, construction of footpaths and cycleways and establishment, dedication and maintenance of environmental open space.	Port Macquarie Hastings Council Tebran Pty Ltd	Development commenced during the financial year.
Maxwell Residential Subdivision Planning Agreement	16 Feb 2010	Lot 12 DP 812134 and Lot 1 DP 1125021, Beechwood Road Wauchope	The planning agreement provides for payment of contributions for local roads and open space, construction of an intersection with Beechwood Road, construction of a watermain with contribution offsets, dedication and construction of a link road to adjoining property, construction of footpaths and cycleways and establishment, dedication and maintenance of environmental open space.	Port Macquarie Hastings Council Cheryn Annette Maxwell and C A Maxwell as Executor of the Estate of the Late J M Maxwell	The development had not commenced during the financial year.
Beechwood Water Supply, Sewerage Services and Roadworks Planning Agreement	16 Feb 2010	Lot 3 DP 800211, Beechwood Road Beechwood	The planning agreement provides for payment of contributions for local water supply and local roads, construction of intersections with Beechwood Road, construction of a watermain with	Port Macquarie Hastings Council Robert G Willcox	The development had not commenced during the financial year.

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
			contribution offsets and dedication of a link road to adjoining property.		
Beechwood Water Supply, Sewerage Services and Roadworks Planning Agreement	16 Feb 2010	Lot 1 DP 789484, Beechwood Road Beechwood	The planning agreement provides for payment of contributions for local water supply and local roads, construction of intersections with Beechwood Road, construction of a watermain with contribution offsets and dedication of a link road to adjoining property.	Port Macquarie Hastings Council Kayjay Superannuation Pty Ltd	The development had not commenced during the financial year.
Beechwood Water Supply, Sewerage Services and Roadworks Planning Agreement	16 Feb 2010	Lot A DP 382960, Beechwood Road Beechwood	The planning agreement provides for payment of contributions for local water supply and local roads, construction of intersections with Beechwood Road, construction of a watermain with contribution offsets and dedication of a link road to adjoining property.	Port Macquarie Hastings Council Midco Holdings Pty Ltd	The development had not commenced during the financial year.
Beechwood Water Supply, Sewerage Services and Roadworks Planning Agreement	16 Feb 2010	Lot 4 DP 831325, Beechwood Road Beechwood	The planning agreement provides for payment of contributions for local water supply and local roads, construction of intersections with Beechwood Road, construction of a water main with contribution offsets and dedication of a link road to adjoining property.	Port Macquarie Hastings Council W T & D C Bowen	The development had not commenced during the financial year.
King Creek Road Planning Agreement	18 August 2010	Lot 65 DP 250978	The planning agreement provides for payment of a contribution towards the cost of constructing an intersection on King Creek Road to serve the development	Port Macquarie Hastings Council PL & LA Dever	The development commenced during the financial year.

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
King Creek Road Planning Agreement	18 August 2010	Lot 23 DP 248284 & Crown Road	The planning agreement provides for payment of a contribution towards the cost of constructing an intersection on King Creek Road to serve the development	Port Macquarie Hastings Council DJ & C Liddle	The development had not commenced during the financial year.
King Creek Road Planning Agreement	18 August 2010	Lot 22 DP 248284	The planning agreement provides for payment of a contribution towards the cost of constructing an intersection on King Creek Road to serve the development	Port Macquarie Hastings Council PJ & BA Kemp	The development had not commenced during the financial year.
King Creek Road Planning Agreement	18 August 2010	Lot 64 DP 250978	The planning agreement provides for payment of a contribution towards the cost of constructing an intersection on King Creek Road to serve the development	Port Macquarie Hastings Council T & B Sinclair	The development had not commenced during the financial year.
Beechwood Residential Development Planning Agreement	18 August 2010	Lot 3 DP 831325	The planning agreement provides for payment of a contribution for local water supply and local roads, construction of intersections with Beechwood Road and construction of a watermain with contribution offsets.	Port Macquarie Hastings Council WL & RM Lane	The development had not commenced during the financial year.
Beechwood Residential Development Planning Agreement	18 August 2010	Lot 5 DP 21925	The planning agreement provides for payment of a contribution for local water supply and local roads, construction of intersections with Beechwood Road and construction of a watermain with contribution offsets.	Port Macquarie Hastings Council ANR Investments Pty Ltd	The development had not commenced during the financial year.
Walters Street Planning Agreement	21 Feb 2011	Lot 108 DP 1083464	The planning agreement provides for restrictions on retail floor space. Refer to Clauses 6.1 & 6.2 of the	Port Macquarie Hastings Council The Trustees of the Roman Catholic	The development had not commenced during the financial

Title	Date Entered Into	Land to which agreement applies	Description of Agreement	Parties	Status
			Agreement.	Church of the Diocese of Lismore	year.
Newport Resort Park Planning Agreement	21 Feb 2011	Lot 2 DP 1095632, Lots 11 & 12 DP 792325	The planning agreement provides for payment of a contribution for local sewerage services.	Port Macquarie Hastings Council Papuka Holdings Pty Ltd and Trevnor Pty Ltd	The contribution has not been paid.

Community Strategic Plan - End of term report Administrator's Report

s428(2)

The Integrated Planning and Reporting legislation was introduced in NSW in 2009. Section 406 of the Local Government Act, provides that an End of Term report be presented at the final meeting of the outgoing Council.

The Community Strategic Plan (CSP) is a document which was developed after extensive community engagement and encapsulates the aspirations and vision Towards 2030 of the Port Macquarie-Hastings community. As the CSP was adopted in 2011, this End of Term report reflects only a limited timeframe.

This End of Term report provides the Council with the opportunity to report back to the community on the effectiveness of the strategies outlined in the 2011-2015 Delivery Program (DP) in response to the key aspirations that the CSP outlines.

In Towards 2030, the vision of the community is that the people of the Port Macquarie-Hastings will be:

- Living in a harmonious, safe and connected community
- Enjoying participatory local democracy
- Accessing quality infrastructure including roads, waste, water and sewerage management
- Benefitting from quality urban design that encourages open use of spaces and provides easy access between our towns and villages
- Enjoying economic prosperity and having access to quality education and training
- Actively participating in inclusive community activities
- Preserving and protecting our natural habitats

This report considers the progress made by Council for the first 18 months of the CSP.

Over the past two (2) years, Council has carried out significant community engagement as part of our commitment to embracing the Integrated Planning and Reporting Framework applicable to all council's in NSW.

The draft Towards 2030 Community Strategic Plan (CSP) was the first step in the Integrated Planning process. The CSP was developed following a lengthy community engagement process conducted throughout 2008 and 2009. The consultation involved two major surveys, a full day community workshop and over 700 people participating in group workshops throughout the Local Government Area.

Throughout the engagement process residents have been encouraged to join the Community Reference Group (CRG) and be part of the ongoing process of working with Council and the community on planning for the future. Members of the CRG receive regular newsletters advising of the opportunities to contribute to Councils planning. Invitations are extended to complete surveys, make submissions on certain issues or attend consultation workshops.

Towards 2030 – Community Strategic Plan Overview

The table below represents the progress that Council has made towards achieving the desired outcomes that are detailed in the Community Strategic Plan for each of the five focus areas. Consideration should be given to the relationship of these statistics which have been derived from the Operational Plan 2011-12 actions and only relate to the first year of the Delivery Program 2011-15.

Review of the targets for the last 12 months shows an average of 68.5% of targets being achieved which is a good indicator that Council is on the right track to achieve what the community wants us to achieve given that it is only 18 months into the process.

Focus Area	% Targets Achieved	% Targets Not Achieved
Ensuring Good Governance	64%	36%
Looking after our People	81%	19%
Helping our Community Prosper	66%	34%
Looking after our Environment	60%	40%
Planning and Providing our Infrastructure	58%	42%

Focus Area Analysis

1) Ensuring Good Governance

The CSP reflects the following key desire of the community; a collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

Council has worked towards the achievement of these aspirations by:

- Demonstrating a continued change in communication behaviour within Council with key actions taken that directly link into the desired outcomes of the community.
- Reinforcing “A community that has the opportunity to be involved in decision making” outcome through extensive community consultation and communication relating to the IPART Special Rate Variation application. This was achieved through various communication channels such as media releases, E-News drops, website, video messages, advertising and social media.
- Developing strong partnerships that address the relevant expectation, needs and challenges of the Port Macquarie-Hastings region through a wide range of regular meetings held with State and Federal members for the Port Macquarie-Hastings area Groups such as the Hospital Board, Chambers of Commerce and Progress Associations throughout the local government area have all ensured that Council keeps in touch with key stakeholders in our community.
- Development of a Governance Panel by the Administrator in anticipation of an incoming Council in 2012. The independent community members on the panel worked with Council to develop transparent governance Policies and procedures to assist the new Councillors in their day to day governance role of Council.

2) Looking after our People

The CSP reflects the following key desire of the community; that our social infrastructure and community programs create a healthy, inclusive and vibrant community.

Council has worked towards the achievement of these aspirations by:

- Delivery of a number of programs and services that have contributed towards creating a safe, caring and connected community. Examples include; Lifeguard services that were delivered on time and under budget for the year 2011-12 summer season; implementation of a smoke free policy in public playgrounds; adoption of the Crime Prevention Strategy 2011 in March 2012 and mobility scooter safety workshops held in Laurieton, Wauchope and Port Macquarie.
- Contributing towards creating a healthy and active community through the funding of a number of healthy lifestyle programs across the Region. Funding was also secured to commence the implementation of the Healthy Communities Initiative for the Move, Eat, Live Well program.
- Successful application to the Independent Pricing and Regulatory Tribunal (IPART) for a special rate rise that will generate approximately \$4.1 million additional revenue in 2012-2013 to be spent on transport infrastructure.

3) Helping our Community Prosper

The CSP reflects the following key desire of the community; that the Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

Council has worked towards the achievement of these aspirations by:

- Focussing on marketing business tourism by facilitating five training and development courses to assist business operators in the tourism industry develop sound business practices. The overall satisfaction of the participants in these courses was that they were relevant to their needs.
- Completing the Upgrade Project Plan of the Airport during 2011-12 with the progression to tender of Stage 1A of the project to commence. This upgrade is a key in the provision of infrastructure that promotes and supports businesses in the Port Macquarie-Hastings Region.
- Attaining a 3% growth in passenger numbers at Port Macquarie Airport with 5,512 aircraft movements over the year.
- Entering into a funding agreement with the Federal Government for \$15 million to upgrade the Port Macquarie Airport runway, to be delivered in 2012-2013.
- Continuing discussions with a range of universities and the Federal Member for Lyne regarding opportunities for further development of university campuses in Port Macquarie.
- Developing a Major Events Strategy and securing two new major events and four conferences for the region
- Commencing a review of how economic development and tourism services are delivered to the community.

4) Looking after our Environment

The Community Strategic Plan reflects the following key desires of the community; that we understand and manage the impact that the community has on the natural environment; and that we protect the environment now and into the future.

Council has worked towards the achievement of these aspirations by:

- Mapping the vegetation and habitats of the area for use in natural resource management and planning decisions
- Engaging with the community on the nature of coastal erosion hazards at Lake Cathie and how to manage future risks
- Completion of a climate change risk assessment
- In partnership with Landcare, implementing a regime of new bushland management plans for public reserves across the area and implementing an Invasive Plant Species Strategy
- Operating the sewage treatment plants in accordance with licence conditions and extending the reclaimed water network
- Diverting around 55% of waste from landfill through kerbside recycling and organics services and commercial recycling initiatives
- Implementing best practice development assessment processes including meeting industry benchmarks for processing times and decision making through the Development Assessment Panel

5) Planning and Providing our Infrastructure

The Community Strategic Plan reflects the following key desire of the community; that our population growth is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

Council has worked towards the achievement of these aspirations by:

- Upgrading King Creek Road – Narran Close to Old King Creek Road
- Construction of footpath on Lake Road, eastern side, Hospital exit to Savoy Street
- Footpath and interim landslip protection on Kennedy Drive, Boambee Street to Parklands Avenue
- Provision of bus bay in Ruins Way Port Macquarie
- Road pavement rehabilitation on identified Wauchope streets
- Implemented bridges and culverts maintenance and repair program including inspections, monitoring and bridge repair works
- Implemented Local and Regional Bike Plan activities as scheduled in the Roads and Transport delivery program
- Developed 10 year capital works program for the delivery of open space and recreational facilities including upgrade works
- Upgraded Pilot Beach playground
- Upgraded Town Beach Reserve
- Improvements to Sancrox Park
- Upgraded Laurieton Common
- Improvements to Vince Inmon Sporting Complex carpark
- Upgraded Pembroke playground
- Delivery of tree management services in accordance with the Tree Preservation Order (TPO)
- Delivery of lifeguard services, education programs and beach facilities
- Developed 30 Capital Works Program for the delivery of water supply assets
- Construction and commissioning of fluoridation facilities at the Rosewood Reservoir
- Developed 30 year Capital Works Program for the delivery of sewer supply assets

- Implemented sewer pumping station maintenance program
- Continued operation of Environmental Laboratory to provide specialist advice, sampling, analysis and reporting of water quality
- Developed 20 year Capital Works Program for the delivery of stormwater assets including stormwater flood relief works and quality controls
- Construction of stormwater overflow channel at Milton Circuit
- Treated drinking water to meet Australian Drinking Water Guidelines (ADWG)
- Managed and monitored water supply catchments
- Continued implementation of Rural Grading Program to maintain unsealed road network
- Completed kerb and guttering and drainage works on Lighthouse Road, Matthew Flinders Drive to Davis Crescent

Areas that require further emphasis include completion of Stage 3 Timber Bridge Ratings, upgrade of Ocean Drive, from Houston Mitchell Drive to Bonny View Drive, commencement of construction to replace Stingray Creek Bridge at North Haven, construction of traffic signals at the intersection of Hastings River Drive and Boundary Street, full implementation of the sealed road repairs program.



End of term report on implementation of the Community Strategic Plan

As at 30 June 2012

What are we trying to achieve?

A collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

How do we get there?

1.1 Engage the community in decision making by using varied communication channels that are relevant to residents

1.2 Create professional development opportunities and networks to support future community leaders

1.3 Create strong partnerships between all levels of government and their agencies so that they are effective advocates for the community

1.4 Demonstrate conscientious and receptive civic leadership

1.5 Implement innovative, fact based business practices

What will the result be?

- A community that has the opportunity to be involved in decision making.
- Open, easy, meaningful, regular and diverse communication between the community and decision makers
- Partnerships and collaborative projects, that meet the community's expectations needs and challenges
- Knowledgeable, skilled and connected community leaders
- Strong corporate management that is transparent

Reporting on Progress.

1.1 Engage the community in decision making by using varied communication channels that are relevant to residents.

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
1. Community Participation Policy incorporated into the Project Management Framework 2. Capture the frequency and variation of channels used	1. 100% 2. 100%	1. 100% 2. 100%	1. Completed. Project Management Framework documents amended. 2. Completed. Wide range of channels being utilised to reach a variety of audiences. Breakdown: Media Releases 362; E-News drop 22; Website viewed by 178,334 unique visitors; Corporate Christmas video message; Range of campaign based print collateral distributed; Advertising features 12; Social media followers 560+ and Facebook posts 251.
1. Quarterly newsletter released 2. Annual workshop conducted 3. Community Reference Group (CRG) utilised as a survey audience	1. Release quarterly Community Reference Group newsletter 2. Conduct one Community Reference Group Workshop 3. Conduct a minimum of two surveys a year	1. Six (6) 2. One (1) 3. Two (2)	1. Achieved. Newsletters relating to Special Rate Variation (SRV) consultation, Delivery Program / Operational Plan public exhibition and focus group opportunities for waste services and customer care initiative. 2. Achieved. Workshop conducted in conjunction with engagement on Special Rate Variation application during November 2011. 3. Achieved. No specific surveys for CRG, but the Group have been invited to participate in the SRV Survey and Waste Management Strategy consultation.
1. Weekly newspaper advertising page 2. Quarterly newsletter	1. 48 Council Information pages. 2. Release Quarterly (4) newsletters.	1. 65 2. Four (4)	1. Achieved. On a number of occasions during the year the 'Council Matters' advertising page required additional space due to the volume of content which resulted in the set page target being exceeded. Council Matters is printed in Port Macquarie News, Wauchope Gazette, Camden Haven Courier. 2. Achieved. Community Connect four page colour newsletter distributed with rates notices in July and September 2011, January and April 2012.
Biennial community survey conducted	30 June 2012	0%	Not Commenced. Biennial Community Survey to be conducted in conjunction with community consultation for planned review of Council's Integrated Planning & Reporting documents. Consultation to commence September 2012.

1.2 Create professional development opportunities and networks to support future community leaders

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Annual Review of HR Activity	1. Organisation wide workforce analysis updated and reviewed by 31 December 2011 2. Forecast of future needs completed by 30 June 2012	1. 100% 2. 60%	1. Complete. Reports written to allow analysis and this analysis will be utilised as part of the Workforce planning and service reviews. 2. Not Complete. Workforce Management Strategy has been completed, initial planning of workforce management plan commenced with framework to be in place for Councillors to comment when the Delivery Program is confirmed in March April 2013.
Annual review of performance management system	1. All staff identified for participation in online performance review have goals and objectives set by 30 September 2011 2. Midyear reviews conducted by 31 January 2012 and year end discussions scheduled for completion by 31 August 2012	1. 70% 2. 70%	1. Completed. PMP cycle is aligned to financial year. Goals and Objectives set by 31 August each year, midyear reviews completed in month of January and end of year reviews completed 31 July. 2. Not Complete. Not all reviewers managed to complete the midyear PMP review on time however reporting will be improved for future years.
Employee Opinion survey conducted	80% staff participation in employee opinion survey	100%	Complete. Last survey completed February 2011 and next survey scheduled for November 2012.
BEF review complete	Review the use of BEF, (including resourcing and cost of participation)	100%	Review completed and the Executive Group agreed that we will continue to work on PMHC's Journey to Excellence which includes the use of tools from BEF for process improvement.
Online system developed	Develop a online system to capture all instances of attendance at relevant external conferences and networking opportunities	50%	Not Commenced. Action rolled forward for completion in the 2012/2013 Operational Plan.
Prospective Councillor information sessions conducted and evaluated	Conduct session by 30 May 2012 (Four months prior to election)	100%	Complete. Sessions conducted in October. State Electoral Commission and Funding Authority session held 19 October and Local Government Shires Association Councillor session held on the weekend of 29-30 October. Further sessions have been scheduled for 10 July 2012.

1.2 Create professional development opportunities and networks to support future community leaders

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Policy Framework developed	Develop Governance Framework Policy	95%	Not Complete. Public exhibition of framework closed 29 June 2012. Report scheduled to be presented to the July 2012 Council Meeting.
1. Survey conducted 2. Strategy developed	1. Conduct survey to evaluate community knowledge of 'how to' participate in Council decision making by 30 May 2012 2. Develop strategy to improve community knowledge of 'how to' participate in Council decision making	1. 90% 2. 75%	1. Survey due for release in July 2012. 2. Not commenced. A survey to assist in the development of a strategy and communication plan has been drafted and is set for release in July 2012.

1.3 Create strong partnerships between all levels of government and their agencies so that they are effective advocates for the community.

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Participation in Mid North Coast Group (MIDGOC) of Councils meeting and Sub Alliance groups	100%	67%	Not Achieved. Meetings of both the General Managers (GMAC) and the Elected and General Managers (MIDGOC) are held on a regular basis. Attendance at all General Manager's meetings has been achieved. In relation to MIDGOC meetings two of the scheduled meetings have been missed due to other appointments with IPART & the Minister for Police & Emergency Services.
1. Regular attendance at Business network meetings 2. Quarterly meetings with State and Federal members	1. Attendance greater than 50% 2. Attend four (4) Meetings with local representatives	1. 60% 2. 30	1. Achieved. 2. Achieved. Numerous meetings have been held with both State members of Parliament (Leslie Williams & Andrew Stoner) as well as with the Federal member for Lyne - Rob Oakeshott. In addition, meetings have also been held with the NSW Police & Emergency Services Minister, Minister for Local Government, Minister for Roads & Ports.

1.4 Demonstrate conscientious and receptive civic leadership

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
1. Annual report adopted 2. Six monthly reports complete	1. 30 November 2. 28 February 2012 & 30 June 2012	1. 100% 2. 100%	1. Complete. The Annual Report was adopted at the Ordinary Council Meeting held on 23 November 2011. The report was submitted to the Minister for Local Government and published on Council's website with hard copies available at Council offices and libraries. 2. Complete. Six monthly report presented to February Council Meeting.
1. Annual Internal Audit Plan for 2012/13 adopted 2. Internal audits/reviews conducted	1. Plan adopted by 30 May 2012 2. Six (6)	1. 90% 2. Three (3)	1. Currently in draft. 2. Not Achieved. The Audit Plan was adopted in November 2011 and three (3) audits have been able to be completed. The outstanding audits have been rolled forward to the Audit Plan for 2012-2013.

GUIDING PRINCIPLE

Ensuring good governance

1. Compliance register adopted by Council 2. Annual Review Conducted	1. 30 June 2012 2. Conduct Annual Compliance Review	1. 100% 2. 100%	1. Completed. Council's Audit Committee supported the proposed platform for the Compliance Register at its May Meeting. 2. Completed. Compliance review completed in conjunction with establishment of Compliance Register.
Achievement of benchmarked targets in KPI's	100% complete	100%	Completed A spreadsheet of basic Human Resource KPI's is maintained by Council.
Policy Register reviewed annually	Review Policy Register	75%	Completed. Reported to the May Meeting of the Audit Committee.
1. Number of days prior to Council meetings that the the Business Paper is released 2. Council meetings conducted off site	1. Five (5) days 2. Conduct Two (2) council meetings off site	1. Five (5) days 2. One (1)	1. Achieved. An average of five (5) days is being maintained. 2. Not Achieved. One Council Meeting was held offsite at Laurieton in August 2011.

1.4 Demonstrate conscientious and receptive civic leadership

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Financial reports completed by deadline;	Financial reports completed by deadline; benchmarking of various yearend financial performance ratios (eg Debt Service Ratio, Current ratio – unrestricted)	100%	Completed. Financial Statements audited and submitted to DLG in November.
Performance compared to benchmark and budget, reporting to Council on investment portfolio and investment returns.	1. Financial Performance ratios to be determined by 30 September. 2. Annual budget developed and adopted by 30 June. 3. Budget Review Statements to go to Council each quarter 4. Monthly financial progress report to Executive 5. Ensure budget deficit is eliminated by 31 March 2012	1. 100% 2. 100% 3. Four (4) 4. 12 5. 100%	1. Completed. Financial Performance Ratios calculated and included in the annual financial statements September 2011. 2. Completed. Annual budget adopted by Council in May 2012. 3. Achieved. March 2012 QBRS report presented to Council in April. 4. Achieved. Financial Progress reports submitted to Executive each month. 5. Completed. Budget Deficit eliminated as at 31 March 2012. Report presented Council in April.
Audited financial statements; timely lodgement of BAS, Payroll Tax, ABS returns and other returns as required	1. Annual Financial Statements completed and audited by 30 September. 2. Annual Financial Statements to be lodged with DLG by 7 November. 3. Review Investment Policy by 30 June	1. 100% 2. 100% 3. 100%	1. Completed. Annual financial statements finalised and audited September 2011. 2. Completed. Annual Financial Statements lodged with DLG November 2011. 3. Completed. Investment Policy reviewed and presented to Council in June.
Completion of annual review and assessment of recurrent and capital sustainability against IPART benchmarks.	1. Update Long Term Financial Plan (LTFP) by 31 October 2012 2. Parameters developed by 30 September 2012	1. 100% 2. 100%	1. Draft LTFP developed and adopted at Council Meeting in March. 2. Completed. Budget parameters developed and included in Long Term Financial Plan. Adopted by Council in May 2012.

1.4 Demonstrate conscientious and receptive civic leadership

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Automation of purchase card processes complete Requisitions placed electronically	1. Automation of purchase card processes implemented by 30 June 2012 2. All requisitions placed electronically by 30 June 2012	1. 50% 2. 35%	1. Not Complete. Civica Purchase Card software has been purchased and installed. Implementation and staff training is underway and will continue into the 2012/2013 financial year. 2. Not Achieved. The full implementation of the on-line requisition system was delayed due to programming and technical issues. These have now been resolved, therefore the percentage of requisitions placed electronically is increasing. Training to all staff is currently being provided.
Compliance of tendering practices to policy, the Local Govt Act and Regulations	100%	100%	Achieved. The Tender process is centralised and complies with Policy, however statistics on this measure are not currently available.
Implementation of system complete	Implement system	100%	Completed. Risk Register in computerised Excel format, reviewed on ongoing basis, with historic registers saved for audit purposes.
Documented review of register and reporting to Internal Audit Committee	Risk register reporting quarterly (4) to the Audit Committee	Four (4)	Achieved. Corporate Risk Register and review progress reported to Audit Committee on a quarterly basis.
Disaster Recovery Plan tested by 30 June 2012	Testing of Council HQ Disaster Recovery Plan	100%	Completed. Disaster Recovery Plan for Council Headquarters was tested following a building evacuation on 15 March 2012. A number of scenarios were presented.
Review completed, certificate of currency	Insurance renewals in place	100%	Completed. Insurance Renewal process completed in June 2012.

1.4 Demonstrate conscientious and receptive civic leadership

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Modification to Human Resource System (HRS) complete	Modification to HRS to allow for the capture of EEO data	100%	Complete. Have entered codes to allow for the capture of EEO information which is occurring for all new starters. Have also agreed to include EEO information in the next request for updating emergency contact information for all existing staff to enable us to complete data for all employees.
Employees attend relevant scheduled training	80% staff attendance	80%	Not Completed. No supporting information has been recorded, however a recording process will be in place for 2012-2013.
Policies reviewed in each Four Year Delivery Program term	25% of Human Resource policies reviewed each year for compliance	15%	Not Completed. No supporting information has been recorded for 2011-2012, however progress has been made with the review of the HR policies and this will continue into 2012-2013.
Achievement of targets within EEO Management Plan	Updated by 30 December 2011	60%	Not Complete. Currently we are working toward being able to capture this information against individual employees to be able to report on these statistics. We will be surveying all current employees by 31 December 2012.

1.5 Implement innovative, fact based business practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
Customer satisfaction with standard of service at the Customer Service Centres	> 75%	98%	Achieved. In the absence of a formal customer service survey in this reporting year this indicator is measured against customer feedback and service observations of customer service staff carried out during this period.
Availability of Duty planner and surveyor at the front counter Monday-Thursday, 8.30am-1pm	100%	100%	Duty Planner and Surveyor available Monday to Thursday each week.

1.5 Implement innovative, fact based business practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
1. 75% of calls answered within service level agreement standards. 2. Abandoned calls 3. Compliance with complaint management procedures.	1.75% 2. Less than 3% 3. 100% compliance	1.74% 2. 3% 3.84%	1. Not Achieved. Target has been met or exceeded in most months. However, in some months where there has been call volumes exceeding expectations and the optimum service standard has been unable to be achieved. Monthly percentages for calls answered within 20 seconds during this year were: July 76, Aug 79, Sep 76, Oct 68, Nov 67, Dec 75, Jan 78, Feb 78, Mar 82, April 67, May 75, June 80. April figures were affected with telephone system issues causing dropouts and customer call backs during the first 10 days of April. Overall Grade of Service was 74% for this year. 2. Not Achieved. The percentage of abandoned calls remains steady with a rating of 3% for this year. Lowest percentage of abandoned calls achieved in June, with the highest percentage in February. 3. Not Achieved. Council's information systems have not captured the response date in all cases during the year. 84% represents those records where we are confident the standard has been met. Work will be undertaken in the new financial year to improve our data capture.
Customer Service Charter developed	Develop Customer Service Charter	75%	Not Completed. Draft of the customer experience charter has been presented to the Senior Leadership Forum and is currently in review with members of the Customer Experience Team and has been placed on Council's intranet for staff feedback. Final review expected to be provided to Council Executive expected by the end of September 2012.
Review the user utilization on the corporate systems	Increase user access by 10% as compared to previous year	100%	An increase in user access across the organisation has been achieved through the use of Authority, Performance Manager and BIS.
Review the Authority property and spatial data	1. Accuracy of property and spatial data greater than 95% 2. Review the Authority property and spatial data complete	1. 99.7% 2. 100%	1. Achieved. 2. Complete. Actual result was 99.98% rounded up to 100%.
Implementation of fully functional Electronic Document Management System (replacement)	Implementation of 2011/2012 project plan actions	100%	Complete. TRIM implementation complete with final integration issues to be worked through over the coming 6 months.

1.5 Implement innovative, fact based business practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments
All papers available by due delivery date	Printing of various business and committee papers available by delivery due date	100%	Not Completed. No supporting information was recorded.
Staff trained and numbers participating in Business Excellence Framework (BEF) teams	As per 1.2.1.4	50%	Not Complete. The financial sustainability exercise has required a number of staff to participate in reviews of current practices and systems - each team is working on BEF type principles without the title
1. Percentage of nominations in the Award & Recognition Policy in the category of Innovation 2. Provision of an annual award process held.	1. 15% 2. 100%	1.12% 2.100%	1. Not Complete. No supporting information has been recorded, however a recording mechanism will be in place for 2012-2013. 2. Complete. Awards ceremony held early 2012 which was well attended and had significant nominations for awards.
Percentage of major projects over \$1 million that use relevant review process (e.g. Project Management Framework or Gate Reviews)	100%	100%	Achieved. Pre-Tender Gateway Review completed for \$25M Airport Upgrade project in February 2012. Capital Expenditure Review submitted to Division of Local Government in January 2012.
Median Development Application Processing times. Average Gross Development Application processing times. Average Construction Certificate processing times. Average Complying Development processing times.	1. Median DA = 40 days. 2. Gross DA = 90 days, 3. Average CC = 14 days, 4. Average CDC = 7 days	1. 31 days 2. 49 days 3. 11 days 4. 5 days	1. 141 Development Applications determined for the period with a average median processing days of 31 days (Note: does not include Section 96 Applications). 2. 141 Development Applications determined for the period with a gross average processing days of 49 days (Note: does not include Section 96 Applications). 3. 77 Construction Certificates determined for the period, with median processing days of 11. 4. 28 Complying Development Applications determined for the period, with median processing days of 5 days

What are we trying to achieve?

Our social infrastructure and community programs create a healthy, inclusive and vibrant community.

How are we getting there?

- 2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe
- 2.2 Provide young people with a range of leisure activities and opportunities for personal development
- 2.3 Provide medical and social services for all members of the community
- 2.4 Develop partnerships within the community to build on existing strengths and improve areas of social disadvantage
- 2.5 Create events and activities that promote interaction and education
- 2.6 Provide social and community infrastructure and services
- 2.7 Empower the community to be active and involved in community life
- 2.8 Promote cultural and artistic expression
- 2.9 Promote a healthy lifestyle through education, support networks and facilities

What will the result be?

- Community hubs which provide access to services and social connections
- Services that support an ageing community to live in a way that they desire
- Available and accessible preventative health and medical services
- A safe, caring and connected community
- A healthy and active community that is supported by recreational infrastructure
- A strong community that is able to identify and address social issues
- Community participation in events, programs, festivals and activities

Reporting in Progress

2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe

Success Measure	Target	What has been achieved in 2011 – 2012?	
		Year to date	Comments on Progress
Crime Prevention Strategy 2011-2015 adopted by Council (including local community actions in relation to the reporting of crime and stealing)	1. Conduct and participate in three (3) crime prevention forums held in LGA 2. Crime Prevention Strategy adopted by Council (including local community actions in relation to reporting of crime and stealing) 3. Alcohol related assaults analysed 4. Motor scooter safety training session developed	1. Three (3) 2. 100% 3. 100% 4. 100%	1. Achieved. Community Crime Prevention forums held in Wauchope, Laurieton and Port Macquarie which provided facts about local crime and an opportunity to work with the community in developing local strategies including the 'Report It' strategy. 2. Complete. Crime Prevention Strategy 2011 adopted by Council in March 2012. 3. Achieved. Alcohol related assaults analysed and strategies developed in response. 4. Council received a \$4,800 NRMA grant and conducted three (3) mobility scooter safety workshops at Laurieton, Wauchope and Port Macquarie during Seniors Week.
1. Community engagement activities undertaken involving Rec and Building / ComDev projects 2. Playgrounds implemented as smoke free. 3. Liquor licenses reviewed within Timeframes 4. Social Impact Assessment requirements met in all DA's. 5. Open space improvements are delivered in accordance with Operational Plan works program	1. All projects where Community engagement is identified as appropriate is undertaken 2. Ten (10) 3. 100% 4. 100% 5. 100%	1. 100% 2. 50 3. 100% 4. 100% 5. 80%	1. Achieved. Community engagement activities have been completed for Tacking Point Lighthouse Reserve Masterplan, Bonny Hills Reserves Masterplans, Wauchope All Abilities Playground and Bindi Park design. 2. Achieved. Playgrounds are all smoke free and Council has implemented signage at playgrounds across the local government area. 3. Achieved. All liquor licence applications received by Council have been reviewed within the allocated time frames and where appropriate responses made. 4. Achieved. 100% of required social impact assessments were undertaken. 5. Achieved. However it should be noted that a number of projects have not been completed this financial year due to impacts of weather (Riverbreeze Park; Laurieton Skatepark) or late adoption of planning documents (Wauchope All Abilities Playground; Bonny Hills Reserves Masterplan works).
Deliver approved Lifeguard services, education programs and beach facilities within approved budgets	Delivered within approved budget of \$390,378	\$373,378	Achieved. Lifeguard services and beach education services delivered in accordance with adopted delivery program and within allocated budget.

2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe

Success Measure	Target	What has been achieved in 2011 – 2012?	
		Year to date	Comments on Progress
Local Emergency Management Committee meetings conducted.	One meeting per quarter	Four (4)	Achieved.
1. Inspections of RFS & SES assets completed 2. Reports prepared	1 Complete inspection of RFS & SES assets 2. Condition based reports prepared for RFS & SES asset	1. 100% 2. 75%	1. Completed. Condition based inspections of all RFS and SES facilities undertaken by Building Services staff. 2. Not Complete. Condition based facility reports are in draft form at end financial year.
DISPLAN review complete	Review DISPLAN in place and routinely reviewed, disaster management debrief results	50%	Not Completed. Existing plan currently being reviewed by Emergency Management Committee.
Implementation of the of the LGA Fire Risk Management Plan complete	Risk Management Plan Implemented	70%	Not Completed. Updated Emergency Risk Management plan in draft form being reviewed by sub-committee of the Local Emergency Management Committee.
1. Annual Report complete 2. Building related complaints responded to within set customer service standards.	1. Annual Report prepared on the building & fire safety audit inspection regime 2. > 80%	1. 100% 2. 58%	1. A formal report for year ending 2011/2012 is being prepared and will be submitted next quarter. 2. Not Achieved, due to the very large number of building and storm water complaints received in this reporting period, some of which involve very complicated and protracted issues, the optimum service standard has been unable to be achieved.
1. Annual Report Complete 2. Environmental complaints are responded to within the set customer service standards.	1. Annual report prepared on the food and public health audit inspection program 2. > 80%	1. 100% 2. 41%	1. A formal report for year ending 2011/2012 is being prepared and will be submitted next quarter. 2. Not Achieved. There has been a significant increase in complaints, particularly in regard to noise, pollution and on-site sewage management has affected the ability to meet the required minimum customer service standards in the reporting period.

2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe

Success Measure	Target	What has been achieved in 2011 – 2012?	
		Year to date	Comments on Progress
Annual Report complete	Annual Report prepared on community compliance with legislation and regulations relating to infringements issued, items impounded and Companion Animals Act notices and fines issued	100%	Completed. Under the Companion Animals Act 1998 and Regulation, a "Statement on activities relating to enforcing and ensuring compliance with the Companion animals Act and Regulation cl 217(1)(f)" is prepared and submitted to State Government annually, a copy of this Statement will be included in Council's next quarterly report.
1. Investigations undertaken in relation to all reported illegal tree works. 2. Educational material and Delivery Program developed and implemented.	1. All reports investigated. 2. Educational material and Delivery Program delivered	1. 100% 2. 75%	1. Achieved. Council has investigated numerous reported breaches of Tree Management Provisions. A number of investigations have resulted in allocation of infringement notices or formal cautions to residents or contractors. 2. Not Complete. Educational material relating to tree management and bushfire management is currently in draft form. Implementation of this material is scheduled for September 2012.
Companion Animal education programs for schools and the public in general conducted.	20 programs delivered by June 2012.	21	Achieved. During the first two weeks of November 2011 a school education program was successfully conducted. During this period 19 schools were visited. This included 8 schools in Port Macquarie, 2 in Wauchope, 3 in the Camden Haven and 6 in the rural areas. In total 1,135 school pupils attended these sessions. In addition Council conducted its annual Mongrel Dog show/education day which was well attended by the general public with approximately 350 visiting the show/exhibition area. Finally, a Microchipping day was held at the Companion Animals Impounding Facility in March 2012. Whilst attendance was not significant it was an additional service provided by Council to assist the general public in compliance with the relevant legislation.
Critical stage inspections carried out	100% (measurement process/audit yet to be developed)	100%	Achieved. Critical stage inspections carried out.
Zero public health issues relating to water supply or sewerage services recorded for the period.	Zero recorded	Five(5)	Not Achieved. Five surcharges from the sewerage system due to wet weather.

2.2 Provide young people with a range of leisure activities and opportunities for personal development

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Youth Advisory Committee (YAC) Meetings conducted. Youth training and mentoring opportunities provided	1. 12 YAC meetings held 2. Four (4) training or mentoring opportunities undertaken	1. 15 2. Four (4)	1. Achieved. During 2012 three YAC groups were created to include young people living the regional areas of the Hastings Region. These groups met regularly, and more frequently in the lead up to National Youth Week 2012. 2. Achieved. The Youth Advisory Council (YAC) successfully organised, ran or supported a number of large youth events including the HSC Music and Dance Showcase held at the Glasshouse, the Freshart Youth Market Day, and a number of weekend music and entertainment events. In undertaking these activities the opportunity was taken to develop skills in the YAC members as well as involve the wider community in staging such events.
Youth focused events held and evaluation undertaken	Three (3) YAC sponsored events held (including evaluation)	Five (5)	Achieved. The Youth Advisory Council (YAC) successfully organised, ran or supported a number of large youth events including the HSC Music and Dance Showcase held at the Glasshouse, the Freshart Youth Market Day, and a number of weekend music and entertainment events.
Capacity building activities for young people undertaken	Conduct four (4) capacity building activities	Five (5)	Achieved. A number of youth capacity building activities were held during the year, these included: International Women's Day event - "Girls Day In" in March 2012. It focused on creating a positive and healthy lifestyle, through goal setting, physical, emotional and mental health workshops. The HSC Music and Dance Showcase in September 2011 built capacity in the performance, communication and management skills of talented young people across the Hastings Region. The RRISK - "Reduce Risk, Increase Student Knowledge" project in November 2011 provided a drink driving and drug taking education program. It was attended by hundreds of students from five local high schools within the Hastings Region. The program has a proven record of reducing young driver's car crashes by 44%. Freshart Youth Art Markets were held in September 2011. This focused on creating opportunities for young people to build on their artistic and creative skills, as well as their communication and management skills when organising stalls to sell their work to the public.

2.3 Provide medical and social services for all members of the community

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Healthy lifestyle programs implemented	Implement two (2) healthy lifestyle programs	Five (5)	Achieved. In 2011/2012 Council funded through the Community Development budget and the Community Grants program a number of healthy lifestyle programs including: Active Sports program for Birpai Lands Council, a series of Losing it in the Bush programs for Hollisdale and Upper Pappinbarra communities, Hastings Valley Toy Library Healthy Active Kids program, Wauchope Kids Holiday activities, Long Flat Kids Tennis Club. Hastings Women's Cricket Club, Rhythm Revenue Dancing group, Hastings Valley Women's Mountain Bike Riders, 4Life Care Living Skills program. Council also commenced the implementation of the Healthy Communities Initiative (Funded by the Australian Government) for the Move, Eat, Live Well program.
Social advocacy activities conducted	Implement two (2) social advocacy activities	Two (2)	Achieved. Worked with the recently announced Headspace consortium regarding implementation in Port Macquarie. Meetings have been held with the Medical Services Steering Committee to discuss health issues in the local government area. Advocated on the needs for additional funding under the Healthy Communities funding program for the local Aboriginal community. Regularly participated in the Community Reference Group for the Mid North Coast Local Health Network.

2.4 Develop partnerships within the community to build on existing strengths and improve areas of social disadvantage

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Address issues for special needs groups	1. Advocate for Aboriginal communities health funding 2. Attend the Community Legal Centre Board meetings 3. Advocate for affordable housing 4. Finalise social strategy 5. Facilitate the mid north coast multicultural network	1. 100% 2. 100% 3. 100% 4. 100% 5. 100%	1. Achieved. 2. Completed. Attended Community Legal Centre management committee meetings throughout the year 3. Completed. Advocated for Affordable Housing through Building Better Regional Cities Grant and community engagement activities for John Oxley Drive Precinct and Port Gateway Residential Park. 4. Completed. Social Strategy finalised for Council Meeting on 27 June and will be placed on Public Exhibition for 4 weeks. 5. Completed. Two Port Macquarie Multicultural network meetings held at Council. Meetings are held quarterly between Port Macquarie and Taree.

2.4 Develop partnerships within the community to build on existing strengths and improve areas of social disadvantage

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Strategies implemented	Implement the Disability Discrimination Action Plan	25%	Not Complete. The Disability Discrimination Act Action Plan has been monitored and reported to the Executive Group with a number of actions completed. The Plan is due for completion in 2018 however will require significant budget commitment in order to complete all actions.
1. Access committee meetings held 2 Staff trained in AUSLAN	1. Six (6) access committee meetings held 2. Six (6) staff trained in AUSLAN language	1. Nine(9) 2. Nine(9)	1. Achieved. Nine meetings have been conducted for the Hastings Access Sub-Committee. 2. Achieved. Nine staff from Customer Service, Library Services, Visitor Information Services, Aged & Disability Officer and Event Coordinator completed the basic Auslan sign language course and received Certificates of Achievements.
Aboriginal Reconciliation Action Plan strategies implemented	Implement the Aboriginal Reconciliation Action Plan	100%	Completed. The Aboriginal Reconciliation Action Plan is being implemented and reported to Bearlay regularly.

Community grants provided in accordance with the community grants program.	Coordinate community grants program	100%	Completed. The Community Grants Program has been monitored with evaluation reminders sent to the successful groups. The new round has been announced and guidelines and application forms are being developed. The round is set to open in July 2012.
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2.5 Create events and activities that promote interaction and education

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Seniors week program delivered	1. Develop and implement Seniors week program and undertaken program evaluation 2. Capture number of activities supported and participation rates at events	1.100% 2.100%	1. Completed. Council received a \$1,000 grant for the Granny Graffiti intergenerational knitting project with seniors teaching school groups the retro crafts of knitting and creating pop-up galleries transforming the Town Green, Glasshouse, Libraries and Department Store - which featured on Prime News, ABC radio and local newspapers. Council published its popular Seniors Week booklet as well as funding local community activities through our grants program. 2. Completed. Council delivered a series of Seniors Week events and International Day of People with a Disability with activities and participation rates recorded.

2.5 Create events and activities that promote interaction and education

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Youth week program delivered	1. Develop and implement Youth Week program 2. Capture Number of activities supported and participation rates at events	1. 100% 2. 100%	1. Completed. The 2012 Youth Week Program had the highest participation numbers of young people in a number of years. Eight events and workshops were held throughout the Port Macquarie- Hastings Region including the inaugural Zombie March and Concert, The Great Hastings Gnome Hunt, and the "Dive In" Movie held at the Laurieton Memorial Pool. As a result of the successful 2012 Youth Week Program more young people are getting involved with the Hastings Youth Advisory Council, and are looking forward to planning the 2013 Youth Week Program. 2. Completed. Number of activities and participation rates have been recorded.
Heritage program delivered	1. Heritage program developed. 2. Program evaluation undertaken	1. 100% 1. 100%	1. Completed. Heritage Week held in April 2012. 2. Completed. Evaluation of Heritage Festival completed and discussed with the Heritage & Museums Subcommittee.
Growth on 2010/11 figures for participation and total number of events	> 357 participants	311	Not Achieved. Since January this year we have reviewed our ability to deliver consistently quality events. In the last quarter, due to staff on annual leave in April and May, a reduced number of events were presented during this period.
Training opportunities delivered	Deliver two (2) training opportunities relevant to hospitality, performing and visual artists a year	Four (4)	Achieved. The opportunities for training and internship at the Glasshouse are proving to be popular with students from high schools, TAFE and University in the LGA. Now seeking to expand the training opportunities provided in 2012/13, with plans underway to develop a more structured approach on management and delivery of the the program.
Increase participation in heritage and museum programs Implement Local Heritage Plan	1. Increase on 2010/2011 figures for participation in heritage and museum programs 2. Local Heritage Plan implemented	1. Three(3) 2. 100%	1. Achieved. Of Love and War Exhibition in collaboration with War Memorial Canberra was a major project for Heritage and Gallery to implement. 2. Completed. Heritage Plan actions reviewed by Museums and Heritage Subcommittee at bi monthly meetings.
Successful funding opportunities	Two (2) successful funding opportunities for heritage sites	Three(3)	Achieved. Museums & Galleries NSW Significance of Museum objects grant received.

2.6 Provide social and community infrastructure and services

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Rural network meetings attended	Six (6) rural network meetings facilitated	Six (6)	Achieved. Council facilitated six (6) rural network meetings and linked a range of services to the rural communities representing Ellenborough, Kindee, Byabarra, Telegraph Point, Comboyne, Hollisdale, Rollands Plains and Kendall.
Community Grant funding sort	One (1) Public Hall and Community Grant obtained Public Hall and Community Grants applied for to sustain and improve Community Halls	Four (4)	Achieved. Council funded through the Community Grants Program upgrades for Hollisdale Hall, Comboyne War Memorial hall and Kendall Community Hall. Council also supported the allocation of funding through the CDSE scheme for Comboyne Community Hall Preschool group.
1. Attendance at s355 committee meeting 2. Streamlined financial arrangements Implemented.	1. 16 s355 meetings attended 2. Implement streamlined financial arrangements for s355 committees 3. Undertake annual inspection of public Halls and Community buildings with Buildings team and committee	1. 16 2. 95% 3. 100%	1. Achieved. A program of regular attendance at s355 community hall committee meetings has been implemented. 2. Nine of the ten s355 management committees have complied with the Council resolutions re the Streamlined Financial Arrangements. The remaining committee indicated that they will comply with the requirements. 3. Completed. Annual inspections of each of the committee managed halls were undertaken in June 2012 by Building Services staff with the Community Facilities Officer.
Planning completed; Funding applications completed	1. Complete concept Plans for HACC Stage 2 2. Complete Master planning for ECC	1. 75% 2. 30%	1. Draft Floor Plans for the HACC Stage 2 have been completed. Council has requested \$34,000 from Department of Aged, Disability and Home Care for the provision of detailed design plans. 2. Not Completed. The Environment and Creativity centre project has required a detailed storm water and drainage study which is currently in progress.
Annual financial result within annual budget	Quarterly net result of cemetery and crematorium services provided	0%	Achieved. Net result of crematorium and cemetery operations has been within budget; with surplus funds generated placed into reserve for funding of future perpetual maintenance obligations.

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Maintenance cemetery schedule delivered	Deliver cemetery maintenance schedule	100%	Completed. Cemetery maintenance schedule implemented during the year as required; including installation of automatic entry gates; construction of new burial beams and repairs and garden maintenance as required.
Cremation, internment and chapel services performed	> 530	931	Achieved. Number of cremation, internment and chapel services performed exceeded annual targets.
Commemorative options sold	> 427	452	Achieved. Commemorative options sold exceed annual target.

2.7 Empower the community to be active and involved in community life

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Number of programs where volunteers used	1. Capture the number of s355 committees & Access Committee members	1.100%	1. Completed. Nine s355 committees are being supported as of 30 June 2012, following the resignation of Lake Cathie Community Hall s355 committee in February 2012.
2. Volunteers used at Library, Glasshouse, Community Hall Committees, Sports and Recreation Committees	2. Capture the number of Library, Glasshouse, Community Hall Committees, Sports and Recreation Committees volunteers	2.100%	2. Completed. Council has 383 volunteers as at 30 June 2012. This includes: Glasshouse - 73; Library - 31, s355 Community Hall volunteer management committee members - 60; Environment - Landcare - 147, Youth Advisory Council- 26; Access committee - 12.
3. Training sessions conducted for volunteers	3. Four sessions held(4)	3. Four (4)	3. Achieved. There is an ongoing process of ensuring that volunteers who work in the library, s355 community halls committees, at the Glasshouse and in other support programs are aware of Work Health and Safety responsibilities and code of conduct obligations.
4. Volunteers used at the Glasshouse	4. 75 volunteers	4. 70	4. Achieved. Volunteers at the Glasshouse are Gallery and Tourism ambassadors.
5. Volunteers used in Parks and Recreation areas	5. Capture the number of Parks and Recreation volunteers	5.100%	5. Complete. 34 Parks volunteers to end financial year across Lank Bain, Lake Cathie and Camden Haven Sports Committees.

2.7 Empower the community to be active and involved in community life

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Recreational capacity building training programs delivered	Deliver recreational capacity building training programs	0	Not Complete. A number of recreational training opportunities (coordinated by NSW Sport & Recreation with PMHC support) have been offered but not supported within the Port Macquarie-Hastings area.
Community, sporting and recreational groups supported to access grant funding	1. Capture the number of community, sporting and recreational groups supported	1.100%	1. Completed. Council appointed a new Community Development Officer to deliver the Community Grants Program, Club Grants and the Community Builders program. Statistics were collected to demonstrate the number of groups that were supported to obtain grants and information regarding funding opportunities via the Community Information Google group. This number exceeded 240 groups.
Successful grants obtained	2. Capture the number of successful grants obtained	2. 100%	2. Completed. Two grants obtained.

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Council open spaces and facilities utilised for events	>200 events utilising Council open spaces and facilities	343	Achieved. A significant number of events have been held at parks and reserves across the area during the financial year.

2.8 Promote cultural and artistic expression

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Increase on 2010/11 figures for - participation in integrated events program incorporating seasonal festival calendar, visual and performing arts 2. Evaluation of feedback complete	1. 10 programs delivered 2. Integrated events program incorporating seasonal festival calendar, visual and performing arts programs evaluation feedback obtained	1. 27 2. 100%	1. Achieved. During the year a number of events were reclassified (dance schools) in the Event Pro booking system, This has lead to an increase in the number of events reported in this section. 2. Completed. Integrated program developed and to begin January 2013.

2.8 Promote cultural and artistic expression

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Increase on 2010/2011 figures for participation in local community, business networks, regional and national government bodies networks 2. Satisfaction >80%	1. >114 participants 2. >80% satisfaction on participation in local community, business networks, regional and national government bodies networks	1. 105 2. 98.1%	1. Not Achieved. In 2011 the Port Macquarie Eisteddfod Society was not held at the Glasshouse, which previously has resulted in four weeks of bookings from the Port Macquarie Eisteddfod Society at the Glasshouse for their Music, Dance and Speech programs. 2. Achieved. Result provided from a Survey Monkey survey held this year.
1. Gallery collection cataloguing and online content completed 2. Draft conservation plan for Council collection complete	1. Complete gallery collection cataloguing and online content. 2. Draft content of conservation plan for Council collection	1. 100% 2. 100%	1. Completed. Gallery collection catalogued to Mosaic is completed. 2. Completed. Conservation plan completed.
Increase on 2010/2011 figures for Visitation, events ,Ticket sales, Shop sales, Website visitation Glasshouse business plan implemented	1. Visitation >340852 2. Number of events > 471 3. Ticket sales >1,638,356 4. Shop sales>\$93,836 5. Website visitation >65,494 6. Implement Glasshouse business plan.	1. 320,903 2. 416 3. 1,661,377 4. \$129,903 5. 71,965 6. 100%	1. Not Achieved. New counters were installed on the entry doors this financial year, which did not work until half way through the year. Visitation numbers were down by approx 20,000 on the previous year because: 1. No events were held in September and October last year by the Port Macquarie Eisteddfod in the Glasshouse. 2. Ironman modified how they used the Glasshouse as their HQ by reducing the number of pre race talks and presentations. In 2010 the weather was very wet in Port Macquarie and as a result the Glasshouse became the perfect site for all their activities. This year we shared this with Westport Park, where Ironman had installed their marquee. 2. Not Achieved. As part of the financial sustainability review of operations at the Glasshouse, the number of after show functions and launches have been reduced to save costs. With the introduction of EventPro as our new booking system some events were reclassified (i.e., dance schools) producing a reduction in the reporting. In the second half of this financial year there were a number of commercial hire cancellations due to poor sales across the region. 3. Achieved. A good result, given the reduction in visitation. 4. Achieved. Retail sales have increased significantly ,driven by a strong product range aimed at a mid price level. 5. Achieved. Glasshouse marketing campaign has driven people to the website, which has seen increases in both first time users and and return visitations to the site. 6. Completed. Glasshouse Business plan actions in the Operational Plan have been actioned.

2.9 Promote a healthy lifestyle, through education, support networks and facilities

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Promotional activities conducted also refer to CSP 5.3.3	One (1) promotional activity conducted for the use of aquatic facilities, boat ramps, wharves and jetties	0	Not Achieved. Promotional activities to be undertaken following installation of new infrastructure at McInherney Park, North Haven and Westport Park boat ramp facilities.
Promotional activities conducted	One (1) promotional activity conducted for the use of sports grounds, beaches, parks, playgrounds, reserves, picnic areas, skate parks, amenities and dog leash free areas	Two (2)	Achieved. Significant media regarding the establishment of Port Macquarie Skatepark was established to increase awareness and usage of this recreational infrastructure.
Annually report on the funds activities delivered	Deliver Annual Report on activities on the Port Macquarie-Hastings Sporting Fund	100%	Completed. Port Macquarie-Hastings Council Sporting Fund annual report presented at March Council Meeting.
Circulation rates within 10% of previous year , Visitation rates within 10% of previous year, Library activities held	1 Within 10% of. 794,867 2. Within 10% of. 394,586 3. 20 activities per quarter.	1. 774,144 2. 413,904 3. 75	1. Achieved. Issue figures are down 2.6%. This is within the 10% performance measure. 2. Achieved. Visitations have increased by 4.9%. 3. Achieved. We have increased the number of children's activities over the past 12 months.
Library Collection Development Policy (CDP) updated Book stock is less than 10 years old	1. Update Library CDP 2. 70% of book stock less than 10 years old.	1. 100% 2. 81.5%	1. Completed. Annual review completed. 2. Achieved. This is well above target.
Grant funding sought	1. One (1) new grant application for Library funding 2. 100% of grants obtained expended in set timeframe	1. Two (2) 2. 100%	1. Achieved. Local Priority Grant received in January. We were also successful with cooperative grant application with of \$51,000 for resources for the visually impaired. This will be expended in 2012/13. 2. Achieved. Last years RFID grant fully expended. Local priority grant will be expended over the calendar year.

2.9 Promote a healthy lifestyle, through education, support networks and facilities

Success Measures	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. National Year of Reading activities held 2. Participation rates in National Year of Reading 3. Increase in Library membership	1. Two (2) National Year of Reading activities conducted 2. >200 Participants 3. Increase memberships by 2% > 29,407	1. One(1) 2. 80 3. 30,189	1. Not Achieved. The National Year of Reading is held over the calendar year. We are on track for more activities. 2. Not Achieved. The National year of Reading is held over the calendar year. It is expected that additional events will occur in the remainder of the calendar year. 3. Achieved. Membership has increased slightly.
RFID Implemented	RFID fully implemented at PMQ Library subject to grant funding	100%	Completed. Grant fully expended. Rolling programme to finish Branch Libraries.
E-books Implemented	1. E book circulation >2,000 2. E books purchased >.700	1. 4,185 2. 1,173	1. Achieved. Ebook circulation has been much higher than anticipated. 2. Achieved. Purchased more ebooks to meet increased demand. Also started a children's ebook collection in response to specific requests.

What are we trying to achieve?

The Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

How do we get there?

3.1 Create opportunities for lifelong learning and skill enhancement with the availability of a broad range of education and training facilities

3.2 Promote and support an increase in business capacity in order to generate ongoing economic growth

3.3 Expand tourism business opportunities and benefits through collaborative planning and promotion

3.4 Maximise innovation and economic competitiveness by providing high quality communication technology throughout the Port Macquarie-Hastings region

3.5 Target and encourage business enterprise by providing favourable business conditions including infrastructure and transport options

What will the result be?

- Greater availability of educational opportunities
- Key business sectors are able to benefit from our natural and existing attributes
- Business and industry, training and education facilities sustain our population growth
- Increased employment opportunities
- An environmentally harmonious and prosperous tourism industry
- Widely available communications technology

Reporting on Progress

3.1 Create opportunities for lifelong learning and skill enhancement with availability of a broad range of education and training facilities

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Feasibility Study endorsed by Federal Government Funding secured to coordinate implementation Portal, E3, Leaps, Foundation funded and operational	100% completed	100%	Completed. Federal Government endorsed feasibility study and funding has been secured.
1. Resources database accessed by businesses 2. Snapshots editions released 3. Business Benchmarks released 4. Remplan Economic modelling data released	1. Min of 60 times per year 2. Three (3) snapshot editions per year 3. One (1) benchmark per year 4. One (1) Remplan per year	1. 0 2. Three(3) 3. One (1) 4. One (1)	1. Not Completed. No recorded statistics are available for this performance indicator. 2. Completed. Quarterly snapshots have been produced and published. 3. Achieved. Release in line with expectations. 4. Not Complete. No requests for Remplan modelling were received in the last quarter - March to June 2012. The Economic Development section is currently reviewing Remplan versus Economy id as a future tool for this purpose. This resource will also be promoted to businesses in the future to provide greater awareness about this valuable research tool.
Business participants in peer solutions	15 participants	15	Completed. After two meetings with each of the Peer Solutions Groups, it was agreed that in order for the long term objectives of the Program to be achieved (predominantly mentor individual businesses) that a move to the Edmund Barton Program would be a logical next step. This was formally agreed to by all Peer Solutions members.

3.1 Create opportunities for lifelong learning and skill enhancement with availability of a broad range of education and training facilities

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Professional development opportunities for tourism industry businesses provided 2. Training opportunities for Tourism Industry Businesses provided 3. Satisfaction of professional development and training opportunities for tourism industry business participants	1. Two (2) 2. Four (4) 3. 80% attendance	1. Two (2) 2. Four (4) 3. 80%	1. Completed. Five training and development courses offered to businesses this year. 2. Completed. Industry operators were offered the following training opportunities: Event Sustainability Training, Social Media Training, Tourism Awards Workshop, Destination NSW Research Workshop, Greater Port Macquarie Tourism and Events Partnership Programme Workshop, Business Tourism - how to write a successful bid to secure meetings and events. 3. Completed. Industry operators were provided with the following training opportunities: Event Sustainability, Social Media Training - beginner to advanced, Tourism Awards Workshop, Destination NSW Research Workshop, Greater Port Macquarie Tourism and Events Partnership, Programme Workshop; Business tourism - How to write a successful bid to secure meetings and events. At the conclusion of the training sessions and workshops the feedback was 95% positive.

3.2 Promote and support an increase in business capacity in order to generate ongoing economic growth

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Maintain 80% membership base and conduct bi-annual audits	1. Maintain 80% membership 2. Conduct two (2) audits per year	1. 80% 2. Two(2)	1. Completed. Currently the Customer Care Programme has 100 members. 2. Completed. While the Shop Angels mystery shopping programme is completed, the contracted company (Shop Angels) will no longer provide this service from 1 July 2012 due to a number of service delivery failures. Council is currently investigating a number of other companies to fulfil this deliverable in the Customer Care Programme.
Satisfaction of free business advice and assistance with service	>90%	0%	Not Completed. Statistics pertaining to this performance indicator are not available.
John Oxley Drive and Lindfield Park Rd Structure Plan complete	Complete John Oxley Drive and Lindfield Park Rd Structure Plan	80%	Reported to Council in June 2012. Deferred pending further consultation until July 2012.

3.2 Promote and support an increase in business capacity in order to generate ongoing economic growth

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
DCP for Wauchope Town Centre prepared and review DCP status in strategic program in 2012/13	Prepare Wauchope Town Centre DCP and conduct review	100%	Included for action in 2012/13 Operational Plan.
Completion of Flynn's Beach business review	Conduct review of Flynn's Beach Caravan Park	95%	Not Completed. Report scheduled to be presented at the July 2012 Council meeting.
1. Nil instances operating outside Policy, regulations and legislation for statutory road closures and community & commercial leases 2. Leases reviewed/ renewed	1. Zero instances recorded 2. 20 leases reviewed/ renewed	1. 0 2. 35	1. Achieved. Nil instances reported of instances operating outside Policy and regulations. 2. Achieved. 35 leases have been completed/reviewed in the financial year which is higher than anticipated.

3.3 Expand tourism business opportunities and benefits through collaborative planning and promotion

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Major Events strategy completed and implemented	1. Two new major events secured 2. Four conferences secured 3. > \$ 23,100 revenue for Events (+5% on previous year)	1. Two (2) 2. Nine (9) 3. \$20,178	1. Achieved. Number of new events secured in line with expectations. 2. Completed. Number of conferences secured has been higher than anticipated. 3. Not Completed. Revenue from event related accommodation bookings through the Visitor Information Centre (VIC) has declined due to overall direct bookings through the VIC being significantly less than previous years.
Tourism Development Plan implemented	Tourism Development Plan endorsed by Council and Industry	0%	Not started due to the Tourism and economic development review process.

3.3 Expand tourism business opportunities and benefits through collaborative planning and promotion

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Increased market share of Mid North Coast and regional NSW by 3%	1. > 2,956,100 in quarterly nights 2. > 1,698,470 in quarterly visitor numbers	1. 2,871,000 2. 1,509,000	1. Completed. Visitor nights to the LGA have been maintained by YE March 2012 when compared to the same period in the time series dating back to 2006. Please note that the upper and lower targets pertain to YE December 2012. 2. Completed. Visitor numbers have been maintained by YE March 2012 compared to this same period over the time series dating back to 2006. Please note that the upper and lower target for visitor numbers is for data YE December 2012.
Maintain/Increase market share of Mid North Coast and regional NSW	Maintain 24% /increase of market share - Mid North Coast and regional NSW	23%	Completed. Our LGA continues to maintain market share of visitor numbers and visitor nights in the mid north coast of NSW.

1. Increased industry membership 2. Increase financial contribution to the GPM Partnership Program	1. Memberships > 155. 2. Contributions > \$131,540	1. 153 2. \$157,463	1. Completed. Membership levels have been maintained. 2. Completed. 155 businesses joined the Greater Port Macquarie Tourism and Events Partnership Programme in 2011-2012. While the number of businesses who joined is on par with the previous year, the income generated from memberships increased by 21%, resulting in a total of \$157,462 additional income to add to the tourism marketing budget.
1. Increased Destination website visits 2. Increased Social media fans/likes 3. Increased Retail campaigns' results	1. > 182,756 website visits 2. > 2,273 Social Media fans/likes 3. > \$1,160,505	1. 172,807 2. 2,714 3. \$933,542	1. Completed. The destination website will be upgraded this year to incorporate gpmevents.com.au. This will significantly grow the number of visits to our site. A paid search campaign to increase website visits will also be implemented. 2. Completed. Social media interaction has increased by 19% above expected targets. 3. Not Commenced. The winter campaign is in market from end of May to end of August so the actual results compared to the target (last year's retail campaign results) will not be known until early September 2012.

3.4 Maximise innovation and economic competitiveness by providing high quality communication technology throughout the Port Macquarie-Hastings region

Success Measure	Target	What has been achieved in 2011 – 2012?	
		Year to date	Comments on Progress
Development Control Plan provisions for Broadband Implemented & reviewed	Implement & review Development Control Plan provisions for Broadband	100%	DCP provisions completed.
Resource prioritisation reviewed bi-annually	Two (2) reviews completed.	Two (2)	Achieved. Reviews complete.

3.5 Target and encourage business enterprise by providing favourable business conditions including infrastructure and transport options

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Number and type of annual RPT aircraft movements	1. Aircraft Numbers > 5,500 pa Type = Code 3C 2. Pax. Nos. > 225,000 pa	1. 5,512 2. 223,000	1. Achieved. Actual aircraft movements based on current RPT schedule of 106 movements per week (64 QantasLink, 42 Virgin Australia) which is above target. 2. Achieved. Passenger numbers for 2011/2012 is 223,000 which is a 3% growth on previous year and exceeds target.
Milestones within Airport infrastructure and facilities project plan completed	Deliver Airport infrastructure and facilities project plan	100%	Completed. Airport Project Plan completed. Progression to tender for Stage 1A of the Port Macquarie Airport Upgrade was adopted at the July Ordinary Meeting of Council.
Taskforce formed and Business plan implemented	Form expert taskforce to guide implementation of Airport Business Development Plan	0%	Awaiting further notice with regard to Economic Development involvement in the Plan.
Percentage of time Ferry services within service standards	100%	100%	Achieved. No reported instances of operations outside of service standards.
Member lobbying for High Speed Rail undertaken Submission complete	Lobby for stopping point at Wauchope for High Speed Rail including participation in Government's second phase process. Complete submission	0%	The fast train route has not been confirmed. A briefing at Council was held earlier in the year in relation to the future route.

3.5 Target and encourage business enterprise by providing favourable business conditions including infrastructure and transport options

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Sancrox Employment Precinct Industry Plan implemented	Implement the Sancrox Employment Precinct industry Plan	0%	Not Complete. Waiting on finalisation of infrastructure at Sancrox precinct.

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Forests Industry Development Plan implemented	Implement the Forests Industry Development Plan	0%	No meetings have taken place with the Forestry Task-force to date. An update on progress of the Task-force will be requested in writing.
New businesses commenced in the Business Start-Up Program	Eight (8) new businesses commenced	0	Not Completed. Statistics relating to this performance measure are not available.
Food & Wine Tourism Industry Plan implemented	Implement the Food & Wine Tourism Industry Plan	0%	No meetings have taken place with the Forestry Task-force to date. An update on progress of the Task-force will be requested in writing.

What are we trying to achieve?

**We understand and manage the impact that the community has on the natural environment.
We protect the environment now and into the future.**

How do we get there?

4.1 Protect and restore natural areas

4.2 Ensure service infrastructure maximises efficiency and limits environmental impact

4.3 Implement total water cycle management practices

4.4 Continue to improve waste collection and recycling Practices

4.5 Provide community access and opportunities to enjoy our natural environment

4.6 Create a culture that supports and invests in renewable Energy

4.7 Increase awareness of and plan for the preservation of local flora and fauna

4.8 Plan and take action to minimise impact of natural events and climate change

4.9 Manage development outcomes to minimise the impact on the natural environment

What will the result be?

- Accessible and protected waterways, foreshores, beaches and bushlands
- Renewable energy options
- Clean waterways
- An environment that is protected and conserved for future generations
- Development outcomes that are ecologically sustainable and complement our natural environment
- Residents that are environmentally aware
- A community that is prepared for natural events and climate change

Reporting on Progress

4.1 Protect and restore natural areas

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Reserves considered to be in good environmental condition 2. Riparian rehabilitation works complete	1. Two (2) reserves 2. Complete 2ha of riparian rehabilitation works	1.100% 2.10%	1. Complete. Adopted by Council 28 March 2012. 2. Not Complete. Construction work delayed to allow review of Federal Environment Protection and Biodiversity Conservation Act implications.
Invasive Plant Species Strategy implemented	Implement the Invasive Plant Species Strategy (Invasive Species Plan)	100%	Complete. Works program included weed inspections on private property to control targeted invasive weeds. On ground targeted weed control undertaken for Bitou Bush, Madeira Vine, Cats Claw Creeper, Senna and Asparagus.
Budget funding allocated	Allocate budget funding for Landcare and Dunecare programs	100%	Completed. Funding provided to Friends of Kooloonbung and Port Macquarie Landcare for environmental weed control.
Feral animal control activity has been undertaken	Feral animal control undertaken on two (2) sites	Two (2)	Achieved. Control undertaken on Kew STP and Council land at Partridge Creek.
1. Hastings River Floodplain Risk Management Study completed 2. Stage 1 Dunbogan Flood Access construction completed.	1. Complete Hastings River Floodplain Risk Management Study 2. Complete Stage 1 Dunbogan Flood Access construction.	1.100% 2.10%	1. Complete. Adopted by Council 28 March 2012 2. Not Complete. Construction work delayed to allow review of Federal Environment Protection and Biodiversity Conservation Act implications.
Lake Cathie Coastal Zone Management Plan Stage 2 completed	Complete Lake Cathie Coastal Zone Management Plan Stage 2	90%	Not Complete. Study exhibited. Report on submissions to July 2012 Council Meeting.
Estuary Management Plan implemented	Implement the Estuary Management Plan	100%	Complete. Work undertaken of 4 sites: The Hatch - Maria River, Bend of Islands on Hastings River, Henry Kendal Reserve - Queens Lake and Googleys Island - Camden Haven Estuary.
Floodplain Management meetings held	Minimum of two (2) meetings held for Floodplain Management Sub Committee, and Coast and Estuaries Management Sub Committee	Two (2)	Achieved. Meetings held on 12 September 2012, 29 February 2012 and 9 May 2012.

4.2 Ensure service infrastructure maximises efficiency and limits environmental impact

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Project plans incorporate considerations on energy efficiency and environmental Assessment requirements (as relevant)	100%	0%	No Data. Systems not yet developed to capture required information.
Compliance with Purchasing Policy	100%	0%	Not Achieved. Statistics on this measure are not currently available.

4.3 Implement total water cycle management practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Compliance with Environmental Protection Licences	100%		Refer to Operational Plan Action 5.5.7.6
Compliance for all effluent discharge	>90% compliance	98%	Achieved.
Compliance with Trade Waste Policy	85% Compliance	93%	Achieved.
Additional connections to the reclaimed water and reused effluent network	20 additional connections	4	Not Achieved. Less connections than proposed.
Schools requests included in Waterwise Education Program	100%	100%	Complete. Education program continuing to adopted schedule.
Development of Integrated Water Management Plan for Kew urban land release commenced	Commence development of integrated Water Management Plan for Kew urban land release (Area 15)	0%	Not Commenced. On hold pending Area 15 land release. No change from March.

4.3 Implement total water cycle management practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Development of the integrated Water Management Plan for Thrumster & Bonny Hills (Area 13 & 14) commenced	Commence development of integrated Water Management Plan for Thrumster & Bonny Hills (Area 13 & 14)	0%	Not Commenced. On hold pending Area 15 land release. No change from March.
1. Water resource is conserved, price reflects true cost of water charges = operational and asset renewal costs. 2. Decrease in potable water consumption per capita	1. 100% 2. > 0% decrease	1. 100% 2. 0.3%	1. Completed. Fees and charges complete. Long Term Financial plan updated. 2. Completed.
Leak detection program maintained	100%	100%	Completed. Leak detection program ongoing.

4.4 Continue to improve waste collection and recycling practices

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Commercial and industrial waste diverted from landfill in source separation undertaken by commercial customers	63% (State target)	55%	Not Achieved. Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.
New Waste Strategy prepared	Develop new Waste Strategy by 31 December	100%	Completed. Adopted by Council 15 February 2012.
Municipal waste diverted from Landfill in source separation undertaken by residential customers	66%	55%	Not Achieved. Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.
Municipal waste diverted from Landfill in the operation of waste depots and amount of waste recovered	66%	55%	Not Achieved. Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.
Regional Midwaste projects implemented in accordance with adopted program	100%	100%	Achieved. Projects included Business Case for Organics, Love Food Hate Waste, Waste 2 Art and Regional Strategy. Business waste project is ongoing.

4.6 Create a culture that supports and invests in renewable energy

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Council wide renewable energy strategy developed	Develop Strategy	80%	Not Complete. Solar project undertaken for Port Macquarie Library and project approved for Glasshouse. Detailed strategy to be finalised in 2012/2013.
Renewable fuel strategy developed	Develop renewable fuel strategy	100%	Completed. A review into Councils' Heavy Fleet, Mechanical Services and Light Fleet was completed in June 2012.

4.7 Increase awareness of and plan for the preservation of local flora and fauna

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Existing KPoMs reviewed for urban areas	Review existing Koala Plans of Management for urban areas	100%	Koala register completed.
Koala habitat mapped & draft KPoM commenced	Map Koala habitat & commence drafting Koala Plan of Management	100%	Koala habitat mapping completed for UGMS area.
Community consultation undertaken and strategy commenced	Undertake community consultation and commence drafting Biodiversity Strategy	50%	Not Complete. Strategy development delayed due to additional work required on vegetation mapping.

4.8 Plan for and take action to minimise the impact of natural events and climate change

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Environmental Education awareness programs implemented	Report on range of education programs undertaken	100%	Complete. Responsible Gardening guide issued to residents adjoining Bushland reserves as works undertaken. Waste Watchers program undertaken at local primary schools. Updated waste services brochure issued to all residents.
Climate Change Risk Assessment completed and Drafting of the Climate Control Management Strategy commenced	Complete Climate Change Risk Assessment and commence drafting Climate Control Management Strategy	80%	Not Complete. Risk Assessment completed July 2011. Management Plan to be drafted in 2012/13.

4.9 Manage development outcomes to minimise the impact on the natural environment

Success Measure	Target	What has been achieved in 2011 - 2012	
		Year to date	Comments on Progress
Plans reviewed and draft prepared	Review Council's Development Contributions Plans and prepare draft	50%	Not Complete. Review commenced. Project to continue in 12/13 with review of residential yields in growth areas.
Review of Port Macquarie-Hastings Urban Growth Management Strategy (UGMS) census status commenced	Commence review of Port Macquarie-Hastings Urban Growth Management Strategy (UGMS) census status	100%	Stage 1 Census data received. Awaiting detailed info from i.d. consulting.
1. Applications processed in accordance with legislation. 2. Successful legal challenges relating to process error.	1. 100% 2. Nil appeals	1. 100% 2. Nil	1. No appeals. DA auditing has commenced to proactively identify any errors in processing. Results to be available next reporting period. 2. No appeals.
Successful legal appeals relating to process error	Nil appeals	Nil	No appeals.
Accurate record of meetings provided to applicant.	Seven (7) day average.	Four (4)	24 Applications determined within 7 days, and one (1) application took 20 days to determine.

What are we trying to achieve?

Our population is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

How do we get there?

5.1 Create and maintain integrated transport system that eases access between population centres and services

5.2 Ensure transport options are safe, functional and meet access needs across the local government area

5.3 Develop and enhance quality open space and recreational facilities

5.4 Plan settlements to accommodate a range of compatible land uses and projected population growth

5.5 Create and maintain public Infrastructure that delivers sustainable water, sewer and stormwater water services

What will the result be?

- Supported and integrated communities
- Infrastructure provision and maintenance that respects community expectations and needs
- A natural environment that can be accessed by a network of footpaths, cycleways, coastal and hinterland walkways
- Accessible, convenient and affordable public transport
- Employment and population growth that is clustered within urban centres

Reporting on Progress

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Works consider the Community needs and align with Asset Management Plans & Council approved Strategies	1. Complete Road Transport Delivery Program, prepared by 30 December 2012 2. Projects scheduled in accordance with timeframes identified in Council adopted Strategies, Plans and funding availability.	1. 58% 2. 100%	1. Not Complete. The 2011/2012 Transport Delivery Program was not fully delivered at the end of the reporting period due primarily to 1) several projects having preconstruction approvals and documentation outstanding, and 2) several projects being commenced but incomplete at 30 June 2012. The specific details regarding the status of each transport asset capital works item are included as individual KPI's and actions elsewhere within this report. 2. Completed for 2011/2012, needs wholesale review in light of Council's focus on core infrastructure services identified through development of the CSP 2030.
Road & transport infrastructure Surveys and Designs are completed	1. Completed to approved schedules 2. Completed to schedules budgets 3. Completed to design quality standards	1. 38% 2. 70% 3. 97%	1. Not Achieved. Completion of all designs ahead of construction scheduling has not been achieved. Reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. This performance measure under ongoing scrutiny with Manager and Principal Design Engineer. 2. Not Achieved. 59 designs delivered in 2011/2012. 29 designs over design estimate, mainly due to scope revisions. Design estimating continues to be a challenge due to unforeseen issues identified during design development. Design estimates under ongoing review. 3. Excellent result, due to design office quality system, one major omission on outsource design for Dunbogan Flood Access. Some omissions on Ocean Drive rehabilitation due to unforeseen geotech issues.
Land surveys registered and titles exchanged.	100%	65%	Not Achieved. Behind schedule due to outstanding dealings with affected owners. Some implications for design and construction delivery, under ongoing review.
Compliant with Link Road EIS and Development consent 1. Number traffic related Koala kills or serious injuries within area of works. 2. Presence of Koalas within planted corridors. 3. Traffic noise recorded levels within EPA Guidelines.	1. Nil incidents 2. 100% 3. 100%	1. 0 2. 45% 3. 0%	1. Achieved. Good result, subject to ongoing monitoring. 2. Not Completed. Unable to review plantings and Koala movements within Link Road adjoining corridors due to staffing shortages in the Traffic unit of the Section. Carried over to 2012/2013. 3. Not Completed. Unable to carry out traffic noise surveys for post construction of the Link Road due to staffing shortages in the Traffic unit of the Section. Carried over to 2012/2013.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Condition data collected enables the timely and reliable planning for asset replacements and upgrades. Stage 2 Timber Bridge ratings completed.	Complete Stage 2 Timber Bridge Ratings	95%	Not Completed.
Upgrade of King Creek Road – Narran Close to Old King Creek Road	1. Constructed to approved schedules 2. Complete within budget of \$1,900,966 3. Constructed to quality standards	1. 100% 2. \$ 2,544,769 3. 90%	1. Complete. This project was completed in accordance with the delivery schedule within the reporting period. the total project timeline extended beyond original expectation due to wet weather and very poor sub grade conditions at the project location. 2. Not Achieved. This was a carryover project from 202011/2011. Stage 1, works commenced Apr 2011, these works are funded over the 2011/2011 and 2011/2012 FY's in the Annual Works Programs. Works are complete for this project. Financial treatment of over expenditure of combined 2 stages approved by the Executive Group at 3/5/2011. Stage 2 scope of works have been reduced in line with available funds. Additional over expenditure report and project financial assessment has been finalised to increase budget to reflect final actual costs. The Project budget was adjusted to \$2.54M following Executive approval. 3. Not Complete. This project was brought to completion in April 2012. Some non-conformance of the pavement gravels was noted in the rehabilitation of the roadway. Specifically, no preferred local supplier of Gravel was able to meet the AUSSPEC requirements for DGB or DGS, expert geotechnical assessment was commissioned to quantify the non conformance and consider alternatives. the Pavement was thickened and strengthen as an offset to the "out of specification" gravel.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Upgrade of Ocean Drive – Houston Mitchell Drive to Bonny View Drive	1. Constructed to approved schedules 2. Complete within budget of \$2,120,000 3. Constructed to quality standards	1.60% 2. \$1,223,799 3.90%	1. Not complete: The budget for this project was reduced in line with expected construction schedules to \$1.5M. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in December 2011. Works remain ongoing and are due for completion at December 2012. This is a carryover project to the 2012/2013 FY. 2. The budget for this project was reduced in line with expected construction schedules to \$1.5M. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in December 2011. Works remain ongoing and are due for completion at December 2012. This is a carryover project to the 2012/2013 FY. 3. Not complete: Some non-conformance of the pavement gravels was noted in the rehabilitation of the roadway. Specifically, no preferred local supplier of Gravel was able to meet the AUSSPEC requirements for DGB or DGS, expert geotechnical assessment was commissioned to quantify the non conformance and consider alternatives. the Pavement was thickened and strengthen as an offset to the "out of specification" gravel.
Footpath construction Lake Road eastern side – Hospital Exit to Savoy Street	1. Constructed to approved schedules 2. Complete within budget of \$115,000 3. Constructed to quality standards	1.100% 2.\$107,640 3.100%	1. Completed. Footpaths completed to agreed schedules within 2011/2012 FY. 2. Achieved. This project was completed within the approved Budget. 3. Completed. Footpath completed to approved quality standards.
Commence construction to replace Stingray Creek Bridge North Haven	1. Constructed to approved schedules 2. Complete within budget of \$600,000 3. Constructed to quality standards	0%	Not Achieved. This project requires significant additional funding to allow commencement. No construction works were undertaken on this project during the reporting period.
Footpath & interim landslip protection Kennedy Drive – Boambee St to Parklands Avenue	1. Constructed to approved schedules 2. Complete within budget of \$220,000 3. Constructed to quality standards	1.100% 2. \$94,058 3.100%	1. Completed. Project completed to approved schedule and quality standards. 2. Achieved. This project was completed within the approved Budget. 3. Completed. Project completed to approved schedule and quality standards.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Kerb & Guttering Crummer St – Watonga St to Partridge St	1. Constructed to approved schedules 2. Complete within budget of \$300,000 3. Constructed to quality standards	1.85% 2. \$228,068 3. 100%	1. Not Complete. Commencement of this project was delayed by the availability of the detailed design information and some service relocations. Works are well underway and will be brought to completion in July 2012. Very wet weather has delayed this project which otherwise would have been brought to completion in June 2012. 2. Achieved. The budget for this project was increased to \$490,000 when these works were combined with adjoining Partridge street works. Commencement of this project was delayed by the availability of the detailed design information and some service relocations. Works are well underway and will be brought to completion in early 2012/2013. Very wet weather has delayed this project which otherwise would have been brought to completion in June 2012. The works are expected to be completed significantly under the project budget. 3. Completed. All completed works to date on this project have been in accordance with the contract documentation and the relevant AUSSPEC standards.
Bus bay & shelter Ocean Drive Bonny Hills north of Beach Street	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	0%	Not Achieved. This project was reviewed and recommended for deferral at the May 2011 Council meeting. No works were undertaken on this project.
Traffic signals intersection Hastings River Dr and Boundary Street	1. Constructed to approved schedules 2. Complete within budget of \$100,000 3. Constructed to quality standards	0%	Not commenced. The detailed design and pre construction approvals are not finalised for this project. The budget for this project was reduced in line with the expected construction programming to \$382,000. Works are unlikely to commence on the construction of this project prior to 2013.
Bus bay Ruins Way Port Macquarie	1. Constructed to approved schedules 2. Complete within budget of \$10,000 3. Constructed to quality standards	1. 100% 2. \$7,741 3. 100%	1. Completed. Project completed in May 2011. 2. Achieved. This project was completed within the approved Budget. 3. Completed. Project completed to adopted quality standards and in accordance with program and budget.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Bridge replacement Pembroke Road over Saltwater Creek	1. Constructed to approved schedules 2. Complete within budget of \$1,200,000 3. Constructed to quality standards.	1.20% 2.\$160,591 3.100%	1. Not Completed. Works to date on this project have been very significantly delayed due to project design readiness, works commenced in May 2012 and will extend into FY 2012/2013. The earthworks and environmental controls for this project have been commenced, however further work is dependent on confirmation of the pre cast bridge component delivery schedule which currently extends beyond September 2012. 2. Not Achieved. The budget for this project was reduced in line with expected construction schedules to \$495,000. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in May 2011. The actual expenditure includes a large contract commitment for the pre cast bridge components which will start being delivered in August 2012. This is a carryover project to the 2012/2013 FY. 3. Not Completed. Works to date on this project have been very significantly delayed due to project design readiness, works commenced in May 2012 and will extend into FY 2012/2013. Completed works to date have met all quality standards.
Kerb & guttering Partridge Street Port Macquarie	1. Constructed to approved schedules 2. Complete within budget of \$225,000 3. Constructed to quality standards.	1.85% 2.\$35,624 3.100%	1. Not Complete. These works are being completed in conjunction with the Crummer Street kerb and gutter project and are due for completion in Jul 2012. 2. Achieved. See comments for Crummer Street Kerb and Gutter which was combined with this project during the reporting period. The budget was reduced to \$35,000 (balance transferred to Crummer Street project) when this project was combined with adjoining Crummer Street. 3. Complete. All completed works to date on this project have been in accordance with the contract documentation and the relevant AUSSPEC standards.
Pavement rehabilitations in Wauchope streets, locations to be determined	1. Constructed to approved schedules 2. Complete within budget of \$125,000 3. Constructed to quality standards.	1.100% 2.\$123,619 3.100%	1. Complete. Project completed to approved Quality standards and schedule. 2. Achieved. This project was completed within the approved budget. 3. Complete. Project completed to approved Quality standards and schedule.
Town Centre Master Plan "gateway" works Gordon Street Port Macquarie	1. Constructed to approved schedules 2. Complete within budget of \$25,000 3. Constructed to quality standards.	0%	Not Achieved. No works have been undertaken on the project during the reporting period. The Town Centre Masterplan Sub Committee have not confirmed an agreed scope of works for this carry over project.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Wauchope CBD Road Bypass Stage 2	1. Constructed to approved schedules 2. Complete within budget 3. Constructed to quality standards	0%	Not Achieved. This project requires funding confirmation and detailed design adoption to allow commencement. No construction works were undertaken on this project during the reporting period.
Kerb & Guttering and drainage works Lighthouse Road – Matthew Flinders Drive to Davis Crescent	1. Constructed to approved schedules 2. Complete within budget \$200,000 3. Constructed to quality standards	1.95% 2.\$217,544 3.100%	1. Not Completed. This project has disappointingly not been brought to completion in accordance with the agreed schedule. Works have extended into 2012/2013 FY. 2. Not Achieved. The agreed and original scope of works for this project was delivered within the Project Budget. The scope of works for this project was extended to include the link back to Matthew Flinders Drive, the consequent over expenditure is a product of this extension to the scope of works. The sealed road repairs general ledger was utilised as the financial treatment of this over expenditure. 3. Completed. Project was completed to approved Quality standards.
Implement sealed road maintenance program including pothole repairs, jet patching and shoulder maintenance	1. Implement Sealed Road Maintenance Program in accordance with approved programs 2. Implement the sealed Roads Maintenance program within budget of \$1,848,000	1.95% 2 \$1,712,332	1. Completed. A risk based approach to the prioritisation of Sealed road maintenance works has been implemented during the reporting period. The tasking of all roads maintenance staff now takes place in accordance with the allocated priority of works. 2. Achieved. Sealed road maintenance including jet patching and pothole repairs were undertaken throughout the reporting period within the allocated budget. This top priority focus area for PMHC was constrained and effected by the very wet weather within the reporting period. The risk based approach to the prioritisation of sealed road repair tasks has drawn significantly increased compliments from the public. However, the outstanding list of customer requests that require repairs remains very long and additional operational budget allocations are required to meaningfully reduce this maintenance backlog in the future.
Implement unsealed road maintenance program including gravel re sheeting and rural maintenance grading	Implement Unsealed Road Maintenance Program to approved budget of \$1,510,000 Graded twice within reporting period.	1. \$1,624,289 2. Two (2)	1. Completed. Unsealed roads maintenance undertaken throughout the reporting period. Due to significant wet weather in the early part of the reporting period a forth maintenance grader was implemented from January 2012 onwards leading to an over expenditure of the original operational budget. The operational budget was increased to \$1.7M in the June 2012 monthly review at Council. 2. Achieved. The 18 identified high priority unsealed within the 6 monthly maintenance grading program were each graded twice within the reporting period. Additional grading resources in the form of extra crews were re tasked onto the high priority grading program at the expense of the lower priority roads in order to achieve this key Performance Indicator.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Implement sealed road repairs program including heavy patching, kerb and gutter repairs, road reseals, footpaths and cycleways	1. Implement the Sealed road repairs program completed in accordance with Roads Maintenance Hierarchy 2. Completed to approved budget of \$3,434,814 2. 10%	1.95% 2. \$259,965 3. 1.79%	1. Completed. A risk based approach to the prioritisation of Sealed road maintenance works has been implemented during the reporting period. The tasking of all roads maintenance staff now takes place in accordance with the allocated priority of works. 2. Achieved. Sealed road repairs including heavy patching, footpath repairs, kerb and gutter repairs and resealing/resurfacing were completed in the reporting period within the allocated budget. Very wet weather also effected this KPI with many tasks delayed or postponed on several occasions. Resealing works were successfully completed on Ocean Drive south of Bonny hills and west of Laurieton within the reporting period. The apparent under expenditure of the final "actual" against the budget is due primarily to the transfer of approx \$650,000 to the King Creek Road rehabilitation to supplement the project budget. 3. Not Achieved. 15.35 kms of the 854km sealed road network within the PMHC LGA was resealed/resurfaced within the reporting period. This outcome is some 70kms short of the best practise target of 10% of the networks annually. The resurfaced roads include Ocean Dve (South of Lake Cathie, Bonny Hills to North Haven and Laurieton to Kew), Lorne Road 1.5km west of Kendall, King Creek Road, Hastings River Drive (Humpty Back Creek to Tuffins lane), Production Drive Wauchope, William street Lord to Grant Street, Blackbutt Road - Lake Road to Boliwarra Street.
Implement roadside vegetation management program including median maintenance, roadside mowing and slashing, tree maintenance	1. Implement the Roadside vegetation management program in accordance with approved budget of \$566,000 2. Implement the Roadside Vegetation Management Program: In accordance with approved programs, the Roads Maintenance Hierarchy and the Parks Maintenance Hierarchy	1. \$494,101 2. 85%	1. Achieved. The budget for roadside vegetation management was reduced to \$504,000 during the reporting period reflecting the refocusing of the works staff on risk based works rather than aesthetics. Against the revised budget the actual expenditure represents over 98% expenditure which is considered a good result. 2. Completed. Some roadside vegetation maintenance works and programs are yet to fully transition to the risk based prioritisation system, including some roadside slashing and mowing works. These works will commence 2012/2013 in accordance with the risk based prioritisation system.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Implement roadside furnishing program including barriers, guideposts, line marking, signs, bus stops and seats	1. Implement the Roadside Furnishing Program in accordance Roads Maintenance Hierarchy 2. Implement to approved budget of \$565,000	1. 85% 2. \$383,593	1. Completed. The risk based approach to works prioritisation has seen resources reallocated from roadside furnishing towards road and pothole repairs, with the exception of signs and line marking. Outstanding line marking was identified and prioritised during the reporting period and consequently RMS was engaged to undertake a network re line marking exercise intended to be completed prior to June 2012. Unfortunately the RMS line marking crews were significantly delayed in completing the works with the PMHC area and as such a significant financial commitment (over \$100,000) was not realised at 30 June 2012. The apparent significant under expenditure against the budget is primarily due to this contract commitment not being realised. 2. Achieved. The risk based approach to works prioritisation has seen resources reallocated from roadside furnishing towards road and pothole repairs, with the exception of signs and line marking. Outstanding line marking was identified and prioritised during the reporting period and consequently RMS was engaged to undertake a network re line marking exercise intended to be completed prior to June 2012. Unfortunately the RMS line marking crews were significantly delayed in completing the works with the PMHC area and as such a significant financial commitment (over \$100,000) was not realised at 30 June 2012. The apparent significant under expenditure against the budget is primarily due to this contract commitment not being realised.
Implement Bridges and Culverts maintenance and repair program including inspections, monitoring and bridge repair works	1. Implement the Bridge and Culverts Maintenance & Repair Program in accordance with approved programs and the Roads/bridges Maintenance Hierarchy 2. Implement the Bridge and Culverts Maintenance & Repair Program in accordance with approved budget of \$488,000	1. 100% 2. \$392,526	1. Completed. The bridges and culverts maintenance programs have been completed within the reporting period within the available budgets. 2. Achieved. Bridges and Culverts maintenance was successfully undertaken across the LGA within the allocated budget throughout the reporting period. The apparent under expenditure is due to the outstanding budget commitments relating to the Woodlands Bridge Repair works which remain underway in FY 2012/2013. A transaction of approx \$90,000 for Decking and girders was expected to be finalised in the reporting period but was not and has resulted in the underexpenditure against the budget. The remaining 2011/2012 budget will be utilised to finalise these transactions in 2012/2013.

5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Implement roads drainage maintenance program including inspections, repairs, cleaning and clearing	1. Implement the Roads Drainage Maintenance Program: In accordance with approved programs and the Roads Maintenance Hierarchy 2. Implement the Roads Drainage Maintenance Program in accordance with approved budget of \$537,797	1.95% 2. \$565,658	1. Completed. Despite a very wet reporting period, the stormwater and drainage maintenance programs have been achieved and completed as intended (within available budget). 2. Achieved. See previous comment for Implement Stormwater Maintenance and Repair (5.6.1) duplicate KPI.

5.2 Ensure transport options are safe, functional and meet access needs across the Local Government Area

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Pedestrian access and mobility for transport infrastructure improved from base year 2010	1. Six (6) access ramps 2. 200m of footpaths	1. 13 2. 1,350	1. Achieved. Good result although expectations from Access and Disability representatives for access compliant ramps is considerably higher. May need to review target in light of PAMP's review. 2. Achieved. Excellent result although community expectations for delivery of footpaths is somewhat higher. May need to review target in light of PAMP review for 2012/2013.
Completed in accordance with the approved Road Safety Action Plan	Implement the Road Safety Action Plan	95%	95% of actions completed, small \$1,000 component of "share the road campaign" carried over to 2012/2013.
Completed in accordance with the approved Local and Regional Bike Plan	Implement the Local and Regional Bike Plan	100%	Completed although there was very little new facilities funded for 2011/2012
Reduction in Local area accidents	10% reduction	5%	Not Achieved. 5% reduction on previous year number of recorded accidents achieved. 10% target reduction not achieved, Council can only partly control this performance.
Completed in accordance with the bus route facilities program.	Implement the Bus Route Facilities Program	85%	Completed with exception of shelter in Ocean Drive, Bonny Hills, to be carried over to 2012/2013 due to need to review location and design.
Completed in accordance with the Street Lighting program	Implement the Street Lighting Program	85%	All requests investigated and submitted to Essential Energy where considered appropriate. Essential Energy have large backlog of requests with up to 6 month delays for some installations. Needs more proactive planning for 2012/2013.

5.3 Develop and enhance quality open space and recreational facilities

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Open space/recreational research projects undertaken 2. Community engagement activities on open space/recreational facilities undertaken	1. One undertaken 2. Two undertaken	1. Two (2) 2. Four (4)	1. Achieved. Recreational research was undertaken during the early stages of the community engagement activities associated with the design for Bindi Park and Wauchope All Abilities Playground. 2. Achieved. Community engagement activities have been completed for Tacking Point Lighthouse Reserve Masterplan, Bonny Hills Reserves Masterplans, Wauchope All Abilities Playground and Bindi Park design.
Develop 10 year capital works program for the delivery of open space and recreational facilities including upgrade works	10 Year Capital works program developed and adopted by Council.	100%	Completed.
Open space & recreational facility surveys and designs complete	1. Completed ahead of Construction Scheduling to approved schedules 2. Completed to approved budgets 3. Completed to quality standards	1.95% 2.95% 3.95%	1. Achieved. Only one project has been affected by delays in delivery of pre-construction activities (Shelly Beach Reserve). 2. Achieved. Only one project (Shelly Beach Reserve) has not been delivered due to delays in the provision of survey and detailed design. 3. Achieved. Only Shelly Beach Reserve improvement project has been delayed due to delays in provision of detailed design.
Upgrade to Laurieton Skate Park complete	1. Constructed to approved schedules 2. Complete within budget \$83,000 3. Constructed to quality standards	1. 25% 2. \$60,271 3. 25%	1. Not Complete. Delivery of this project has been significantly impacted by wet weather. Project due for completion in September 2012. 2. Not Achieved. Works not complete within financial year due to impacts of wet weather. Project due for completion September 2012. 3. Not Complete. Project delayed due to ongoing wet weather. Works are being delivered in accordance with Australian Standards for concreting works.
Upgrade to Pilot Beach playground complete	1. Constructed to approved schedules 2. Complete within budget \$44,690 3. Constructed to quality standards	1. 100% 2. \$49,816 3. 100%	1. Completed. Project was finished July 2012. 2. Not Achieved. Project completion cost exceeds allocated budget. 3. Completed. Playground is compliant with relevant Australian Standards.

5.3 Develop and enhance quality open space and recreational facilities

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Upgrade to Rainbow Beach Reserve complete	1. Constructed to approved schedules 2. Complete within budget of \$44,810 3. Constructed to quality standards	1. 0% 2. 0% 3. 0%	1. Not Commenced. The delivery of this project was contingent on adoption of Bonny Hills Reserves Masterplans which did not occur until May 2012. Project brief for detailed design works is currently under development. 2. Not Achieved. This project is reliant on adoption of the Bonny Hills Reserves Masterplan which was adopted by Council in May 2012. Project deferred until 2012/2013. 3. Not Commenced. The delivery of this project is reliant on adoption of the Bonny Hills Reserves Masterplan which was adopted by Council in May 2012. Design brief for works under development.
Upgrade to Port Macquarie Historical Cemetery complete	1. Constructed to approved schedules 2. Complete within budget \$28,557 3. Constructed to quality standards	1. 1.75% 2. \$2,513 3. 0%	1. Not Complete. Improvement plans are in draft format following consultation with NSW Heritage Office. Further community engagement required. 2. Not Achieved. There have been significant delays with the completion of this project, primarily associated with time taken for NSW Heritage Office to consider draft concept plan. 3. Not Complete. The planning documentation is currently in draft form.
Upgrade to Shelly Beach Reserve complete	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	0%	1. Not Commenced. Project deferred from current year program due to delays in final design. 2. Not Achieved. Project has been deferred to 2012/2013 financial year due to delay in final design. 3. Not Commenced. Project deferred due to delays in project design.
Upgrade to Town Beach Reserve complete	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	1. 100% 2. \$60,000 3. 100%	1. Complete. Works completed December 2011 in accordance with project timeline. 2. Achieved. Funding allocated to Port Macquarie Regional Skatepark. 3. Completed. Council staff and external Structural Engineer supervised works to ensure project compliance with relevant Australian Standards.
Improvements to Westport Reserve complete	1. Constructed to approved schedules 2. Complete within budget \$100,000 3. Constructed to quality standards	0%	Not Commenced. Project deferred until 2012/2013 to allow for acceptance of additional funding from state government for this project.

5.3 Develop and enhance quality open space and recreational facilities

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Improvements to Sancro Park complete	1. Constructed to approved schedules 2. Complete within budget of \$25,000 3. Constructed to quality standards	1. 100% 2. \$0 3. 100%	1. Completed. Scope of works amended following expert advice. Maintenance expert engaged to undertake surface rectification works rather than resurface facility as significantly reduced cost. 2. Achieved. Project scope was achieved by sports court maintenance expert rather than requiring resurfacing as previously advised reducing project cost by a significant amount. 3. Completed. Maintenance works delivered rather than facility resurface following expert advice.
Construction of Riverbreeze Reserve, Wauchope complete	1. Constructed to approved schedules 2. Complete within budget \$120,000 3. Constructed to quality standards	1. 50% 2. \$69,496 3. 50%	1. Not Complete. This project has been significantly affected by wet weather and significant springs are present within the park. Estimated timeframe for completion of works is 31 August 2012. 2. Not Achieved. Delivery of project significantly impacted by wet weather. Project completion expected by end of August 2012. 3. Not Complete. Project not yet complete due to impacts of wet weather. Project completion expected by end of August 2012.
Upgrade of Laurieton Common complete	1. Constructed to approved schedules 2. Complete within budget of \$139,238 3. Constructed to quality standards	1. 100% 2. \$90,824 3. 100%	1. Completed. Works delivered in accordance with proposed timeline. 2. Achieved. Project delivered in accordance with adopted masterplan. 3. Completed. Works delivered in accordance with relevant standards.
Improvements to Vince Inmon Sporting Complex carpark complete	1. Constructed to approved schedules 2. Complete within budget \$25,000	1. 100% 2. \$18,639 3. 100%	1. Completed. Carpark surfacing works undertaken by Council staff and contractors to approved standards 2. Achieved. Project delivered within allocated budget and in accordance with adopted project scope. 3. Completed. Carpark resurfacing works delivered by Council staff and contractors to agreed quality standards.
Upgrade to Pembroke playground complete	1. Constructed to approved schedules 2. Complete within budget \$23,888 3. Constructed to quality standards	1. 100% 2. \$19,429 3. 100%	1. Completed. Works delivered in accordance with delivery program. 2. Achieved. Works completed within allocated budget. 3. Completed. Project delivered in accordance with relevant Australian Standards.

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Improvements to Sancrox Park complete	1. Constructed to approved schedules 2. Complete within budget of \$25,000 3. Constructed to quality standards	1. 100% 2. \$0 3. 100%	1. Completed. Scope of works amended following expert advice. Maintenance expert engaged to undertake surface rectification works rather than resurface facility as significantly reduced cost. 2. Achieved. Project scope was achieved by sports court maintenance expert rather than requiring resurfacing as previously advised reducing project cost by a significant amount. 3. Completed. Maintenance works delivered rather than facility resurface following expert advice.
Parks and Recreation asset maintenance works completed	Implement the Parks and Recreation asset management plan in accordance with approved programs	50%	Not Complete. Parks Asset Management Plan is in draft form at end financial year.
Aquatic facilities, boat ramps, wharves and jetties maintenance works completed	1. Implement maintenance programs 2. Complete maintenance within operational budget of \$33,204	1. 100% 2. \$38,113	1. Completed. 2. Not Achieved: The small over expenditure on this KPI is resultant from the emergency works required to be carried out on the Buller Street (Sea rescue) boat ramp late in the reporting period. All other routine maintenance works were completed within the reporting period within the allocated budget
Tree management undertaken	All Tree management is undertaken in accordance with TPO	100%	Achieved. In excess of 600 tree works were delivered in accordance with the DCP Tree Management Provisions this financial year.
Lifeguard services, education programs and beach facilities delivered.	1. All services delivered In accordance with approved programs 2. Delivered In accordance with quality standards 3. Delivered within operational budget of \$390,378.	1. 100% 2. 100% 3. \$373,378	1. Completed. Services delivered in accordance with adopted delivery program. 2. Completed. Lifeguard services and beach education delivered in accordance with industry best practice. 3. Achieved. Services delivered in accordance with adopted program and within allocated budget.

5.4 Plan settlements to accommodate a range of compatible land uses and projected population growth

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Complete LEP and associated planning for Sancrox / Fernbank Creek Rd employment precinct LEP and associated planning finalised / completed	LEP and associated planning finalised / completed August 2012	80%	Sancrox LEP completed. Fernbank Creek Rd employment investigations delayed due to applicant study requirements.
Investigations finalised and draft Structure Plan prepared	Conduct Investigations into landuse for marine related industries near Birdon marine development	80%	Investigations completed in consultation with landowner reference group. Draft Structure Plan almost complete pending resolution of infrastructure issues.
1. Area 14 DCP completed 2. Area 15 LEP/DCP finalised	1. Complete Area 14 DCP 2. Finalise Area 15 LEP/DCP	1.60% 2.100%	1. Draft DCP prepared for review. 2. LEP and DCP finalised.
Thrumster Area 13 DCP amendment completed	Complete Thrumster Area 13 DCP amendment	60%	Draft DCP prepared by applicant and submitted for Council review. Requires amendment prior to exhibition.
Commence Urban Consolidation Policy review for Port Macquarie CBD Fringe	LEP and associated planning commenced	100%	Commenced. Consultant engaged and reference group formed.
Staged review of Port Macquarie-Hastings LEP 2010 in accordance with NSW Standard instrument	Stage 1 LEP amendments completed.	100%	Stage 1 review of comprehensive DCP completed.
Undertake a staged review of Development Control Plan policy having regard to relevant legislation and Council's StratPlan	Complete staged DCP amendment	100%	Stage 1 review of comprehensive DCP completed.
Timely and accurate input to regional monitor for Urban Growth Management Strategy(UGMS)	Review housing and land monitoring in relation to the Urban Growth Management Strategy	100%	Monitoring completed as input to regional monitoring by DP&I.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
1. Completion of Secure Yield Study 2. Determine Asset requirements for growth areas 3. Bulk Water assets fed into capital works program	1. Secure Yield Study complete. 2. Asset requirements for growth areas determined. 3. Bulk Water assets fed into capital works program complete	1.95% 2.100% 3.100%	1. Not Complete. Draft report being reviewed, project nearing completion. 2. Programs developed for growth areas. 3. Completed. Capital works program developed in line with asset requirements.
30 year Capital Works Program developed	Develop 30 year Capital Works Program for the delivery of water supply assets.	100%	Completed. 30 year financial plan included in long term financial plan.
Monitor, model and adjust cash flow projections	1. Update Water Financial Model 2. Develop Water Fees & Charges by 29 February 2012	1.100% 2.100%	1. Completed. Water fund ten year financial plan adopted by Council in May. 2. Completed. Water fees and charges determined and adopted by Council in May 2012.
Upgrade Water Supply Telemetry System – Stage 2 works	1. Constructed to approved schedules 2. Complete within budget of \$258,750 3. Constructed to quality standards	1.75% 2.\$154,400 3.100%	1. Not Complete. Anticipated operating by end of 2012. 2. Not Achieved. Works continuing to completion in 2012/2013. 3. Completed. Quality on track and to standards for work completed.
Renewal of ageing assets identified in the asset register and by condition assessment	1. Constructed to approved schedules 2. Complete within budget \$1,912,103 3. Constructed to quality standards	1.60% 2.\$ 877,100 3.100%	1. Not completed overall. Mechanical/Electrical renewals on schedule. Resources have impacted on water main renewals program. 2. Not Achieved. Renewals impacted by elevation in private works undertaken. 3. Complete. Renewals completed to standard.
Port Macquarie Water Pumping Station Building Refurbishment	1. Constructed to approved schedules 2. Complete within budget \$551,800 3. Constructed to quality standards	1.65% 2. \$334000 3.100%	1. Design work complete. Contract awarded June. Anticipated completion December 2012. 2. Not Completed. Contract works underway for completion in 2012/2013. 3. Design completed to standard.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Construction & commissioning of fluoridation facilities complete	1. Constructed to approved schedules 2. Complete within budget \$1,480,500 3. Constructed to quality standards	1. 100% 2. \$301,200 3. 100%	1. Completed. Plant completed to schedule. 2. Completed. 3. Completed. Plant completed to quality standards.
Complete design of a 20ML reservoir to service the Sancro and Thrumster (Area 13) areas	1. Constructed to approved schedules 2. Complete within budget \$ 500,000 3. Constructed to quality standards	1. 95% 2. \$ 308,200 3. 100%	1. Not Complete. Detailed design under final review prior to construction. 2. Achieved. Design and documentation 90% complete allowing for construction as needed. 3. Completed. Design has been developed to adopted quality standards.
Construction of trunk mains to service new development in Area 13	1. Constructed to approved schedules 2. Complete within budget \$533,025 3. Constructed to quality standards	0%	1. Awaiting Area 13 development. 2. Not completed, limited development within LGA for the period, therefore no construction required. 3. No construction as yet.
Construction of various trunkmains to cater for development works occurring in advance of DSP works	1. Constructed to approved schedules 2. Complete within budget \$621,000 3. Constructed to quality standards	1. 100% 2. \$270,900 3. 100%	1. Development requirements low due to market 2. Completed to level required in line with development. 3. Completed. Quality of works to standard.
Upgrade several water pumping stations to cater for urban growth	1. Constructed to approved schedules 2. Complete within budget \$166,000 3. Constructed to quality standards	1. 0% 2. \$28500 3. 0%	1. Not Commenced. Limited growth has not required this program to be delivered. No change from March 2. Achieved. Minor upgrades undertaken as required. 3. Not Commenced. Not required as no works undertaken.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Installation of new water services to new residential and business premises	1. Constructed to approved schedules 2. Complete within budget \$344,655 3. Constructed to quality standards	1. 100% 2. \$349,342 3. 100%	1. Completed. Lower number of requests than anticipated. 2. Achieved. 3. Completed. Installations to standard.
Construct Private Works for developers as required within the constraints of current Capital Works Program	1. Constructed to approved schedules 2. Complete within budget \$150,000 3. Constructed to quality standards	1. 100% 2. \$ 50,100 3. 100%	1. Completed. Construction standards met. 2. Not Achieved. Lack of development in sewerage requests for private works. 3. Completed. Relevant standards being met.
Water treatment plant maintenance program implemented	Completed to approved schedules Completed with budget \$430,000	1. 90% 2. \$435,900	1. Not Complete. Maintenance schedule on track. 2. Achieved.
Reservoir maintenance program Implemented	Completed to approved schedules Completed with budget \$250,000	1. 70% 2. \$256,800	1. Not Complete. Resources have impacted on delivery. 2. Achieved.
Water pumping station maintenance program implemented	Completed to approved schedules Completed with budget \$310,000	1. 60% 2. \$256,000	1. Not Complete. Behind schedule; resources have impacted on delivery. 2. Achieved.
River offtake, dam and catchment maintenance program implemented	Completed to approved schedules Completed with budget \$5,000	1. 65% 2. \$2,800	1. Not Complete. resources have impacted on delivery. Ongoing works item. 2. Achieved. Maintenance plan delivered as required.
Trunkmain maintenance program and leak detection implemented	Completed to approved schedules Completed with budget \$70,000	1. 80% 2. \$61,900	1. Not Completed. Maintenance schedule on track; resources have impacted on delivery. 2. Achieved.
Reticulation network maintenance program including services, water meters and leak detection implemented	1. Completed to approved schedules 2. Completed with budget \$335,000	1. 70% 2. \$332,400	1. Not Complete. Resources have impacted on delivery 2. Achieved

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Asset requirements for growth areas determined. 1. Commence Construction of Port Macquarie hydraulic Model 2. Update all other hydraulic models	1. 50% completion of the model. 2. 100%	1.25% 2.70%	1. Not Complete. Water and Sewerage Structure and resources have impacted on the development of the model. No change since March. 2. Not Complete. Limited resources impacting on model development
30 Year Capital Works program developed	Develop 30 Year Capital Works Program for the delivery of sewer supply assets	100%	Completed. 30 year program included in long term financial plan.
Monitor, model and adjust cash flow projections	1. Update Sewer financial model 2. Develop Fees & Charges by March 2012	1.100% 2. 100%	1. Completed. Sewer fund ten year financial plan adopted by Council in May. 2. Completed. Water fees and charges adopted at March Council meeting.
Construct sewerage facilities to Area 13	1. Constructed to approved schedules 2. Complete within budget of \$3,034,800 3. Constructed to quality standard	1.40% 2.\$370,000 3.40%	1. Not Complete. Construction works currently being scheduled. No change from March; underbore section outstanding. 2. Not Completed. Completion of scheme scheduled for 2012/2013. 3. Not Complete. Environmental issue lowers score in this instance.
Upgrade Programmable Logic Control at Port Macquarie sewage treatment plant	1. Constructed to approved schedules 2. Complete within budget of \$120,000 3. Constructed to quality standard	0%	1. Not Commenced. New project bid required with updated details and change to scope of works. 2. Not Achieved. To be completed in future years. 3. Not commenced. New scope required.
Construct extension of reclaimed water reticulation	1. Constructed to approved schedules 2. Complete within budget of \$430,000 3. Constructed to quality standard	1.75% 2. \$388,000 3.100%	1. Not Complete. Project under construction, slightly behind schedule. Impacted by wet weather.. 2. Not Completed. Works continuing under grant funding. Significant impact of wet weather on construction program. 3. Complete. Of those extensions constructed, all mains constructed to standards.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Commence construction of centralised sewerage systems for Beechwood area	1. 50% of construction completed by June 2012 2. Complete within budget of \$499,100 3. Constructed to quality standard	1. 1.85% 2. \$151,000 3. 0%	1. Not Complete. Detailed reticulation design complete. Rising main alignment not finalised. Programmed for construction 2013. 2. Not Completed. Preliminary work on designs and tender documents finalised. Herons Creek and Beechwood construction scheduled for 2012/2013. 3. Not commenced as construction work yet to commence. Detailed reticulation design complete. Rising main alignment not finalised. Programmed for construction 2013.
Replace Wauchope Aerators Tank 1	1. Constructed to approved schedules 2. Complete within budget of \$ 766,000 3. Constructed to quality standard	1. 1.70% 2. \$108,500 3. 3.50%	1. Tank 2 anticipated completion September 2012, Tank 1 December 2012. 2. Not achieved. Works continuing for completion in 2012/2013. 3. Concerns with pontoons taking on water. Lower quality score associated with these concerns.
Construct Private Works for developers as required within the constraints of current Capital Works Program	1. Constructed to approved schedules 2. Complete within budget of \$500,000 3. Constructed to quality standard	1. 1.100% 2. \$810,000 3. 1.100%	1. Completed. Relevant standards being met. 2. Achieved. Exceeded expectations. 3. Completed. Works have exceeded expectation from original budget position
Sewage treatment plant maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$ 2,018,000	1. 1.95% 2. \$2,829,000	1. Not Completed. Maintenance schedule considered on track. 2. Not Achieved. High rainfall elevating treatment costs.
Sewer pumping station maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$2,035,000	1. 1.100% 2. \$1,812,000	1. Complete. Maintenance program over expended due to increased rainfall. 2. Completed in line with available resources.
Sewer reticulation maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$555,000	1. 1.95% 2. \$578,000	1. Not Completed. Maintenance schedule considered on track however. 2. Completed. Over expenditure due to additional maintenance highlighted by significant wet weather.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Draw water from rivers in accordance with water abstraction licences	100%	100%	Achieved.
Catchment Monitoring and Maintenance programs completed	1. To approved schedules 2. Complete within budget \$395,000	1. 100% 2. \$392,200	1. Monitoring being undertaken with resources available. 2. Achieved
Required sampling, analysis and reporting undertaken, 1. NATA Corporate Accreditation Maintained 2. All sampling, analysis and reporting of Environmental and Regulatory requests completed in accordance with approved budgets and quality standards	1. Maintain NATA corporate accreditation 2. Complete within budget \$1,083,200	1. 100% 2. \$1,027,300	1. Complete. NATA Accreditation maintained on all analysis identified. 2. Achieved.
Compliance with Australian Drinking Water Guidelines for Microbiological and Chemical Health Guidelines	100%	99%	Achieved. Two small exceedences recorded in the year.
Dam Safety Emergency Plan completed and trialled.	Complete Dam Safety Emergency Plan and perform a trial	20%	Not Completed. New plan currently being developed, behind schedule. Existing plan remains in place.
Works consider the Community needs and align with Asset Management Plans & Strategies	Develop 20 Year Capital Works Program for delivery of Stormwater assets	100%	Achieved.
Surveys and Designs for stormwater infrastructure works are completed ahead of Construction Scheduling	1. Complete engineering designs for the delivery of stormwater infrastructure works ahead of construction scheduling 2. Percentage of engineering designs for the delivery of stormwater infrastructures works completed to approved budget 3. Complete engineering designs for the delivery of stormwater infrastructure works to design quality standard	1. 80% 2. 78% 3. 100%	1. Completion of all designs ahead of construction scheduling has not been 100% achieved. reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. 2. Not Achieved. Completion of all designs ahead of construction scheduling has not been 100% achieved. reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. This performance measure under ongoing scrutiny with Manager and Principal Design Engineer 3. Delivered seven (7) stormwater designs during 2011/2012 , Lighthouse Rd design required some rework due to unforeseen site constraints, overall a good result in terms of Quality.

5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Success Measure	Target	What has been achieved in 2011 - 2012?	
		Year to date	Comments on Progress
Kendall Stormwater Management Plan complete	1. Completed to approved budgets 2. Completed to approved schedules	1. 85% 2. 80%	1. Not Completed. SWMP delayed due to need for additional community consultations on improvement options and concept design development. Expect completion by December 2012. 2. SWMP delayed due to need for additional community consultations on improvement options and concept design development. Expect completion by December 2012.
Stormwater asset condition rating Stage 1	Condition data collected and available in Asset Management Systems to enable the timely and reliable planning for asset replacements and upgrades	30%	Not Completed. Action rolled forward for completion in the 2012-2013 Operational Plan.
Construction of stormwater overflow channel Milton Circuit	100%	100%	Completed. Works Completed in accordance with Program, Quality standards and agreed budget,
Drainage augmentation for stormwater flood relief Amira Circuit	1. Constructed to approved schedules 2. Constructed to design quality standard	0%	Not Commenced. Project deferred to the 2012/2013 FY due to the delayed completion of the detailed design and confirmation of funding sources. Works to be carried over to 2012/2013 FY.
Stormwater maintenance works completed in accordance with approved programs, and within operational budget.	1. Completed in accordance with approved programs 2. Completed within budget of \$537,797	1.95% 2. \$565,658	1. Completed. Despite a very wet reporting period, the stormwater and Drainage maintenance programs have been achieved (within available budget). 2. Achieved. Roadside Drainage and Stormwater management was completed within the reporting period utilising 100% of the available budget and slightly over expending by approx \$27,000 at year end. The very wet weather experienced during the reporting period contributed significantly to the end of year results and owing to the continued wet weather right through to 30 June 2012, a determination to consciously over expend the ledger was agreed.



Delivery Program and Operational Plan report
As at 30 June 2012

Reporting achievements in implementing the Delivery Program and Operational Plans428(1)

This following section of the Annual Report provides details of the outcomes listed in Council's Delivery Program 2011/15 and Operational Plan 2011/12 as at 30 June 2012. Section 428 of the *Local Government Act 1993*, requires Council to report on its achievements in implementing which are divided into focus areas and are detailed below.

Our Guiding Principle and four Focus Areas are:

- Guiding Principle: Ensuring good governance
- Focus Area: Looking after our people
- Focus Area: Helping our community prosper
- Focus Area: Looking after our environment
- Focus Area: Planning and providing our infrastructure

The final Delivery Program and Operational Plan six monthly report for the financial year follows in this report. The reports provide results against the strategies, objectives and targets set out in the plans for the year ending June 2012.

GUIDING PRINCIPLE – Ensuring good governance

What are we trying to achieve?

A collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

Community Strategic Plan: 1.1 Engage the community in decision making by using varied communication channels that are relevant to residents

Delivery Program Objective: 1.1.1 Use a variety of tools to engage with the community in a manner that is representative, transparent and reflected in decision making.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.1.1.1 Engage the community in decision making by using varied communication channels that are relevant to residents	ExecServ	1. Community Participation Policy incorporated into the Project Management Framework 2. Capture the frequency and variation of channels used	1. 100% 2. 100%	1. 100% 2. 100%	1. Completed. Project Management Framework documents amended. 2. Completed. Wide range of channels being utilised to reach a variety of audiences. Breakdown: Media Releases 362; E-News drop 22; Website viewed by 178,334 unique visitors; Corporate Christmas video message; Range of campaign based print collateral distributed; Advertising features 12; Social media followers 560+ and Facebook posts 251.
1.1.1.2 Continue liaison and consultation with the Community Reference Group (CRG)	ExecServ	1. Quarterly newsletter released 2. Annual workshop conducted 3. CRG utilised as a survey audience	1. Release quarterly Community Reference Group newsletter 2. Conduct one Community Reference Group Workshop 3. Conduct a minimum of two surveys a year	1. Six (6) 2. One (1) 3. Two (2)	1. Achieved. Newsletters relating to Special Rate Variation (SRV) consultation, Delivery Program / Operational Plan public exhibition and focus group opportunities for waste services and customer care initiative. 2. Achieved. Workshop conducted in conjunction with engagement on Special Rate Variation application during November 2011. 3. Achieved. No specific surveys for CRG, but the Group have been invited to participate in the SRV Survey and Waste Management Strategy consultation.

GUIDING PRINCIPLE
Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.1.1.3 Use media relations, printed materials, online and face-to-face communication channels to keep community and stakeholders informed	ExecServ	1. Weekly newspaper advertising page 2. Quarterly newsletter	1. 48 Council Information pages. 2. Release Quarterly (4) newsletters.	1.65 2. Four (4)	1. Achieved. On a number of occasions during the year the 'Council Matters' advertising page required additional space due to the volume of content which resulted in the set page target being exceeded. Council Matters is printed in Port Macquarie News, Wauchope Gazette, Camden Haven Courier. 2. Achieved. Community Connect four page colour newsletter distributed with rates notices in July and September 2011, January and April 2012.
1.1.1.4 Maintain understanding of community views and desires through regular research and surveys	ExecServ	Biennial community survey conducted	100%	0%	Not Commenced. Biennial Community Survey to be conducted in conjunction with community consultation for planned review of Council's Integrated Planning & Reporting documents. Consultation to commence September 2012.

Community Strategic Plan: 1.2 Create professional development opportunities and networks to support future community leaders

Delivery Program Objective: 1.2.1 Develop and implement corporate leadership practices that support the achievement of community goals

Operational Plan 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.2.1.1 Implement strategies from Workforce Management Plan	OrgDev	Annual Review of HR Activity	1. Organisation wide workforce analysis updated and reviewed by 31 December 2011 2. Forecast of future needs completed by 30 June 2012	1. 100% 2. 60%	1. Complete. Reports written to allow analysis and this analysis will be utilised as part of the Workforce planning and service reviews. 2. Not Complete. Workforce Management Strategy has been completed, initial planning of workforce management plan commenced with framework to be in place for Councillors to comment when the Delivery Program is confirmed in March April 2013.
1.2.1.2 Continue to review staff performances to ensure clear goals and objectives that reflect Council's agreed behaviours and values	OrgDev	Annual review of performance management system	1. All staff identified for participation in online performance review have goals and objectives set by 30 September 2011 2. Midyear reviews conducted by 31 January 2012 and year end discussions scheduled for completion by 31 August 2012	1. 70% 2. 70%	1. Completed. PMP cycle is aligned to financial year. Goals and Objectives set by 31 August each year, midyear reviews completed in month of January and end of year reviews completed 31 July. 2. Not Complete. Not all reviewers managed to complete the midyear PMP review on time however reporting will be improved for future years

GUIDING PRINCIPLE
Ensuring good governance

Operational Plan 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.2.1.3 Conduct biennial Employee Opinion Survey	OrgDev	Employee Opinion survey conducted	80% staff participation in employee opinion survey	100%	Complete. Last survey completed February 2011 and next survey scheduled for November 2012.
1.2.1.4 Support use of the Business Excellence Framework to continually improve systems and processes	OrgDev	BEF review complete	Review the use of BEF, (including resourcing and cost of participation)	100%	Review completed and the Executive Group agreed that we continue to work on PMHC's Journey to Excellence which includes the use of tools from BEF for process improvement.
1.2.1.5 Support Council attendance at relevant external conferences and networking opportunities	OrgDev	Online system developed	Develop an online system to capture all instances of attendance at relevant external conferences and networking opportunities	50%	Not Commenced. Action rolled forwarded for completion in the 2012/2013 Operational Plan with an online Learning Management System needed to implement.

GUIDING PRINCIPLE
Ensuring good governance

Operational Plan 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.2.1.6 Conduct pre-election information sessions for intending Council candidates	ExecServ	Prospective Councillor information sessions conducted and evaluated	Conduct session by 30 May 2012 (Four months prior to election)	100%	Complete. Sessions conducted in October. State Electoral Commission and Funding Authority session held 19 October and Local Government Shires Association Councillor session held on the weekend of 29-30 October. Further sessions have been scheduled for 10 July 2012.
1.2.1.7 Conduct skills gap analysis to plan induction, training and ongoing support services for new Councillors	ExecServ	Policy Framework developed	Develop Governance Framework Policy	95%	Not Complete. Public exhibition of framework closed 29 June 2012. Report scheduled to be presented to the July 2012 Council Meeting.
1.2.1.8 Plan and provide capacity building opportunities to allow community members optimal participation in Council processes including meetings and committees	ExecServ	1. Survey conducted 2. Strategy developed	1. Conduct survey to evaluate community knowledge of 'how to' participate in Council decision making by 30 May 2012 2. Develop strategy to improve community knowledge of 'how to' participate in Council decision making	1.90% 2. 75%	1. Survey due for release in July 2012. 2. Not Commenced. A survey to assist in the development of a strategy and communication plan has been drafted and is set for release in July 2012.

Community Strategic Plan: 1.3 Create strong partnerships between all levels of government and their agencies so that they are effective advocates for the community.

Delivery Program Objective: 1.3.1 Participate in active alliances that allows other agencies to make effective decisions that consider the needs of our community

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.3.1.1 Support ongoing development of collaborative professionals seeking to improve efficiencies and resource sharing.	ExecServ	Participation in Mid North Coast Group (MIDGOC) of Councils meeting and Sub Alliance groups	100%	67%	Not Achieved. Meetings of both the General Managers (GMAC) and the Elected and General Managers (MIDGOC) are held on a regular basis. Attendance at all General Manager's meetings has been achieved. In relation to MIDGOC meetings two of the scheduled meetings have been missed due to other appointments with IPART & the Minister for Police & Emergency Services.
1.3.1.2 Advocate for the community within business and government networks	ExecServ	1. Regular attendance at Business network meetings 2. Quarterly meetings with State and Federal members	1. Attendance greater than 50% 2. Attend four (4) Meetings with local representatives	1. 60% 2. 30	1. Achieved. 2. Achieved. Numerous meetings have been held with both State members of Parliament (Leslie Williams & Andrew Stoner) as well as with the Federal member for Lyne - Rob Oakeshott. In addition, meetings have also been held with the NSW Police & Emergency Services Minister, Minister for Local Government, Minister for Roads & Ports.

GUIDING PRINCIPLE

Ensuring good governance

Community Strategic Plan: 1.4 Demonstrate conscientious and receptive civic leadership.

Delivery Program Objective: 1.4.1 Comply with Local Government legislation, policies and agreed standards and communicate the impacts of this to the community

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.1.1 Prepare Annual Report and six monthly reports on Operational Plan	ExecServ	1. Annual report adopted 2. Six monthly reports complete	1. 30 November 2. 28 February 2012 & 30 June 2012	1. 100% 2. 100%	1. Complete. The Annual Report was adopted at the Ordinary Council Meeting held on 23 November 2011. The report was submitted to the Minister for Local Government and published on Council's website with hard copies available at Council offices and libraries. 2. Complete. Six monthly report presented to February Council Meeting.
1.4.1.2 Review and implement annual internal audit plan	ExecServ	1. Annual Internal Audit Plan for 2012/13 adopted 2. Internal audits/reviews conducted	1. Plan adopted by 30 May 2012 2. Six (6)	1. 90% 2. Three (3)	1. Currently in draft 2. Not Achieved. The Audit Plan was adopted in November 2011 and three (3) audits have been able to be completed. The outstanding audits have been rolled forward to the Audit Plan for 2012-2013.
1.4.1.3 Review and implement compliance register	ExecServ	1. Compliance register adopted 2. Annual Review Conducted	1. 30 June 2012 2. Conduct Annual Compliance Review	1. 100% 2. 100%	1. Completed. Council's Audit Committee supported the proposed platform for the Compliance Register at its May Meeting. 2. Completed. Compliance review completed in conjunction with establishment of Compliance Register.

GUIDING PRINCIPLE
Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.1.4 Provide a safe environment for all workers, contractors and visitors by implementing Occupational Health and Safety policy, practices and systems	OrgDev	Achievement of benchmarked targets in KPI's	100% complete	100%	Completed. Spreadsheet of basic Human Resources KPI's is maintained by Council.
1.4.1.5 Develop and implement governance frameworks, policies and processes in accordance with best practice and legislative requirements	ExecServ	Policy Register reviewed annually	Review Policy Register	75%	Completed. Reported to the May Meeting of the Audit Committee.
1.4.1.6 Conduct open and transparent Council meetings including one in Laurieton and Wauchope, with accurate meeting information publicly available	ExecServ	1. Number of days prior to Council meetings that the the Business Paper is released 2. Council meetings conducted off site	1. Five (5) days 2. Conduct Two (2) council meetings off site	1. Five (5) days 2. One (1)	1. Achieved. An average of five (5) days is being maintained. 2. Not Achieved. One Council Meeting was held offsite at Laurieton in August 2011.

GUIDING PRINCIPLE

Ensuring good governance

Delivery Program Objective: 1.4.2 Manage Council's financial assets & to provide accurate, timely and reliable financial information for management purposes. Strategic financial planning & reporting and operational financial services - including payroll, accounts payable, investments, debt recovery, revenue and rates billing, asset accounting, grant administration, taxation compliance (FBT, GST, PAYG), budget preparation, general accounting.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.2.1 Monitor and report on Council's financial liquidity	FinServ	Financial reports completed by deadline	Financial reports completed by deadline; benchmarking of various yearend financial performance ratios (eg Debt Service Ratio, Current ratio – unrestricted)	100%	Completed. Financial Statements audited and submitted to DLG in November.
1.4.2.2 Optimise Council's investment returns (within policy, the Local Government Act and Regulations)	FinServ	Performance compared to benchmark and budget, reporting to Council on investment portfolio and investment returns.	1. Financial Performance ratios to be determined by 30 September. 2. Annual budget developed and adopted by 30 June. 3. Budget Review Statements to go to Council each quarter 4. Monthly financial progress report to Executive 5. Ensure budget deficit is eliminated by 31 March 2012	1. 100% 2. 100% 3. Four (4) 4. 12 5. 100%	1. Completed. Financial Performance Ratios calculated and included in the annual financial statements September 2011. 2. Completed. Annual budget adopted by Council in May 2012. 3. Achieved. March 2012 QBRS report presented to Council in April. 4. Achieved. Financial Progress reports submitted to Executive each month. 5. Completed. Budget Deficit eliminated as at 31 March 2012. Report presented to Council in April.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.2.3 Manage accounting systems and update assets register	FinServ	Audited financial statements; timely lodgement of BAS, Payroll Tax, ABS returns and other returns as required	1. Annual Financial Statements completed and audited by 30 September. 2. Annual Financial Statements to be lodged with DLG by 7 November. 3. Review Investment Policy by 30 June	1.100% 2.100% 3.100%	1. Completed. Annual financial statements finalised and audited September 2011. 2. Completed. Annual Financial Statements lodged with DLG November 2011. 3. Completed. Investment Policy reviewed and presented to Council in June.
1.4.2.4 Coordinate financial information for inclusion in the Long Term Financial Plan (LTFP)	FinServ	Completion of annual review and assessment of recurrent and capital sustainability against IPART benchmarks.	1. Update Long Term Financial Plan by 31 October 2012 2. Parameters developed by 30 September 2012	1.100% 2.100%	1. Draft LTFP developed and adopted at Council Meeting in March. 2. Completed. Budget parameters developed and included in Long Term Financial Plan. Adopted by Council in May 2012.

Delivery Program Objective: 1.4.3 Provide procurement, tendering and purchasing (including Store) services to the organisation

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.3.1 Review current processes with purchase cards to achieve cost savings	BusServ	Automation of purchase card processes complete Requisitions placed electronically	1. Automation of purchase card processes implemented by 30 June 2012 2. Percentage of requisitions placed electronically by 30 June 2012	1. 50% 2. 35%	1. Not Complete. Civica Purchase Card software has been purchased and installed. Implementation and staff training is underway and will continue into the 2012/2013 financial year. 2. Not achieved. The full implementation of the on-line requisition system was delayed due to programming and technical issues. These have now been resolved, therefore the percentage of requisitions placed electronically is increasing. Training to all staff is currently being provided.
1.4.3.2 Provision of tendering services to the organisation	BusServ	Compliance of tendering practices to policy, the Local Govt Act and Regulations	100%	100%	Achieved. The Tender process is centralised and complies with Policy, however statistics on this measure are not currently available.

Delivery Program Objective: 1.4.4 Management of risk for Council and the community

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.4.1 Implementation of computerised Corporate Risk Register	BusServ	Implementation of system complete	Implement system	100%	Completed. Risk Register in computerised Excel format, reviewed on ongoing basis, with historic registers saved for audit purposes.
1.4.4.2 Ongoing review of Corporate Risk Register	BusServ	Documented review of register and reporting to Internal Audit Committee	Risk register reporting quarterly (4) to the Audit Committee	Four (4)	Achieved. Corporate Risk Register and review progress reported to Audit Committee on a quarterly basis.

GUIDING PRINCIPLE

Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.4.3 Review of Council Headquarters Disaster Recovery Plan	BusServ	Disaster Recovery Plan tested by 30 June 2012	Testing of Council HQ Disaster Recovery Plan	100%	Completed. Disaster Recovery Plan for Council Headquarters was tested following a building evacuation on 15 March 2012. A number of scenarios were presented.
1.4.4.4 Annual review of insurance coverage	BusServ	Review completed, certificate of currency	Insurance renewals in place	100%	Completed. Insurance Renewal process completed in June 2012.

Delivery Program Objective: 1.4.5 Create a workplace that reflects Equal Employment Opportunity (EEO) principles

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.5.1 Compile accurate and relevant Equal Employment Opportunities (EEO) data	OrgDev	Modification complete	Modification to HRS to allow for the capture of EEO data	100%	Complete. Have entered codes to allow for the capture of EEO information which is occurring for all new starters. Have also agreed to include EEO information in the next request for updating emergency contact information for all existing staff to enable us to complete data for all employees.
1.4.5.2 Conduct training to ensure staff awareness of EEO and Anti Discrimination policies	OrgDev	Employees attend relevant scheduled training	80% staff attendance	80%	Not Completed. No supporting information has been recorded, however a recording process will be in place for 2012-2013.
1.4.5.3 Ensure EEO principles are reflected in learning and development, recruitment and selection practices	OrgDev	Policies reviewed in each Four Year Delivery Program term	25% of Human Resource policies reviewed each year for compliance	15%	Not Completed. No supporting information has been recorded for 2011-2012, however progress has been made with the review of the Human Resource policies and this will continue into 2012-2013.

GUIDING PRINCIPLE

Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.4.5.4 Identify and provide where possible employment and development opportunities for Equal Employment Opportunities (EEO) target groups	OrgDev	Achievement of targets within EEO Management Plan	Updated by 30 December 2011	60%	Not Complete. Currently we are working toward being able to capture this information against individual employees to be able to report on these statistics. We will be surveying all current employees by 31 December 2012.

Community Strategic Plan: 1.5 Implement innovative, fact based business practices

Delivery Program Objective: 1.5.1 Efficiently address community needs with responsive front line counter and call centre customer services that meet agreed standards

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.1.1 Provide front line customer service centres at Port Macquarie, Laurieton and Wauchope Council offices	ComDev	Customer satisfaction with standard of service at the Customer Service Centres	> 75%	98%	Achieved. In the absence of a formal customer service survey in this reporting year this indicator is measured against customer feedback and service observations of customer service staff carried out during this period.
1.5.1.2 Provide a customer enquiry and advice service specifically for development applications, planning and building matters	DevAss	Availability of Duty planner and surveyor at the front counter Monday-Thursday, 8.30am-1pm	100%	100%	Duty Planner and Surveyor available Monday to Thursday each week.

GUIDING PRINCIPLE

Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.1.3 Provide knowledgeable and efficient customer call centre with staff trained to handle majority of calls without referral and accurately capture feedback	ComDev	1. 75% of calls answered within service level agreement standards. 2. Abandoned calls 3. Compliance with complaint management procedures.	1. 75% 2. Less than 3% 3. 100% compliance	1. 74% 2. 3% 3. 84%	1. Not Achieved. Target has been met or exceeded in most months. However, in some months where there has been call volumes exceeding expectations and the optimum service standard has been unable to be achieved. Monthly percentages for calls answered within 20 seconds during this year were: July 76, Aug 79, Sep 76, Oct 68, Nov 67, Dec 75, Jan 78, Feb 78, Mar 82, April 67, May 75, June 80. April figures were affected with telephone system issues causing dropouts and customer call backs during the first 10 days of April. Overall Grade of Service was 74% for this year. 2. No Achieved. The percentage of abandoned calls remains steady with a rating of 3% for this year. Lowest percentage of abandoned calls achieved in June, with the highest percentage in February. 3. Not Achieved. Council's information systems have not captured the response date in all cases during the year. 84% represents those records where we are confident the standard has been met. Work will be undertaken in the new financial year to improve our data capture.
1.5.1.4 Develop a Customer Service Charter that promotes customer satisfaction and service excellence	ComDev	Customer Service Charter developed	Develop Customer Service Charter	75%	Not Completed. Draft of the customer experience charter has been presented to the Senior Leadership Forum and is currently in review with members of the Customer Experience Team and has been placed on Council's intranet for staff feedback. Final review expected to be provided to Council Executive expected by the end of September 2012.

Delivery Program Objective: 1.5.2 Provide and maintain information management system that meets user requirements

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.2.1 Manage and maintain software and data systems that allow corporate information to be accessible and reliable.	OrgDev	Review the user utilization on the corporate systems	Increase user access by 10% as compared to previous year	100%	An increase in user access across the organisation has been achieved through the use of Authority, Performance Manager and BIS.
1.5.2.2 Provide and maintain effective Geographic Information Services to support decision making	OrgDev	Review the Authority property and spatial data	1. Accuracy of property and spatial data greater than 95% 2. Review the Authority property and spatial data complete	1. 99.7% 2. 100%	1. Achieved. 2. Complete. Actual result was 99.98% rounded up to 100%.
1.5.2.3 Replace the document management system while maintaining effective and accurate information records and archive management services	OrgDev	Implementation of fully functional Electronic Document Management System (replacement)	Implementation of 2011/2012 project plan actions	100%	Complete. TRIM implementation complete with final integration issues to be worked through over the coming 6 months.

GUIDING PRINCIPLE

Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.2.4 Provide a printing service to support operations including production of Council and Sub Committee Business Papers	OrgDev	All papers available by due delivery date	Printing of various business and committee papers available by delivery due date	100%	Not Completed. No supporting information was recorded.

Delivery Program Objective: 1.5.3 Ensure ratepayer value for money through continual improvement in quality and efficiency of Council services

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.3.1 Use Business Excellence Principles to deliver structured and systematic improvement	OrgDev	Staff trained and numbers participating in Business Excellence Framework (BEF) teams	As per 1.2.1.4	50%	Not Complete. The financial sustainability exercise has required a number of staff to participate in reviews of current practices and systems - each team is working on BEF type principles without the title.
1.5.3.2 Identify, assess and publicise staff innovation	OrgDev	1. Percentage of nominations in the Award & Recognition Policy in the category of Innovation 2. Provision of an annual award process held.	1. 15% 2. 100%	1.12% 2.100%	1. Not Complete. No supporting information has been recorded, however a recording mechanism will be in place for 2012-2013. 2. Complete. Awards ceremony held early 2012 which was well attended and had significant nominations for awards.

GUIDING PRINCIPLE
Ensuring good governance

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	Year to date Actual	Comment on Progress
1.5.3.3 Ensure project management tools appropriate to Council's investment are utilised	OrgDev	Percentage of major projects over \$1 million that use relevant review process (e.g. Project Management Framework or Gate Reviews)	100%	100%	Achieved. Pre-Tender Gateway Review completed for \$25M Airport Upgrade project in February 2012. Capital Expenditure Review submitted to Division of Local Government in January 2012.
1.5.3.4 Provide efficient, consistent and professional development assessment and approvals process.	DevAss	Median Development Application Processing times. Average Gross Development Application processing times. Average Construction Certificate processing times. Average Complying Development processing times.	1. Median DA = 40 days. 2. Gross DA = 90 days, 3. Average CC = 14 days, 4. Average CDC = 7 days	1. 31 days 2. 49 days 3. 11 days 4. 5 days	1. 141 Development Applications determined for the period with a average median processing days of 31 days (Note: does not include Section 96 Applications). 2. 141 Development Applications determined for the period with a gross average processing days of 49 days (Note: does not include Section 96 Applications). 3. 77 Construction Certificates determined for the period, with median processing days of 11 4. 28 Complying Development Applications determined for the period, with median processing days of 5 days

FOCUS AREA – Looking after our people

What are we trying to achieve?

Our social infrastructure and community programs create a healthy, inclusive and vibrant community.

Community Strategic Plan: 2.1 Create an environment and culture that allows the Port Macquarie-Hastings community to feel safe

Delivery Program Objective:2.1.1 Provide leadership in implementing safety initiatives

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.1.1.1 Work with police and community to improve safety (in accordance with Crime Prevention Strategy)	ComDev	Crime Prevention Strategy 2011-2015 adopted by Council (including local community actions in relation to the reporting of crime and stealing)	1. Conduct and participate in three (3) crime prevention forums held in LGA 2. Crime Prevention Strategy adopted by Council (including local community actions in relation to reporting of crime and stealing) 3. Alcohol related assaults analysed 4. Motor scooter safety training session developed	1. Three(3) 2. 100% 3. 100% 4. 100%	1. Achieved. Community Crime Prevention forums held in Wauchope, Laurieton and Port Macquarie which provided facts about local crime and an opportunity to work with the community in developing local strategies including the 'Report It' strategy. 2. Complete. Crime Prevention Strategy 2011 adopted by Council in March 2012. 3. Achieved. . Alcohol related assaults analysed and strategies developed in response. 4. Council received a \$4,800 NRMA grant and conducted three (3) mobility scooter safety workshops at Laurieton, Wauchope and Port Macquarie during Seniors Week.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.1.1.2 Improve existing public spaces and ensure future public spaces are safe and accessible	ComDev Rec&Build	1. Percentage of Community engagement activities undertaken involving Rec and Building / ComDev projects 2. Number of playgrounds implemented as smoke free. 3. Percentage of Liquor licenses reviewed within timeframes 4. Social Impact Assessment requirements met in all DA's. 5. Percentage of Open space improvements are delivered in accordance with Operational Plan works program	1. All projects where Community engagement is identified as appropriate is undertaken 2. Ten (10) 3. 100% 4. 100% 5. 100%	1. 100% 2. 50 3. 100% 4. 100% 5. 80%	1. Achieved. Community engagement activities have been completed for Tacking Point Lighthouse Reserve Masterplan, Bonny Hills Reserves Masterplans, Wauchope All Abilities Playground and Bindi Park design. 2. Achieved. Playgrounds are all smoke free and Council has implemented signage at playgrounds across the local government area. 3. Achieved. All liquor licence applications received by Council have been reviewed within the allocated time frames and where appropriate responses made. 4. Achieved. 100% of required social impact assessments were undertaken. 5. Achieved. However it should be noted that a number of projects have not been completed this financial year due to impacts of weather (Riverbreeze Park; Laurieton Skatepark) or late adoption of planning documents (Wauchope All Abilities Playground; Bonny Hills Reserves Masterplan works).

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.1.1.3 Manage beach safety including lifeguard services, education programs and facilities	Rec&Build	Deliver approved Lifeguard services, education programs and beach facilities within approved budgets	Delivered within approved budget of \$390,378	\$373,378	Achieved. Lifeguard services and beach education services delivered in accordance with adopted delivery program and within allocated budget.

Delivery Program Objective:2.1.2 Advocate for, support and coordinate emergency management services

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.1.2.1 Coordinate the Port Macquarie Hastings Local Emergency Management Committee	InfraServ	Local Emergency Management Committee meetings conducted.	One meeting per quarter	Four (4)	Achieved.
2.1.2.2 Provide and maintain buildings for Rural Fire Service (RFS) and State Emergency Service (SES)	Rec&Build	1. Inspections completed 2. Reports prepared	1 Complete inspection of RFS & SES assets 2. Condition based reports prepared for RFS & SES asset	1. 100% 2. 75%	1. Completed. Condition based inspections of all RFS and SES facilities undertaken by Building Services staff. 2. Not Complete. Condition based facility reports are in draft form at end financial year.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibil ity	Success Measures	Target	YTD Actual	Comment on Progress
2.1.2.3 Coordinate the emergency disaster plan (DISPLAN)	InfraServ	DISPLAN review complete	Review DISPLAN in place and routinely reviewed, disaster management debrief results	50%	Not Completed. Existing plan currently being reviewed by Emergency Management Committee.
2.1.2.4 Implement LGA Bush Fire Risk Management Plan	InfraServ	Implementation of the of the LGA Fire Risk Management Plan complete	Risk Management Plan Implemented	70%	Not Completed. Updated Emergency Risk Management plan in draft form being reviewed by sub-committee of the Local Emergency Management Committee.

Delivery Program Objective: 2.1.3 Implement inspection, compliance and education practices that ensure acceptable levels of public and environmental health; as well as building and fire safety standards

Operational Plan Actions 2011-2012	Lead Responsibil ity	Success Measures	Target	YTD Actual	Comment on Progress
2.1.3.1 Monitor and advice on compliance with building and planning standards, including fire safety requirements.	Compliance	1. Annual Report complete 2. Building related complaints responded to within set customer service standards.	1. Annual Report prepared on the building & fire safety audit inspection regime 2. > 80%	1. 100% 2. 58%	1. A formal report for year ending 2011/2012 is being prepared and will be submitted next quarter. 2. Not Achieved., due to the very large number of building and storm water complaints received in this reporting period, some of which involve very complicated and protracted issues, the optimum service standard has been unable to be Achieved.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.1.3.2 Monitor and advise on compliance with food, public health and environmental legislation	Compliance	1. Annual Report Complete 2. Environmental complaints are responded to within the set customer service standards.	1. Annual report prepared on the food and public health audit inspection program 2. > 80%	1. 100% 2. 41%	1. A formal report for year ending 2011/2012 is being prepared and will be submitted next quarter. 2. Not Achieved. There has been a significant increase in complaints, particularly in regard to noise, pollution and on-site sewage management has affected the ability to meet the required minimum customer service standards in the reporting period.
2.1.3.3 Provide Ranger and law enforcement services to achieve compliance with legislation and regulations	Compliance	Annual Report complete	Annual Report prepared on community compliance with legislation and regulations relating to infringements issued, items impounded and Companion Animals Act notices and fines issued	100%	Completed. Under the Companion Animals Act 1998 and Regulation, a "Statement on activities relating to enforcing and ensuring compliance with the Companion animals Act and Regulation cl 217(1)(f)" is prepared and submitted to State Government annually, a copy of this Statement will be included in Council's next quarterly report .
2.1.3.4 Advise residents on and achieve compliance with, Council's Tree Preservation Order	Rec&Build	1. Investigations undertaken in relation to all reported illegal tree works. 2. Educational material and Delivery Program developed and implemented.	1. All reports investigated. 2. Educational material and Delivery Program delivered	1. 100% 2. 75%	1. Achieved. Council has investigated numerous reported breaches of Tree Management Provisions. A number of investigations have resulted in allocation of infringement notices or formal cautions to residents or contractors. 2. Not Complete. Educational material relating to tree management and bushfire management is currently in draft form. Implementation of this material is scheduled for September 2012.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibil ity	Success Measures	Target	YTD Actual	Comment on Progress
2.1.3.5 Provide for the effective, responsible care and management of companion animals	Compliance	Companion Animal education programs for schools and the public in general conducted.	20 programs delivered by June 2012.	21	Achieved. During the first two weeks of November 2011 a school education program was successfully conducted. During this period 19 schools were visited. This included 8 schools in Port Macquarie, 2 in Wauchope, 3 in the Camden Haven and 6 in the rural areas. In total 1,135 school pupils attended these sessions. In addition Council conducted its annual Mongrel Dog show/education day which was well attended by the general public with approximately 350 visiting the show/exhibition area. Finally, a Microchipping day was held at the Companion Animals Impounding Facility in March 2012. Whilst attendance was not significant it was an additional service provided by Council to assist the general public in compliance with the relevant legislation.
2.1.3.6 Undertake building and plumbing inspections to ensure compliance with relevant legislation, standards and approvals	D&E (Build&Dev)	Critical stage inspections carried out	100% (measurement process/audit yet to be developed)	100%	Achieved. Critical stage inspections carried out.
2.1.3.7 Deliver water and sewer services to ensure public health and safety	W&S	Zero public health issues relating to water supply or sewerage services recorded for the period.	Zero recorded	Five(5)	Not Achieved. Five surcharges from the sewerage system due to wet weather.

FOCUS AREA
Looking after our people

Community Strategic Plan: 2.2 Provide young people with a range of leisure activities and opportunities for personal development

Delivery Program Objective:2.2.1 Build capacity in the community to support young people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.2.1.1 Coordinate and mentor the Youth Advisory Committee (YAC)	ComDev	YAC meetings conducted. Youth training and mentoring opportunities provided	1. 12 YAC meetings held 2. Four (4) training or mentoring opportunities undertaken	1. 15 2. Four (4)	1. Achieved. During 2012 three YAC groups were created to include young people living the regional areas of the Hastings Region. These groups met regularly, and more frequently in the lead up to National Youth Week 2012. 2. Achieved. The Youth Advisory Council (YAC) successfully organised, ran or supported a number of large youth events including the HSC Music and Dance Showcase held at the Glasshouse, the Freshart Youth Market Day, and a number of weekend music and entertainment events. In undertaking these activities the opportunity was taken to develop skills in the YAC members as well as involve the wider community in staging such events.
2.2.1.2 Support three youth focused events	ComDev	Events held and evaluation undertaken	Three (3) YAC sponsored events held (including evaluation	Five (5)	Achieved. The Youth Advisory Council (YAC) successfully organised, ran or supported a number of large youth events including the HSC Music and Dance Showcase held at the Glasshouse, the Freshart Youth Market Day, and a number of weekend music and entertainment events.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.2.1.3 Provide a range of capacity building opportunities for young people through participation in forums and focus group activities	ComDev	Capacity building activities for young people undertaken	Conduct capacity building activities	Five (5)	Achieved. A number of youth capacity building activities were held during the year, these included: International Women's Day event - "Girls Day In" in March 2012. It focused on creating a positive and healthy lifestyle, through goal setting, physical, emotional and mental health workshops. The HSC Music and Dance Showcase in September 2011 built capacity in the performance, communication and management skills of talented young people across the Hastings Region. The RRISK - "Reduce Risk, Increase Student Knowledge" project in November 2011 provided a drink driving and drug taking education program. It was attended by hundreds of students from five local high schools within the Hastings Region. The program has a proven record of reducing young drivers car crashes by 44%. Freshart Youth Art Markets were held in September 2011. This focused on creating opportunities for young people to build on their artistic and creative skills, as well as their communication and management skills when organising stalls to sell their work to the public.

FOCUS AREA
Looking after our people

Community Strategic Plan: 2.3 Provide medical and social services for all members of the community

Delivery Program Objective:2.3.1 Advocate for health and social services in accordance with the Social Strategy

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.3.1.1 Implement healthy lifestyle programs	ComDev	Programs implemented	Implement two (2) healthy lifestyle programs	Five (5)	Achieved. In 2011/2012 Council funded through the Community Development budget and the Community Grants program a number of healthy lifestyle programs including: Active Sports program for Birpai Lands Council, a series of Losing it in the Bush programs for Hollisdale and Upper Pappinbarra communities, Hastings Valley Toy Library Healthy Active Kids program, Wauchope Kids Holiday activities, Long Flat Kids Tennis Club. Hastings Women's Cricket Club, Rhythm Revenue Dancing group, Hastings Valley Women's Mountain Bike Riders, 4Life Care Living Skills program. Council also commenced the implementation of the Healthy Communities Initiative (Funded by the Australian Government) for the Move, Eat, Live Well program.
2.3.1.2 Advocate for increased health services. Participate in the medical health network	ComDev	Social advocacy activities conducted	Conduct two (2) social advocacy activities	Two (2)	Achieved. Worked with the recently announced Headspace consortium regarding implementation in Port Macquarie. Meetings have been held with the Medical Services Steering Committee to discuss health issues in the local government area. Advocated on the needs for additional funding under the Healthy Communities funding program for the local Aboriginal community. Regularly participated in the Community Reference Group for the Mid North Coast Local Health Network.

FOCUS AREA
Looking after our people

Community Strategic Plan: 2.4 Develop partnerships within the community to build on existing strengths and improve areas of social disadvantage

Delivery Program Objective:2.4.1 Work with community groups to build capacity on social justice issues

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.4.1.1 Advocate for special needs groups in the community	ComDev	Number of issues addressed	1. Advocate for Aboriginal communities health funding 2. Attend the Community Legal Centre Board meetings 3. Advocate for affordable housing 4. Finalise social strategy 5. Facilitate the mid north coast multicultural network	1.100% 2.100% 3.100% 4.100% 5.100%	1. Achieved. 2. Completed. Attended Community Legal Centre management committee meetings throughout the year 3. Completed. Advocated for Affordable Housing through Building Better Regional Cities Grant and community engagement activities for John Oxley Drive Precinct and Port Gateway Residential Park 4. Completed. Social Strategy finalised for Council Meeting on 27 June and will be placed on Public Exhibition for 4 weeks 5. Completed. Two Port Macquarie Multicultural network meetings held at Council. Meetings are held quarterly between Port Macquarie and Taree.
2.4.1.2 Implement the Disability Discrimination Action Plan	ComDev	Strategies implemented	Implement the Disability Discrimination Action Plan	25%	Not Complete. The Disability Discrimination Act Action Plan has been monitored and reported to the Executive Group with a number of actions completed. The Plan is due for completion in 2018 however will require significant budget commitment in order to complete all actions.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.4.1.3 Coordinate the Access Committee	ComDev	1. Access committee meetings held 2 Staff trained in AUSLAN	1. Six (6) access committee meetings held 2. Six (6) staff trained in AUSLAN language	1. Nine(9) 2. Nine(9)	1. Achieved. Nine meetings have been conducted for the Hastings Access Sub-Committee. 2. Achieved. Nine staff from Customer Service, Library Services, Visitor Information Services, Aged & Disability Officer and Event Coordinator completed the basic Auslan sign language course and received Certificates of Achievements.
2.4.1.4 Work with the Aboriginal Advisory Committee to implement priority strategies	ComDev	Aboriginal Reconciliation Action Plan strategies implemented	Implement the Aboriginal Reconciliation Action Plan	100%	Completed. The Aboriginal Reconciliation Action Plan is being implemented and reported to Bearlay regularly.
2.4.1.5 Coordinate community development funding programs	ComDev	Community grants provided in accordance with the community grants program.	Coordinate community grants program	100%	Completed. The Community Grants Program has been monitored with evaluation reminders sent to the successful groups. The new round has been announced and guidelines and application forms are being developed. The round is set to open in July 2012.

FOCUS AREA
Looking after our people

Community Strategic Plan: 2.5 Create events and activities that promote interaction and education

Delivery Program Objective:2.5.1 Provide sponsorship and expertise to community groups coordinating social and community events

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.5.1.1 Support Seniors week	ComDev	Seniors week program delivered	1. Develop and implement Seniors week program and undertaken program evaluation 2. Capture number of activities supported and participation rates at events	1.100% 2.100%	1. Completed. Council received a \$1,000 grant for the Granny Graffiti intergenerational knitting project with seniors teaching school groups the retro crafts of knitting and creating pop-up galleries transforming the Town Green, Glasshouse, Libraries and Department Store - which featured on Prime News, ABC radio and local newspapers. Council published its popular Seniors Week booklet as well as funding local community activities through our grants program. 2. Completed. Council delivered a series of Seniors Week events and International Day of People with a Disability with activities and participation rates recorded.
2.5.1.2 Support Youth week	ComDev	Youth week program delivered	1. Develop and implement Youth Week program 2. Capture Number of activities supported and participation rates at events	1.100% 2.100%	1. Completed. The 2012 Youth Week Program had the highest participation numbers of young people in a number of years. Eight events and workshops were held throughout the Port Macquarie-Hastings Region including the inaugural Zombie March and Concert, The Great Hastings Gnome Hunt, and the "Dive In" Movie held at the Laurieton Memorial Pool. As a result of the successful 2012 Youth Week Program more young people are getting involved with the Hastings Youth Advisory Council, and are looking forward to planning the 2013 Youth Week Program. 2. Completed. Number of activities and participation rates have been recorded.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.5.1.3 Support Heritage week	ComDev CultDev	Heritage program delivered	1. Heritage program developed. 2. Program evaluation undertaken	1.100% 1.100%	1. Completed. Heritage Week held in April 2012. 2. Completed. Evaluation of Heritage Festival completed and discussed with the Heritage & Museums Subcommittee.

Delivery Program Objective:2.5.2 Deliver cultural and heritage education programs

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.5.2.1 Implement cultural appreciation, audience development and school education programs for performing and visual artists	CultDev	Growth on 2010/11 figures for participation and total number of events	1. > 357 participants	311	Not Achieved. Since January this year we have reviewed our ability to deliver consistently quality events. In the last quarter due to staff on annual leave in April and May, a reduced number of events were presented during this period.
2.5.2.2 Coordinate training opportunities relevant to hospitality, performing and visual artists	CultDev	Training opportunities delivered	Deliver two (2) training opportunities relevant to hospitality, performing and visual artists a year	Four (4)	Achieved. The opportunities for training and internship at the Glasshouse are proving to be popular with students from high schools, TAFE and University in the LGA. Now seeking to expand the training opportunities provided in 2012/13, with plans underway to develop a more structured approach on management and delivery of the the program.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.5.2.3 Engage with local heritage and history associations to implement heritage plan and provide support to Hastings Museum Program	CultDev	Increase participation in heritage and museum programs Implement Local Heritage Plan	1. Increase on 2010/2011 figures for participation in heritage and museum programs 2. Local Heritage Plan implemented	1. Three(3) 2. 100%	1. Achieved. Of Love and War Exhibition in collaboration with War Memorial Canberra was a major project for Heritage and Gallery to implement. 2. Completed. Heritage Plan actions reviewed by Museums and Heritage Subcommittee at bi monthly meetings.
2.5.2.4 Manage relationships and funding opportunities to maintain heritage sites.	CultDev	Successful funding opportunities	Two (2) successful funding opportunities for heritage sites	Three(3)	Achieved. Museums & Galleries NSW Significance of Museum objects grant received.

Community Strategic Plan: 2.6 Provide social and community infrastructure and services

Delivery Program Objective: 2.6.1 Work with rural communities to evaluate and identify needs

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.6.1.1 Participate in the rural communities network	ComDev	Network meetings attended	Six (6) rural network meetings facilitated	Six (6)	Achieved. Council facilitated six (6) rural network meetings and linked a range of services to the rural communities representing Ellenborough, Kindee, Byabarra, Telegraph Point, Comboyne, Hollisdale, Rollands Plains and Kendall.

FOCUS AREA
Looking after our people

Delivery Program Objective:2.6.2 Create access to community facilities that allow a range of social, health and wellbeing activities

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.6.2.1 Seek grant funding to sustain and improve public halls and community buildings	ComDev	Community Grant funding sort	One (1) Public Hall and Community Grant obtained Public Hall and Community Grants applied for to sustain and improve Community Halls	Four (4)	Achieved. Council funded through the Community Grants Program upgrades for Hollisdale Hall, Comboyne War Memorial hall and Kendall Community Hall. Council also supported the allocation of funding through the CDSE scheme for Comboyne Community Hall Preschool group.
2.6.2.2 Operate, manage and support existing community facilities	ComDev	1. Attendance at s355 committee meeting 2. Streamlined financial arrangements Implemented.	1. Attend 16 s355 meetings 2. Implement streamlined financial arrangements for s355 committees 3. Undertake annual inspection of public Halls and Community buildings with Buildings team and committee	1. 16 2. 95% 3.100%	1. Achieved. A program of regular attendance at s355 community hall committee meetings has been implemented. 2. Nine of the ten s355 management committees have complied with the Council resolutions re the Streamlined Financial Arrangements. The remaining committee has indicated that they will comply with the requirements. 3. Completed. Annual inspections of each of the committee managed halls were undertaken in June 2012 by Building Services staff with the Community Facilities Officer.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.6.2.3 Plan for and seek funding for new facilities HACC Stage 2; Environment and Creativity Centre	ComDev	Planning completed; Funding applications completed	1. Complete plans for HACC Stage 2 2. Complete Master planning for ECC	1. 75% 2. 30%	1. Draft Floor Plans for the HACC Stage 2 have been completed. Council has requested \$34,000 from Department of Aged, Disability and Home Care for the provision of detailed design plans. 2. Not Completed. The Environment and Creativity centre project has required a detailed storm water and drainage study which is currently in progress.

Delivery Program Objective: 2.6.3 Provide a range of cemetery and crematorium facilities and services in a sustainable manner

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.6.3.1 Provide services and facilities within budget	BusServ	Annual financial result within annual budget	Quarterly net result of cemetery and crematorium services provided	Zero(0)	Achieved. Net result of crematorium and cemetery operations has been within budget; with surplus funds generated placed into reserve for funding of future perpetual maintenance obligations.
2.6.3.2 Provide perpetual maintenance in cemeteries according to adopted service standards	BusServ	Maintenance cemetery schedule delivered	Deliver cemetery maintenance schedule	100%	Completed. Cemetery maintenance schedule implemented during the year as required; including installation of automatic entry gates; construction of new burial beams; and repairs and garden maintenance as required.
2.6.3.3 Provide cremation, interment and chapel services	BusServ	Cremation, interment and chapel services performed	> 530	931	Achieved. Number of cremation, interment and chapel services performed exceeded annual targets.
2.6.3.4 Provide a range of commemorative options such as plaques, headstones.	BusServ	Commemorative options sold	> 427	452	Achieved. Commemorative options sold exceed annual target.

Community Strategic Plan: 2.7 Empower the community to be active and involved in community life

Delivery Program Objective:2.7.1 Encourage and build capacity for community groups to be active and self sustaining

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.7.1.1 Create opportunities and encourage individuals to become effective volunteers, particularly for Council facilities and events	ComDev	1. Number of programs where volunteers used 2. Volunteers used at Library, Glasshouse, Community Hall Committees, Sports and Recreation Committees 3. Number of Training sessions conducted for volunteers 4. Number of Volunteers used at the Glasshouse 5. Volunteers used in Parks and Recreation areas	1. Capture the number of s355 committees supported 2. Capture the number volunteers used at the Library, Glasshouse, Community Hall Committees, Sports and Recreation Committees 3. Four sessions held(4) 4. 75 volunteers 5. Capture the number of Parks and Recreation volunteers	1.100% 2.100% 3. Four(4) 4. 70 5.100%	1. Completed. Nine s355 committees are being supported as of 30 June 2012, following the resignation of Lake Cathie Community Hall s355 committee in February 2012. 2. Completed. Council has 383 volunteers as at 30 June 2012. This includes: Glasshouse - 73; Library - 31, s355 Community Hall volunteer management committee members - 60; Environment - Landcare - 147, Youth Advisory Council- 26; Access committee - 12. 3. Achieved. There is an ongoing process of ensuring that volunteers who work in the library, s355 community halls committees, at the Glasshouse and in other support programs are aware of Work Health and Safety responsibilities and code of conduct obligations. 4. Achieved. Volunteers at the Glasshouse are Gallery and Tourism ambassadors. 5. Complete. 34 Parks volunteers to end financial year across Lank Bain, Lake Cathie and Camden Haven Sports Committees.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.7.1.2 Support NSW Sport & Recreation capacity building programs	Rec&Build	Recreational capacity building training programs delivered	Deliver recreational capacity building training programs	0%	Not Complete. A number of recreational training opportunities (coordinated by NSW Sport & Recreation with PMHC support) have been offered but not supported within the Port Macquarie-Hastings area.
2.7.1.3 Assist community and cultural groups to access grant funding	ComDev, CultDev, Rec&Build	Community, sporting and recreational groups supported to access grant funding Successful grants obtained	1. Capture the number of community, sporting and recreational groups supported to access grant funding 2. Capture the number of successful grants obtained for the library	1. 100% 2. 100%	1. Completed. Council appointed a new Community Development Officer to deliver the Community Grants Program, Club Grants and the Community Builders program. Statistics were collected to demonstrate the number of groups that were supported to obtain grants and information regarding funding opportunities via the Community Information Google group. This number exceeded 240 groups. 2. Completed. Two grants obtained.
2.7.1.4 Facilitate access to open spaces and Council recreation facilities for community events	Rec&Build	Council open spaces and facilities utilised for events	Number of events utilising Council open spaces and facilities >200 events	343	Achieved. A significant number of events have been held at parks and reserves across the area during the financial year.

FOCUS AREA
Looking after our people

Community Strategic Plan: 2.8 Promote cultural and artistic expression

Delivery Program Objective:2.8.1 Implement arts and cultural programs that engage the community and deliver a range of high quality performing and visual arts and cultural development services

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.8.1.1 Create an integrated events program incorporating seasonal festival calendar, visual and performing arts	CultDev	1. Increase on 2010/11 figures for - participation in integrated events program incorporating seasonal festival calendar, visual and performing arts 2. Evaluation of feedback complete	1. 10 programs delivered 2. Integrated events program incorporating seasonal festival calendar, visual and performing arts programs evaluation feedback obtained	1. 27 2. 100%	1. Achieved. During the year a number of events were reclassified (dance schools) in the Event Pro booking system, This has lead to an increase in the number of events reported in this section. 2. Completed. Integrated program developed and to begin January 2013 .
2.8.1.2 Build and develop links with the local community, business networks, regional and national government bodies to deliver cultural program	CultDev	1. Increase on 2010/2011 figures for participation in local community, business networks, regional and national government bodies networks 2. Satisfaction >80%	1. >114 participants 2. >80% satisfaction on participation in local community, business networks, regional and national government bodies networks	1.105 2. 98.1%	1. Not Achieved. In 2011 the Port Macquarie Eisteddfod Society was not held at the Glasshouse, which previously has resulted in four weeks of bookings from the Port Macquarie Eisteddfod Society at the Glasshouse for their Music, Dance and Speech programs. 2. Achieved. Result provided from a Survey Monkey survey held this year.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.8.1.3 Manage Council art and heritage collection including acquisition, cataloguing and conservation	CultDev	1. Gallery collection cataloguing and online content completed 2. Draft conservation plan for Council collection complete	1. Complete gallery collection cataloguing and online content. 2. Draft content of conservation plan for Council collection	1. 100% 2. 100%	1. Completed. Gallery collection catalogued to Mosaic is completed. 2. Completed. Conservation plan completed.
2.8.1.4 Implement Glasshouse business plan focussing on catering, retail, visitor services, conferencing to increase traffic and increase revenue streams	CultDev	Increase on 2010/2011 figures for Visitation, events, Ticket sales, Shop sales, Website visitation Glasshouse business plan implemented	1. Visitation >340,852 2. Number of events > 471 3. Ticket sales >1,638,356	1. 320,903 2. 416 3. 1,661,377	1. Not Achieved. New counters were installed on the entry doors this financial year, which did not work until half way through the year. Visitation numbers were down by approx 20,000 on the previous year because: 1. No events were held in September and October last year by the Port Macquarie Eisteddfod in the Glasshouse. 2. Ironman modified how they used the Glasshouse as their HQ by reducing the number of pre race talks and presentations. In 2010 the weather was very wet in Port Macquarie and as a result the Glasshouse became the perfect site for all their activities. This year we shared this with Westport Park, where Ironman had installed their marquee. 2. Not Achieved. As part of the financial sustainability review of operations at the Glasshouse, the number of after show functions and launches have been reduced to save costs. With the introduction of EventPro as our new booking system some events were reclassified (ie, dance schools) producing a reduction in the reporting. In the second half of this financial year there were a number of commercial hire cancellations due to poor sales across the region. 3. Achieved. A good result, given the reduction in visitation.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.8.1.4 Implement Glasshouse business plan focussing on catering, retail, visitor services, conferencing to increase traffic and increase revenue streams	CultDev	Increase on 2010/2011 figures for Visitation, events ,Ticket sales, Shop sales, Website visitation Glasshouse business plan implemented	4. Shop sales>\$93,836 5. Website visitation >65,494 6. Implement Glasshouse business plan.	4. \$129,903 5. 71,965 6. 100%	4. Achieved. Retail sales have increased significantly ,driven by a strong product range aimed at a mid price level. 5. Achieved. Glasshouse marketing campaign has driven people to the website, which has seen increases in both first time users and and return visitations to the site. 6. Completed. Glasshouse Business plan actions in the Operational Plan have been actioned

Community Strategic Plan: 2.9 Promote a healthy lifestyle, through education, support networks and facilities

Delivery Program Objective:2.9.1 Provide a range of sporting and recreational opportunities

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.9.1.1 Promote the use of aquatic facilities, boat ramps, wharves and jetties	Rec&Build	Promotional activities conducted also refer to CSP 5.3.3	One (1) promotional activity conducted for the use of aquatic facilities, boat ramps, wharves and jetties	Zero (0)	Not Achieved. Promotional activities to be undertaken following installation of new infrastructure at McInherney Park, North Haven and Westport Park boat ramp facilities.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.9.1.2 Maintain and promote the use of sports grounds, beaches, parks, playgrounds, reserves, picnic areas, skate parks, amenities and dog leash free areas	Rec&Build	Promotional activities conducted	Number of promotional activities conducted for the use of sports grounds, beaches, parks, playgrounds, reserves, picnic areas, skate parks, amenities and dog leash free areas	Two (2)	Achieved. Significant media regarding the establishment of Port Macquarie Skatepark was established to increase awareness and useage of this recreational infrastructure.
2.9.1.3 Provide financial and administrative support to the PMHC Sporting Fund	ExecServ	Annually report on the funds activities delivered	Deliver Annual Report on activities on the Port Macquarie-Hastings Sporting Fund	100%	Completed. Port Macquarie-Hastings Council Sporting Fund annual report presented at March Council Meeting.

Delivery Program Objective:2.9.2 Provide library services in PMQ, Laurieton & Wauchope

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.9.2.1 Provide library programs and lending services	ComDev	Circulation rates within 10% of previous year , Visitation rates within 10% of previous year, Library activities held	1 Within 10% of 794,867 2. Within 10% of 394,586 3. 20 activities per quarter	1. 774,144 2. 413,904 3. 75	1. Achieved. Issue figures are down 2.6%. This is within the 10% performance measure. 2. Achieved. Visitations have increased by 4.9%. 3. Achieved. We have increased the number of children's activities over the past 12 months.
2.9.2.2 Provide reference and research information including public access internet facilities	ComDev	Library Collection Development Policy (CDP) updated Book stock is less than 10 years old	1. Update Library CDP 2. 70% of book stock less than 10 years old	1. 100% 2. 81.5%	1. Completed. Annual review completed. 2. Achieved. This is well above target.
2.9.2.3 Seek external funding to supplement library resources	ComDev	Grant funding sought	1. One (1) grant application for Library funding 2. 100% of grants obtained expended in set timeframe	1. Two (2) 2. 100%	1. Achieved. Local Priority Grant received in January. We were also successful with cooperative grant application with of \$51,000 for resources for the visually impaired. This will be expended in 2012/2013. 2. Achieved. Last years RFID grant fully expended. Local priority grant will be expended over the calendar year.

FOCUS AREA
Looking after our people

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.9.2.4 Promote 2012 as the National Year of Reading	ComDev	1. National Year of Reading activities held 2. Participation rates in National Year of Reading 3. Increase in Library membership	1. Two (2) National Year of Reading activities conducted 2. >200 Participants 3. Increase memberships by 2% > 29,407	1. One(1) 2. 80 3. 30,189	1. Not Achieved. The National Year of Reading is a held over the calendar year. We are on track for more activities. 2. Not Achieved. The National year of Reading is held over the calendar year. It is expected that additional events will occur in the remainder of the calendar year. 3. Achieved. Membership has increased slightly.

Delivery Program Objective:2.9.3 Plan and provide innovative Library Services that cater for new technology and growth areas

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
2.9.3.1 Subject to grant funding implement Radio Frequency Identification (RFID) proposal in conjunction with Kempsey Library	ComDev	RFID Implemented	Implemented RFID at PMQ Library subject to grant funding	100%	Completed. Grant fully expended. Rolling programme to finish Branch Libraries.
2.9.3.2 Phase in availability of E books	ComDev	E-books Implemented	1. E book circulation >2,000 2. E books purchased >.700	1. 4,185 2. 1,173	1 Achieved. EBook circulation has been much higher than anticipated. 2. Achieved. Purchased more eBooks to met increased demand. Also started a children's ebook collection in response to specific requests.

FOCUS AREA – Helping our community prosper

What are we trying to achieve?

The Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

Community Strategic Plan: 3.1 Create opportunities for lifelong learning and skill enhancement with availability of a broad range of education and training facilities

Delivery Program Objective: 3.1.1 Investigate and plan for expansion of the higher education industry

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.1.1.1 Develop and begin implementing the Higher Education Industry Plan including an information portal, feasibility study and its outcomes.	EconDev	Feasibility Study endorsed by Federal Government Funding secured to coordinate implementation Portal, E3, Leaps, Foundation funded and operational	100%	100%	Completed. Federal Government endorsed feasibility study and funding has been secured.

Community Strategic Plan: 3.2 Promote and support an increase in business capacity in order to generate ongoing economic growth

Delivery Program Objective: 3.2.1 Implement and evaluate support programs that assist the growth of existing business

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.2.1.1 Provide businesses with a free resource database and Economic data analysis	EconDev	1. Resources database accessed by businesses 2. Snapshots editions released 3. Business Benchmarks released 4. Remplan Economic modelling data released	1. Min of 60 times per year 2. Three (3) snapshot editions per year 3. One (1) benchmark per year 4. One (1) Remplan per year	1. 0 2. Three(3) 3. One (1) 4. One (1)	1. Not Completed. No recorded statistics are available for this performance indicator. 2. Completed. Quarterly snapshots have been produced and published. 3. Achieved. Release in line with expectations. 4. Not Complete. No requests for Remplan modelling were received in the last quarter - March to June 2012. The Economic Development section is currently reviewing Remplan versus Economy id as a future tool for this purpose. This resource will also be promoted to businesses in the future to provide greater awareness about this valuable research tool.
3.2.1.2 Continue to refine, deliver and promote Business Growth, Peer Solutions and Business Visitation Programs	EconDev	Business participants in peer solutions	15 participants	15	Completed. After two meetings with each of the Peer Solutions Groups, it was agreed that in order for the long term objectives of the Program to be achieved (predominantly mentor individual businesses) that a move to the Edmund Barton Program would be a logical next step. This was formally agreed to by all Peer Solutions members.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.2.1.3 Provide professional development and training opportunities for tourism industry businesses	Tourism	1. Professional development opportunities for tourism industry businesses provided 2. Training opportunities for Tourism Industry Businesses provided 3. Satisfaction of professional development and training opportunities for tourism industry business participants	1. Two (2) 2. Four (4) 3. 80% attendance	1. Two (2) 2. Four (4) 3. 80%	1. Completed. Five training and development courses offered to businesses this year. 2. Completed. Industry operators were offered the following training opportunities: Event Sustainability Training, Social Media Training, Tourism Awards Workshop, Destination NSW Research Workshop, Greater Port Macquarie Tourism and Events Partnership Programme Workshop, Business Tourism - how to write a successful bid to secure meetings and events. 3. Completed. Industry operators were provided with the following training opportunities: Event Sustainability, Social Media Training - beginner to advanced, Tourism Awards Workshop, Destination NSW Research Workshop, Greater Port Macquarie Tourism and Events Partnership, Programme Workshop; Business tourism - How to write a successful bid to secure meetings and events. At the conclusion of the training sessions and workshops the feedback was 95% positive.
3.2.1.4 Continue to support the service industry through the Customer Care Program including annual awards, networking and education	EconDev	Maintain 80% membership base and conduct bi-annual audits	1. Maintain 80% membership 2. Conduct two (2) audits per year	1. 80% 2. Two(2)	1. Completed. Currently the Customer Care Programme has 100 members. 2. Completed. While the Shop Angels mystery shopping programme is completed, the contracted company (Shop Angels) will no longer provide this service from 1 July 2012 due to a number of service delivery failures. Council is currently investigating a number of other companies to fulfil this deliverable in the Customer Care Programme.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.2.1.5 Provide free business advice and assistance service	EconDev	Satisfaction of free business advice and assistance with service	>90%	0%	Not Completed. Statistics pertaining to this performance indicator are not available.

Delivery Program Objective: 3.2.2 Facilitate growth in retail and commercial business through the provision of appropriately zoned land

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.2.2.1 Identify opportunities for bulky goods retail development at Lindfield Park Road around Oxley Highway alignments	StratPlan	John Oxley Drive and Lindfield Park Rd Structure Plan complete	Complete John Oxley Drive and Lindfield Park Rd Structure Plan	80%	Reported to Council in June 2012. Deferred pending further consultation until July 2012.
3.2.2.2 Prepare Development Control Plan (DCP) for Wauchope town centre	StratPlan	DCP for Wauchope Town Centre prepared and review DCP status in strategic program in 2012/13	Prepare DCP for Wauchope Town Centre - Review DCP status in strategic program in 2012/13	100%	Included for action in 2012/13 Operational Plan.

Delivery Program Objective: 3.2.3 Develop, manage and maintain Council's property including property sales, acquisitions, road closures, land development, management of community and commercial leases, management of Flynn's Beach Caravan Park

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.2.3.1 Conduct review of Flynn's Beach Caravan Park	BusServ	Completion of Flynn's Beach business review	Conduct review of Flynn's Beach Caravan Park	95%	No Completed. Report scheduled to be presented to the July 2012 Council Meeting.
3.2.3.2 Manage statutory road closures and community & commercial leases	BusServ	1. Nil instances operating outside Policy, regulations and legislation for statutory road closures and community & commercial leases 2. Leases reviewed/ renewed	1. Zero instances recorded 2. 20 leases reviewed/ renewed	1. 0 2. 35	1. Achieved. Nil instances reported of instances operating outside Policy and regulations. 2. Achieved. 35 leases have been completed/reviewed in the financial year which is higher than anticipated.

Community Strategic Plan: 3.3 Expand tourism business opportunities and benefits through collaborative planning and promotion

Delivery Program Objective: 3.3.1 Maximise economic and therefore positive tourism impact, of major conferences and events

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.3.1.1 Develop and implement a four year Major Events Strategy that includes destination branding, maintenance of existing events, identifying new events and mitigating the hosting costs for Council	Tourism	Major Events strategy completed and implemented	1. Two new major events secured 2. Four conferences secured 3. > \$ 23,100 revenue for Events (+5% on previous year)	1. Two (2) 2. Nine (9) 3. \$20,178	1. Achieved. Number of new events secured in line with expectations. 2. Completed. Number of conferences secured has been higher than anticipated. 3. Not Completed. Revenue from event related accommodation bookings through the Visitor Information Centre (VIC) has declined due to overall direct bookings through the VIC being significantly less than previous years.

Delivery Program Objective: 3.3.2 Produce a long term tourism industry strategy that guides market development, investment and infrastructure, in public and private sectors

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.3.2.1 Write the Tourism Development Plan 2011-2015 which will identify strategies to improve the tourism sector	Tourism	Tourism Development Plan implemented	Tourism Development Plan endorsed by Council and Industry	0%	Not started due to the Tourism and economic development review process.

Delivery Program Objective: 3.3.3 Implement innovative and effective strategies that position Greater Port Macquarie as a distinct and competitive tourism destination

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.3.3.1 Undertake destination advertising and promotions to increase awareness in target markets	Tourism	Increased market share of Mid North Coast and regional NSW by 3%	1. > 2,956,100 in quarterly nights 2. > 1,698,470 in quarterly visitor numbers	1. 2,871,000 2. 1,509,000	1. Completed. Visitor nights to the LGA have been maintained by YE March 2012 when compared to the same period in the time series dating back to 2006. Please note that the upper and lower targets pertain to YE December 2012. 2.. Completed. Visitor numbers have been maintained by YE March 2012 compared to this same period over the time series dating back to 2006. Please note that the upper and lower target for visitor numbers is for data YE December 2012.
3.3.3.2 Develop and implement targeted campaigns that prompt a call to action	Tourism	Maintain/Increase market share of Mid North Coast and regional NSW	Maintain 24% /increase of market share - Mid North Coast and regional NSW	23%	Completed. Our LGA continues to maintain market share of visitor numbers and visitor nights in the mid north coast of NSW.
3.3.3.3 Maximise industry and corporate partnerships through development of a marketing prospectus	Tourism	1. Number of industry membership 2. Increase financial contribution to the GPM Partnership Program	1. Memberships > 155. 2. Contributions > \$131,540	1. 153 2. \$157,463	1. Completed. Membership levels have been maintained. 2. Completed. 155 businesses joined the Greater Port Macquarie Tourism and Events Partnership Programme in 2011-12, While the number of businesses who joined is on par with the previous year, the income generated from memberships increased by 21%, resulting in a total of \$157,462 additional income to add to the tourism marketing budget.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.3.3.4 Participate in appropriate state and regional tourism campaigns	Tourism	1. Destination website visits increased 2. Social media fans/likes increased 3. Retail campaigns' results increased	1. > 182,756 website visits 2. > 2,273 Social Media fans/likes 3. > \$1,160,505	1. 172,807 2. 2,714 3. \$933,542	1. Completed. The destination website will be upgraded this year to incorporate gpmevents.com.au. This will significantly grow the number of visits to our site. A paid search campaign to increase website visits will also be implemented. 2. Completed. Social media interaction has increased by 19% above expected targets. 3. Not commenced. The winter campaign is in market from end of May to end of August so the actual results compared to the target (last year's retail campaign results) will not be known until early September 2012.

Community Strategic Plan: 3.4 Maximise innovation and economic competitiveness by providing high quality communication technology throughout the Port Macquarie-Hastings region.

Delivery Program Objective: 3.4.1 Advocate and lobby government for increased broadband capacity

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.4.1.1 Ensure new development infrastructure allows for maximum accessibility	StratPlan	Development Control Plan provisions for Broadband Implemented & reviewed	Implement & review Development Control Plan provisions for Broadband	100%	DCP provisions completed.
3.4.1.2 Prioritise resources to allow proactive application for Government funding support	ExecServ	Resource prioritisation reviewed bi-annually	Two (2) reviews Completed.	Two (2)	Achieved. Reviews complete

Community Strategic Plan: 3.5 Target and encourage business enterprise by providing favourable business conditions including infrastructure and transport options

Delivery Program Objective: 3.5.1 Develop, manage and maintain Port Macquarie Airport as a key component of the regional transport network and continue to grow the airport's contribution to the regional economy

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.1.1 Facilitate a range of Regular Public Transport (RPT) airline operations	BusServ	Number and type of annual RPT aircraft movements	1. Aircraft Numbers > 5,500 pa Type = Code 3C 2. Pax. Nos. > 225,000 pa	1. 5,512 2. 223,000	1. Achieved. Actual aircraft movements based on current RPT schedule of 106 movements per week (64 QantasLink, 42 Virgin Australia) which is above target. 2. Achieved. Passenger numbers for 2011/2012 is 223,000 which is a 3% growth on previous year and exceeds target.
3.5.1.2. Provide adequate infrastructure and facilities to meet forecast growth in airline services and passenger numbers	BusServ	Milestones within Airport infrastructure and facilities project plan completed	Deliver Airport infrastructure and facilities project plan	100%	Completed. Airport Project Plan Completed. Progression to tender for Stage 1A of the Port Macquarie Airport Upgrade was adopted at the July Ordinary Meeting of Council.
3.5.1.3 Create an Expert Taskforce to guide implementation of the Airport Business Development Plan	EconDev	Taskforce formed and Business plan implemented	Form expert taskforce to guide implementation of Airport Business Development Plan	0%	I understand that the previous Economic Development Manager prepared a Plan, but this was premature in the light of the current airport works taking place. Awaiting further notice with regard to Economic Development involvement in the Plan.

Delivery Program Objective: 3.5.2 To facilitate a range of high quality, safe and competitive commercial transport services

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.2.1 Operate ferry services in accordance with service standards	BusServ	Percentage of time Ferry services within service standards	100%	100%	Achieved. No reported instances of operations outside of service standards
3.5.2.2 Advocate for appropriate public transport services (rail, bus, air, water)	EconDev	Member lobbying for High Speed Rail undertaken Submission complete	Lobby for stopping point at Wauchope for High Speed Rail including participation in Government's second phase process. Complete submission	0%	The fast train route has not been confirmed. A briefing at Council was held earlier in the year in relation to the future route.

Delivery Program Objective: 3.5.3 Identify new businesses or industries that will provide benefit to the region in longer term and create relevant support initiatives

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.3.1 Form an expert taskforce to assist in development of a Transport and Logistics Industry Plan	EconDev	Sancrox Employment Precinct Industry Plan implemented	Implement the Sancrox Employment Precinct industry Plan	0%	Not Complete. Waiting on finalisation of infrastructure at Sancrox precinct.
3.5.3.2 Liaise with an expert panel to address key issues raised in Timber and Forestry Industry Development Plan	EconDev	Forests Industry Development Plan implemented	Implement the Forests Industry Development Plan	0%	No meetings have taken place with the Forestry Task-force to date. An update on progress of the Task-force will be requested in writing.

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.3.3 Continue to refine and implement the Business Start-Up Program	EconDev	New businesses commenced in the Business Start-Up Program	Eight (8) new businesses commenced	0	Not Completed. Statistics relating to this performance measure are not available.

Delivery Program Objective:3.5.4 Continue to improve and implement initiatives for the Food and Agriculture industries

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.4.1 Coordinate the priorities of the Food Wine Tourism Industry Plan including Journey of Flavour , Tastings of the Hastings and Farmers Market	EconDev	Food & Wine Tourism Industry Plan implemented	Implement the Food & Wine Tourism Industry Plan	100%	The Journey of Flavour strategic direction has been incorporated into the broader Food and wine tourism strategy for 2012-13. This was also approved by the Journey of Flavour Task force members.

Delivery Program Objective:3.5.5 Continuous improvement and implementation of programs designed to support business

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
3.5.5.1 Improve and implement the support of the service industry through the Customer Care Program	EconDev	Refer to OP 3.2.1.4	Refer to OP 3.2.1.4		Refer to OP 3.2.1.4

FOCUS AREA – Looking after our environment

What are we trying to achieve?

We understand and manage the impact that the community has on the natural environment.
We protect the environment now and into the future.

Community Strategic Plan: 4.1 Protect and restore natural areas

Delivery Program Objective: 4.1.1 Implement a range of proactive programs for the environmental management of Council and privately owned land and waterways

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.1.1.1 Carry out bush regeneration and riparian revegetation programs	EnvServ	1. Reserves considered to be in good environmental condition 2. Riparian rehabilitation works complete	1. Two (2) reserves 2. Complete 2ha of riparian rehabilitation works	1. Two (2) 2. Two (2)	1. Achieved. Bushland Reserves at Mahogany Hill and Scarborough Way upgraded. 2. Achieved. Works undertaken for control of riparian vine weed (Cats claw and Madera - weeds of national significance)
4.1.1.2 Carry out weed management program according to the Invasive Plant Species Strategy	EnvServ	Invasive Plant Species Strategy implemented	Implement the Invasive Plant Species Strategy (Invasive Species Plan)	100%	Complete. Works program included weed inspections on private property to control targeted invasive weeds. On ground targeted weed control undertaken for Bitou Bush, Madeira Vine, Cats Claw Creeper, Senna and Asparagus.
4.1.1.3 Implement funding support initiatives for Landcare and Dunecare Programs	EnvServ	Budget funding allocated	Allocate budget funding for Landcare and Dunecare programs	100%	Completed. Funding provided to Friends of Kooloonbung and Port Macquarie Landcare for environmental weed control.

FOCUS AREA
Looking after our environment

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.1.1.4 Continue with feral animal control activity on Council controlled land	EnvServ	Feral animal control activity has been undertaken	Feral animal control undertaken on two (2) sites	Two (2)	Achieved. Control undertaken on Kew Sewer Treatment Plant and Council land at Partridge Creek.
4.1.1.5. Continue implementing Floodplain Management Plans	EnvServ	1. Hastings River Floodplain Risk Management Study completed 2. Stage 1 Dunbogan Flood Access construction completed.	1. Complete Hastings River Floodplain Risk Management Study 2. Complete Stage 1 Dunbogan Flood Access construction.	1.100% 2.10%	1. Complete. Adopted by Council 28 March 2012 2. Not Complete. Construction work delayed to allow review of Federal Environment Protection and Biodiversity Conservation Act implications.
4.1.1.6 Continue implementing the Coastal Zone Management Plans	EnvServ	Lake Cathie Coastal Zone Management Plan Stage 2 completed	Complete Lake Cathie Coastal Zone Management Plan Stage 2	90%	Not Complete. Study exhibited. Report on submissions to July 2012 Council Meeting.
4.1.1.7 Implementation of the Estuary management Plan	EnvServ	Estuary Management Plan implemented	Implement the Estuary Management Plan	100%	Complete. Work undertaken of 4 sites: The Hatch - Maria River, Bend of Islands on Hastings River, Henry Kendal Reserve - Queens Lake and Googleys Island - Camden Haven Estuary.

FOCUS AREA
Looking after our environment

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.1.1.8 Coordinate the Floodplain Management Sub Committee, and Coast and Estuaries Management Sub Committee	EnvServ	Floodplain Management meetings held	Minimum of two (2) meetings held for Floodplain Management Sub Committee, and Coast and Estuaries Management Sub Committee	Two (2)	Achieved. Meetings held on 12 September 2012, 29 February 2012 and 9 May 2012.

Community Strategic Plan: 4.2 Ensure service infrastructure maximises efficiency and limits environmental impact

Delivery Program Objective: 4.2.1 Take account of efficiency and environmental impact as part of project planning policy

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.2.1.1 Environmental Assessments completed for new infrastructure works	DevAss	Project plans incorporate considerations on energy efficiency and environmental Assessment requirements (as relevant)	100%	0%	No Data. Systems not yet developed to capture required information.
4.2.1.2 Compliance with purchasing policy to ensure lifecycle cost assessment for new infrastructure and services	BusServ	Compliance with Purchasing Policy	100%	100%	Not Achieved Statistics on this measure are not currently available.

FOCUS AREA
Looking after our environment

Community Strategic Plan: 4.3 Implement total water cycle management practices

Delivery Program Objective: 4.3.1 Operate the sewerage system to maximum efficiency to ensure that effluent released into the environment meets acceptable quality standards

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.3.1.1 Operate sewerage schemes to meet Environmental Protection Licences (EPL) Refer CSP Strategy 5.5.7.6	W&S	Compliance with Environmental Protection Licences Refer CSP Strategy 5.5.7.6	100%		Refer to Operational Plan Action 5.5.7.6
4.3.1.2 Improve effluent quality through actively investigating innovative treatment practices	W&S	Compliance for all effluent discharge	>90% compliance	98%	Achieved.
4.3.1.3 Identify and monitor trade waste discharges	W&S	Compliance with Trade Waste Policy	85% Compliance	93%	Achieved.

FOCUS AREA
Looking after our environment

Delivery Program Objective: 4.3.2 Increase availability and community awareness of reclaimed water and reused effluent

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.3.2.1 Construct additional infrastructure in accordance with anticipated demand including Hastings Effluent Management Strategy (HEMS) scheme and reclaimed water pipe network Refer CSP Strategy 5.5.5	W&S	Number of Additional connections to the reclaimed water and reused effluent networks Refer CSP Strategy 5.5.5	20 additional connections	4	Not Achieved Less connections than proposed.
4.3.2.2 Continue implementation of WaterWise Education Program	W&S	Schools requests included in Waterwise Education Program	100%	100%	Complete. Education program continuing to adopted schedule.

Delivery Program Objective: 4.3.3 Incorporate integrated water management and water sensitive urban design principles into new development areas

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.3.3.1 Develop specific integrated Water Management Plans for Kew urban land release (Area 15)	W&S, StratPlan	Development of Integrated Water Management Plan for Kew urban land release commenced	Commence development of integrated Water Management Plan for Kew urban land release (Area 15)	0%	Not Commenced. On hold pending Area 15 land release. No change from March.

FOCUS AREA
Looking after our environment

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.3.3.2 Implement specific integrated water management plans for Thrumster and Bonny Hills (Areas 13 and 14)	W&S, StratPlan	Development of the integrated Water Management Plan for Thrumster & Bonny Hills (Area 13 & 14) commenced	Water Sensitive Urban Design (WSUD) Development Control Plan Area 13 adopted and implemented	100%	Completed. Plan being used in assessment for Area 13 land release.

Delivery Program Objective: 4.3.4 Adopt water conservation practices to reduce potable water consumption

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.3.4.1 Ensure water pricing continues to reflect the value of the resource Refer CSP Strategy 5.5.1	W&S	1. Water resource is conserved, price reflects true cost of water charges = operational and asset renewal costs. 2. Decrease in potable water consumption per capita	1. 100% 2. > 0% decrease	1. 100% 2. 0.3%	1. Completed. Fees and charges complete. Long Term Financial plan updated. 2. Completed.
4.3.4.2 Maintain leak detection program	W&S	Leak detection program maintained	Maintain leak detection program	100%	Completed. Leak detection program ongoing.

FOCUS AREA
Looking after our environment

Community Strategic Plan: 4.4 Continue to improve waste collection and recycling practices

Delivery Program Objective: 4.4.1 Reduce waste to landfill in line with NSW targets utilising appropriate education, facilities and strategies

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.4.1.1 Implement commercial customers education program to encourage source separation	EnvServ	Commercial and industrial waste diverted from landfill in source separation undertaken by commercial customers	63% (State target)	55%	Not Achieved Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.
4.4.1.2 Investigate new technologies and applications for reducing land filling of waste	EnvServ	New Waste Strategy prepared	Develop new Waste Strategy by 31 December	100%	Completed. Adopted by Council 15 February 2012.
4.4.1.3 Implement resident education program on waste separation	EnvServ	Municipal waste diverted from Landfill in source separation undertaken by residential customers	66%	55%	Not Achieved Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.
4.4.1.4 Maintain waste depots and transfer stations to maximise waste recovery	EnvServ	Municipal waste diverted from Landfill in the operation of waste depots and amount of waste recovered	66%	55%	Not Achieved Target set by State Government. Council is continuing to improve overall percentage. Education programs to be undertaken to improve recycling rates.

FOCUS AREA
Looking after our environment

Delivery Program Objective: 4.4.2 Participate in regional cooperation for effective waste management and resource recovery

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.4.2.1 Implement regional programs as part of the Midwaste Regional Strategy	EnvServ	Regional Midwaste projects implemented in accordance with adopted program	100%	100%	Achieved. Projects included Business Case for Organics, Love Food Hate Waste, Waste 2 Art and Regional Strategy. Business waste project is ongoing.

Community Strategic Plan: 4.5 Provide community access and opportunities to enjoy our natural environment

Delivery Program Objective: 4.5.1 Provide new and upgraded paths and access to parks and bushland / natural areas

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.5.1.1 Refer CSP Strategy 2.9.1 & 5.3.1		Refer CSP Strategy 2.9.1 & 5.3.1	Refer to comments in CSP Strategy 2.9.1 & 5.3.1		Refer to comments in CSP Strategy 2.9.1 & 5.3.1

Community Strategic Plan: 4.6 Create a culture that supports and invests in renewable energy

Delivery Program Objective: 4.6.1 Investigate and implement cost effective renewable energy generation for Council assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.6.1.1 Develop a Council wide renewable energy strategy	EnvServ	Council wide renewable energy strategy developed	Develop Strategy	80%	Not Complete. Solar project undertaken for Port Macquarie Library and project approved for Glasshouse. Detailed strategy to be finalised in 2012/2013

FOCUS AREA
Looking after our environment

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.6.1.2 Increase the use of renewable fuels in Council plant and vehicle fleet	BusServ	Renewable fuel strategy developed	Develop renewable fuel strategy	100%	Completed. A review into Councils' Heavy Fleet, Mechanical Services and Light Fleet was completed in June 2012.

Community Strategic Plan: 4.7 Increase awareness of and plan for the preservation of local flora and fauna

Delivery Program Objective: 4.7.1 Promote the conservation of key habitats

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.7.1.1 Prepare Koala Plan of Management (KPoM) for existing urban areas and those being considered	StratPlan	Existing KPoMs reviewed for urban areas	Review existing Koala Plans of Management for urban areas	100%	Koala register completed.
4.7.1.2 Prepare a Koala Conservation Strategy	StratPlan	Koala habitat mapped & draft KPoM commenced	Map Koala habitat & commence drafting Koala Plan of Management	100%	Koala habitat mapping completed for UGMS area.
4.7.1.3 Prepare Biodiversity Strategy to determine environmental priorities for conservation and restoration	EnvServ	Community consultation undertaken and strategy commenced	Undertake community consultation and commence drafting Biodiversity Strategy	50%	Not Complete. Strategy development delayed due to additional work required on vegetation mapping.

FOCUS AREA

Looking after our environment

Community Strategic Plan: 4.8 Plan for and take action to minimise the impact of natural events and climate change

Delivery Program Objective: 4.8.1 Carry out a range of studies to determine the likely extent of natural events and the impact of climate change, develop relevant mitigation strategies

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.8.1.1 Implement Environmental Education awareness programs	EnvServ	Environmental Education awareness programs implemented	Report on range of education programs undertaken	100%	Complete. Responsible Gardening guide issued to residents adjoining Bushland reserves as works undertaken. Waste Watchers program undertaken at local primary schools. Updated waste services brochure issued to all residents.
4.8.1.2 Complete climate change risk assessment and commence management strategy	EnvServ	Climate Change Risk Assessment completed and Drafting of the Climate Control Management Strategy commenced	Complete Climate Change Risk Assessment and commence drafting Climate Control Management Strategy	80%	Not Complete. Risk Assessment completed July 2011. Management Plan to be drafted in 2012/2013.

Community Strategic Plan: 4.9 Manage development outcomes to minimise the impact on the natural environment

Delivery Program Objective: 4.9.1 Strategically and financially plan for the infrastructure that will cater for population growth

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.9.1.1 Review Council's Development Contributions Plans	EnvServ	Plans reviewed and draft prepared	Review Council's Development Contributions Plans and prepare draft	50%	Not Complete. Review commenced. Project to continue in 2012/2013 with review of residential yields in growth areas.

FOCUS AREA
Looking after our environment

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.9.1.2 Review of Port Macquarie-Hastings Urban Growth Management Strategy (UGMS) on availability of new census	StratPlan	Review of Port Macquarie-Hastings Urban Growth Management Strategy (UGMS) census status commenced	Commence review of Port Macquarie-Hastings Urban Growth Management Strategy (UGMS) census status	100%	Stage 1 Census data received. Awaiting detailed info from i.d. consulting.

Delivery Program Objective: 4.9.2 Undertake development assessment in accordance with relevant legislation

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.9.2.1 Process Development Applications (DA) and Complying Development Certificates (CDC) in accordance with legislation	DevAss	1. Applications processed in accordance with legislation. 2. Successful legal challenges relating to process error.	1. 100% 2. Nil appeals	1. 100% 2. Nil	1. No appeals. DA auditing has commenced to proactively identify any errors in processing. Results to be available next reporting period. 2. No appeals.

FOCUS AREA
Looking after our environment

Delivery Program Objective: 4.9.3 Implement and maintain a transparent development assessment process

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
4.9.3.1 Coordinate Development Assessment Panel (DAP)	DevAss	Successful legal appeals relating to process error	Nil appeals	Nil	No appeals.
4.9.3.2 Coordinate prelodgement meetings	DevAss	Accurate record of meetings provided to applicant.	Seven (7) day average.	Four (4)	24 Applications determined within 7 days, and one (1) application took 20 days to determine.

FOCUS AREA – Planning and providing our infrastructure

What are we trying to achieve?

Our population is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

Community Strategic Plan: 5.1 Create and maintain an integrated roads and transport system that eases access between population centres and services

Delivery Program Objective:5.1.1 Plan, investigate and design for the delivery of Road and Transport assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.1.1 Schedule works in the Road Transport Delivery Program according to completed 20 year capital works program for the delivery of road and transport assets that include road upgrades, bridges, footpaths, cycleways, kerb & guttering and traffic facilities	TechServ	Works consider the Community needs and align with Asset Management Plans & Council approved Strategies	1. Complete Road Transport Delivery Program 2. Projects scheduled in accordance with timeframes identified in Council adopted strategies, plans and funding availability.	1. 58% 2.100%	1. Not Complete. The 2011/2012 Transport Delivery Program was not fully delivered at the end of the reporting period due primarily to 1) several projects having preconstruction approvals and documentation outstanding, and 2) several projects being commenced but incomplete at 30 June 2012. The specific details regarding the status of each transport asset capital works item are included as individual KPI's and actions elsewhere within this report. 2. Completed for 2011/2012, needs wholesale review in light of Council's focus on core infrastructure services identified through development of the CSP 2030.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.1.2 Undertake surveys and complete engineering designs for the delivery of road and transport infrastructure works	TechServ	Road & transport infrastructure Surveys and Designs are completed	1. Completed to approved schedules 2. Completed to schedules budgets 3. Completed to design quality standards	1.38% 2.70% 3.97%	1. Not Achieved. Completion of all designs ahead of construction scheduling has not been 100% achieved. reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. This performance measure under ongoing scrutiny with Manager and Principal Design Engineer. 2. Not Achieved. 59 designs delivered in 2011/12. 29 designs over design estimate, mainly due to scope revisions. Design estimating continues to be a challenge due to unforeseen issues identified during design development. Design estimates under ongoing review. 3. Excellent result, due to design office quality system, one major omission on outsource design for Dunbogan Flood Access. Some omissions on Ocean Drive rehabilitation due to unforeseen geotech issues.
5.1.1.3 Undertake land surveys and legal requirements for road openings and closures	TechServ	Land surveys registered and titles exchanged.	100%	65%	Not Achieved. Behind schedule due to outstanding dealings with affected owners. Some implications for design and construction delivery, under ongoing review.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.1.4 Undertake post construction monitoring of traffic noise, koala movements and koala food tree plantings for the Port Macquarie Link Road	TechServ	Compliant with Link Road EIS and Development consent 1. Number traffic related Koala kills or serious injuries within area of works. 2. Presence of Koalas within planted corridors. 3. Traffic noise recorded levels within EPA Guidelines.	1. Nil incidents 2. 100% 3. 100%	1. 0 2. 45% 3. 0%	1. Achieved. Good result, subject to ongoing monitoring. 2. Not Completed. Unable to review plantings and Koala movements within Link Road adjoining corridors due to staffing shortages in the Traffic unit of the Section. Carried over to 2012/2013. 3. Not Completed. Unable to carry out traffic noise surveys for post construction of the Link Road due to staffing shortages in the Traffic unit of the Section. Carried over to 2012/2013.
5.1.1.5 Undertake asset condition and geotechnical investigations for planned road and transport asset upgrades and replacements.	TechServ	Condition data collected enables the timely and reliable planning for asset replacements and upgrades. Stage 2 Timber Bridge ratings completed.	Complete Stage 2 Timber Bridge Ratings	95%	Not Completed.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.1.2 Construct Road and Transport assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.1 Upgrade of King Creek Road – Narran Close to Old King Creek Road	InfraOps	Upgrade complete.	1. Constructed to approved schedules 2. Complete within budget of \$1,900,966 3. Constructed to quality standards	1.100% 2. \$2,544,769 3.90%	1. Complete. This project was completed in accordance with the delivery schedule within the reporting period. the total project timeline extended beyond original expectation due to wet weather and very poor sub grade conditions at the project location. 2. Not Achieved. This was a carryover project from 2010/11. Stage 1, works commenced Apr 2011, these works are funded over the 10/11 and 11/12 FY's in the Annual Works Programs. Works are complete for this project. Financial treatment of over expenditure of combined 2 stages approved by the Executive Group at 3/5/2011. Stage 2 scope of works have been reduced in line with available funds. Additional over expenditure report and project financial assessment has been finalised to increase budget to reflect final actual costs. The Project budget was adjusted to \$2.54M following Executive approval. 3. Not Complete. This project was brought to completion in April 2012. Some non-conformance of the pavement gravels was noted in the rehabilitation of the roadway. Specifically, no preferred local supplier of Gravel was able to meet the AUSSPEC requirements for DGB or DGS, expert geotechnical assessment was commissioned to quantify the non conformance and consider alternatives. the Pavement was thickened and strengthen as an offset to the "out of specification" gravel.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.2 Upgrade of Ocean Drive – Houston Mitchell Drive to Bonny View Drive	InfraOps	Upgrade Complete.	1. Constructed to approved schedules 2. Complete within budget of \$2,120,000 3. Constructed to quality standards	1.60% 2. \$1,223,799 3.90%	1. Not Complete. The budget for this project was reduced in line with expected construction schedules to \$1.5M. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in Dec 2011. Works remain ongoing and are due for completion at Dec 2012. This is a carryover project to the 2012/2013 FY. 2. The budget for this project was reduced in line with expected construction schedules to \$1.5M. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in Dec 2011. Works remain ongoing and are due for completion at Dec 2012. This is a carryover project to the 2012/2013 FY. 3. Not Complete. Some non-conformance of the pavement gravels was noted in the rehabilitation of the roadway. Specifically, no preferred local supplier of Gravel was able to meet the AUSSPEC requirements for DGB or DGS, expert geotechnical assessment was commissioned to quantify the non conformance and consider alternatives. the Pavement was thickened and strengthen as an offset to the "out of specification" gravel.
5.1.2.3 Footpath construction Lake Road eastern side – Hospital Exit to Savoy Street	InfraOps	Footpath construction complete.	1. Constructed to approved schedules 2.. Complete within budget of \$115,000 3. Constructed to quality standards	1.100% 2.\$107,640 3.100%	1. Completed. Footpaths completed to agreed schedules within 2011/12 FY. 2. Achieved. This project was completed within the approved Budget. 3. Completed. Footpath completed to approved quality standards.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.4 Commence construction to replace Stingray Creek Bridge North Haven	InfraOps	Construction commenced	1. Constructed to approved schedules 2. Complete within budget of \$600,000 3. Constructed to quality standards	0%	Not Achieved. This project requires significant additional funding to allow commencement. No construction works were undertaken on this project during the reporting period.
5.1.2.5 Footpath & interim landslip protection Kennedy Drive – Boambee St to Parklands Avenue	InfraOps	Works complete	1. Constructed to approved schedules 2. Complete within budget of \$220,000 3. Constructed to quality standards	1. 100% 2. \$94,058 3. 100%	1. Completed. project completed to approved schedule and quality standards. 2. Achieved. This project was completed within the approved Budget. 3. Completed. project completed to approved schedule and quality standards.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.6 Kerb & Guttering Crummer St – Watonga St to Partridge St	InfraOps	Kerb & Gutter complete	1. Constructed to approved schedules 2. Complete within budget of \$300,000 3. Constructed to quality standards	1.85% 2. \$228,068 3.100%	1. Not Complete. Commencement of this project was delayed by the availability of the detailed design information and some service relocations. Works are well underway and will be brought to completion in July 2012. Very wet weather has delayed this project which otherwise would have been brought to completion in June 2012. 2. Achieved. The budget for this project was increased to \$490,000 when these works were combined with adjoining Partridge street works. Commencement of this project was delayed by the availability of the detailed design information and some service relocations. Works are well underway and will be brought to completion in early 2012/2013. Very wet weather has delayed this project which otherwise would have been brought to completion in June 2012. The works are expected to be completed significantly under the project budget. 3. Completed. All completed works to date on this project have been in accordance with the contract documentation and the relevant AUSSPEC standards.
5.1.2.7 Bus bay & shelter Ocean Drive Bonny Hills north of Beach Street	InfraOps	Bus Bay constructed & shelter erected.	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	0%	Not Achieved. This project was reviewed and recommended for deferral at the May 2011 Council meeting. No works were undertaken on this project.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.8 Traffic signals intersection Hastings River Dr and Boundary Street	InfraOps	Project complete	1. Constructed to approved schedules 2. Complete within budget of \$100,000 3. Constructed to quality standards	0%	Not Commenced. The detailed design and pre construction approvals are not finalised for this project. The budget for this project was reduced in line with the expected construction programming to \$382,000. Works are unlikely to commence on the construction of this project prior to 2013.
5.1.2.9 Bus bay Ruins Way Port Macquarie	InfraOps	Bus bay constructed	1. Constructed to approved schedules 2. Complete within budget of \$10,000 3. Constructed to quality standards	1. 100% 2. \$7,741 3. 100%	1. Completed. Project completed in May 2011. 2. Achieved. This project was completed within the approved Budget. 3. Completed. Project completed to adopted quality standards and in accordance with program and budget.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.10 Bridge replacement Pembroke Road over Saltwater Creek	InfraOps	Project complete.	1. Constructed to approved schedules 2. Complete within budget of \$1,200,000 3. Constructed to quality standards.	1.20% 2.\$160,591 3.100%	1. Not Completed. Works to date on this project have been very significantly delayed due to project design readiness, works commenced in May 2012 and will extend into FY 2012/2013. The earthworks and environmental controls for this project have been commenced, however further work is dependent on confirmation of the pre cast bridge component delivery schedule which currently extends beyond Sept 2012. 2. Not Achieved. The budget for this project was reduced in line with expected construction schedules to \$495,000. The delay in the construction schedule was exclusively due to the delayed finalisation of the the detailed design and pre construction approvals for this project, which were brought to completion in May 2011. The actual expenditure includes a large contract commitment for the pre cast bridge components which will start being delivered in August 2012. This is a carry over project to the 2012/2013 FY. 3. Not Completed. Works to date on this project have been very significantly delayed due to project design readiness, works commenced in May 2012 and will extend into FY 2012/2013. Completed works to date have met all quality standards.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.1.11 Kerb & guttering Partridge Street Port Macquarie	InfraOps	Kerb & guttering complete	1. Constructed to approved schedules 2. Complete within budget of \$225,000 3. Constructed to quality standards.	1.85% 2.\$35,624 3.100%	1. Not Complete. These works are being completed in conjunction with the Crummer Street kerb and gutter project and are due for completion in Jul 2012. 2. Achieved. See comments for Crummer Street Kerb and Gutter which was combined with this project during the reporting period. The budget was reduced to \$35,000 (balance transferred to Crummer Street project) when this project was combined with adjoining Crummer Street. 3. Complete. All completed works to date on this project have been in accordance with the contract documentation and the relevant AUSSPEC standards.
5.1.1.12 Pavement rehabilitations in Wauchope streets, locations to be determined	InfraOps	Project complete	1. Constructed to approved schedules 2. Complete within budget of \$125,000 3. Constructed to quality standards.	1.100% 2.\$123,619 3.100%	1. Complete. Project completed to approved Quality standards and schedule. 2. Achieved. This project was completed within the approved Budget. 3. Complete. Project completed to approved Quality standards and schedule.
5.1.2.13 Town Centre Master Plan “gateway” works Gordon Street Port Macquarie	InfraOps	Works complete	1. Constructed to approved schedules 2. Complete within budget of \$25,000 3. Constructed to quality standards.	0%	Not Achieved. No works have been undertaken on the project during the reporting period. The Town Centre Masterplan Sub Committee have not confirmed an agreed scope of works for this carry over project.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.2.14 Wauchope CBD Road Bypass Stage 2	InfraOps	Works complete	1. Constructed to approved schedules 2. Complete within budget 3. Constructed to quality standards	0%	Not Achieved. This project requires funding confirmation and detailed design adoption to allow commencement. No construction works were undertaken on this project during the reporting period.
5.1.2.15 Kerb & Guttering and drainage works Lighthouse Road – Matthew Flinders Drive to Davis Crescent	InfraOps	Kerb and guttering drainage works complete	1. Constructed to approved schedules 2. Complete within budget \$200,000 3. Constructed to quality standards	1.95% 2.\$217,544 3.100%	1. Not Completed. This project has disappointingly not been brought to completion in accordance with the agreed schedule. Works have extended into 2012/2013 FY. 2. Not Achieved. The agreed and original scope of works for this project was delivered within the Project Budget. The scope of works for this project was extended to include the link back to Matthew Flinders Drive, the consequent over expenditure is a product of this extension to the scope of works. The sealed road repairs general ledger was utilised as the financial treatment of this over expenditure. 3. Completed. Project was completed to approved Quality standards.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective: 5.1.3 Develop and implement the annual maintenance and preventative Works Programs for Roads and Transport assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.1 Implement sealed road maintenance program including pothole repairs, jet patching and shoulder maintenance	InfraOps	Roads Maintenance Hierarchy program completed in accordance with approved programs, and within operational budget.	1. Implement Sealed Road Maintenance Program in accordance with approved programs 2. Implement the sealed Roads Maintenance program within budget of \$1,848,000	1.95% 2 \$1,712,332	1. Completed. A risk based approach to the prioritisation of Sealed road maintenance works has been implemented during the reporting period. The tasking of all roads maintenance staff now takes place in accordance with the allocated priority of works. 2. Achieved. Sealed road maintenance including jet patching and pothole repairs were undertaken throughout the reporting period within the allocated budget. This top priority focus area for PMHC was constrained and effected by the very wet weather within the reporting period. The risk based approach to the prioritisation of sealed road repair tasks has drawn significantly increased compliments from the public. However, the outstanding list of customer requests that require repairs remains very long and additional operational budget allocations are required to meaningfully reduce this maintenance backlog in the future.
5.1.3.2 Implement unsealed road maintenance program including gravel re sheeting and rural maintenance grading	InfraOps	Unsealed Road Maintenance Program completed in accordance with approved programs, the Roads Maintenance Hierarchy and within operational budget. High priority unsealed roads graded.	1. Implement Unsealed Road Maintenance Program to approved budget of \$1,510,000 2. Graded twice within reporting period.	1. \$1,624,289 2. Two (2)	1. Completed. Unsealed roads maintenance undertaken throughout the reporting period. Due to significant wet weather in the early part of the reporting period a forth maintenance grader was implemented from January 2012 onwards leading to an over expenditure of the original operational budget. The operational budget was increased to \$1.7M in the June 2012 monthly review at Council. 2. Achieved. The 18 identified high priority unsealed within the 6 monthly maintenance grading program were each graded twice within the reporting period. Additional grading resources in the form of extra crews were re tasked onto the high priority grading program at the expense of the lower priority roads in order to achieve this key Performance Indicator.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.3 Implement sealed road repairs program including heavy patching, kerb and gutter repairs, road reseals, footpaths and cycleways	InfraOps	Sealed road repairs program completed in accordance with approved programs, the Roads Maintenance Hierarchy and within operational budget. Percentage of sealed road network resealed.	1. Implement the Sealed road repairs program in accordance with Roads Maintenance Hierarchy 2. Completed to approved budget of \$3,434,814 2. 10%	1.95% 2. \$259,965 3. 1.79%	1. Completed. A risk based approach to the prioritisation of Sealed road maintenance works has been implemented during the reporting period. The tasking of all roads maintenance staff now takes place in accordance with the allocated priority of works. 2. Achieved. Sealed road repairs including heavy patching, footpath repairs, kerb and gutter repairs and resealing/resurfacing were completed in the reporting period within the allocated budget. Very wet weather also effected this KPI with many tasks delayed or postponed on several occasions. Resealing works were successfully completed on Ocean Drive south of Bonny hills and west of Laurieton within the reporting period. The apparent under expenditure of the final "actual" against the budget is due primarily to the transfer of approx \$650,000 to the King Creek Road rehabilitation to supplement the project budget. 3. Not Achieved. 15.35 kms of the 854km sealed road network within the PMHC LGA was resealed/resurfaced within the reporting period. This outcome is some 70kms short of the best practise target of 10% of the networks annually. The resurfaced roads include Ocean Dve (South of Lake Cathie, Bonny Hills to North Haven and Laurieton to Kew), Lorne Road 1.5km west of Kendall, King Creek Road, Hastings River Drive (Humpty Back Creek to Tuffins lane), Production Drive Wauchope, William street Lord to Grant Street, Blackbutt Road - Lake Road to Bollwarra Street.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.4 Implement roadside vegetation management program including median maintenance, roadside mowing and slashing, tree maintenance	InfraOps	1. Roadside vegetation management program completed within operational budget. 2. Roadside vegetation management program completed in accordance with approved programs, the Parks Maintenance Hierarchy	1. Implement the Roadside vegetation management program in accordance with approved budget of \$566,000 2. Implement the Roadside Vegetation Management Program: In accordance with approved programs, the Roads Maintenance Hierarchy and the Parks Maintenance Hierarchy	1. \$494,101 2. 85%	1. Achieved. The budget for roadside vegetation management was reduced to \$504,000 during the reporting period reflecting the refocusing of the works staff on risk based works rather than aesthetics. Against the revised budget the actual expenditure represents over 98% expenditure which is considered a good result. 2. Completed. Some roadside vegetation maintenance works and programs are yet to fully transition to the risk based prioritisation system, including some roadside slashing and mowing works. These works will commence 2012/2013 in accordance with the risk based prioritisation system.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.5 Implement roadside furnishing program including barriers, guideposts, line marking, signs, bus stops and seats	InfraOps	Roadside furnishing program completed in accordance with approved programs, the Roads Maintenance Hierarchy and within operational budget.	1. Implement the Roadside Furnishing Program in accordance Roads Maintenance Hierarchy 2. Implement to approved budget of \$565,000	1. 85% 2. \$383,593	1. Completed. The risk based approach to works prioritisation has seen resources reallocated from roadside furnishing towards road and pothole repairs, with the exception of signs and line marking. Outstanding line marking was identified and prioritised during the reporting period and consequently RMS was engaged to undertake a network re line marking exercise intended to be completed prior to June 2012. Unfortunately the RMS line marking crews were significantly delayed in completing the works with the PMHC area and as such a significant financial commitment (over \$100,000) was not realised at 30 June 2012. The apparent significant under expenditure against the budget is primarily due to this contract commitment not being realised. 2. Achieved. The risk based approach to works prioritisation has seen resources reallocated from roadside furnishing towards road and pothole repairs, with the exception of signs and line marking. Outstanding line marking was identified and prioritised during the reporting period and consequently RMS was engaged to undertake a network re line marking exercise intended to be completed prior to June 2012. Unfortunately the RMS line marking crews were significantly delayed in completing the works with the PMHC area and as such a significant financial commitment (over \$100,000) was not realised at 30 June 2012. The apparent significant under expenditure against the budget is primarily due to this contract commitment not being realised.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.6 Implement Bridges and Culverts maintenance and repair program including inspections, monitoring and bridge repair works	InfraOps	Bridges and Culverts maintenance and repair program completed in accordance with approved programs, the Roads/bridges Maintenance Hierarchy and within operational budget.	1. Implement the Bridge and Culverts Maintenance & Repair Program in accordance with approved programs and the Roads/bridges Maintenance Hierarchy 2. Implement the Bridge and Culverts Maintenance & Repair Program in accordance with approved budget of \$488,000	1. 100% 2. \$392,526	1. Completed. the bridges and culverts maintenance programs have been completed within the reporting period within the available budgets 2. Achieved. Bridges and Culverts maintenance was successfully undertaken across the LGA within the allocated budget throughout the reporting period. The apparent under expenditure is due to the outstanding budget commitments relating to the Woodlands Bridge Repair works which remain underway in FY 2012/2013. A transaction of approx \$90,000 for decking and girders was expected to be finalised in the reporting period but was not and has resulted in the underexpenditure against the budget. The remaining 2011/2012 budget will be utilised to finalise these transactions in 2012/2013.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.1.3.7 Implement roads drainage maintenance program including inspections, repairs, cleaning and clearing	InfraOps	Roads drainage maintenance program completed in accordance with approved programs, the Roads Maintenance Hierarchy and within operational budget.	1. Implement the Roads Drainage Maintenance Program: In accordance with approved programs and the Roads Maintenance Hierarchy 2. Implement the Roads Drainage Maintenance Program in accordance with approved budget of \$537,797	1.95% 2. \$565,658	1. Completed. Despite a very wet reporting period, the stormwater and drainage maintenance programs have been achieved and completed as intended.(within available budget) 2. Achieved. See previous comment for Implement Stormwater Maintenance and Repair (5.6.1) duplicate KPI

Community Strategic Plan: 5.2 Ensure transport options are safe, functional and meet access needs across the Local Government Area

Delivery Program Objective:5.2.1 Plan and implement traffic and road safety programs and activities

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.2.1.1 Implement pedestrian access and mobility activities (PAMPS) as scheduled in the Roads & Transport delivery program (refer CSP Strategy 5.1.1)	TechServ	Pedestrian access and mobility for transport infrastructure improved from base year 2010	1. Six (6) access ramps 2. 200m of footpaths	1. 13 2. 1,350	1. Achieved. Good result although expectations from Access and Disability representatives for access compliant ramps is considerably higher. May need to review target in light of PAMP's review. 2. Achieved. Excellent result although community expectations for delivery of footpaths is somewhat higher. May need to review target in light of PAMP review for 2012/2013.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.2.1.2 Develop and implement Road Safety education & awareness programs as scheduled in the Road Safety Action Plan	TechServ	Completed in accordance with the approved Road Safety Action Plan	Implement the Road Safety Action Plan	95%	Not Complete. 95% of actions completed, small \$1,000 component of "share the road campaign" carried over to 2012/2013.
5.2.1.3 Implement Local & Regional Bike Plan activities as scheduled in the Roads & Transport delivery program (refer CSP Strategy 5.1.1)	TechServ	Completed in accordance with the approved Local and Regional Bike Plan	Implement the Local and Regional Bike Plan	100%	Completed although there was very little new facilities funded for 2011/2012.
5.2.1.4 Implement local area traffic management schemes (LATMS) as scheduled in the Roads & Transport delivery program (refer CSP Strategy 5.1.1)	TechServ	Reduction in Local area accidents	10% reduction	5%	Not Achieved. 5% reduction on previous year number of recorded accidents achieved. 10% target reduction not achieved, Council can only partly control this performance.
5.2.1.5 Implement bus route facilities as scheduled in the Roads & Transport Delivery Program (refer CSP Strategy 5.1.1)	TechServ	Completed in accordance with the bus route facilities program.	Implement the Bus Route Facilities Program	85%	Completed with exception of shelter in Ocean Drive, Bonny Hills, to be carried over to 2012/2013 due to need to review location and design.
5.2.1.6 Install & maintain street lights in accordance with the Street Lighting program (refer CSP Strategy 5.1.1)	TechServ	Completed in accordance with the Street Lighting program	Implement the Street Lighting Program	85%	All requests investigated and submitted to Essential Energy where considered appropriate. Essential Energy have large backlog of requests with up to 6 month delays for some installations. Needs more proactive planning for 2012/2013.

FOCUS AREA

Planning and providing our infrastructure

Community Strategic Plan: 5.3 Develop and enhance quality open space and recreational facilities

Delivery Program Objective:5.3.1 Plan, investigate and design for the delivery of open spaces and recreational facilities

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.1.1 Conduct research, review and consultation on open space and recreational needs	Rec&Build	1. Open space/recreational research projects undertaken 2. Community engagement activities on open space/recreational facilities undertaken	1. One undertaken 2. Two undertaken	1. Two (2) 2. Four (4)	1. Achieved. Recreational research was undertaken during the early stages of the community engagement activities associated with the design for Bindi Park and Wauchope All Abilities Playground. 2. Achieved. Community engagement activities have been completed for Tacking Point Lighthouse Reserve Masterplan, Bonny Hills Reserves Masterplans, Wauchope All Abilities Playground and Bindi Park design.
5.3.1.2 Develop 10 year capital works program for the delivery of open space and recreational facilities including upgrade works	Rec&Build	10 Year Capital works program developed.	10 Year Capital works program developed and adopted by Council.	100%	Completed.
5.3.1.3 Undertake survey and engineering designs for the delivery and upgrade of open spaces and recreational facilities	Rec&Build	Open space & recreational facility surveys and designs complete	1. Completed ahead of Construction Scheduling to approved schedules 2. Completed to approved budgets 3. Completed to quality standards	1.95% 2.95% 3.95%	1. Achieved. Only one project has been affected by delays in delivery of pre-construction activities (Shelly Beach Reserve). 2. Achieved. Only one project (Shelly Beach Reserve) has not been delivered due to delays in the provision of survey and detailed design. 3. Achieved. Only Shelly Beach Reserve improvement project has been delayed due to delays in provision of detailed design.

Delivery Program Objective:5.3.2 Construct new and upgrade existing open spaces and recreational facilities

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.2.1 Upgrade Laurieton Skate Park	Rec&Build	Upgrade to Laurieton Skate Park complete	1. Constructed to approved schedules 2. Complete within budget \$83,000 3. Constructed to quality standards	1. 25% 2. \$60,271 3. 25%	1. Not Complete. Delivery of this project has been significantly impacted by wet weather. Project due for completion in September 2012. 2. Not Achieved. Works not complete within financial year due to impacts of wet weather. Project due for completion September 2012. 3. Not Complete. Project delayed due to ongoing wet weather. Works are being delivered in accordance with Australian Standards for concreting works.
5.3.2.2 Upgrade Pilot Beach playground	Rec&Build	Upgrade to Pilot Beach playground complete	1. Constructed to approved schedules 2. Complete within budget \$44,690 3. Constructed to quality standards	1. 100% 2. \$49,816 3. 100%	1. Completed. Project was finished July 2012. 2. Not Achieved. Project completion cost exceeds allocated budget. 3. Completed. Playground is compliant with relevant Australian Standards.
5.3.2.3 Upgrade Rainbow Beach Reserve	Rec&Build	Upgrade to Rainbow Beach Reserve complete	1. Constructed to approved schedules 2. Complete within budget of \$44810 3. Constructed to quality standards	1. 0% 2. 0% 3. 0%	1. Not Commenced. The delivery of this project was contingent on adoption of Bonny Hills Reserves Masterplans which did not occur until May 2012. Project brief for detailed design works is currently under development. 2. Not Achieved. This project is reliant on adoption of the Bonny Hills Reserves Masterplan which was adopted by Council in May 2012. Project deferred until 2012/2013. 3. Not Commenced. The delivery of this project is reliant on adoption of the Bonny Hills Reserves Masterplan which was adopted by Council in May 2012. Design brief for works under development.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.2.4 Upgrade Port Macquarie Historical Cemetery	Rec&Build	Upgrade to Port Macquarie Historical Cemetery complete	1. Constructed to approved schedules 2. Complete within budget \$28,557 3. Constructed to quality standards	1.75% 2.\$2,513 3. 0%	1. Not Complete. Improvement plans are in draft format following consultation with NSW Heritage Office. Further community engagement required. 2. Not Achieved. There have been significant delays with the completion of this project, primarily associated with time taken for NSW Heritage Office to consider draft concept plan. 3. Not Complete. The planning documentation is currently in draft form.
5.3.2.5 Upgrade Shelly Beach Reserve, carpark, access ramp, pedestrian facilities, minor foreshore restoration	Rec&Build	Upgrade to Shelly Beach Reserve, complete	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	0%	1. Not Commenced. Project deferred from current year program due to delays in final design. 2. Not Achieved. Project has been deferred to 2012/2013 financial year due to delay in final design. 3. Not Commenced. Project deferred due to delays in project design.
5.3.2.6 Upgrade Town Beach Reserve	Rec&Build	Upgrade to Town Beach Reserve complete	1. Constructed to approved schedules 2. Complete within budget of \$60,000 3. Constructed to quality standards	1.100% 2.\$60,000 3.100%	1. Complete. Works completed December 2011 in accordance with project timeline. 2. Achieved. Funding allocated to Port Macquarie Regional Skatepark. 3. Completed. Council staff and external Structural Engineer supervised works to ensure project compliance with relevant Australian Standards.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.2.7 Improvements to Westport Reserve	Rec&Build	Improvements to Westport Reserve complete	1. Constructed to approved schedules 2. Complete within budget \$100,000 3. Constructed to quality standards	0%	Not Commenced. Project deferred until 2012/2013 to allow for acceptance of additional funding from state government for this project.
5.3.2.8 Improvements to Sancrox Park	Rec&Build	Improvements to Sancrox Park complete	1. Constructed to approved schedules 2. Complete within budget of \$25,000 3. Constructed to quality standards	1. 100% 2. \$0 3. 100%	1. Completed. Scope of works amended following expert advice. Maintenance expert engaged to undertake surface rectification works rather than resurface facility as significantly reduced cost. 2. Achieved. Project scope was achieved by sports court maintenance expert rather than requiring resurfacing as previously advised reducing project cost by a significant amount. 3. Completed. Maintenance works delivered rather than facility resurface following expert advice.
5.3.2.9 Construct Riverbreeze Reserve, Wauchope	Rec&Build	Construction of Riverbreeze Reserve, Wauchope complete	1. Constructed to approved schedules 2. Complete within budget \$120,000 3. Constructed to quality standards	1. 50% 2. \$69,496 3. 50%	1. Not Complete. This project has been significantly affected by wet weather and significant springs are present within the park. Estimated timeframe for completion of works is 31 August 2012. 2. Not Achieved. Delivery of project significantly impacted by wet weather. Project completion expected by end of August 2012. 3. Not Complete. Project not yet complete due to impacts of wet weather. Project completion expected by end of August 2012.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.2.10 Upgrade Laurieton Common	Rec&Build	Upgrade of Laurieton Common complete	1. Constructed to approved schedules 2. Complete within budget of \$139,238 3. Constructed to quality standards	1.100% 2.\$90,824 3.100%	1. Completed. Works delivered in accordance with proposed timeline. 2. Achieved. Project delivered in accordance with adopted masterplan. 3. Completed. Works delivered in accordance with relevant standards.
5.3.2.11 Improvements to Vince Inmon Sporting Complex carpark	Rec&Build	Improvements to Vince Inmon Sporting Complex carpark complete	1. Constructed to approved schedules 2. Complete within budget \$25,000 3. Constructed to quality standards	1.100% 2.\$18,639 3.100%	1. Completed. Carpark surfacing works undertaken by Council staff and contractors to approved standards 2. Achieved. Project delivered within allocated budget and in accordance with adopted project scope. 3. Completed. Carpark resurfacing works delivered by Council staff and contractors to agreed quality standards.
5.3.2.12 Upgrade Pembroke playground	Rec&Build	Upgrade to Pembroke playground complete	1. Constructed to approved schedules 2. Complete within budget \$23,888 3. Constructed to quality standards	1.100% 2.\$19,429 3.100%	1. Completed. Works delivered in accordance with delivery program. 2. Achieved. Works completed within allocated budget. 3. Completed. Project delivered in accordance with relevant Australian Standards.

Delivery Program Objective:5.3.3 Develop and implement programs for the annual maintenance and operations for open spaces and recreational facilities

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.3.1 Deliver maintenance program for open space and sporting fields as identified in the parks and recreation asset management plan, and to meet the needs of events	Rec&Build	Parks and Recreation asset maintenance works completed	Implement the Parks and Recreation asset management plan in accordance with approved programs	50%	Not Complete. Parks Asset Management Plan is in draft form at end financial year.
5.3.3.2 Implement maintenance programs for aquatic facilities, boat ramps, wharves and jetties	Rec&Build InfraOps	Aquatic facilities, boat ramps, wharves and jetties maintenance works completed	1. Implement maintenance programs 2. Complete maintenance within operational budget of \$33,204	1.100% 2.\$38,113	1. Completed. 2. Not Achieved. The small over expenditure on this KPI is resultant from the emergency works required to be carried out on the Buller Street (Sea rescue) boat ramp late in the reporting period. All other routine maintenance works were completed within the reporting period within the allocated budget.
5.3.3.3 Deliver tree management services in accordance with Tree Preservation Order (TPO)	Rec&Build	Tree management undertaken	All Tree management is undertaken in accordance with TPO	100%	Achieved. In excess of 600 tree works were delivered in accordance with the DCP Tree Management Provisions this financial year.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.3.3.4 Deliver Lifeguard services, education programs and beach facilities	Rec&Build	Lifeguard services, education programs and beach facilities delivered.	1. All services delivered In accordance with approved programs 2. Delivered In accordance with quality standards 3. Delivered within operational budget of \$390,378.	1.100% 2.100% 3. \$373,378	1. Completed. Services delivered in accordance with adopted delivery program. 2. Completed. Lifeguard services and beach education delivered in accordance with industry best practice. 3. Achieved. Services delivered in accordance with adopted program and within allocated budget.

FOCUS AREA**Planning and providing our infrastructure**

Community Strategic Plan: 5.4 Plan settlements to accommodate a range of compatible land uses and projected population growth

Delivery Program Objective: 5.4.1 Plan settlements to accommodate a range of compatible land uses and projected population growth

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.4.1.1 Investigate land use at Sancrox and for Fernbank Creek Road for an integrated transport cluster	StratPlan	Complete LEP and associated planning for Sancrox/ Fernbank Creek Rd employment precinct LEP and associated planning finalised / completed	LEP and associated planning finalised / completed August 2012	80%	Sancrox LEP completed. Fernbank Creek Rd employment investigations delayed due to applicant study requirements.
5.4.1.2 Investigate land use for marine related industries near existing Birdon marine development and for service and business park near Port Macquarie Airport	StratPlan	Investigations finalised and draft Structure Plan prepared	Conduct Investigations into landuse for marine related industries near Birdon marine development	80%	Investigations completed in consultation with landowner reference group. Draft Structure Plan almost complete pending resolution of infrastructure issues.

FOCUS AREA**Planning and providing our infrastructure**

Delivery Program Objective:5.4.2 Undertake planning for a series of prioritised residential land releases including urban consolidation initiatives in major centres

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.4.2.1 Complete Strategic Plan for Lake Cathie-Bonny Hills (Area 14), Camden Haven (Area 15) and for infill areas of residential development	StratPlan	1. Area 14 DCP completed 2. Area 15 LEP/DCP finalised	1. Complete Area 14 DCP 2. Finalise Area 15 LEP/DCP	1.60% 2.100%	1. Draft DCP prepared for review. 2. LEP and DCP finalised.
5.4.2.2 Review draft neighbourhood planning for Thrumster (Area 13)	StratPlan	Thrumster Area 13 DCP amendment completed	Complete Thrumster Area 13 DCP amendment	60%	Draft DCP prepared by applicant and submitted for Council review. Requires amendment prior to exhibition.
5.4.2.4 Commence urban consolidation policy for Port Macquarie CBD fringe	StratPlan	Commence Urban Consolidation Policy review for Port Macquarie CBD Fringe	LEP and associated planning commenced	100%	Commenced. Consultant engaged and reference group formed.

FOCUS AREA**Planning and providing our infrastructure****Delivery Program Objective:**5.4.3 Review planning framework for decisions regarding land use and development

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.4.3.1 Staged review of Port Macquarie-Hastings LEP 2010 in accordance with NSW Standard instrument	StratPlan	Stage 1 LEP amendments adopted	Stage 1 LEP amendments completed.	100%	Stage 1 LEP amendments complete.
5.4.3.2 Undertake a staged review of Development Control Plan policy having regard to relevant legislation and Council's StratPlan	StratPlan	Staged DCP amendment completed	Complete staged DCP amendment	100%	Stage 1 review of comprehensive DCP completed.
5.4.3.3 Use ABS data to review housing and land monitoring in relation to the Urban Growth Management Strategy (UGMS)	StratPlan	Timely and accurate input to regional monitor for UGMS	Review housing and land monitoring in relation to the Urban Growth Management Strategy	100%	Monitoring completed as input to regional monitoring by DP&I.

FOCUS AREA

Planning and providing our infrastructure

Community Strategic Plan: 5.5 Create and maintain public infrastructure that delivers sustainable water, sewer and stormwater services

Delivery Program Objective: 5.5.1 Plan, investigate and design for the delivery of water supply assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.1.1 Undertake hydrologic and hydraulic modelling to determine current service adequacy and new assets required to service future growth.	W&S	1. Completion of Secure Yield Study 2. Determine Asset requirements for growth areas 3. Bulk Water assets fed into capital works program	1. Secure Yield Study complete. 2. Asset requirements for growth areas determined. 3. Bulk Water assets fed into capital works program complete	1.95% 2.100% 3.100%	1. Not Complete. Draft report being reviewed, project nearing completion. 2. Programs developed for growth areas. 3. Completed. Capital works program developed in line with asset requirements.
5.5.1.2 Develop 30 year Capital Works Program for the delivery of water supply assets	W&S	30 year Capital Works Program developed	Develop 30 year Capital Works Program for the delivery of water supply assets.	100%	Completed. 30 year financial plan included in long term financial plan.
5.5.1.3 Monitor, model and adjust cash flow projections (refer CSP Strategy 1.4.2)	FinServ	Financial model updated Fees & Charges set.	1. Update Water Financial Model 2. Develop Water Fees & Charges by 29 February 2012	1.100% 2.100%	1. Completed. Water fund ten year financial plan adopted by Council in May. 2. Completed. Water fees and charges determined and adopted by Council in May 2012.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.5.2 Construction of Water Supply Assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.2.1 Upgrade Water Supply Telemetry System – Stage 2 works	W&S	Stage 2 Upgrade works complete	1. Constructed to approved schedules 2. Complete within budget of \$258,750 3. Constructed to quality standards	1.75% 2. \$154,400 3.100%	1. Not Complete. Anticipated operating by end of 2012. 2. Not Achieved. Works continuing to completion in 2012/2013. 3. Completed. Quality on track and to standards for work completed.
5.5.2.2 Renewal of ageing assets identified in the asset register and by condition assessment	W&S	Renewal of ageing assets identified in the asset register and by condition assessment	1. Constructed to approved schedules 2. Complete within budget \$1,912,103 3. Constructed to quality standards	1.60% 2. \$877,100 3.100%	1. Not completed overall. Mechanical/Electrical renewals on schedule. Resources have impacted on water main renewals program. 2. Not Achieved. Renewals impacted by elevation in private works undertaken. 3. Complete. Renewals completed to standard.
5.5.2.3 Port Macquarie Water Pumping Station Building Refurbishment	W&S	Refurbishment complete	1. Constructed to approved schedules 2. Complete within budget \$551,800 3. Constructed to quality standards	1.65% 2. \$334,000 3.100%	1. Design work complete. Contract awarded June. Anticipated completion December 2012. 2. Not Completed. Contract works underway for completion in 2012/2013. 3. Design completed to standard.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.2.4 Complete construction and commissioning of fluoridation facilities at the Rosewood Reservoir	W&S	Construction & commissioning of fluoridation facilities	1. Constructed to approved schedules 2. Complete within budget \$1,480,500 3. Constructed to quality standards	1.100% 2. \$301,200 3.100%	1. Completed. Plant completed to schedule. 2. Completed. 3. Completed. Plant completed to quality standards.
5.5.2.5 Complete design of a 20ML reservoir to service the Sancrox and Thrumster (Area 13) areas	W&S	Design complete	1. Constructed to approved schedules 2. Complete within budget \$500,000 3. Constructed to quality standards	1.95% 2. \$ 308.200 3.100%	1. Not Complete. Detailed design under final review prior to construction. 2. Achieved. Design and documentation 90% complete allowing for construction as needed. 3. Completed. Design has been developed to adopted quality standards.
5.5.2.6 Construction of trunk mains to service new development in Area 13	W&S	Construction of trunk mains complete	1. Constructed to approved schedules 2. Complete within budget \$533,025 3. Constructed to quality standards	0%	1. Awaiting Area 13 development. 2. Not completed, limited development within LGA for the period, therefore no construction required. 3. No construction as yet.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.2.7 Construction of various trunkmains to cater for development works occurring in advance of DSP works	W&S	Construction of trunkmains complete	1. Constructed to approved schedules 2. Complete within budget \$621,000 3. Constructed to quality standards	1.100% 2. \$270,900 3.100%	1. Development requirements low due to market. 2. Completed to level required in line with development. 3. Completed. Quality of works to standard.
5.5.2.8 Upgrade several water pumping stations to cater for urban growth	W&S	Water pumping stations upgraded	1. Constructed to approved schedules 2. Complete within budget \$166,000 3. Constructed to quality standards	1. 0 2. \$28,500 3. 0	1. Not Commenced. Limited growth has not required this program to be delivered. No change from March. 2. Achieved. Minor upgrades undertaken as required. 3. Not Commenced. Not required as no works undertaken.
5.5.2.9 Installation of new water services to new residential and business premises	W&S	New water services installations complete	1. Constructed to approved schedules 2. Complete within budget \$344,655 3. Constructed to quality standards	1.100% 2. \$349,342 3.100%	1. Completed. Lower number of requests than anticipated. 2. Achieved. 3. Completed. Installations to standard.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.2.10 Construct Private Works for developers as required within the constraints of current Capital Works Program	W&S, InfraOps	Private construction works complete as required	1. Constructed to approved schedules 2. Complete within budget \$150,000 3. Constructed to quality standards	1.100% 2.\$ 50,100 3.100%	1. Completed. Construction standards met. 2. Not Achieved. Lack of development in sewerage requests for private works. 3. Completed. Relevant standards being met.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.5.3 Develop and implement the annual maintenance and preventative works program for Water Assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.3.1 Implement water treatment plant maintenance program	W&S	Water treatment plant maintenance program implemented	1. Completed to approved schedules 2. Completed with budget \$430,000	1.90% 2. \$435,900	1. Not Complete. Maintenance schedule on track. 2. Achieved.
5.5.3.2 Implement reservoir maintenance program	W&S	Reservoir maintenance program Implemented	1. Completed to approved schedules 2. Completed with budget \$250,000	1.70% 2. \$256,800	1. Not Complete. Resources have impacted on delivery. 2. Achieved.
5.5.3.3 Implement water pumping station maintenance program	W&S	Water pumping station maintenance program implemented	1. Completed to approved schedules 2. Completed with budget \$310,000	1.60% 2. \$256,000	1. Not Complete. Behind schedule; resources have impacted on delivery. 2. Achieved.
5.5.3.4 Implement river offtake, dam and catchment maintenance program	W&S	River offtake, dam and catchment maintenance program implemented	1. Completed to approved schedules 2. Completed with budget \$5,000	1.65% 2. \$2,800	1. Not Complete. resources have impacted on delivery. Ongoing works item. 2. Achieved. Maintenance plan delivered as required.
5.5.3.5 Implement trunkmain maintenance program and leak detection	W&S	Trunkmain maintenance program and leak detection implemented	1. Completed to approved schedules 2. Completed with budget \$70,000	1.80% 2. \$61,900	1. Not Completed. Maintenance schedule on track; resources have impacted on delivery. 2. Achieved.
5.5.3.6 Implement reticulation network maintenance program including services, water meters and leak detection	W&S	Reticulation network maintenance program including services, water meters and leak detection implemented	1. Completed to approved schedules 2. Completed with budget \$335,000	1.70% 2. \$332,400	1. Not Complete. Resources have impacted on delivery 2. Achieved

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.5.4 Plan, investigate and design for the delivery of Sewerage assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.4.1 Undertake hydraulic modelling to determine current service adequacy and new assets required to service future growth.	W&S	Asset requirements for growth areas determined. 1. Commence Construction of Port Macquarie hydraulic Model 2. Update all other hydraulic models	1. 50% completion of the model. 2. 100%	1.25% 2.70%	1. Not Complete. Water and Sewerage Structure and resources have impacted on the development of the model. No change since March. 2. Not Complete. Limited resources impacting on model development
5.5.4.2 Develop 30 year Capital Works Program for the delivery of sewer supply assets.	W&S	30 Year Capital Works program developed	Develop 30 Year Capital Works Program for the delivery of sewer supply assets	100%	Completed. 30 year program included in long term financial plan.
5.5.4.3 Monitor, model and adjust cash flow projections (refer CSP Strategy 1.4.2)	FinServ W&S	1. Financial model updated 2. Fees & Charges set.	1. Update Sewer financial model 2. Develop Fees & Charges by March 2012	1.100% 2. 100%	1. Completed. Sewer fund ten year financial plan adopted by Council in May. 2. Completed. Water fees and charges adopted at March Council meeting.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.5.5 Construction of Sewerage Assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.5.1 Construct sewerage facilities to Area 13	W&S	Construction complete	1. Constructed to approved schedules 2. Complete within budget of \$3,034,800 3. Constructed to quality standard	1.40% 2.\$370,000 3.40%	1. Not Complete. Construction works currently being scheduled. No change from March; underbore section outstanding. 2. Not Completed. Completion of scheme scheduled for 2012/2013. 3. Not Complete. Environmental issue lowers score in this instance.
5.5.5.2 Upgrade Programmable Logic Control at Port Macquarie sewage treatment plant	W&S	Upgrade complete	1. Constructed to approved schedules 2. Complete within budget of \$120,000 3. Constructed to quality standard	0%	1. Not Commenced. New project bid required with updated details and change to scope of works. 2. Not Achieved. To be completed in future years. 3. Not Commenced. New scope required.
5.5.5.3 Construct extension of reclaimed water reticulation	W&S	Extension construction complete	1. Constructed to approved schedules 2. Complete within budget of \$430,000 3. Constructed to quality standard	1.75% 2. \$388,000 3.100%	1. Not Complete. Project under construction, slightly behind schedule. Impacted by wet weather.. 2. Not Completed. Works continuing under grant funding. Significant impact of wet weather on construction program. 3. Complete. Of those extensions constructed, all mains constructed to standards.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.5.4 Commence construction of centralised sewerage systems for Beechwood area	W&S	Construction commenced	1. 50% of construction completed by June 2012 2. Complete within budget of \$499,100 3. Constructed to quality standard	1.85% 2. \$151,000 3. 0%	1. Not Complete. Detailed reticulation design complete. Rising main alignment not finalised. Programmed for construction 2013. 2. Not Completed. Preliminary work on designs and tender documents finalised. Herons Creek and Beechwood construction scheduled for 2012/2013. 3. Not commenced as construction work yet to commence. Detailed reticulation design complete. Rising main alignment not finalised. Programmed for construction 2013.
5.5.5.5 Replace Wauchope Aerators Tank 1	W&S	Wauchope Aerators Tank 1 replaced	1. Constructed to approved schedules 2. Complete within budget of \$766,000 3. Constructed to quality standard	1.70% 2. \$108,500 3.50%	1. Tank 2 anticipated completion September 2012, Tank 1 December 2012. 2. Not Achieved. Works continuing for completion in 2012/2013. 3. Concerns with pontoons taking on water. Lower quality score associated with these concerns.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.5.6 Construct Private Works for developers as required within the constraints of current Capital Works Program	W&S, InfraOps	Private construction works complete as required	1. Constructed to approved schedules 2. Complete within budget of \$500,000 3. Constructed to quality standard	1.100% 2. \$810,000 3.100%	1 Completed. Relevant standards being met. 2. Achieved. Exceeded expectations. 3.. Completed. Works have exceeded expectation from original budget position

Delivery Program Objective:5.5.6 Develop and implement the annual maintenance and preventative works program for Sewerage Assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.6.1 Implement sewage treatment plant maintenance program	W&S	Sewage treatment plant maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$ 2,018,000	1.95% 2. \$2,829,000	1. Not Completed. Maintenance schedule considered on track. 2. Not Achieved. High rainfall elevating treatment costs.

FOCUS AREA**Planning and providing our infrastructure**

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.6.2 Implement sewer pumping station maintenance program	W&S	Sewer pumping station maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$2035000	1.100% 2.\$1812000	1. Complete. Maintenance program over expended due to increased rainfall. 2. Completed in line with available resources.
5.5.6.3 Implement sewer reticulation maintenance program	W&S	Sewer reticulation maintenance program implemented	1. Maintenance completed to approved schedules 2. Completed within budget \$555,000	1.95% 2. \$578,000	1. Not Completed. Maintenance schedule considered on track however. 2. Completed. Over expenditure due to additional maintenance highlighted by significant wet weather.

FOCUS AREA

Planning and providing our infrastructure

Delivery Program Objective:5.5.7 Deliver water and sewerage supply services to ensure public health and safety and environmental protection

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.7.1 Draw water from rivers in accordance with water abstraction licences	W&S	Compliance with Licence conditions	100%	100%	Achieved.
5.5.7.2 Manage and monitor water supply catchments	W&S	Catchment Monitoring and Maintenance programs completed	1. Completed to approved schedules 2. Complete within budget \$395,000	1. 100% 2. \$392,200	1. Monitoring being undertaken with resources available. 2. Achieved
5.5.7.3 Maintain an Environmental Laboratory to provide specialist advice, sampling, analysis and reporting of water quality	W&S	Required sampling, analysis and reporting undertaken, 1. NATA Corporate Accreditation Maintained 2. Sampling, analysis and reporting of Environmental and Regulatory requests completed in accordance with approved budgets and quality standards	1. Maintain NATA corporate accreditation 2. Complete within budget \$1,083,200	1. 100% 2. \$1,027,300	1. Complete. NATA Accreditation maintained on all analysis identified. 2. Achieved.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.7.4 Treat drinking water to meet Australian Drinking Water Guidelines (ADWG)	W&S	Compliance with ADWG for Microbiological and Chemical Health Guidelines	100%	99%	Achieved. Two small exceedences recorded in the year.
5.5.7.5 Implement and update dam safety emergency plans for Port Macquarie, Cowarra and Blue Creek dams	W&S	Dam Safety Emergency Plan completed and trialled.	Complete Dam Safety Emergency Plan and perform a trial	20%	Not Completed. New plan currently being developed, behind schedule. Existing plan remains in place.
5.5.7.6 Operate sewerage schemes in accordance with Environmental Protection Licences	W&S	Compliance with Environmental Protection Licences	100%	100%	Achieved.

Delivery Program Objective:5.5.8 Plan investigate and design for the delivery of Stormwater assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.8.1 Develop 20 year capital works program for the delivery of stormwater assets including stormwater flood relief works and quality controls	TechServ	Works consider the Community needs and align with Asset Management Plans & Strategies	Develop 20 Year Capital Works Program for delivery of Stormwater assets	100%	Completed, on time in preparation for the 2012/2013 Operational Plan.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.8.2 Undertake surveys and complete engineering designs for the delivery of stormwater infrastructure works	TechServ	Surveys and Designs are completed ahead of Construction Scheduling	1. Complete engineering designs for the delivery of stormwater infrastructure works ahead of construction scheduling 2. Percentage of engineering designs for the delivery of stormwater infrastructures works completed to approved budget 3. Complete engineering designs for the delivery of stormwater infrastructure works to design quality standard	1. 80% 2. 78% 3. 100%	1. Completion of all designs ahead of construction scheduling has not been 100% achieved. reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. 2. Not Achieved. Completion of all designs ahead of construction scheduling has not been 100% achieved. reasons have been reported to the Executive who have endorsed additional funding for 2012/2013 to advance design completion. This performance measure under ongoing scrutiny with Manager and Principal Design Engineer. 3. Delivered seven (7) sw designs during 11/12 , Lighthouse Rd design required some rework due to unforeseen site constraints, overall a good result in terms of Quality.
5.5.8.3 Kendall Stormwater Management Plan	TechServ	Plan completed	1. Completed to approved budgets 2. Completed to approved schedules	1. 85% 2. 80%	1. Not Completed. SWMP delayed due to need for additional community consultations on improvement options and concept design development. Expect completion by Dec 2012. 2. SWMP delayed due to need for additional community consultations on improvement options and concept design development. Expect completion by Dec 2012.

FOCUS AREA

Planning and providing our infrastructure

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.8.4 Stormwater asset condition rating Stage 1	TechServ	Condition data collected and available in Asset Management Systems to enable the timely and reliable planning for asset replacements and upgrades	Condition data collected and available in Asset Management Systems	30%	Not Completed. Action rolled forward for completion in the 2012/2013 Operational Plan.

Delivery Program Objective:5.5.9 Construction of Stormwater assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.9.1 Construction of stormwater overflow channel Milton Circuit	InfraOps	Construction of stormwater overflow channel Milton Circuit complete	100%	100%	Completed. Works Completed in accordance with Program, Quality standards and agreed budget.
5.5.9.2 Drainage augmentation for stormwater flood relief Amira Circuit	InfraOps	Augmentation complete	1. Constructed to approved schedules 2. Constructed to design quality standard	0%	Not Commenced. Project deferred to the 2012/2013 FY due to the delayed completion of the detailed design and confirmation of funding sources. Works to be carried over to 2012/2013 FY.

FOCUS AREA**Planning and providing our infrastructure**

Delivery Program Objective:5.5.10 Develop and implement the annual maintenance and preventative works program for Stormwater Assets

Operational Plan Actions 2011-2012	Lead Responsibility	Success Measures	Target	YTD Actual	Comment on Progress
5.5.10.1 Implement stormwater maintenance and repairs program including inspections, cleaning and clearing	InfraOps	Stormwater maintenance works completed in accordance with approved programs, and within operational budget.	1. Completed in accordance with approved programs 2. Completed within budget of \$537,797	1.95% 2 \$565,658	1. Completed. Despite a very wet reporting period, the stormwater and Drainage maintenance programs have been achieved and completed as intended.(within available budget) 2. Achieved. Roadside Drainage and Stormwater management was completed within the reporting period utilising 100% of the available budget and slightly over expending by approx \$27,000 at year end. The very wet weather experienced during the reporting period contributed significantly to the end of year results and owing to the continued wet weather right through to 30 June 2012, a determination to consciously over expend the ledger was agreed.

PAYMENT OF EXPENSES & PROVISION OF FACILITIES TO COUNCILLORS POLICY

Responsible Officer	Manager Governance and Executive Services
Contact Officer	Manager Governance and Executive Services
Authorisation	Council on 23 September 2009
Effective Date	22/09/10
Modifications	Record of all amendments and modifications to this policy, including dates that amendments were approved, and/or came into effect
Superseded Documents	
Review	Manager Governance and Executive Services to review Policy in September each year.
File Number	All documents relating to the policy development, communication, implementation and review must be held on a PMHC registered file. Contact the Records Section.
Associated Documents	

1. INTRODUCTION

The Local Government Act 1993 requires Council to develop a policy for the Payment of Expenses and Provision of Facilities to the Mayor and Councillors.

The Act also requires Council to review the policy annually and provide a copy of the policy to the Department of Local Government by the end of November each year.

2. POLICY OBJECTIVE

In accordance with Section 439 of the Local Government Act 1993, Councillors must act lawfully, honestly and exercise a reasonable degree of care and diligence in carrying out their functions under the Act or any other Act.

To ensure that the fees paid, civic expenses reimbursed and facilities provided to Councillors are appropriate and reasonable and further that Councillors are not financially or otherwise disadvantaged in undertaking their civic responsibilities.

3. POLICY SCOPE

This policy applies to the Mayor, Councillors and Administrator of the Port Macquarie-Hastings Council.

4. DEFINITIONS

The Act: Local Government Act, 1993

Councillor expenses and facilities policy: a policy prepared under the Department of Local Government's Guidelines, as amended from time to time.

Expenses: Payments made by the Council to reimburse Councillors for reasonable costs or Charges incurred or to be incurred for discharging their civic functions. Expenses are separate and additional to annual fees.

Facilities: Equipment and services that are provided by Council to Councillors to enable them to perform their civic functions with relative ease and at a standard appropriate to their professional role as Councillors.

Functions of civic office/civic functions: Functions that Councillors are required to undertake to fulfil their legislative role and responsibilities for the Council that should result in a direct benefit for the Council and /or the local government area.

5. LEGAL & POLICY FRAMEWORK

Division 5 of the Local Government Act 1993 and more particularly Sections 248 to 254A, provide Council with the ability to make policy on the payment of expenses and provision of facilities to the Mayor and Councillors.

6. POLICY STATEMENT

The Local Government Act requires Council to have a policy that provides guidelines for the payment of expenses and provision of facilities to Councillors.

In the course of carrying out their civic duties Councillors will incur expenses and they will also require access to training and facilities that will enable them to perform to a standard expected by the community and the Department of Local Government.

7. IMPLEMENTATION

7.1 Roles and Responsibilities

The General Manager is responsible for the implementation of this policy.

7.2 Support and Advice

The Manager Governance and Executive Services will provide advice and support in relation to the implementation of this policy.

7.3 Communication

The Policy will be publicly advertised following each amendment to this policy and the community will be afforded the opportunity to comment. Staff will be advised through Wilson (Intranet) on any amendment to this policy.

7.4 Procedures and Forms

All claims for reimbursement of expenses will require to be lodged on an Expenses Claim form and must be approved by the General Manager or his delegate.

8. REVIEW

This policy must be reviewed in August each year and reported to Council in September and a copy of the policy forwarded to the Department of Local Government in November.

The Manager Governance and Executive Services is responsible for will conducting the review.

POLICY

Part 1 - Introduction

In accordance with the Local Government Act 1993, Council is required to adopt a policy concerning the payment of expenses and the provision of facilities to the Mayor and other Councillors in relation to their roles as elected persons and members of the governing body of Council.

In carrying out their civic responsibilities, Councillors are required to attend a variety of functions in their capacity as representatives of Council, e.g. Council Meetings, Committee Meetings and as delegates.

Councillors are also expected to attend a variety of functions where they may not directly represent the Council, but attendance is relevant to their effectiveness as Councillors, e.g. attendance at community functions.

Legislative Compliance

Local Government Act:

The Local Government Act 1993 has statutory requirements which describe the fees, expenses and facilities that may paid or provided to Councillors.

Section 248 and Section 249 describe the payment of fees to Councillors. Section 252 describes the payment of fees and provision of facilities to Councillors.

Section 428(2)(f) requires Council to report the total amount of money expended during the year on Mayoral fees and Councillor fees, the Council's policy on the provision of facilities for use by Councillors and the payment of Councillors' expenses, together with a statement of the total amount of money

expended during that year on the provision of such facilities and the payment of such expenses

There are a number of publications which provide assistance to Councillors in complying with the provisions of this policy.

DLG Circulars:	Circular 05-08	Legal Assistance for Councillors and Council Employees
	Circular 06-57	Guidelines for the Payment of Expenses and the Provision of Facilities to Mayors and Councillors
	Circular 06-64	Inappropriate Use of Council Resources
	Circular 08-24	Misuse of Council Resources
	Circular 08-37	Council decision making prior to ordinary elections
	Circular 09-36	Guidelines for the payment of expenses and the provision of facilities for Mayors and Councillors in NSW

Model Code of Conduct: This policy is consistent with the Model Code of Conduct for Local Councils in NSW, June 2008 particularly, the Use of Council Resources.

ICAC Publication: "No Excuse for Misuse" preventing the misuse of Council resources. Nov 2002

Basis of Providing Facilities

Unless otherwise provided, the facilities that may be provided to the Mayor and Councillors under this policy, shall be provided without reduction of the annual fees payable to the Mayor and Councillors, as determined by the Council under Sections 248 - 254A inclusive of the Act.

Part 2 - Payment of Expenses

General Provisions

Allowances and Expenses:

No annual, monthly or daily allowance or expenses type allowance payment will be payable in any circumstances.

Reimbursement and Reconciliation of Expenses:

Reimbursement of expenses shall only be made upon the production of appropriate receipts and tax invoices and the completion of the required claim forms.

All reimbursement of expenses must be approved by the General Manager.

All expense being reimbursed must be in accordance with the provisions of this policy.

A Councillor seeking reimbursement of expenses must lodge a claim within 3 months of the expense being incurred.

Dispute Resolution Process

In the event of a dispute regarding the reimbursement of expenses or provision of facilities, the matter will be referred to the full Council for review and determination.

Payments in Advance

Councillors may request payment in advance in anticipation of expenses to be incurred in attending conferences, seminars and training away from home, as well as any other service or facility covered by this policy.

Following attendance at the conference etc, an expense claim form is required to be completed, showing the advance payment less actual expenses (supported by receipts) and any excess to be repaid or deficit to be reimbursed. Where an excess of advance over actual expenses is recorded, cash or cheque repaying the excess advance must accompany the claim when it is submitted.

Specific Expenses for Mayor and Councillors including Monetary Limits and Standards:

Monetary limits applying to this policy include:

Payment of Telephone, Mobile Phone, Fax, Internet, Broadband and Wireless Connection Expenses

Council will meet the cost of a telephone installation, telephone rental, call costs, fax, internet, broadband connection, mobile phone and call costs and wireless connection for the Mayor up to a maximum of \$500 per month in the conduct of his/her civic duties.

Council will meet the cost of a telephone, telephone rental, call costs, fax, internet, broadband connection for Councillors up to a maximum of \$225 per month in the conduct of their civic duties.

Councillors must meet the cost of all non-business calls and any additional Council related calls above the limits.

Care and Other Related Expenses:

Council will meet the reasonable expenses for the care of:

- (a) a child of the Councillor; or
- (b) a dependant of the Councillor requiring full-time care, actually and necessarily incurred by a Councillor whilst attending Council and Committee meetings, and Council Workshops.

NOTE:

1. Child/dependant care expenses are not to be reimbursed if the care is provided by a relative of the Councillor who ordinarily resides with the Councillor. A "relative" is defined as a spouse, defacto partner, parent, son, daughter, brother, sister or grandparent.
2. That for any Councillor the amount payable in any one year be limited to \$3,500 (indexed to CPI) however any Councillor be entitled to approach the General Manager for special consideration to make a recommendation to Council.

Spouse and Partner Expenses:

There will be limited circumstances where costs are incurred by a Councillor on behalf of their spouse, partner or accompanying person in the performance of his / her civic functions are reimbursable to the Councillor.

Council will meet the reasonable costs of spouses, partners and accompanying persons for attendance at official Council functions that are of a formal or ceremonial nature, e.g. civic receptions, citizenship ceremonies and Australia Day Award ceremonies.

Limited expenses of spouses, partners and accompanying persons will be met by Council in association with the Mayor or Councillors' attendance at:

- the Local Government Association's Annual Conference
- The Australian Local Government Association Conference
- The National Assembly of Local Government Conference

These expenses will be limited to registration costs and attendance at the conference dinner. Any additional travel and accommodation expenses and the cost of partner tours etc will be the personal responsibility of the individual Councillors.

Council will also give consideration to the payment of expenses for a spouse, partner or accompanying person of the Mayor, or a Councillor when they are representing the Mayor, at an official function of the Council or carry out an official ceremonial duty while accompanying the Mayor outside the Local Government area, but within the State.

In circumstances where a spouse, partner or accompanying person accompanies a Councillor outside the Local Government area, including interstate and overseas, the costs and expenses of the spouse, partner or accompanying person should not be paid by Council (with the exception of attendance at the Local Government Associations' Conference previously mentioned).

The payment of expenses for a spouse, partner or accompanying person when attending the abovementioned appropriate functions, will be limited to the ticket, meal or the direct cost of attending the function. Additional expenses such as grooming, special clothing and transport are not considered to be reimbursable expenses.

Attendance at Seminars and Conferences

Councillors may be nominated to attend conferences, seminars and similar functions by:

- the Council, through resolution duly passed in an Open session of the Council meeting
- the Mayor and General Manager acting under delegated authorities

This shall not preclude the Mayor from nominating a substitute attendee for functions etc on those occasions where the Mayor is unable to be in attendance.

What Conferences and Seminars May be Attended?

The conferences, seminars, workshops, courses and similar to which this policy applies shall generally be confined to:

- Local Government Association Annual Conferences (Federal and State),
- Special “one-off” Conferences called by the Local Government Association of NSW, Australian Local Government Association, National Assembly of Local Government and the Local Government Women’s Association on important issues,
- Annual Conferences and Congresses of the major industry associations and professions in Local Government,
- Australian Sister Cities Conference,
- Regional Organisation of Councils Conference, Summit or Seminar
- Any meetings or conferences of organisations or bodies on which a Councillor may be elected, or appointed to,
- Seminars which further the training and development efforts of the Council and of Councillors, or which relate to or impact upon the Council's functions.

Registration

Where the Mayor or Councillor has been authorized to attend a conference the Council will pay all normal registration costs which are charged by organisers, including those relating to official luncheons, dinners and tours which are relevant to the interests of the Council.

Costs Incurred

Payment of reimbursement of costs incurred shall be subject to the requirements:

- (a) The travel is on Council business being to and from conference or seminars of the Local Government related organisations.
- (b) reasonable and necessary out-of-pocket expenses.
- (c) The travel is undertaken with all due expedition and by the shortest route.

- (d) Any time occupied in other than Council business is not included in the calculation of expenses to be paid.
- (e) The claim is made not later than three (3) months after the expenses were incurred, and upon a Council expense claim form.

Actual accommodation and subsistence expenses will be met by Council up to the limits prescribed in Council's HR Policy "Attendance at Conferences, Seminars, Workshops & Deputations Representing Council" or on the basis of reasonableness, as determined by the Mayor and General Manager. Council will not meet any expenses for alcohol or personal expenses.

Attendance at Dinners and other Non-Council Functions:

Consideration will be given to meeting the cost of Councillors' attendance at dinners and other non-Council functions which provide briefings to Councillors from key members of the community, politicians and business.

Approval to meet expenses will only be given when the function is relevant to Council's interest and attendance to the function is open to all Councillors.

No payment will be reimbursed for any component of the ticket that is additional to the service cost of the function, such as a donation to a political party or candidate electoral fund or some other private benefit.

The fundraising activities of political parties, including political fundraising events, are considered to be personal interests. Council will not pay expenses or provide facilities to Councillors in relation to supporting and /or attending such activities or events.

Any additional payment to a registered charity may be acceptable as part of the cost of the function.

Councillors seeking reimbursement for this type of expense must have it approved by Council and not the General Manager.

Attendance at Training and Development and Educational Courses:

Council will develop, fund and implement a Councillor training and development program based on a systematic skills analysis and assessment of the professional development needs of the Councillors.. However, it is essential that where Council is paying these expenses, the training or educational course is directly related to the Councillor's civic functions and responsibilities.

Attendance at training and educational courses by Councillors should be authorised in advance by a Council resolution. In an exceptional situation, the Mayor and General Manager may authorise attendance. If the Mayor requires approval, it should be given jointly by the Deputy Mayor or another Councillor and the General Manager.

Council will meet the following expenses incurred by a Councillor in attending an approved training or educational course:

Registration Expenses:

Including official luncheons, dinners and tours relevant to the training or educational course.

Travel Expenses:

As detailed within this policy.

Accommodation Expenses:

Accommodation in conjunction with approved training or educational courses will only be authorised on the following basis:

- venue where the training or educational course is being held
- in cases where venue unavailable, an alternative nearby location
- night before or after depending on event and travel availability, such approval must be obtained in advance from the General Manager

- accommodation booking to be made by Council.

Meals:

Council will meet meal expenses up to the limits prescribed in Council's HR Policy "Attendance at Conferences, Seminars, Workshops & Deputations Representing Council" or on the basis of reasonableness, as determined by the Mayor and General Manager. Council will not meet any expenses for alcohol or personal expenses.

Reporting Requirements following Councillor Attendance at Conferences, Seminars and Training and Educational Courses

Councillors will be required to report in writing to an open session of Council on the outcome of the Conference, Seminar, Training and Education sessions. This report must be submitted to the General Manager within one month of the Councillor's attendance at the Conference etc.

Where a group of Councillors attend the same event, the report may be submitted by the group, but must be signed by all Councillors.

The report to Council should be in writing and include the following:

- The purpose/subject matter of the conference, including the reason for the attendance of the delegate,
- The agenda of the conference,
- Any items of interest to Council discussed at the conference,
- Recommendations for further areas of action or investigation.

Local Travel Arrangements and Expenses

Councillors will be entitled to be reimbursed for travel from their home whilst carrying out civic duties at the rate per kilometre as set out in the Local Government (State) Award

Civic duties are defined as:

- Council, Councillor Workshops, Inspections and Committee meetings,
- Community meetings approved by the Mayor and General Manager,
- Meetings with staff approved by the General Manager,
- Seminars, conferences, training courses, formal and social functions where representing Council and approved by Council, the Mayor and General Manager,
- Meeting with residents in the course of discharging duties as Mayor or Councillor.

Costs of traffic or parking fines incurred whilst travelling in private or Council vehicles on Council business are the responsibility of the driver.

Where a Councillor must use another form of transport other than their own vehicle for travel within the Local Government area, then such approval must be obtained in advance from the Mayor and General Manager.

Travel Outside Local Government Area, Including Interstate Travel

Councillors must obtain approval in advance from Council for any travel outside of the Local Government area, including interstate travel.

Councillors will be entitled to travel to official engagements at Council's expense by the most practical method, e.g. airline, Council vehicle or private vehicle.

Councillors when travelling by airline will travel economy class or as determined by the General Manager. Any "Frequent Flyer" points accrued are to remain the property of the Council.

Where a Council travels in their own vehicle, they will be reimbursed at the appropriate per kilometre rate or airfare, whichever is the lower.

Upon request by Councillors, vehicles based at the Administration Building will be made available to enable Councillors to conduct inspections or attend conferences, seminars, workshops or meetings on Council related business.

Overseas Travel

Overseas travel should generally be avoided unless direct and tangible benefits can be demonstrated for Council.

Detailed proposals for overseas travel should be developed and included in a report to Council. These proposals shall include the nomination of the Councillor(s) undertaking the trip, the purpose of the trip and expected benefits. The duration, itinerary and approximate total cost of the trip should also be provided.

Overseas travel must be approved at an Open Council meeting prior to a Councillor undertaking the trip.

After returning from overseas, Councillors will provide a detailed written report to Council on the aspects of the trip relevant to Council business and/ or the local community. Councillors are also required to report back on their overseas travel to an Open meeting of the Council.

Computer Facilities:

Councillors will be provided with computer facilities to assist in undertaking civic duties. Currently this consists of a lap top computer, printer, modem, software and consumables.

Postage of Official Councillor Correspondence

Councillors will be reimbursed for official postage, provided that expenses can be verified and where it is impractical to use Council's own mailing system.

Gifts and Benefits

Where it is appropriate for the Councillors to give a gift or benefit (for example, on a Council business related trip or when receiving visitors), these gifts and benefits should be of a token value.

Insurance Expenses and Obligations

Councillors shall receive the benefit of insurance cover for:

- personal injury/accident
- public liability
- professional indemnity
- travel insurance
- illness while travelling - travel, accident or sickness

Legal Expenses and Obligations

In the event of any enquiry, investigation or hearing by any of:

- Independent Commission Against Corruption
- The Office of the Ombudsman
- The Department of Local Government, Department of Premier and Cabinet
- NSW Police Force
- The Director of Public Prosecutions, or
- The Local Government Pecuniary Interest and Disciplinary Tribunal into the conduct of a Councillor,
- Council's Conduct Review Committee/ Reviewer, or where

legal proceedings being taken against a Councillor arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a Mayor or Councillor, Council shall by resolution reimburse such Councillor, after the conclusion of the enquiry, investigation, hearing or proceeding, for all legal expenses properly and reasonably incurred, given the nature of the enquiry, investigation, hearing or proceeding, on a solicitor/client basis, PROVIDED THAT:

- (a) The amount of such reimbursement shall be reduced by the amount of any moneys that may be or are recouped by the Councillor on any basis; and
- (b) That the enquiry, investigation, hearing or proceeding results in a finding substantially favorable to the Councillor.

Note:

Legal expenses incurred in relation to proceedings arising out of the performance by a Councillor of his or her functions under the Act should be distinguished from expenses incurred in relation to proceedings arising merely from something which a Councillor has done during his or her term in office. An example of the latter is expenses arising from an investigation as to whether a Councillor acted corruptly by using knowledge of a proposed rezoning for private gain. This latter type of expense should not form part of a policy adopted under Section 252 of the Act.

Council will not meet the legal costs of legal proceedings initiated by a Councillor under any circumstance.

Council will not meet the legal costs of a Councillor seeking advice in respect of possible defamation, or in seeking a non-litigious remedy for possible defamation. Legal costs will not be met for legal proceedings that do not involve a Councillor performing their role as a Councillor.

Where doubt arises in relation to any of these points, Council should seek its own legal advice.

Additional Mayoral Expenses

Provision of a Motor Vehicle

A fully serviced motor vehicle will be provided for use by the Mayor. The vehicle is to be used for all official, executive and social duties connected with the Office of the Mayor and is provided to the Mayor for free and unrestricted use.

The type of vehicle that is provided is to be at a standard in accordance with Council's Replacement of Council Motor Vehicle Policy (P3).

Other Equipment, Facilities and Services

Other equipment, facilities and services that are to be provided by Council for the use of the Mayor are:

- suitably experienced and qualified person to provide executive assistance to support the Mayor
- assistance with the preparation of written material for publications, media releases, speeches and briefings for meetings and functions that the Mayor has been invited to attend
- a furnished office at the Council Administration building to enable the Mayor to undertake his/her civic duties
- a reserved car parking space provided at the Council administration building
- mayoral letterhead , envelopes and stationery
- light refreshments will be provided in the Mayoral office for entertaining and hosting purposes

- the provision of a Corporate Credit Card to be used on official Council business and for expenditure provided under the annual allocation for discretionary expenditure for the Office of the Mayor
- ceremonial clothing, including Mayoral robes and Chain of Office.

Part 3 - Provision of Facilities

General Provisions:

Council will provide facilities and equipment to each Councillor to ensure that they can undertake their civic duties in an appropriate manner. The facilities and equipment include:

Councillor Uniform and Protective Clothing

Male Councillors are entitled to a Council blazer, trousers, shirts and tie. Female Councillors are entitled to a Council blazer, skirt or slacks, blouse and scarf. Councillors are also issued with a Council name badge.

Protective apparel, if required, including hard hat and safety footwear, to accord with the NSW Occupational Health and Safety Act, for on site inspections.

Business Cards

Councillors will be initially issued with 250 business cards with replacements provided on request.

Stationery

Councillors will be provided with personalised letterheads and envelopes for exclusive use on Council related business.

Furniture and Equipment

Councillors will be provided with a two drawer filing cabinet on request. Councillors will also be provided with a fax/phone answering machine installed at their residence or office.

Council will meet the capital cost of acquiring the equipment, initial cost of installation and any maintenance/servicing of the equipment and will also be responsible for the cost of all consumables.

The Councillor shall be responsible for the good care and proper use of such equipment and promptly report any faults, malfunctions or service needs.

The Councillors telephone and fax numbers are to be made available to the public.

Newspapers, Industry Journals and Magazines

Upon request by Councillors, Council will provide, at its expense, copies of newspapers, industry magazines and publications for information and research purposes.

Meals and Refreshments at Council Meetings

Provision of meals and refreshments associated with Councillor attendance at Council and Committee meetings and Councillor Workshops or at any other time deemed appropriate by the Mayor and General Manager whilst on Council business.

Meeting Rooms and Councillors' Room

Provision of meeting room facilities, including telephone, photocopying facilities, computer and library in the Administration Building for the purposes of Council, Committee and resident meetings.

Located in the Councillors Room will be a subscription to Local Government Act and Planning and Environment Legislation and a subscription for the Local Government Regulations.

Secretarial Support

Limited secretarial support to assist in expense claims and organising attendance at conference, training and educational sessions and typing services for Council business only.

Car Parking Spaces

Provision of two (2) car parking spaces reserved for Councillors at the Council Administration Building in Port Macquarie while the Councillors are on Council business.

Security Fob

Councillors will be provided with a security fob for restricted access to the Administration building and the Councillors' room.

Private Use of Equipment and Facilities

The Model Code of Conduct provides that Council resources must be used ethically, effectively, efficiently and carefully. Council property, including intellectual property, official services and facilities must also not be misused by any person or body for private benefit or gain. Councillors must also avoid any action or situation that could create the appearance that Council resources are being used inappropriately.

A Councillor must not use any of the facilities allocated by Council for their own private use.

If a Councillor uses their Council provided fax or phone for their own private use, payment is to be made to Council for such use.

Under no circumstances will Council permit the use of Council resources, facilities and equipment for the initiation or issue of election material/letters. Such use is highly inappropriate and could represent a breach of the Model Code of Conduct for Local Councils in NSW. Councillors should refer to the DLG Circular 06-64 which relates to the Inappropriate Use of Council Resources.

Part 4 - Other Matters

Acquisition and Return of Facilities and Equipment by Councillors

Upon ceasing to be a Councillor or Mayor, all Council provided equipment must be returned to Council. A Councillor may purchase equipment at either trade in value or the price Council would obtain for its disposal or particular items may be purchased at its current written down value.

Annual Fees Payable to Councillors

Pursuant to Section 248 of the Local Government Act, Council shall, prior to 30 June each year, set by resolution, the annual fees to be paid to the Councillors for the following year commencing on 1 July provided that such fee shall be within the range for the Council determined annually by the Local Government Remuneration Tribunal. Such payment shall be subject to Section 254A of the Regulations and any specific resolution of the Council under Section 254A.

Annual Fees Payable to the Mayor

Pursuant to Section 249 of the Local Government Act, Council shall, prior to 30 June each year, set by resolution, the annual fees to be paid to the Mayor for the following year commencing on 1 July provided that such fee shall be within the range for the Council determined annually by the Local Government Remuneration Tribunal.

Fees Payable to the Deputy Mayor

The Deputy Mayor shall be paid a daily pro-rata fee equivalent to the daily Mayoral fee for the periods of time when the Mayor advises that he/she is prevented by absence, illness or otherwise from acting in, or when the Mayor requests the Deputy Mayor to act in, the office of Mayor. The amount of the fee so paid to the Deputy Mayor shall be deducted from the Mayor's annual fee. This clause is applicable only where the Deputy Mayor is required to fulfil the Mayoral role for a period of three days or more.

No Deduction under this Policy from Mayoral or Councillor Fees

Unless otherwise provided, the payment of , or reimbursement of expenses and the facilities that may be provided under this policy, shall be provided without reduction from the annual fees payable to the Mayor and Councillors, as determined by the Council under sections 248 to 254 inclusive of the Local Government Act, 1993.

Status of the Policy

The provisions of the "Payment of Expenses and Provision of Facilities for Mayor and Councillors" policy shall remain valid until revoked or amended by Council.

Attachment 1 - Financial Statements

S428(4)(a)

The Glasshouse Financial Statement for the year ended 30 June 2012

<u>Port Macquarie-Hastings Council</u>	Actual 2012 \$'000
Income Statement	
Income from continuing operations	
Grants and contributions provided for non capital purposes	103
Other income (Including hire charges)	1,370
Total income from continuing operations	1,473
Expenses from continuing operations	
Employee benefits and on-costs	2,170
Borrowing costs	1,536
Materials and contracts	1,928
Depreciation & impairment	1,893
Other expenses	398
Total expenses from continuing operations	7,925
Surplus (deficit) from continuing operations before capital amounts	-6,452
Capital Items	
Grants and contributions provided for capital purposes	53
Loan Principal Repayments	-1,079
Surplus (deficit) from continuing operations after capital amounts	-7,478
Add back : Non cash items	
Depreciation & impairment	1,893
Net Funding Result	-5,585

Note: Specific Operational Plan activities relating to the Glasshouse for 2011/12 can be found on pages 154-158 of this report.



**PORT MACQUARIE
HASTINGS**

PORT MACQUARIE-HASTINGS COUNCIL

Financial Statements

**STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
30 JUNE 2012**

Port Macquarie-Hastings Council

General Purpose Financial Statements

for the year ended 30 June 2012

Port Macquarie - Hastings Council

General purpose financial statements for the year ended 30 June 2012

Contents

	Page
General purpose financial statements	
Statement by Councillors and Management	1
Income statement	2
Statement of comprehensive income	3
Balance sheet	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7
Auditor's reports	

These financial statements are general purpose financial statements of Port Macquarie-Hastings Council and are presented in Australian currency.

Port Macquarie-Hastings Council is constituted under the Local Government Act (1993) and has its principal place of business at:

Port Macquarie-Hastings Council
Cnr Lord & Burrawan Streets
PORT MACQUARIE NSW 2444.

The financial statements are authorised for issue by the Council on 31 October 2012. Council has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our reporting is timely, complete, and available at minimum cost. All press releases, financial statements and other information are available on our website: www.pmhc.nsw.gov.au

Port Macquarie - Hastings Council

**General purpose financial statements
for the year ended 30 June 2012**

**Statement by Councillors and Management
made pursuant to Section 413(2)(c) of the Local Government Act
1993 (as amended)**

The attached General Purpose Financial Statements have been prepared in accordance with:

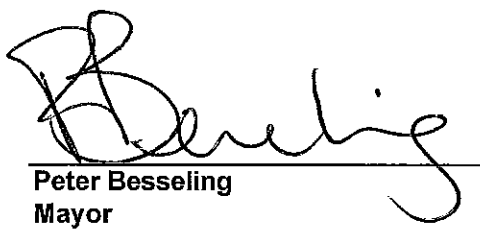
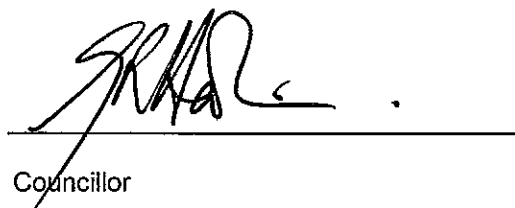
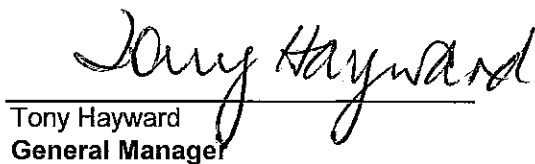
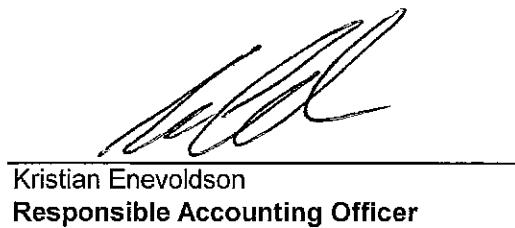
- * The Local Government Act 1993 (as amended) and the Regulations made thereunder.
- * The Australian Accounting Standards and professional pronouncements.
- * The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Statements:

- * presents fairly the Council's operating result and financial position for the year, and
- * accords with Council's accounting and other records.

We are not aware of any matter that would render this Report false or misleading in any way.

Signed in accordance with a resolution of Council made on 15 August 2012.


Peter Besseling
Mayor
Councillor
Tony Hayward
General Manager
Kristian Enevoldson
Responsible Accounting Officer

Port Macquarie - Hastings Council

Income statement

for the year ended 30 June 2012

Budget (1) 2012 \$'000		Notes	Actual 2012 \$'000	Actual 2011 \$'000
Income from continuing operations				
Revenue:				
68,599	Rates and annual charges	3a	70,093	67,041
23,712	User charges and fees	3b	24,413	22,849
2,550	Interest and investment revenue	3c	4,554	8,248
4,186	Other revenues	3d	5,370	5,603
12,475	Grants and contributions provided for operating purposes	3e,f	16,773	13,862
23,748	Grants and contributions provided for capital purposes	3e,f	24,126	28,913
Other Income:				
0	Net gain from the disposal of assets	5	0	0
0	Net share of interest in joint ventures and associates using the equity method		0	0
135,270	Total income from continuing operations		145,329	146,516
Expenses from continuing operations				
39,493	Employee benefits and on-costs	4a	36,124	35,139
6,468	Borrowing costs	4b	5,779	5,679
30,617	Materials and contracts	4c	33,293	31,088
42,068	Depreciation and amortisation	4d	46,963	41,032
9,637	Other expenses	4e	9,008	7,819
0	Interest and investment losses	3c	0	0
2,355	Net loss from disposal of assets	5	1,568	6,176
0	Share of interests in joint ventures and associates using the equity method		0	0
130,638	Total expenses from continuing operations		132,735	126,933
4,632	Operating result from continuing operations		12,594	19,583
0	Operating result from discontinued operations	24	0	-2,511
4,632	Net operating result for the year		12,594	17,072
Attributable to:				
4,632	- Council		12,594	17,072
	- Minority interests		0	0
4,632			12,594	17,072
-19,116	Net operating result for the year before grants and contributions provided for capital purposes		-11,532	-11,841

Note:

(1) Original budget as approved by Council - refer Note 16.

The above income statement should be read in conjunction with the accompanying notes

Port Macquarie - Hastings Council

Statement of comprehensive income for the year ended 30 June 2012

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
Net operating result for the year - from Income statement		12,594	17,072
Other comprehensive income			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	20b	200,965	112,333
Gain (loss) on revaluation of available-for-sale investments	20b	17	517
Realised available-for-sale investment gains recognised in revenue	20b	0	-16
Adjustment to correct prior period errors	20a	-4,160	0
Total other comprehensive income for the year		<u>196,822</u>	<u>112,834</u>
Total comprehensive income for the year		<u>209,416</u>	<u>129,906</u>
Attributable to - Council		209,416	129,906
- Minority interests		0	0

The above Statement of comprehensive income should be read in conjunction with the accompanying notes

Port Macquarie - Hastings Council

Balance sheet as at 30 June 2012

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	6a	9,487	9,024
Investments	6b	61,904	45,975
Receivables	7	15,683	14,499
Inventories	8	1,032	1,011
Other	8	732	706
Non-current assets classified as held for sale	22	1,999	1,999
Total current assets		90,837	73,214
Non Current Assets			
Investments	6b	32,892	29,681
Receivables	7	5,275	7,491
Inventories	8	168	168
Infrastructure, property, plant and equipment	9	1,968,224	1,784,599
Investments accounted for using equity method	19	0	0
Investment property	14	0	0
Intangible assets		0	0
Other	8	0	0
Total non-current assets		2,006,559	1,821,939
Total assets		2,097,396	1,895,153
LIABILITIES			
Current liabilities			
Payables	10	9,298	9,979
Borrowings	10	8,726	8,076
Provisions	10	15,072	13,791
Total current liabilities		33,096	31,846
Non-current liabilities			
Payables	10	7,147	8,624
Borrowings	10	80,686	87,843
Provisions	10	1,673	1,462
Total non-current liabilities		89,506	97,929
Total liabilities		122,602	129,775
Net assets		1,974,794	1,765,378
EQUITY			
Retained earnings	20	954,314	945,880
Revaluation reserves	20	1,020,480	819,498
Council equity interest		0	0
Minority equity interest		0	0
Total equity		1,974,794	1,765,378

The above Balance sheet should be read in conjunction with the accompanying notes.

Port Macquarie - Hastings Council

Statement of changes in equity
for the year ended 30 June 2012

		Actual 2012 \$'000				
	Notes Ref.	Retained earnings	Asset revaluation reserve	Other Reserves	Council equity interest	Total equity
Opening balance	20	945,880	819,525	-27	1,765,378	1,765,378
Correction of errors					0	0
Changes in Accounting Policies	1(u)	0			0	0
Restated opening balance		945,880	819,525	-27	1,765,378	1,765,378
Net operating result for the year		12,594			12,594	12,594
Other comprehensive income	20	-4,160	200,965	17	196,822	196,822
Total comprehensive income	20	8,434	200,965	17	209,416	209,416
Closing balance	20	954,314	1,020,490	-10	1,974,794	1,974,794

		Actual 2011 \$'000				
	Retained earnings	Asset revaluation reserve	Other Reserves	Council equity interest	Total equity	
	880,826	707,192	-528	1,587,490	1,587,490	
				0	0	
	47,982			47,982	47,982	
	928,808	707,192	-528	1,635,472	1,635,472	
	17,072			17,072	17,072	
		112,333	501	112,834	112,333	
	17,072	112,333	501	129,906	129,906	
	945,880	819,525	-27	1,765,378	1,765,378	

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

Port Macquarie - Hastings Council

Statement of cash flows

for the year ended 30 June 2012

Budget			Actual	Actual
2012			2012	2011
\$'000		Notes	\$'000	\$'000
Cash flows from operating activities				
Receipts:				
69,026	Rates and annual charges		69,702	66,233
25,018	User charges and fees		26,015	22,722
4,483	Investment revenue and interest		5,345	3,924
29,179	Grants and contributions		31,375	26,252
	Deposits and retentions received		1,446	3,375
12,559	Other		12,669	11,303
Payments:				
-37,864	Employee benefits and on-costs		-34,750	-35,466
-36,278	Materials and contracts		-39,449	-38,286
-5,983	Borrowing Costs		-5,759	-5,681
	Deposits and retentions refunded		-1,090	-702
-12,427	Other		-10,383	-9,820
47,713	Net cash provided by operating activities	11 (b)	55,121	43,854
Cash flows from investing activities				
Receipts:				
26,044	Sale of Investments	6	49,232	26,192
	Sale of real estate assets	5,8	199	1,167
	Sale of infrastructure, property, plant and equipment	5	539	1,398
	Other		0	848
Payments:				
-24,060	Purchase of investments	6	-67,000	-51,000
-45,297	Purchase of infrastructure, property, plant and equipment	9	-31,121	-31,798
	Other			
-43,313	Net cash used in investing activities		-48,151	-53,193
Cash flows from financing activities				
Receipts:				
1,000	Borrowings and advances		1,000	1,000
Payments:				
-7,712	Borrowings and advances		-7,177	-7,771
-6,712	Net cash used in financing activities		-6,177	-6,771
-2,312	Net increase/(decrease) in cash and cash equivalents		793	-16,110
8,694	Cash and cash equivalents at beginning of reporting period	11(a)	8,694	24,804
6,382	Cash and cash equivalents at end of reporting period	11	9,487	8,694

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

Port Macquarie - Hastings Council

Notes to the financial statements for the year ended 30 June 2012

Contents of the notes to the financial statements

	Page
Note 1 Summary of significant accounting policies	7-18
Note 2(a) Functions or activities	19
Note 2(b) Components of functions or activities	20
Note 3 Income from continuing operations	21-26
Note 4 Expenses from continuing operations	27-29
Note 5 Gain or loss from disposal of assets	30
Note 6(a) Cash and cash equivalents	31
Note 6(b) Investments	32
Note 6(c) Restricted cash, cash equivalents and investments	33
Note 7 Receivables	34
Note 8 Inventories and other assets	35
Note 9(a) Infrastructure, property, plant and equipment	36
Note 9(b) Restricted infrastructure, property, plant and equipment	37
Note 10(a) Payables, borrowings and provisions	38
Note 10(b) Description of and movements in provisions	39
Note 11 Reconciliation of cash flow movements	40-41
Note 12 Commitments for expenditure	42
Note 13 Statement of performance measures - Consolidated results	43-44
Note 13 (b) Statement of performance measures - by Fund	45
Note 14 Investment properties	46
Note 15 Financial Risk Management	47-51
Note 16 Material budget variations	52-53
Note 17 Statement of developer contributions	54-55
Note 18 Contingencies	56
Note 19 Interests in joint ventures and associates	57
Note 20 Revaluation reserves and retained earnings	58
Note 21 Results by fund	59-60
Note 22 Non-current assets classified as held for sale	61
Note 23 Events occurring after balance sheet date	62
Note 24 Discontinued Operation	63
Note 25 Reinstatement, rehabilitation and restoration liabilities	64

Note 1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

This general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board, The Local Government Act (1993) and Regulation, and the Local Government Code of Accounting Practice and Financial Reporting. Port Macquarie-Hastings Council is a not for-profit entity for the purpose of preparing the financial statements.

(i) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2011 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(ii) Early adoption of standards

Port Macquarie-Hastings Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2011.

(iii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and investment property.

(iv) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgements in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

** Critical accounting estimates and assumptions*

Port Macquarie-Hastings Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

- (i) Estimated fair values of investment properties.
- (ii) Estimated fair values of infrastructure, property, plant & equipment.
- (iii) Estimated tip remediation provisions.

** Critical judgements in applying the entity's accounting policies**(i) Impairment of Receivables*

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

(ii) Projected Section 94 Commitments

Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

(b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is measured on major income categories as follows:

Rates, annual charges, grants and contributions

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Note 1 Summary of significant accounting policies

Revenue is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g). The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User charges and fees

User charges and fees are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Sale of plant, property, infrastructure and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and rents

Interest and rents are recognised as revenue on proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

(c) Principles of consolidation*(i) The Consolidated Fund*

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated fund:

- * General purpose operations
- * Water supply
- * Sewerage service
- * Waste management service

(ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

(iii) Associates

Associates are all entities over which the Council has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iv) Joint Ventures

Jointly controlled assets.

The proportionate interests in the assets, liabilities and expenses of a joint venture activity have been incorporated in the financial statements under the appropriate headings. Details of the activity are set out in Note 19.

Joint venture entities

The interest in a joint venture partnership is accounted for using the equity method after initially being recognised at cost. Under the equity method, the share of the profits or losses of the partnership is recognised in profit or loss, and the share of post acquisition movements in reserves is recognised in other comprehensive income. Details relating to the partnership are set out in Note 19.

Profits or losses on transactions establishing the joint venture partnership and transactions with the joint venture are eliminated to the extent of the Council's ownership interest until such time as they are realised by the joint venture partnership on consumption or sale. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets, or an impairment loss.

Note 1 Summary of significant accounting policies**(d) Leases**

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is not reasonable certainty that Council will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases where Council is a lessor is recognised as income on a straight-line basis over the lease term.

(e) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured at the fair value of the assets given, plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(f) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the income statement within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

(i) Inventories

(i) *Raw materials and stores, work in progress and finished goods.*

Note 1 Summary of significant accounting policies

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost includes the transfer from equity of any gains/losses on qualifying cash flow hedges relating to purchases of raw material. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

ii) Land held for resale/capitalisation of borrowing costs

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

(j) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the income statement.

(k) Investments and other financial assets**Classification**

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are designated by Council as such on recognition or comprise financial assets held for trading which are acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables (note 8) and receivables (note 7) in the balance sheet.

(iii) Held-to-maturity investments

Note 1 Summary of significant accounting policies

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Financial assets - reclassification

Council may choose to reclassify non-derivative trading financial assets out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, Council may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date - the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of 'financial assets at fair value through profit or loss' category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Details on how the fair value of financial instruments is determined are disclosed in note 1(l).

Impairment

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the assets are impaired.

(i) Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

Note 1 Summary of significant accounting policies**Investment Policy**

Council has an approved investment policy complying with Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005. Investments are placed and managed in accordance with that policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order. Council maintains an investment policy that complies with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments the Council holds are no longer prescribed - for example managed funds, CDO's and equity linked notes - however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

(l) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

(m) Infrastructure, property, plant and equipment (IPPE)

Council's assets have been progressively revalued to fair value in accordance with a staged implementation advised by the Division of Local Government. At balance date the following classes of IPPE were stated at their fair value:

- * Operational Land (External Valuation).
- * Buildings - Specialised/Non Specialised (External Valuation).
- * Water/Sewerage Networks (External Valuation).
- * Plant and equipment (as approximated by depreciated historical cost).
- * Road assets - roads, bridges and footpaths (Internal Valuation)
- * Drainage assets - (Internal Valuation)
- * Bulk Earthworks - (Internal Valuation)
- * Community Land - (Internal Valuation)
- * Land Improvements - (Internal Valuation)
- * Other Structures - (Internal Valuation)
- * Other Assets - (Internal Valuation)

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual. For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken for all assets on a 5 year cycle.

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserve directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the Income Statement.

Note 1 Summary of significant accounting policies

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Office equipment	5 to 10 years
Office furniture	10 to 20 years
Vehicles and road making equipment	5 to 8 years
Other plant and equipment	5 to 15 years
Buildings - masonry	50 to 100 years
Buildings - other construction	20 to 40 years
Playground equipment	5 to 15 years
Benches, seats etc	10 to 20 years
Dams and reservoirs	40 to 100 years
Bores	20 to 40 years
Reticulation pipes - PVC	40 years
Reticulation pipes - other	40 to 100 years
Pumps and telemetry	10 to 50 years
Drains	80 to 100 years
Culverts	50 to 80 years
Flood control structures	80 to 100 years
Sealed roads - Surface	20 years
Sealed roads - Structure	50 years
Unsealed roads	20 years
Bridges - Concrete	100 years
Bridges - Other	50 years
Bulk earthworks	infinite

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Land, other than land under roads, is classified as either operational or community in accordance with Part 2 of Chapter 6 of the Local Government Act (1993). This classification is made in Note 9(a).

Change in Accounting Estimate - Depreciation

A reassessment of the useful life of Water and Sewerage infrastructure assets was undertaken with the revaluation of those infrastructure asset as at 30 June 2012. The change in useful life will result in the depreciation expense reported for Water and Sewerage infrastructure asset do decrease in future years. A summary of the reduced depreciation expense and the impact on the Net Operating result for the 2013 and future years is shown below:

Assets	Current year	2012/13	Net Operating Result Impact
	(\$'000)	(\$'000)	(\$'000)
Water	8,212	6,628	-1,584
Sewerage	6,179	6,673	494

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Investment property is carried at fair value, which is based on active market prices, adjusted, if necessary, for an difference in the nature, location or condition of the specific assets. If this information is not available, Council uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a member of the Australian Property Institute. Changes in fair values are recorded in the income statement as part of other income.

Investment property now also includes properties that are under construction for future use as investment properties. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete. This is different to previous years where properties under construction were accounted for at cost and presented under property, plant and equipment until construction was complete. The change in policy was necessary following changes made to AASB 140 Investment Property as a result of the IASB's 2008 Improvements standard.

Note 1 Summary of significant accounting policies**(o) Payables**

These amounts represent liabilities for goods and services provided to the Council prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(q) Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

(r) Provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee benefits*(i) Short-term obligations*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and vesting sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and vesting sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(ii) Vesting Sick leave

When an employee becomes deceased, or in the event of retirement, resignation or redundancy from the service of Council, and provided this separation is not a result of disciplinary action, the employee will be paid a proportion of untaken sick leave on the following basis:

10 - 15 years service	30%
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Note 1 Summary of significant accounting policies

15 years service and over

50%

provided that all new employees either commencing, or recommencing employment with Council, after 10 July 2008, are precluded from accessing payment for untaken sick leave on termination of employment.

The liability for vesting sick leave is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided up to the reporting date.

(iii) *Retirement benefit obligations*

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans (see below).

The Local Government Superannuation Scheme has advised member councils that as a result of the global financial crisis, it has a significant deficiency of assets over liabilities. As a result they have asked for significant increases in contributions from to recover that deficiency. Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has, however, disclosed a contingent liability in note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(t) Rounding of amounts

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

(u) Land under roads

Council has elected to recognise land under roads in accordance with AASB 1051. Council has used the "Englobo" valuation method for land under roads. This requires an average Site Value (SV) for each suburb within the Council area on a \$ per m2 has to be calculated. The site value is "the value of the underlying land assuming that any existing improvements have not been made. It also assumes that the land is not encumbered by any lease, mortgage or other charge". Australian Property Institute, 2004. Adjustment factors for 65% and 25% respectively have been applied for Englobo value and access and carriageway tights and infrastructure (other users for carriageway reserve and infrastructure).

Land under roads acquired is recognised in accordance with AASB 116 - Property, Plant and Equipment.

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Provisions for close down and restoration and for environmental clean up cost - Waste Management

(v) Facilities

(i) Restoration

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down and restoration costs are a normal consequence of waste management facility operations, and the majority of the close down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period. The amortisation of the discount is shown as a borrowing cost.

Note 1 Summary of significant accounting policies

Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

(ii) Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date. These cost are charged to the income statement. Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost. Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations. The expected timing of expenditure can also change. As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would effect future financial results.

(w) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the ensuing 12 months, being the Council's operational cycle. In the case of liabilities where council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

(x) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2012 reporting periods. Port Macquarie-Hastings Council's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013)*

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. The standard is not applicable until 1 January 2013* but is available for early adoption. When adopted, the standard will affect in particular the Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

There will be no impact on the Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Council does not have any such liabilities. The derecognition rules have been transferred from AASB 139 *Financial Instruments: Recognition and Measurement* and have not been changed.

** In December 2011, the IASB delayed the application date of IFRS 9 to 1 January 2015. The AASB is expected to make an equivalent amendment to AASB 9 shortly.*

(ii) AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013).

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 *Consolidated and Separate Financial Statements*, and Interpretation 12 *Consolidation - Special Purpose Entities*. The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities. It focuses on the need to have both power and rights or exposure to variable returns. Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns. There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

Note 1 Summary of significant accounting policies

AASB 11 introduces a principles based approach to accounting for joint ventures. The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement. Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture. Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted. Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard. AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules. As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128. Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

(iii) AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective 1 January 2013)

AASB 13 was released in September 2011. It explains how to measure fair value and aims to enhance fair value disclosures. Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance. It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements. Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 Jun 2014.

(iv) Revised AASB 119 *Employee Benefits*, AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB119 (September 2011)* and AASB 2011-11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* (effective 1 January 2013).

In September 2011, the AASB released a revised standard on accounting for employee benefits. It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset. This replaces the expected return on plan assets that is currently included in profit or loss. The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits. The amendments will have to be implemented retrospectively. Council does not recognise defined benefit assets and liabilities for the reasons set out in note 1 (s)(iii) and so these changes will not have an impact on its reported results.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(y) Intangible assets*IT Development and software*

Costs incurred in developing products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs or materials and service, direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

(z) Crown Reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Note 1 Summary of significant accounting policies

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Representations from both State and Local Government are being sought to develop a consistent accounting treatment for Crown Reserves across both tiers for government.

(aa) Rural Fire Service assets

Under section 119 of the Rural Fire Services Act 1997, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed". Until such time as discussions on this matter have concluded and the legislation changed, Council will recognise rural fire service assets including land, buildings, plant & vehicles.

(bb) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of the acquisition of the asset for as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows, arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Note 2(a) Functions or activities

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities areas are provided in Note 2(b).													
Functions/Activities	Income from continuing operations			Expenses from continuing operations			Operating result from continuing operations			Grants included in income		Total assets held (current and non-current)	
	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Original Budget	Actual	Actual	Actual	Actual	Actual	Actual
	2012	2012	2011	2012	2012	2011	2012	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Governance				5,297	4,330	4,576	-5,297	-4,330	-4,576			240	140
Administration	147	683	586	1,708	1,263	2,425	-1,561	-580	-1,839	20	17	36,035	35,896
Public order & safety	1,449	1,161	1,785	3,546	3,957	3,974	-2,097	-2,796	-2,189	667	1,058	16,598	16,765
Health				1	2	50	-1	-2	-50	166		24	28
Environment	17,396	20,384	18,579	21,719	22,313	19,644	-4,323	-1,929	-1,065	1,895	1,203	110,810	98,720
Community services & education	83	667	285	1,810	1,625	1,769	-1,727	-958	-1,484	570	291	3,801	3,464
Housing & community amenities	2,162	2,627	2,492	5,590	5,633	5,526	-3,428	-3,006	-3,034	117	159	21,856	29,261
Water supplies	21,868	23,251	21,627	18,902	18,746	18,156	2,966	4,505	3,471	1,315	504	488,287	398,709
Sewerage services	22,923	22,760	26,013	18,451	16,747	16,661	4,472	6,013	9,352	675	339	313,654	258,881
Recreation & culture	2,779	6,571	3,958	18,269	20,514	16,780	-15,490	-13,943	-12,822	3,506	656	157,007	156,890
Mining, manufacturing & construction	1,284	1,018	1,178	2,384	2,415	2,163	-1,100	-1,397	-985			380	404
Transport & communication	19,546	17,954	23,946	29,887	31,829	32,351	-10,341	-13,875	-8,405	5,484	2,000	938,510	886,064
Economic affairs	1,636	2,090	1,980	3,074	3,361	2,858	-1,438	-1,271	-878	128	5	10,194	9,931
Total functions & activities	91,273	99,166	102,429	130,638	132,735	126,933	-39,365	-33,569	-24,504	14,543	6,232	2,097,396	1,895,153
General Purpose Income (1)	43,997	46,163	44,087				43,997	46,163	44,087	11,817	9,194		
Totals	135,270	145,329	146,516	130,638	132,735	126,933	4,632	12,594	19,583	26,360	15,426	2,097,396	1,895,153

Note (1) Includes :

Rates and annual charges

Non-capital general purpose grants

Interest and investment revenue

As reported on the income statement.

Note 2(b) Components of functions or activities

(continued)

Details of the functions or activities reported on in Note 2(a) are as follows:

Governance

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

Administration

Which includes corporate support and other support services.

Public order and safety

Fire protection, emergency services, animal control, beach control, enforcement of local government regulations, other.

Health

Administration and inspection, immunisations, food control, health centres, other.

Environment

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

Community services and education

Administration and education, social protection, aged persons and disabled, childrens services.

Housing and community amenities

Public cemeteries, public conveniences, street lighting, town planning, other community amenities.

Water Supplies

Sewerage Services

Recreation and culture

Public libraries, museums, art galleries, community centres and halls, performing arts venues, other performing arts, other cultural services, sporting grounds and venues, swimming pools, parks and gardens, other sport and recreation.

Mining, manufacturing and construction

Building control, other.

Transport and communications

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, water transport, RMS works, other.

Economic Affairs

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, real estate development, other business undertakings.

Note 3 Income from continuing operations

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(a) Rates and annual charges		
Ordinary Rates		
Residential	27,707	26,679
Farmland	2,011	1,952
Business	6,229	6,045
Total ordinary rates	35,947	34,676
Special Rates		
Broadwater Special Rate	83	71
Sanctuary Springs Special Rate	18	16
Total special rates	101	87
Annual Charges (pursuant to s.496, 496A, 496B, 501 & 611)		
Domestic waste management services	9,213	9,556
Water supply	5,362	4,986
Sewerage services	17,389	16,466
Waste management services (not domestic)	1,348	545
Stormwater Drainage	722	715
Reclaimed Water	11	10
Total annual charges	34,045	32,278
Total rates and annual charges	70,093	67,041

Council has used 2009 valuations provided by the NSW Valuer General in calculating its rates.

Note 3 Income from continuing operations (continued)

Notes to the financial statements
30 June 2012
(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(b) User charges and fees		
User charges <i>(pursuant to s.502)</i>		
Water supply services	10,906	10,426
Sewerage services	801	777
Waste management services (not domestic)	3,248	3,029
Onsite Effluent	153	145
Reclaimed Water	27	24
Total user charges	15,135	14,401
Fees		
Administration	225	165
Animal registration	67	98
Beach permits	22	23
Caravan parks	264	231
Certificate income	199	177
Crematorium/cemeteries	1,152	1,107
Health	48	46
Private Works	961	375
s.611	54	53
Section 68 permits	408	450
Sewerage Services	12	16
Transport & communications	3,929	3,682
Planning & building - Regulatory	1,533	1,602
Water meter installations	318	335
Water supply fees	86	88
Total fees	9,278	8,448
Total user charges and fees	24,413	22,849

Note 3 Income from continuing operations (continued)

Notes to the financial statements

30 June 2012

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(c) Interest and Investment revenue (losses) (1)		
Interest and Dividends		
- Overdue rates and charges	602	490
- Cash and Investments	5,286	4,680
Fair value adjustments		
- Investments at fair value through the profit and loss	675	589
- Investments classified as available for sale	-2,009	2,489
Premiums recognised on financial instrument transactions		
- Interest free loan from State Government	0	0
Total interest and investment revenue (losses) (1)	4,554	8,248
(d) Other revenues		
Administration	376	237
Animal Control	31	29
Caravan Parks	306	306
Community services	9	23
Economic affairs	347	462
Environment	150	180
Fines	407	573
Housing and community amenities	116	159
Information/document sales	50	86
Library charges	116	118
Public order and safety	7	11
Recreation and cultural facilities	23	53
Rental of council facilities	517	487
Sewerage services	29	13
Transport and communications	10	671
The Glasshouse	1,351	1,019
Waste management revenues	1,499	1,055
Water supplies	26	121
Total other revenues	5,370	5,603

Note:

(1) Where interest and investment revenue nets to an overall loss, this is carried to the interest and investment losses line on the Income Statement.

Note 3 Income from continuing operations (continued)

(continued)

	Operating		Capital	
	Actual	Actual	Actual	Actual
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
(e) Grants				
General purpose (Untied)				
Financial assistance	10,997	8,385		
Pensioners' rates subsidies:				
- General	821	809		
Special purpose				
Pensioners' rate subsidies:				
- Water	364	504		
- Sewer	343	337		
- Domestic waste management	306	298		
Airport			3,500	
Administration		0		
Community services and education	661	117		156
Economic affairs	203	24		
Employment and training programmes	24	26		
Health	125	125		
Housing and community amenities	379	635	900	31
Library	142	143		
Public order and safety	536	399	131	658
The Glasshouse	74	68		
Recreation and culture	5	11	2,312	453
Roads and bridges	55	163	2,901	1,809
Sewerage services			329	0
Stormwater				
Street lighting	97	95		
Transport (3x3, Flood works, Roads to Recovery)				
Waste management	203	180		
Water supplies			952	
Total grants	15,335	12,319	11,025	3,107
Comprising:				
- Commonwealth funding	11,764	8,632	7,292	1,336
- State funding	3,560	3,667	3,733	1,771
- Other funding	11	20		
	15,335	12,319	11,025	3,107
(f) Contributions				
Developer Contributions				
- Section 94	107	163	2,586	3,839
- Section 94A			187	48
- Planning agreements			-2,127	93
RMS contributions (Regional/Local, Block Grant)	1,136	1,122		
Section 64:				
- Water			3,215	3,365
- Sewerage			1,180	1,511
Dedications			7,300	16,656
Administration	2	0		
Community services and education		10		
Economic affairs	46	104		
Environmental Protection	30			
Housing and community amenities	29	47		5
Public order and safety		0		44
Recreation and culture	59	4	235	85
Sewerage services				
Street Lighting	1	2		
The Glasshouse	28	51		
Transport and communications		40	91	51
Water supplies			434	109
Total contributions	1,438	1,543	13,101	25,806
Total grants and contributions	16,773	13,862	24,126	28,913

Note 3 Income from continuing operations (continued)

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(g) Restrictions relating to grants and contributions		
Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner:		
Grants and contributions recognised in the current period which have not been spent	23,345	12,781
Less:		
Grants and contributions recognised in previous reporting periods which have been spent in the current reporting period	12,632	9,873
Net increase/(decrease) in restricted grants and contributions	10,713	2,908
(h) Significant Items		
The following items have impacted Council's operating result.		
Increase in the value of investments.		
At Fair Value through Profit & Loss		
Council has designated a proportion of its investments portfolio as "at fair value through profit and loss". Any movement in the fair value of these investments is recognised as revenue or expense in the income statement. There has been an increase in the fair value of these investments during the financial year (Refer Note 3c).	675	589
Available for Sale		
Council has designated a proportion of its investments portfolio as "available for sale". In accordance with Australian Accounting Standard 139 the movement in the fair value of these investments is recognised in equity up until the point in time where Council considers them to be impaired. Once each investment is considered to be impaired the cumulative movement in fair value from the time of purchase to the date of impairment is required to be transferred to the Income Statement. Thereafter any fair value gains or losses are immediately recognised in the income statement. The increase in fair value attributable to impaired assets classified as available for sale for the financial year and recognised in the income statement is:	-2,009	2,489
Write off of S64 Liability		
In 1996 Council created a liability for S64 contributions due to the Public Works Department in respect of its share of S64 contributions received by Council for subsidised water and sewerage schemes. A proportion of the water supply liability was paid out in 2001. A detailed investigation has taken place on the remaining liability in 2011/12 and an reduction to the water liability and Section 64 contributions revenue has been necessary.	1,477	

Note 3 Income from continuing operations (continued)

(continued)

	Actual	Actual
	0	0
	\$'000	\$'000

Adjustment to Voluntary Planning Receivable

During 2010 and 2011 PMHC raised a receivable under a Voluntary Planning Agreement established in 2008 relating to the payment of water supply contributions relating to a substantial development. The revised terms of this agreement include varying the payment schedule under the agreement. Accordingly the receivable and Section 64 contributions revenue under planning agreements have been reduced to match the terms of the varied agreement.

-2,188

-2,045

3,078

Note 4 Expenses from continuing operations

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(a) Employee benefits and on costs		
Salaries and wages	26,595	26,244
Travelling	1,961	1,792
Employee leave entitlements	5,006	4,039
Superannuation	3,463	3,663
Workers' compensation insurance	905	912
Fringe Benefits Tax	121	150
Payroll Tax	458	479
Training costs (excluding Salaries)	222	282
Other	94	88
Less: Capitalised costs	-2,701	-2,510
Total employee costs expensed	36,124	35,139
Number of FTE employees	444	452
(b) Borrowing Costs		
Interest on Overdrafts	0	0
Interest on Loans	6,258	6,440
Amortisation of discounts and premiums:		
- Tip remediation	21	22
Less: Capitalised costs	-500	-783
Total borrowing costs expensed	5,779	5,679

Note 4 Expenses from continuing operations

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(c) Materials and contracts		
Raw materials and consumables	19,147	19,122
Contractor and consultancy costs	9,192	7,104
- Domestic waste management contract	4,524	4,348
Remuneration of Auditors (1)	84	74
Legal fees:		
- Planning and development	11	85
- Other	335	355
Total materials and contracts	33,293	31,088

Note 1

During the year the following fees were paid or payable for services provided by the Council's auditor - Thomas Noble & Russell

<i>(i) Audit and other assurance services</i>	
Audit and review of financial statements	72
Other assurance services	
- Review of controls	12
Total remuneration for audit and other assurance services	84
 Total remuneration of Thomas Noble & Russell	 84

Note 4 Expenses from continuing operations

(continued)

	Depn/Amor Actual 2012 \$'000	Depn/Amor Actual 2011 \$'000	Imp (1) Actual 2012 \$'000	Imp Actual 2011 \$'000
(d) Depreciation, amortisation and impairment				
Plant and equipment	2,303	2,438		
Office equipment	1,167	1,173		
Furniture & fittings	452	408		
Leased property, plant and equipment	3	3		
Land Improvements (depreciable)	364	844		
Land			970	
Buildings - Non Specialised	4,063	4,218		144
Other Structures	3,344	435		
Infrastructure:				
- roads, bridges and footpaths	16,348	15,165		
- storm water drainage	2,049	1,560		
- water supply network	8,212	8,377	125	
- sewerage network	6,179	5,967	1,128	
Other Assets:				
- heritage collections	3	4		
- library books	210	238		
- other	30	45		
Tip asset	13	13		
Total depreciation and total impairment	44,740	40,888	2,223	144
			Actual	Actual
			2012	2011
			\$'000	\$'000

(e) Other expenses

Other expenses for the year including the following:

Bad & Doubtful Debts	-6	13
Administrator Expenses	131	244
Insurance	1,176	1,205
Street lighting	1,050	1,000
Electricity and heating	3,300	2,778
Telephones	392	399
Contributions and donations	492	245
Bank charges and fees	198	213
Valuation fees	164	151
Payment to other Levels of Government	2,111	1,571
Total other expenses from continuing operations	9,008	7,819

Note 5 Gain or loss from disposal of assets

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
Gain (or loss) on disposal of Property		
Proceeds from disposal	199	1,167
Less: Carrying amount of assets sold	659	1,208
Gain (or loss) on disposal	-460	-41
Gain (or loss) on disposal of Plant and Equipment		
Proceeds from disposal	539	1,398
Less: Carrying amount of assets sold	556	1,838
Gain (or loss) on disposal	-17	-440
Gain (or loss) on disposal of Real Estate assets held for sale		
Proceeds from sales		
Less: Cost of sales		
Gain (or loss) on disposal	0	0
Gain (or loss) on disposal of Infrastructure Assets		
Proceeds from disposal		0
Less: Carrying amount of infrastructure assets	3,788	5,695
Gain (or loss) on disposal	-3,788	-5,695
Gain (or loss) on disposal of Financial Assets		
Proceeds from disposal	49,232	26,192
Less: Carrying value of financial assets	46,535	26,192
Gain (or loss) on disposal	2,697	0
Net gain (or loss) from disposal of assets	-1,568	-6,176

Note 6(a) Cash and cash equivalents

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
Cash at bank and on hand	31	185
Deposits at call	9,456	8,839
	9,487	9,024

Note 6(b) Investments

(continued)

The following financial assets are held as investments

	Actual 2012		Actual 2011	
	Current	Non-Current	Current	Non-Current
	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through Profit and Loss	5,914	6,513	1,985	11,760
Held to maturity investments	54,000	25,000	40,000	12,000
Available for sale financial assets (1)	1,990	1,379	3,990	5,921
Total	61,904	32,892	45,975	29,681
Financial assets at fair value through Profit and Loss				
At beginning of year	1,985	11,760	0	11,347
Revaluation to Income statement	294	373	93	497
Additions			0	3,000
Disposals	-1,985	0	-1,192	0
Transfer b/w Current & Non-Current	5,620	-5,620	3,084	-3,084
At end of year	5,914	6,513	1,985	11,760
Comprising of:				
- Equity Linked Notes	5,914	3,548	1,985	8,768
- Floating Rate Notes		2,965	0	2,992
	5,914	6,513	1,985	11,760
Held to maturity investments				
At beginning of year	40,000	12,000	21,000	4,000
Additions	42,000	25,000	37,000	11,000
Disposals (Sale/Redemption)	-40,000		-21,000	0
Transfer b/w Current & Non-Current	12,000	-12,000	3,000	-3,000
At end of year	54,000	25,000	40,000	12,000
Comprising of:				
- Term Deposits	54,000	25,000	40,000	12,000
	54,000	25,000	40,000	12,000
Available for sale financial assets				
At beginning of year	3,990	5,921	4,016	6,905
Additions			0	0
Disposals	-4,000	-550	-4,000	0
Transfer b/w Current & Non-Current	1,983	-1,983	3,738	-3,738
Revaluation to equity	17		236	265
Revaluation to income statement		-2,009	0	2,489
At end of year	1,990	1,379	3,990	5,921
Comprising of:				
- Floating Rate Notes	1,990		3,990	1,983
- Collateralised Debt Obligations		1,379	0	3,938
	1,990	1,379	3,990	5,921

Note:

(1) Fair values for all investments in this Category are determined by quoted prices in active markets for identical investments.

Note 6(c) Restricted cash, cash equivalents and investments

(continued)

	Actual 2012		Actual 2011	
	Current \$'000	Non-Current \$'000	Current \$'000	Non-Current \$'000
Total cash, cash equivalents and investments	71,391	32,892	54,999	29,681
External restrictions	51,332	32,892	35,747	29,681
Internal restrictions	19,979		19,041	
Unrestricted	80		211	
	71,391	32,892	54,999	29,681

	Notes	Opening Balance \$'000	Transfers to restrictions \$'000	Transfers from restrictions \$'000	Closing balance \$'000
External Restrictions					
Developer Contributions (A)		33,887	5,555	3,922	35,520
Unexpended Contributions (B)		662	149	446	365
Unexpended Grants (C)		3,624	12,404	3,027	13,001
Water (D)		10,082	8,483	5,023	13,542
Sewerage (E)		11,532	8,156	3,944	15,744
Employee Leave Entitlements (Water, Sewerage, Waste)		1,289			1,289
Broadwater Special Rate (F)		628	147		775
Sanctury Springs Special Rate (G)		58	21		79
Domestic Waste Management (H)		3,314	2,239	1,891	3,662
Stormwater Management		352		105	247
Total external restrictions		65,428	37,154	18,358	84,224

Internal Restrictions

Airport	56	529	544	41
Canal Maintenance	297	54		351
CBD Townscape	3,028	1,148	623	3,553
Committed Works	2,479	564	893	2,150
Crematorium	449	239	41	647
Council Election	140	100		240
Crown Reserves	143	196	29	310
Cultural Activities	53	25		78
Employee Leave Entitlements	2,781	236	435	2,582
Environmental Levy Reserve	513	686	493	706
Ferries Maintenance	664	277	374	567
HACC Greenmeadows	4	8		12
Lake Cathie Dredging	79	13		92
Maintenance of 4WD Access Points	121	22		143
Major Buildings Renewals	860	205	375	690
Office Building & Equipment	1,758	1,213	1,357	1,614
Onsite Effluent	242	63		305
Plant Replacement	1,894	2,143	1,898	2,139
Pool Refurbishment	1,569		270	1,299
Public Halls	26	59		85
Street Lighting	261	241		502
Surf Clubs	101	69		170
Tourism & Industry Promotion	297	87	31	353
Town Bands	35	8		43
Town Beach Sand Nourishment		30		30
Transport Infrastructure Renewal	1,120	1,792	510	2,402
The Glasshouse	200	100		300
Unrealised Profit/(Loss) on Investments	-4,675	962		-3,713
Working Capital	4,546	1,136	3,394	2,288
Total Internal Restrictions	19,041	12,205	11,267	19,979
Total Restrictions	84,469	49,359	29,625	104,203

(A) Developer contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans.

(B) Contributions which are not yet expended for the purposes for which they were obtained.

(C) Grants which are not yet expended for the purposes for which they were obtained (see Note 1)

(D-H) Water, Sewerage, Broadwater Special Rate, Sanctuary Springs Special Rate and Domestic Waste Management (DWM) funds are externally

Note 7 Receivables

(continued)

	Actual 2012		Actual 2011	
	Current	Non-Current	Current	Non-Current
	\$'000	\$'000	\$'000	\$'000
Purpose				
Rates and annual charges	4,429	1,759	4,255	1,540
Interest and extra charges	304	245	255	350
User charges and fees	4,109	740	4,553	972
Accrued revenues	2,564		1,965	
GST Receivable	666		731	
Government grants and subsidies	3,463		2,648	
Other	217	2,531	181	4,629
Total	15,752	5,275	14,588	7,491
Less: Provision for impairment:				
Rates and annual charges	34		32	
User charges and fees	35		57	
	69		89	
Total	15,683	5,275	14,499	7,491
Restricted receivables				
Externally restricted receivables				
Water Supply	4,868	2,912	4,469	4,937
Sewerage Services	3,474	402	3,618	1,003
Domestic Waste Management	1,197	485	1,030	413
Sanctuary Springs	3	0	3	0
Broadwater special rate	21	2	16	1
Total externally restricted receivables	9,563	3,801	9,136	6,354
Unrestricted receivables	6,120	1,474	5,363	1,137
Total receivables	15,683	5,275	14,499	7,491

Note 8 Inventories and other assets

(continued)

	Actual 2012 Current \$'000	Non- Current \$'000	Actual 2011 Current \$'000	Non- Current \$'000
Inventories				
Real estate (refer below)	535	168	535	168
Stores and materials	497		476	
Total inventories	1,032	168	1,011	168
Inventories not expected to be realised within the next 12 months		168		168
Other assets				
Prepayments	732		706	
Total	732		706	
Real Estate Development				
Residential	29		29	
Industrial/Commercial	506	168	506	168
Total real estate for resale	535	168	535	168
<i>(Valued at the lower of cost and net realisable value)</i>				
Represented by:				
Acquisition costs				
Development costs	535	168	535	168
Borrowing costs				
Total real estate for resale	535	168	535	168
Externally restricted inventories and other assets				
Water Supply				
Stores and materials	269		256	
Total Water Supply	269		256	
Sewerage				
Stores and materials	6		8	
Total Sewerage	6		8	
Total externally restricted inventories and other assets	275		264	
Unrestricted inventories and other assets	1,489	168	1,453	168
Total inventories and other assets	1,764	168	1,717	168

Note 9(a) Infrastructure, property, plant and equipment

By Asset Type	At 30 June 2011				Movements during year						At 30 June 2012			
	Cost/ Deemed cost \$'000	Fair Value \$'000	Accum depreciation and impairment \$'000	Written Down Value \$'000	Additions - Renewals \$'000	Additions - New Assets \$'000	WDV of Disposals \$'000	Depn and impairment \$'000	Transfers/ Adjustments \$'000	Revaluation increments/(decrements) (2) \$'000	Cost/ Deemed cost \$'000	Fair Value \$'000	Accum depreciation and impairment \$'000	Written Down Value \$'000
WIP		54,386		54,386	2,571	10,869		2,223	-8,437			57,166		57,166
Plant and equipment		39,202	21,320	17,882		2,577	528	2,303	-1,886			34,045	18,303	15,742
Office equipment		15,445	13,031	2,414		1,409	28	1,167	2,700			21,737	16,409	5,328
Furniture and fittings		6,019	2,492	3,527		55		452	34			6,112	2,948	3,164
Leased plant and equipment		286	40	246				3				286	43	243
Land														
- Operational Land		66,726		66,726		3,377	34		1,045			71,114		71,114
- Community Land		23,074		23,074		5	43		1			23,037		23,037
Crown Land (Council Trustee)		18,719		18,719								18,719		18,719
Land Under Roads*		48,122		48,122		8						48,130		48,130
Non depreciable land improvements		4,160		4,160					-4,160					
Depreciable land improvements		24,801	9,797	15,004		149		364	-9,128	912		9,191	2,618	6,573
Buildings		143,791	49,193	94,598	268	242	531	4,063	17,346	2,917		166,403	55,626	110,777
Other Structures		30,205	17,997	12,208		1,545	174	3,344	17,998	1,722		64,681	34,726	29,955
Infrastructure														
- Roads, bridges, footpaths		1,021,309	226,885	794,424	4,220	6,519	2,104	16,348	2,793	48,981		1,096,176	257,691	838,485
- Stormwater Drainage		143,542	54,216	89,326	8	625		2,049		5,062		152,500	59,528	92,972
- Water Supply Network		507,082	162,206	344,876	567	2,860	1,169	8,212	-13,550	90,034		493,264	77,858	415,406
- Sewerage Network		293,400	108,549	184,851	139	447	340	6,179	-1,218	51,279		306,106	77,127	228,979
Other Assets														
- Heritage Collections		1,100	319	781		79	51	3		7		1,137	324	813
- Library Books		4,349	4,021	328		259		210				4,608	4,231	377
- Other		14,376	5,560	8,816		507	1	30	-8,217	51		1,282	156	1,126
Reinstatement, Rehabilitation, Restoration Assets (refer note 21)														
Tip Asset		223	92	131				13				223	105	118
Totals		2,460,317	675,718	1,784,599	7,773	31,532	5,003	46,963	-4,679	200,965		2,575,917	607,693	1,968,224

Notes: - Excludes investment properties and non-current assets held for resale.

- Additions to Buildings and Infrastructure are made up of Asset Renewals and New Assets. Renewals are defined as replacements of existing assets with equivalent capacity or performance as opposed to the acquisition of new assets.

- The 'Water Supply network' and 'Sewerage network' asset classes do not include those fixed assets belonging to the water and sewerage funds which form part of other asset classes, eg land, buildings etc. See Note 9b for all the classes of fixed assets belonging to the water and sewer funds.

Note 9(b) Restricted infrastructure, property, plant and equipment

(continued)

By Asset Type	Actual 2012 \$'000				Actual 2011 \$'000			
	At Cost \$'000	Fair Value \$'000	Accum depreciation and impairment \$'000	Written Down Value \$'000	At Cost \$'000	Fair Value \$'000	Accum depreciation and impairment \$'000	Written Down Value \$'000
Water Supply								
Plant and equipment		47		47		7		7
Office equipment		5,094	2,252	2,842		244	69	175
Land								
- Operational Land		5,596		5,596		5,596		5,596
Buildings		22,976	4,134	18,842		7,484	2,227	5,257
Water Supply Infrastructure		493,264	77,858	415,406		507,082	162,206	344,876
Capital WIP		5,780		5,780		4,741		4,741
Total water supply		532,757	84,244	448,513		525,154	164,502	360,652
Sewerage Services								
Plant and equipment		390	359	31		6,460	4,167	2,293
Office equipment		98	84	14		98	82	16
Furniture & Fittings		28	11	17		28	8	20
Land								
- Operational Land		6,447		6,447		6,346		6,346
Buildings		8,475	2,096	6,379		4,276	1,679	2,597
Sewerage Infrastructure		306,106	77,127	228,979		293,400	108,549	184,851
Capital WIP		42,679		42,679		39,170		39,170
Total sewerage services		364,223	79,677	284,546		349,778	114,485	235,293
Waste Management								
Plant and equipment		213	189	24		208	174	34
Office equipment		48	48			48	48	
Furniture and fittings		35	35			35	33	2
Land								
- Operational Land		3,600		3,600		2,796		2,796
Land Improvements - depreciable		8,545	2,516	6,029		6,786	1,773	5,013
Buildings		2,066	923	1,143		2,001	846	1,155
Other Structures		1,237	354	883		1,239	286	953
Other		223	71	152		239	61	178
Cairncross Tip Asset	223		105	118	223		92	131
Capital WIP		134		134		1,908		1,908
Total Domestic Waste	223	16,101	4,241	12,083	223	15,260	3,313	12,170
Total Restrictions	223	913,081	168,162	745,142	223	890,192	282,300	608,115

Note 10(a) Payables, borrowings and provisions

(continued)

	Actual 2012		Actual 2011	
	Current	Non-Current	Current	Non-Current
	\$'000	\$'000	\$'000	\$'000
Payables				
Goods and services	4,195		3,649	
Accrued wages and salaries	142		138	
Accrued expenses - other	203		1,153	
Payments received in advance	1,342		1,562	
Accrued Interest	1,403		1,404	
S64 contributions due to PWD		7,147		8,624
Deposits and retentions	2,009		2,045	
Other payables	4		28	
Total payables	9,298	7,147	9,979	8,624
Current payables not expected to be settled within the next 12 months	1,060		970	
Borrowings				
Bank overdraft	0	0	330	0
Loans - Secured (1)	8,726	80,686	7,746	87,843
Total borrowings	8,726	80,686	8,076	87,843
Provisions (2)				
Annual leave	3,221		3,026	
Sick leave	4,057	1,069	3,642	985
Long service leave	7,779	242	7,101	136
Maternity leave	15		22	
Asset remediation (Note 26)		362		341
Total provisions	15,072	1,673	13,791	1,462
Current provisions not expected to be settled within the next 12 months	10,292		9,765	
Liabilities relating to restricted assets				
Domestic waste management	512	616	566	669
Water	3,868	16,057	4,538	19,312
Sewer	3,876	28,087	3,586	28,861
Total	8,256	44,760	8,690	48,842

Notes:

(1) Loans are secured over the income of the Council.

(2) Vested ELE is all carried as a current provision.

Note 10(b) Description of and movements in provisions

(continued)

Class of provision	Opening balance \$'000	Increases in provisions \$'000	Payments \$'000	Re- measurement \$'000	Closing balance \$'000
Annual leave	3,026	2,203	2,008		3,221
Sick leave	4,627	1,443	944		5,126
Long service leave	7,237	1,269	485		8,021
Maternity leave	22	-2	5		15
Asset remediation	341	21			362
Total	15,253	4,934	3,442	0	16,745

30 June 2012

Note 11 Reconciliation of cash flow movements

(continued)

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
(a) Reconciliation of cash assets			
Total cash and cash equivalents	6a	9,487	9,024
Less: Bank overdraft	10	0	330
Balances as per cash flow statement		9,487	8,694
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income statement		12,594	17,072
Add:			
Depreciation and impairment		46,963	41,032
Increase in provision for doubtful debts			9
Impairment Losses			0
Increase in provision for leave entitlements		1,471	
Increase in other provisions		21	22
Decrease in receivables		1,052	
Decrease in inventories			24
Decrease in other current assets			1
Increase in payables			0
Loss on sale of assets		1,568	6,176
Discontinued operations		0	2,511
		63,669	66,847
Less:			
Decrease in provision for doubtful debts		20	
Decrease in employee leave entitlements			197
Increase in receivables			1,681
Increase in inventories		21	
Increase in other current assets		26	
Decrease in payables		2,158	820
Non cash capital grants and contributions		7,657	17,217
Fair value adjustments to financial assets at fair value through profit and loss		675	589
Fair Value adjustments to impaired financial assets classified as available for sale		-2,009	2,489
Net cash provided by operating activities from Cash flow statement		55,121	43,854

Note 11 Reconciliation of cash flow movements (continued)

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
Notes		
(c) Non-cash financing and investing activities		
NSW Office of Water Construction	0	0
Bushfire grants	49	561
S94 contributions in kind	308	255
Dedications	7,300	16,656
Other		
	7,657	17,472

(d) Financing arrangements

Unrestricted access was available at balance date to the following:

Bank overdraft facility (1)	500	500
Purchase Cards	500	500
Corporate Credit Cards	110	110
	1,110	1,110

Notes:

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

(2) Interest rates on overdrafts are variable while the rates for loans can be set for the period of the loan.

Note 12 Commitments for Expenditure

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
(a) Capital commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
- Buildings	14	0
- Infrastructure	4,593	5,627
- Land	40	
- Plant and equipment	879	533
Total	5,526	6,160
(b) Finance lease commitments		
Commitments under finance leases at the reporting date are payable as follows:		
- Not later than one year		
- Later than one year and not later than 5 years		
- Later than 5 years		
Total	0	0
Minimum lease payments		
Less: Future finance charges		
Lease liability		
Representing lease liabilities:		
- Current		
- Non-current		
Total		
(c) Non-cancellable operating lease commitments		
Commitments under non-cancellable operating leases at the reporting date but not recognised in the financial statements are payable as follows:		
- Not later that one year	0	0
- Later than one year and not later than 5 years	0	0
- Later than 5 years	0	0
Total	0	0
(d) Repairs and maintenance: investment property		
Contractual obligations for future repairs and maintenance		
Total	0	0

Note 13 Statement of performance measures -
Consolidated results

	Amounts 2012	2012 indicators	2011	2010	2009
1. Unrestricted current ratio					
Current assets less all external restrictions ⁽¹⁾	29,667	1.88 :1	1.89:1	1.41:1	0.96:1
Current liabilities less specific purpose liabilities ^{(2) (3) (4)}	15,822				
2. Debt service ratio					
Debt Service Cost	14,104	12.12%	12.37%	12.18%	13.32%
Income from continuing operational excluding capital items and specific purpose grants/contributions	116,355				
3. Rate coverage ratio					
Rates and annual charges	70,093	48.23%	45.76%	44.98%	48.22%
Income from continuing operations	145,329				
4. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	6,703	8.70%	8.70%	8.39%	8.11%
Rates and annual charges collectible	77,063				
4a. Rates and annual charges outstanding percentage (excluding pensioner accruals)					
Rates and annual charges outstanding	6,583	8.54%	8.54%		
Rates and annual charges collectible	77,063				
5. Building and infrastructure renewals ratio ⁽⁵⁾					
Asset renewals - (building and infrastructure)	7,773	20.40%	21.73%	23.21%	14.95%
Depreciation, amortisation, & impairment - (building and infrastructure)	38,104				

Notes:

(1) Refer to Notes 6-8 inclusive.

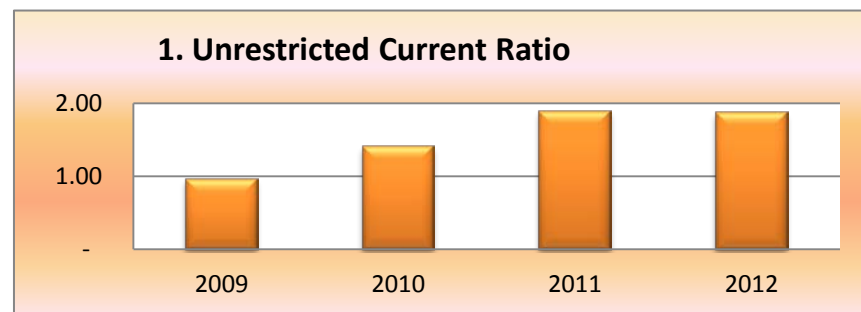
(2) Refer to note 10(a)

(3) \$10.3m provisions not expected to be settled deducted.

(4) \$1.06m payables not expected to be settled deducted.

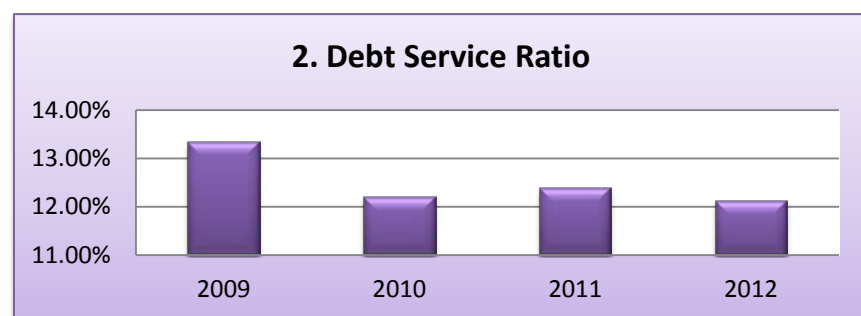
(5) Refer Note 9a

Note 13 Statement of performance measures - Consolidated results - Graphs



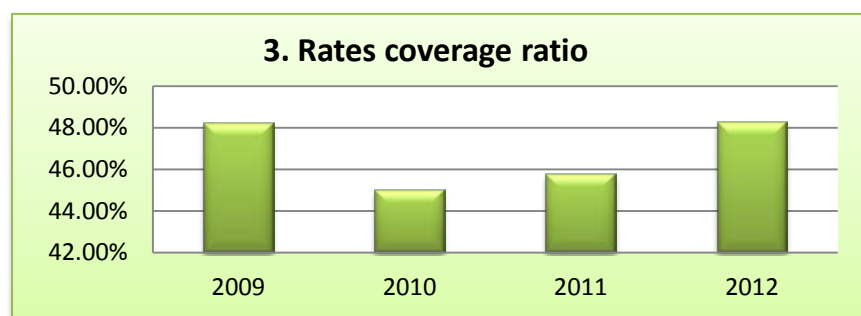
Purpose of unrestricted current ratio

To assess the adequacy of working capital and the ability to satisfy obligations in the short term for the unrestricted activities of Council.



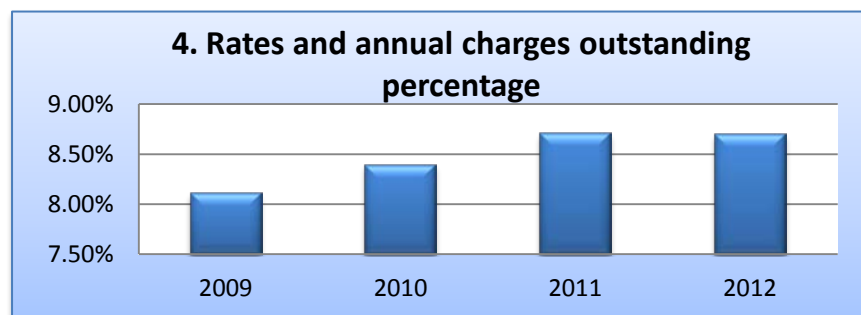
Purpose of debt service ratio

To assess the impact of loan principal and interest repayments on the discretionary revenue of Council.



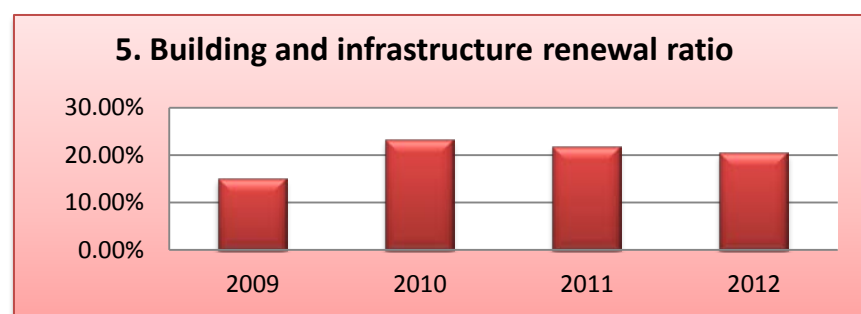
Purpose of rates and annual charges coverage ratio

To assess the degree of dependence upon revenues from rates and annual charges and to assess the security of Council's income.



Purpose of rates and annual charges outstanding ratio

To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recover efforts.



Purpose of building and infrastructure renewal ratio

To assess the rate at which these assets are being renewed against the rate at which they are depreciating.

Note 13 Statement of performance measures - By
Fund

	Current year indicators		
	General ⁽¹⁾	Water	Sewer
1. Unrestricted current ratio			
Current assets less all external restrictions ⁽¹⁾	1.88:1	7.74:1	6.82:1
Current liabilities less specific purpose liabilities ⁽²⁾			
2. Debt service ratio			
Debt Service Cost	11.17%	13.41%	17.59%
Income from continuing operational excluding capital items and specific purpose grants/contributions			
3. Rate coverage ratio			
Rates and annual charges	47.66%	22.34%	78.67%
Income from continuing operations			
4. Rates and annual charges outstanding percentage			
Rates and annual charges outstanding	9.05%	11.77%	6.72%
Rates and annual charges collectible			
5. Building and infrastructure renewals ratio ⁽³⁾			
Asset renewals - building and infrastructure	24.42%	13.48%	16.34%
Depreciation, amortisation, & impairment - building and infrastructure			

Notes:

(1) General Fund refers to all Council activities except Water and Sewer.

Note 14 Investment properties

(continued)

This note is not applicable to Port Macquarie-Hastings Council

Note 15 Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the Finance Section under policies approved by the Council.

Council held the following financial instruments at balance date:

	Carrying Value		Fair value	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
Financial Assets				
Cash and cash equivalents	9,487	9,024	9,487	9,024
Receivables	20,958	21,990	20,958	21,990
Financial assets at fair value through profit or loss - Held for trading	12,427	13,745	12,427	13,745
Available-for-sale financial assets	3,369	9,911	3,369	9,911
Held-to-maturity investments	79,000	52,000	79,000	52,000
Total	125,241	106,670	125,241	106,670
Financial Liabilities				
Payables	16,445	18,603	16,445	18,603
Borrowings	89,412	95,919	89,510	89,405
Total	105,857	114,522	105,955	108,008

Fair value is determined as follows:

* Cash and Cash Equivalents, Receivables, Payables - estimated to be the carrying value which approximates net market value.

* Borrowings, Held-to-Maturity Investments - estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

* Financial Assets at Fair Value through profit and loss, Available for Sale Financial Assets - based on quoted market prices in active markets for identical investments.

Note 15 Financial risk management (continued)

(continued)

(a) Cash and cash equivalents**Financial assets at fair value through profit and loss****Available-for-sale financial assets****Held-to-maturity investments**

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The Finance Section manages the cash and investment portfolio with the assistance of independent advisors. Council has a investment policy which complies with the Local Government Act and Minister's Order. The policy is regularly reviewed by Council and an Investment Report is provided to Council monthly setting out the make-up and performance of the portfolio.

The major risk associated with investments is price risk - the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or factors affecting similar instruments traded in a market.

Cash and investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash and investments is credit risk - the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees that comply with the Ministers' Investment Order. Council seeks advice from its independent advisors before placing any cash and investments.

	30.6.2012	30.6.2011
	\$'000	\$'000
Impact of a 10% (1) movement in price of investments		
- Equity	168	496
- Income statement	621 (2)	687
Impact of a 1% (1) movement in interest rates on cash and investments		
- Equity		
- Income statement	128	188

Notes:

(1) Sensitivity percentages based on management's expectation of future possible market movements. (Price movements calculated on investments subject to fair value adjustments. Interest rate movements calculated on cash, cash equivalents, managed funds, and FRNs.)

(2) Maximum impact.

Note 15 Financial risk management (continued)

(b) Receivables

Council's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk - the risk that the debts may not be repaid. Council manages this risk by monitoring outstanding debt and employing stringent debt recovery policies.

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

The profile of the Council's credit risk at balance date was:

	30.6.2012	30.6.2011
Percentage of Rates and Annual charges:		
- Current	33.47%	27.60%
- Overdue	66.53%	72.40%
Percentage of Other Receivables		
- Current	96.87%	57.40%
- Overdue	3.13%	42.60%

Note 15 Financial risk management (continued)

(continued)

(c) Payables

Borrowings

Payables and borrowings are both subject to liquidity risk - that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon in extenuating circumstances.

The contractual undiscounted cash flows of Council's Payable and Borrowings are set out in the Liquidity Sensitivity Table below:

\$'000	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total Contractual Cash flows	Carrying values
2012					
Payables	8,238	8,207		16,445	16,445
Borrowings	13,365	58,902	56,957	129,224	89,412
	21,603	67,109	56,957	145,669	105,857
2011					
Payables	9,009	9,594		18,603	18,603
Borrowings	13,522	60,883	67,238	141,643	95,919
	22,531	70,477	67,238	160,246	114,522

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. Council may manage this risk by borrowing long term and fixing the interest rate over the life of the loan. The Finance Section regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The following interest rates were applicable to Council's borrowings at balance date:

	30 June 2012		30 June 2011	
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
	%	\$'000	%	\$'000
Overdraft		0		330
Bank Loans - Fixed	6.52%	67,966	6.61%	74,480
- Variable ⁽¹⁾	5.64%	21,446	5.65%	21,109
		89,412		95,919

Note:

(1) The interest rate risk applicable to Variable Rate Bank Loans is not considered significant.

Note 15 Financial risk management (continued)

(continued)

(d) Financial instruments measured at fair value

The financial instruments (other than cash and cash equivalents) recognised at fair value in the balance sheet have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists for the following levels:

Level 1

Quoted prices in active markets for identical assets or liabilities. Included within Level 1 of the hierarchy are Floating Rate Notes and Equity Linked Notes. The fair values of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). In valuing unlisted investments, included in Level 2 of the hierarchy, valuation techniques such as those using comparisons to similar investments for which market observable prices are available have been adopted to determine the fair values of these investments. These ordinarily include Collateralised Debt Obligations that have evidence of recent trading.

Level 3

Inputs for the asset or liability that are not based on observable market data (unobservable inputs). These include CDO's that do not have any evidence of recent trading or buy-back by the issuing financial institution.

	Level 1 \$,000	Level 2 \$,000	Level 3 \$,000	Total \$,000
2012				
Financial assets:				
Financial assets at fair value through profit or loss:				
- Equity Linked Notes	12,427			12,427
Held-to-maturity investments:				
- Fixed Interest Investments	79,000			79,000
Available-for-sale financial assets:				
- Floating Rate Notes	1,990			1,990
- Collateralised Debt Obligations		0	1,379	1,379
	93,417	0	1,379	94,796

Note 6 (b) provides details of movements relating to each of the above investment types.

Note 16 Budget Variations

(continued)

Council's original budget was incorporated as part of the Corporate Plan adopted by the Council on 27 June 2011. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by Council. Material variations of more than 10% are explained below.

Revenues**1 Interest and investment revenues**

Interest and investment revenues were over budget by \$4,701K (F) 184.35%. This result was caused by a number of issues including:-

1. Interest estimates in the original budget were conservative due to the economic climate.
2. Interest and other investment revenues actually recognised for the 2012 financial year have been influenced by movements in the fair value of investments upwards by \$675K.

2. Other revenues

Other revenues were over budget by some \$1,184K (F) 28.28%. Variations in amounts received for other revenues are detailed below.

Economic Affairs Revenues	\$160K (F)	Increased income for tourism marketing
Glasshouse Income	\$121K (F)	Revenues from the hire of the Glasshouse have been greater than anticipated.
Insurance Rebate	\$60K (F)	
Property Management Income	\$216K (F)	Council received and insurance payment for a fire at Steaks on Kew
Recycling Income	\$654 (F)	Income from recycling is higher than anticipated.

3. Grants and contributions provided for operating purposes

Actual amounts of grants and contributions received for operating purposes were over the original budget by some \$4,298K (F) 34.45%. Variations in the amounts received in grant funds are detailed below.

Note 16 Budget Variations (continued)

Community Services & Education Grants	\$571K (F)	Grants received for Move Well Eat Well along with Healthy Communities.
Economic Affairs Grant	\$68K (F)	Grant received for Mid North Coast Workplace Programme
Employment/Training Grants	\$22K (F)	
Financial Assistance Grants	\$2,586K (F)	Received pre-payment of 2012/13 Grant.
Health Grants	\$45K (F)	Grant received for Roadside Vegetation Rehabilitation and Willow Control
Natural Resources Grants	\$290K (F)	A number of grants have been received during the year and as such were not included in the original budget.
Waste Management Contributions	\$30K (F)	Contributions towards Midwaste Received.
Public Order & Safety Grants	\$179 (F)	Grants from the Rural Fire Service were greater than expected.
Roads & Bridges Grants	\$40K (F)	Council received a contribution towards repairs to Bago Road.
S94 Admin Levy	\$27K (F)	
Waste Management Grant	\$204K (F)	Additional midwaste grant

Expenses**4. Net loss on disposal of assets**

Council budgeted for a loss on disposal of assets of \$2,355K but actually incurred a loss of \$1,568K. This is due to two reasons, firstly the write off of infrastructure assets was greater than anticipated and secondly Council made a profit on sale of a CDO investment in the amount of \$2.697K (F).

5. Borrowing costs

The variation of \$689K (F) (10.65%) (F) is due to the fact that Council has capitalised \$500K of the interest on the sewerage loans in line with the Local Government Code of Accounting Practice. The budget has been transferred to the capital budget for these items to cover this interest capitalisation. Council also budgets conservatively for all variable loans to ensure sufficient funds are available in the event of an interest rate rise.

6. Depreciation & Amortisation

Depreciation and Amortisation was over the original budget by some \$4,895K (U).

\$2,223K of this is due to the impairment of previous years works in progress. The land for the Kew Transfer Station has been in WIP for a number of years due to legal proceedings. The value of the land has now been capitalised at its fair value and the remaining \$970K has been expensed. WIP within the Water and Sewerage Funds have been analysed and \$1,253K of WIP expensed. This is primarily associated with the subsidised schemes.

In addition to the above mentioned items, minor favourable and unfavourable variations occurred throughout the year in a number of revenue and expense items. All variations have been monitored and reported to Council on a regular basis.

Note 17 Statement of developer contributions

(continued)

(a) Summary of developer contributions

	Opening Balance \$'000	Contributions received during year ⁽¹⁾		Interest & investment income earned during year \$'000	Expended during year \$'000	Balance before internal borrowings \$'000	Internal borrowings (to)/from ⁽³⁾ \$'000	Held as restricted asset ⁽²⁾ \$'000	Projected future contributions ⁽³⁾ \$'000	Projected cost of works still outstanding ⁽³⁾ \$'000	Projected over/under funding ⁽³⁾ \$'000	Cumulative balance of internal borrowings (to)/from \$'000
		Cash \$'000	Non cash \$'000									
Roads	682	1,072	16	49	1,029	790		790	57,681	68,901	-10,430	4,588
Parking	3,277	39		156		3,472		3,472	9,632	12,942	162	-5,919
Open Space	998	644		56	260	1,438		1,438	49,693	57,633	-6,502	1,317
Community Facilities	568	643		37	989	259		259	41,216	45,665	-4,190	
Other	1,751	134		85	600	1,370		1,370	626	1,942	54	
Administration Levy									2,124	2,639	-515	14
S94 under plans	7,276	2,532	16	383	2,878	7,329		7,329	160,972	189,722	-21,421	
S94 not under plans	675	54		32	19	742		742				
S94A levies	-14	187		3	113	63		63				
Planning agreements	94	61		5		160		160				
Section 64	25,856	729	292	1,261	912	27,226		27,226				
Totals	33,887	3,563	308	1,684	3,922	35,520		35,520	160,972	189,722	-21,421	

Notes:

(1) Reconcilable with Note 3

(2) Reconcilable with Note 6 (Restricted assets excludes 'amounts expended in advance')

(3) Projections are not applicable to S94A levies, Planning agreements and Section 64. Projections are based on undiscounted numbers.

(4) Cumulative balance of borrowing within and between plans - Note: General Fund Expenditure in Advance of Contributions is not to be shown here.

Note 17 Statement of developer contributions (continued)

(b) Contributions under plans

	Opening Balance \$'000	Contributions received during year (1)		Interest & investment income earned during year \$'000	Expended during year \$'000	Balance before internal borrowings \$'000	Internal borrowings (to)/from (4) \$'000	Held as restricted asset (2) \$'000	Projected future contributions (3) \$'000	Projected cost of works still outstanding (3) \$'000	Projected over/under funding (3) \$'000	Cumulative balance of internal borrowings (to)/from \$'000
		Cash \$'000	Non cash \$'000									
Roads	682	1,072	16	49	1,029	790		790	57,681	68,901	-10,430	4,588
Parking	3,277	39		156		3,472		3,472	9,632	12,942	162	-5,919
Open Space	998	644		56	260	1,438		1,438	49,693	57,633	-6,502	1,317
Community Facilities	568	643		37	989	259		259	41,216	45,665	-4,190	
Other	1,751	134		85	600	1,370		1,370	626	1,942	54	
Administration Levy									2,124	2,639	-515	
Section 94A	-14	187		3	113	63		63				14
Totals	7,262	2,719	16	386	2,991	7,392		7,392	160,972	189,722	-21,421	

(c) Contributions not under plans

	Opening Balance \$'000	Contributions received during year (1)		Interest & investment income earned during year \$'000	Expended during year \$'000	Balance before internal borrowings \$'000	Internal borrowings (to)/from (4) \$'000	Held as restricted asset (2) \$'000	Projected future contributions (3) \$'000	Projected cost of works still outstanding (3) \$'000	Projected over/under funding (3) \$'000	Cumulative balance of internal borrowings (to)/from \$'000
		Cash \$'000	Non cash \$'000									
Roads	232	54		11	5	292		292				
Parking												
Open Space	215			10	8	217		217				
Community Facilities	228			11	6	233		233				
Other												
Totals	675	54		32	19	742		742				

Note 18 Contingencies

(continued)

Contingent liabilities

1 Superannuation

Council contributes to the Local Government Superannuation Scheme which has a closed section where a portion of member entitlements are defined as a multiple of salary. Member councils bear the responsibility of ensuring there are sufficient monies available to pay out benefits as these members cease employment. The Scheme has a deficit of assets over liabilities and its administrators have advised Council that it will need to make significantly higher contributions to help reverse this deficit. However, they may call upon Council to make an immediate payment sufficient to offset this deficit at any time. As the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils, the amount of such a payment is not able to be reliably quantified.

Contingent Assets

1 Infringement Notices/Fines

The result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt. Accordingly, at year end, there is a potential asset due to Council representing issued but not received infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

Note 19 Interests in joint ventures and associates

This note is not applicable to Port Macquarie - Hastings Council

Note 20 Revaluation reserves and retained earnings

(continued)

	Notes	Actual 2012 \$'000	Actual 2011 \$'000
(a) Retained earnings			
Movements in retained earnings were as follows:			
At beginning of year		945,880	880,826
Adjustment to correct prior period errors (20(d))		-4,160	
Change in accounting policy	1(u)		47,982
Net operating result for the year		12,594	17,072
At end of year		954,314	945,880
(b) Revaluation reserves			
Infrastructure, property, plant and equipment revaluation reserve		1,020,490	819,525
Available-for-sale investments revaluation reserve		-10	-27
		1,020,480	819,498
Movements:			
Property, plant and equipment revaluation reserve			
At beginning of year		819,525	707,192
Revaluations	9	200,965	112,333
At end of year		1,020,490	819,525
Available-for-sale investments revaluation reserve			
At beginning of year		-27	-528
Revaluation - gross		17	517
Transfer to net profit - gross			-16
At end of year		-10	-27
(c) Nature and purpose of reserves			
(i) Infrastructure, property, plant and equipment revaluation reserve			
The infrastructure, property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets			
(ii) Available-for-sale investments revaluation reserve			
Changes in fair value are taken to the available-for-sale investments revaluation reserve, as described in Note 1(k). Amounts are recognised in profit and loss when the associated assets are sold or impaired.			
(d) Correction of errors in previous years			
Duplication of non-depreciable land improvements		-4,160 ⁽¹⁾	0
		-4,160	0

Note 1 - Adjusted to retained earnings

Income Statement by Fund	Actual 2012 \$'000 General ⁽¹⁾	Actual 2012 \$'000 Water	Actual 2012 \$'000 Sewer
Income from continuing operations			
Revenue:			
Rates and annual charges	47,398	5,310	17,385
User charges and fees	11,691	12,646	76
Interest and investment revenue	544	1,584	2,426
Other revenues	5,161	39	170
Grants and contributions provided for operating purposes	16,034	394	345
Grants and contributions provided for capital purposes	18,633	3,797	1,696
Other Income:			
Net gain from the disposal of assets			
Total income from continuing operations	99,461	23,770	22,098
Expenses from continuing operations			
Employee benefits and on-costs	29,631	3,212	3,281
Borrowing costs	3,512	963	1,304
Materials and contracts	21,804	6,403	5,086
Depreciation and amortisation	30,982	8,544	7,437
Impairment			
Other expenses	6,380	881	1,747
Interest and investment losses			
Net Loss from the disposal of assets	1,192	331	45
Total expenses from continuing operations	93,501	20,334	18,900
Operating result from continuing operations	5,960	3,436	3,198
Operating result from discontinued operations		0	0
Net operating result for the year	5,960	3,436	3,198
Attributable to:			
- Council	5,960	3,436	3,198
Net operating result for the year before grants and contributions provided for capital purposes (2)	-12,673	-361	1,502

Notes:

(1) General Fund refers to all Council activities except Water and Sewer

(2) The relevant operating result used for Water and Sewer is the 'Operating Result less Grants for Acquisition of Assets' as reported in Special Schedule's 3 and 5. This result is respectively:

	\$'000
Water	1,952
Sewer	1,949

Balance Sheet by Fund	Actual 2012 \$'000 General	Actual 2012 \$'000 Water	Actual 2012 \$'000 Sewer
ASSETS			
Current assets			
Cash and cash equivalents	4,357	2,938	2,192
Investments	34,068	13,714	14,122
Receivables	7,341	4,868	3,474
Inventories	757	269	6
Other	732		
Non-current asset classified as held for sale	1,999		
Total current assets	49,254	21,789	19,794
Non-current assets			
Investments	8,238	15,257	9,397
Receivables	1,961	2,912	402
Inventories	168		
Infrastructure, property, plant & equipment	1,235,166	448,512	284,546
Total non-current assets	1,245,533	466,681	294,345
Total assets	1,294,787	488,470	314,139
LIABILITIES			
Current liabilities			
Payables	8,180	629	489
Borrowings	5,161	1,616	1,949
Provisions	12,011	1,623	1,438
Total current liabilities	25,352	3,868	3,876
Non-current liabilities			
Payables		3,810	3,337
Borrowings	43,963	12,092	24,631
Provisions	1,399	155	119
Total non-current liabilities	45,362	16,057	28,087
Total liabilities	70,714	19,925	31,963
Net assets	1,224,073	468,545	282,176
EQUITY			
Retained earnings	590,878	201,593	161,843
Revaluation reserves	633,195	266,952	120,333
Council equity interest	1,224,073	468,545	282,176
Total equity	1,224,073	468,545	282,176

Notes:

(1) General Fund refers to all Council activities except Water and Sewer

Note 22 Non-current assets classified as held for sale

(continued)

	Actual 2012 \$'000	Actual 2011 \$'000
Land		
Council has made the decision to dispose of surplus land. The land is currently available for sale and is actively being marketed.	1,999	1,999

Note 23 Events occurring after balance sheet date

(continued)

Events that occur after the reporting date of 30 June 2011, and up to and including the date when the financial report is "authorised for issue" have been taken into account in preparing this financial report. Council has determined the date of the Auditors' Report as the appropriate "authorised for issue" date relating to this General Purpose Financial Report.

Events that occur after the Reporting Date represent one of two types:

- (i) Events that have provided evidence of conditions that existed at the Reporting Date. These financial reports (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2012. Council does not have any such events.
- (ii) Events that have provided evidence of conditions that arose after the Reporting Date. These financial reports (and figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2012 and which are only indicative of conditions that arose after 30 June 2011. Council does not have any such events.

Note 24 Discontinued operation

	Actual	Actual
	2012	2011
	\$'000	\$'000

(a) Description

On 3 October 2010, Council transferred control of the Beachfront and Bonny Hills caravan parks (situated on Crown Land) to the Land and Property Management Authority.

Financial information relating to the discontinued operation for the period to the date of transfer is set out below.

(b) Income statement and cash flow information

The income statement and cash flow information presented are for the 4 months ended 3 October 2010 (2011 column) and the year ended 30 June 2010.

Revenue	0	407
Expenses	0	322
Operating result from discontinued operations	0	85
Net cash inflow from ordinary activities	0	-678
Net cash flow from financing activities		
Net increase in cash generated by the discontinued operations	0	-678

(b) Carrying amounts of asset and liabilities

The carrying amounts of assets and liabilities transferred as at 3 October 2010 (2011 column) and 30 June 2010 are:

Infrastructure, property, plant and equipment	0	2,315
Unexpended Loans	0	130
Reserve balance	0	482
Total assets	0	2,927
Borrowings	0	331
Total liabilities	0	331
Net assets	0	2,596
Net profit/(loss) from Discontinued Operations	0	-2,511

Note 25 Reinstatement, rehabilitation and restoration liabilities**Tip Remediation**

Council is required by law to restore the present tip site at Cairncross at the end of its useful life in 2021. The projected cost of this restoration in 2021 is \$600,000 based on a study conducted by independent consultants. This figure is based on Council maintaining its current management approach which involves each cell being capped as it is filled. This \$600,000 has been discounted to its present value at an interest rate equivalent to the risk-free cost of borrowing to Council.

	Actual 2012 \$'000	Actual 2011 \$'000
At Beginning of year	341	319
Amounts capitalised to Tip asset		
- New disturbance		
- Revised costs		
- Revised life		
- Revised discount rate		
Amortisation of discount - expensed to borrowing costs	21	22
At end of year	362	341



Thomas Noble & Russell
Accountants | Auditors | Business Advisers

31 October 2012

Mr Tony Hayward
General Manager
Port Macquarie-Hastings Council
PO Box 84
PORT MACQUARIE NSW 2444

Dear Tony

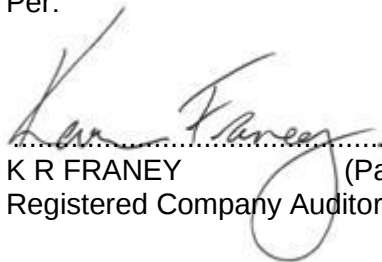
We advise that we have completed our audit of the Council's general purpose and special purpose financial statements for the year ended 30 June 2012 under section 417 of the *Local Government Act 1993*.

In accordance with that section we now report on the conduct of the audit.

Yours faithfully

THOMAS NOBLE & RUSSELL

Per:



.....
K R FRANEY (Partner)
Registered Company Auditor

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Thomas Noble & Russell is a member of  International. A world-wide organization of accounting firms and business advisers

Port Macquarie-Hastings Council

Report to Council under s417 of the Local Government Act 1993

30 June 2012



PORT MACQUARIE
HASTINGS



Thomas
Noble &
Russell

Accountants | Auditors | Business Advisers



CONTENTS

1.	COUNCIL'S FINANCIAL REPORTING REQUIREMENTS.....	2
2.	AUDITOR'S RESPONSIBILITIES	2
3.	CONSOLIDATED OPERATING RESULT	4
3.1	Analysis of Result From Operating Deficit After Depreciation & Before Capital Revenue and Other Significant Items.....	4
3.2	Capital Grants & Contributions	7
4.	COUNCIL REVENUE SOURCES.....	8
5.	SPECIAL PURPOSE FINANCIAL REPORT	9
6.	BALANCE SHEET	10
6.1	Cash and Investments.....	10
6.2	Infrastructure, Property, Plant and Equipment (I,P,P&E)	12
6.3	Loans Liability.....	14
7.	KEY FINANCIAL PERFORMANCE INDICATORS.....	15
8.	INTERNAL CONTROL ENVIRONMENT	21

1. COUNCIL'S FINANCIAL REPORTING REQUIREMENTS

Council is required to prepare two financial reports ready for audit each year:

General Purpose Financial Report

This financial report presents the financial position and performance of the Council on a consolidated basis. The report includes all controlled Council operations such as general, water and sewer funds as well as domestic waste management activities. Council has prepared its general purpose financial report in accordance with the Division of Local Government Code of Accounting Practice Manual which adopts applicable Australian Accounting Standards as the framework for financial reporting.

Special Purpose Financial Report

This financial report provides an understanding of the financial position and performance of Council's declared business activities as required under National Competition Policy. Council's declared business activities for the 2012 financial year are:

- Water fund operations
- Sewer fund operations
- Commercial waste management operations

Council is not required to adopt Australian Accounting Standards when preparing this financial report however the financial position and performance have been calculated by adopting applicable Accounting Standard requirements.

2. AUDITOR'S RESPONSIBILITIES

Council's annual financial audit engagement has been conducted in accordance with Australian Auditing Standards.

Our audit involved performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our professional judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organisation's internal control. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

Forming Our Audit Opinion

Our function as auditors is to examine the general purpose and special purpose financial reports presented to us by the Council to allow us to express an audit opinion. Our audit opinion does not cover:

- 
- i) The original budget information included in:
 - The income statement;
 - The statement of cash flows; and
 - Note 2(a) to the general purpose financial statements;
 - ii) Note 16 budget variation explanations in the general purpose financial statements;
 - iii) Note 17 forecast information contained in the general purpose financial statements; and
 - iv) The best practice disclosures in notes 2 & 3 to the special purpose financial statements.

As auditors of the Council we are not responsible for the preparation of the financial reports or for the maintenance of accounting records or the organisation's systems of internal control. These responsibilities, together with the requirement to present financial reports, which give a true and fair view of the state of the Council's affairs and of its results are imposed on the Council and Management by the Local Government Act and Regulations 1993.

Reporting on the Conduct of the Audit

As part of our role as auditor of Council, Section 417 (3) of the *Local Government Act 1993* and the Local Government (General) regulation requires us to consider and provide comment on the material items affecting the general purpose financial report and other matters pertinent to the audit. The following section of this report provides an understanding of Council's financial position as at 30 June 2012, its performance for the year then ended, its cash flows and other material financial matters.

3. CONSOLIDATED OPERATING RESULT

Council's surplus from all activities for 2012 was \$12,594,000. This compares to a surplus in 2011 of \$17,072,000. This result can be summarised as follows:-

	2012 \$'000	2011 \$'000	2010 \$'000	2009 \$'000
Revenues from continuing operations	122,537	114,525	107,905	98,912
Expenses from continuing operations	(84,204)	(79,725)	(73,834)	(70,878)
Result from continuing operations before depreciation	38,333	34,800	34,071	28,034
Less: depreciation expense	(44,740)	(41,032)	(36,633)	(33,653)
Operating Deficit After Depreciation & Before Capital Revenue and Other Significant Items	(6,407)	(6,232)	(2,562)	(5,619)
Significant items impacting the operating result				
Fair value gains and losses on investments	(1,334)	3,078	1,920	(373)
Impairment of investments	-	-	-	(15,422)
Impairment of non-current assets	(2,223)	-	-	-
Gain on sale of financial assets	2,697	-	-	-
Gain on recognition of interest-free loans	-	-	1,813	-
Gain/(Loss) on disposal of assets	(4,265)	(6,176)	1,866	(434)
Operating Result Before Capital Revenue	(11,532)	(9,330)	3,037	(21,848)
Capital grants and contributions	24,126	28,913	23,844	22,957
Discontinued operations	-	(2,511)	181	-
Surplus from all activities	12,594	17,072	27,062	1,109

3.1 Analysis of Result From Operating Deficit After Depreciation & Before Capital Revenue and Other Significant Items

The operating deficit after depreciation and before capital revenue and other significant items has increased from \$6,232,000 in 2011 to \$6,407,000 in 2012. Some of the material components contributing to the increased deficit include:

Account	Increase / (Decrease) \$'000	Reason for Increase / Decrease
Revenue		
General rates	1,271	General rates revenue has increased in conjunction with a special rate variation of 4.43% which was in addition to the rate-pegged increment of 2.8%.
Sewer annual charges	923	Revenue from sewer annual charges has increase in conjunction with the Council's annual review of fees and charges together with increases in the number of sewer connections.
Water user charges	480	Council's water user charges has increased in conjunction with the Council's annual review of fees and charges together with changes in water consumption compared to the prior year.
Interest revenue	718	Interest revenue has increased in conjunction with the amount of funds invested.
Commercial waste management annual charges	803	Commercial waste management annual charges have increased in line with Council's annual review of fees and charges.
Operating grants	3,016	Additional operating grants were received in 2012 however operating grants has largely been influenced by the annual Financial Assistance Grant increasing from \$8,385,000 in 2011 to \$10,997,000 in 2012. This increase is due to an additional quarter of the Financial Assistance Grant being received prior to balance date which must be recognised as revenue in the 2012 financial year.
Expenses		
Employee costs	985	Council has managed its employee costs compared to 2011 with salaries and wages increasing by 1.3%. Employee costs also include all other employee related costs paid by Council such as workers compensation payments, superannuation and movements in employee leave provisions. The increase in employee costs is largely attributable to accounting for the movement in the provision for long service leave entitlements. This provision is calculated using complex net present value techniques. Lower discounting factors have contributed to the increase costs associated with employee benefits for 2012.

Account	Increase / (Decrease) \$'000	Reason for Increase / Decrease
Contractor and consultancy costs	2,088	The increase in this expense is largely attributable to increased waste management contracting costs as well as ferry maintenance costs not incurred in 2011.
Other expenses	1,189	Higher energy costs in 2012 have largely contributed to the increase in other expenses.
Depreciation expense	3,825	Depreciation expense has been influenced by the revaluation of other structures in 2011. Depreciation expense is also increasing in conjunction with the annual indexation of infrastructure assets such as roads and drainage.
Significant revenue and expenses		
Fair value movement of investments	(1,334)	The reduction in fair value of Council's investments is largely attributable to the deterioration in value of the Collateralised Debt Obligation (CDO) portfolio predominantly linked to Lehmann Brothers. The value of these investments decreased during the 2012 financial year by \$2,009,000 as further default events occurred in the underlying debt securities. The remainder of Council's investment portfolio (which includes other CDO's predominantly not linked to Lehmann Brothers) increased in fair value by \$675,000 during the 2012 financial year.
Impairment of non-current assets	(2,223)	Each year Council reviews its infrastructure assets and where necessary reduces their carrying value where indicators of impairment exist.
Gain on sale of financial investments	2,697	During the financial year Council had an unexpected windfall arising from the recovery of a CDO. This CDO was previously impaired and its carrying value had been significantly reduced in Council's financial records.
Gain / (loss) on disposal of assets	(4,265)	The loss on disposal of assets is largely represented by the disposal of roads and other infrastructure at the time of their rehabilitation or replacement during the financial year.

3.2 Capital Grants & Contributions

Council receives capital grants and contributions from various sources each financial year. The extent of revenue received each year is influenced by the nature and extent of Council's capital improvements programme and general economic activity.

Capital Grants

Capital grants received during the year amounted to \$11,025,000 and largely consisted of grant monies received for:

	2012 \$'000
Roads to recovery	2,901
Airport runway extension	3,500
Dunbogan flood access	900
Wayne Richards park stage 3	1,800
Other capital grants	1,924
	<u>11,025</u>

Capital Contributions

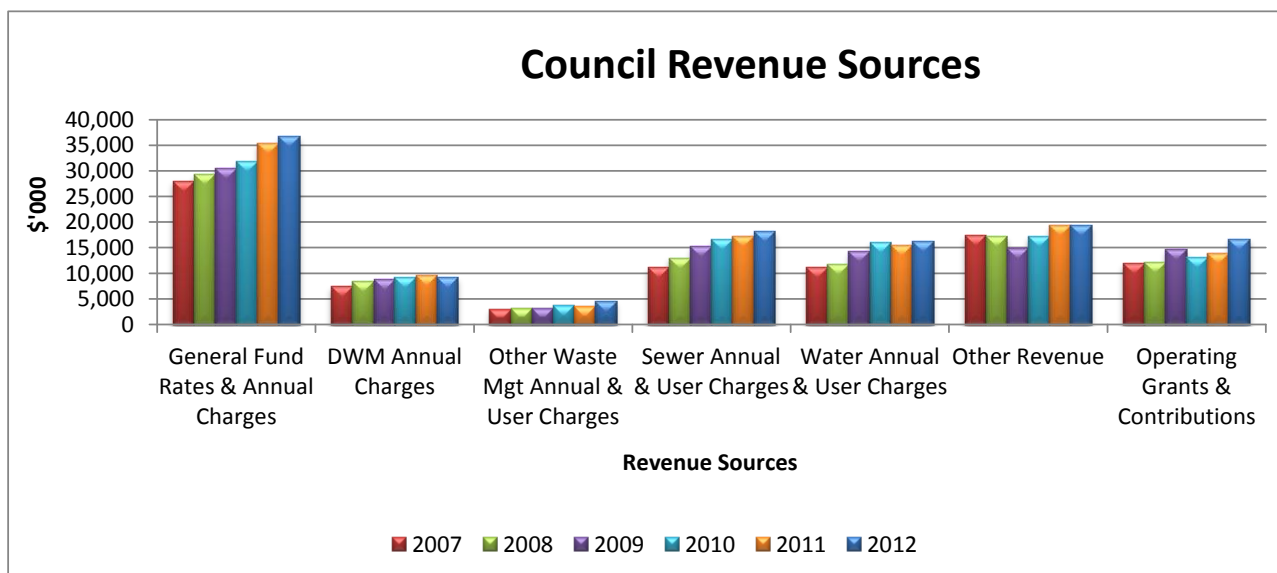
Capital contributions received during the period amounted to \$13,101,000. Capital contributions largely comprise section 94 and 64 developer contributions and dedications of infrastructure assets to Council upon the completion of residential and other developments. The table below provides an understanding of the capital contributions received by Council for the past three years.

	2012 \$'000	2011 \$'000	2010 \$'000
Developer infrastructure dedications	7,300	12,235	6,510
RMS dedication - Old Pacific Hwy at Kew	-	4,421	-
Developer contributions - Section 94 cash	2,773	3,887	2,875
Developer contributions - Section 64 cash	2,918	2,555	3,840
Developer contributions - under planning agreements	61	2,414	2,271
Revision of planning agreement long term receivable*	(2,188)	-	-
Adjustment to water subsidised scheme liability**	1,477	-	-
Other contributions	760	294	833
Total	<u>13,101</u>	<u>25,806</u>	<u>16,329</u>

- * During the 2012 financial year, Council and a developer renegotiated a voluntary planning agreement established in 2008. The voluntary planning agreement established a schedule for the developer to pay Section 64 contributions to Council based on an estimated level of development and sale of residential lots. The contributions received by Council are to be used to construct a water reservoir to provide water to the new residential area as well as other Council users. The variation to the original planning agreement revised the terms of the Section 64 payment schedule. Council has recalculated the Section 64 contributions receivable under the varied agreement and adjusted the long-term receivable previously recognised in the general purpose financial report.
- ** Council has recognised a non-current liability in its general purpose financial report for a period in excess of 10 years. This liability relates to Section 64 contributions payable to the NSW Public Works Department under subsidised scheme agreements established in the late 1990's. We have previously advised Council to investigate whether any or all of this liability is payable. As part of its investigations, Council has identified that \$1,477,000 of the liability had previously been paid to the Public Works Department and the liability recognised in the financial report was overstated. Council is working with the Public Works Department to determine the status of the remainder of the non-current liability recognised in the financial report.

The use of cash contributions received during each year is restricted and accordingly they are not available for use in Council's general operations.

4. COUNCIL REVENUE SOURCES



The above graph illustrates the movement in Council's main revenue sources over the past six years. The revenue sources presented exclude capital grants and contributions, profit on sale of assets and fair value increments to investments.

Council's revenue from rates and annual charges for all operations as a percentage of revenue (excluding the items of revenue noted above) for the 2012 financial year is 58.5% and compares favourably with comparative data published by the NSW Division of Local Government.

5. SPECIAL PURPOSE FINANCIAL REPORT

Declared Business Activities Under the National Competition Guidelines

Under the National Competition guidelines Council is required to apply taxation equivalent principles to declared business activities similar to those that would apply if they were operating in the commercial sector. Council declared business activities have been reported with operating details and assets disclosed on a gross basis in Council's special purpose financial statements.

Each activity has a required rate of return on its activities that is calculated as the operating result plus interest expense divided by the written down value of property, plant and equipment. Where the return on investment is below the required rate of return, the difference is disclosed as a notional subsidy from Council's General Fund activities. Dividends represent funds provided by the relevant business activity for other functions of Council. A summary of the financial performance of Council's declared business activities is provided below:

Activity/Year	Revenue \$'000	Expenses \$'000	Result prior to capital amounts \$'000	Return on capital %	Notional Subsidy \$'000	Dividends Paid \$'000
2012						
Water	20,082	(20,975)	(893)	.02	8,900	-
Sewer	21,368	(20,785)	583	.68	3,768	-
Waste Management	17,172	(16,950)	222	2.25	60	660
2011						
Water	18,096	(20,824)	(2,728)	(0.47)	8,888	-
Sewer	23,215	(20,451)	2,764	1.59	1,036	-
Waste Management	15,560	(13,294)	2,266	24.68	-	493

Sewer and Water Services

Council's sewer and water operating results before capital amounts are largely break-even. The Division of Local Government recommends that sewer and water fund operations provide a rate of return at least equivalent to the Commonwealth 10 year bond rate. Council has adopted a desired rate of return for sewer and water funds of 2% per annum. The rate of return for 2011 and 2012 has not satisfied Council's adopted rate of return.

As a result, a notional subsidy has been calculated for each fund representing the difference between the actual rate of return and the desired rate of return. This subsidy is notional only and no funds have been transferred into sewer or water funds from other areas of Council's operations.

Whilst the operating result before capital for water and sewer operations can fluctuate annually, Council has a 30 year infrastructure plan for each fund which budgets for the generation of sufficient revenues to satisfy operational and capital requirements for current and future generations. Council should continue to monitor its rates of return for sewer and water funds so they generate sufficient profits to replace existing assets as well as fund new assets.

Waste Management

Council's Waste Management Business Activity comprises commercial and domestic waste operations and has returned a profit of \$222,000 for the 2012 financial year. This result is significantly lower than 2011 and is due to increased waste management contractor costs.

The actual rate of return on Council's waste activities is lower than the adopted desired rate of return of YYYYYY%. Whilst a subsidy has been calculated representing the difference between the actual rate of return and the desired rate of return, it is notional only. Council's waste activity has actually paid a dividend to general fund of \$660,000 during the 2012 financial year.

6. BALANCE SHEET

We provide commentary on some of the material assets and liabilities appearing on Council's balance sheet as at 30 June 2012.

6.1 Cash and Investments

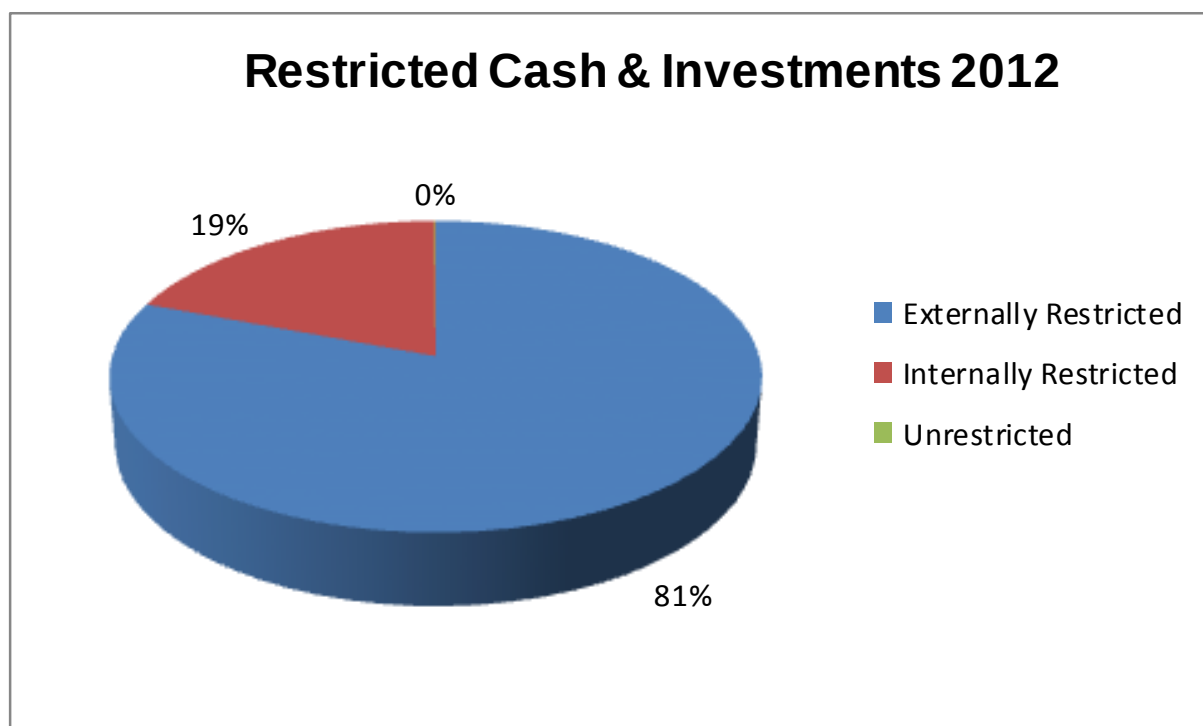
At balance date Council had \$104,283,000 in cash and investments. Council's cash and investments consist of:

	2012 \$'000	2011 \$'000	2010 \$'000
Cash on Hand and At Bank	31	185	596
Deposits at Call	9,456	8,839	24,208
Floating Rate Notes	4,955	8,965	6,456
Collateralised Debt Obligations	1,379	3,938	4,465
Equity Linked Notes	9,462	10,753	11,347
Term Deposits	79,000	52,000	25,000
Total	104,283	84,680	72,072

Council is managing its investment portfolio in accordance with the Minister's Investment Order which is applicable to all local government authorities.

Council's cash and investments are largely restricted in their use:

	2012 \$'000	2011 \$'000	2010 \$'000
Externally Restricted	84,224	65,428	57,579
Internally Restricted	19,979	19,041	13,897
Unrestricted	80	211	596
	<u>104,283</u>	<u>84,680</u>	<u>72,072</u>



Externally Restricted Cash

Externally restricted cash consists of unspent monies such as developer contributions, grants and contributions as well as water and sewer funds. These funds are limited in their use under legislation or specific funding agreements and are not available for general Council operations.

Externally restricted cash and investments has increased when compared to 2011 due to greater unspent grants as well as sewer and water fund monies.

Internally Restricted Cash

Internally restricted reserves are tied to specific Council projects under Council resolution and are generally not available to fund day-to-day operations. Council internally restricted reserves at balance date are comparable to 2011. It is important that Council continue to monitor the level of its internal reserves so that it may fund identified projects and guard against unforeseen financial impacts that may occur in the future.

Unrestricted Cash

This money is used to conduct Council's day-to-day operations.

6.2 Infrastructure, Property, Plant and Equipment (I,P,P&E)

The largest asset or liability appearing on Council's balance sheet is I,P,P&E.

Note 9 to the general purpose financial statements provides an understanding of Council's I,P,P&E and illustrates that Council is responsible for maintaining and improving assets with a written down value is almost \$2billion.

	WDV 2012 \$'000	Depreciation Expense 2012 \$'000	WDV 2011 \$'000	Depreciation Expense 2011 \$'000
Plant & Equipment	15,742	2,303	17,882	2,438
Operational Land	71,114	-	66,726	-
Community Land	23,037	-	23,074	-
Crown Land Controlled by Council	18,719	-	18,719	-
Land Under Roads	48,130	-	48,122	-
Land Improvements	6,573	364	19,164	844
Buildings	110,777	4,063	94,598	4,218
Roads, Bridges & Footpaths	838,485	16,348	794,424	15,165
Stormwater Drainage	92,972	2,049	89,326	1,560
Water Supply Infrastructure	415,406	8,212	344,876	8,377
Sewer Supply Infrastructure	228,979	6,179	184,851	5,967
Work in Progress	57,166	-	54,386	-
Other Assets	41,124	5,222	28,451	2,319
	1,968,224	44,740	1,784,599	40,888

Council Constructed / Purchased Additions

Each year Council budgets to replace, renew or capitalise additional assets. An illustration of I,P,P&E capitalised over the past two years is provided below:

	2012 \$'000	2011 \$'000
<i>Developer Infrastructure Dedications</i>	7,300	16,656
<i>Non-cash Grants/contributions</i>		
Bush Fire, Subsidised Schemes etc.	49	561
<i>Council Constructed / Purchased Assets</i>		
Land and Buildings	4,049	2,033
Plant and Equipment	4,041	5,239
Roads and Drainage	11,372	17,214
Water & Sewerage Network	4,013	4,456
Other Assets	2,390	1,507
Work in Progress	13,440	18,347
	<u>39,305</u>	<u>48,796</u>

Asset Revaluations 2012

The Division of Local Government has mandated that all infrastructure assets are to be recognised in Council's financial records at their fair value. Fair value represents the written-down replacement cost of each asset using modern day equivalent materials, design and capacity.

During the year Council revalued water and sewer infrastructure assets. This revaluation process, together with fair value indexing to other infrastructure assets has resulted in the asset revaluation reserve increasing by \$141million.

Reassessment of Asset Useful Lives

The revaluation process included a reassessment of water and sewer infrastructure remaining useful lives and residual values. This reassessment will have the effect of reducing depreciation expense in future years by approximately \$1,584,000 for water and increasing depreciation expense for sewer by \$494,000. Note 1 to the financial report provides details.

Asset Management

Infrastructure, property, plant and equipment represent the largest asset group on the Council's balance sheet. The management of infrastructure, property, plant and equipment is an important part of Council's objectives. To ensure Council is able to manage its large infrastructure portfolio it is important that it continues to develop asset management systems and has sufficient human resources so that revenue and borrowings are utilised effectively and efficiently and integrated strategic planning goals are achieved.

At present, Council needs to improve its asset management technology so that data can be captured, recorded and utilised to manage assets effectively as well as provide Council and other stakeholders with financial reporting in an efficient manner. Council should determine its asset management resource needs so that funding can be budgeted.

6.3 Loans Liability

Council has total borrowings at balance date of \$89,412,000 decreasing from \$95,589,000 in 2011. The total loan liability at balance date is attributable to the Council's operating funds as follows:

	2012 \$'000	2011 \$'000	2010 \$'000
General	49,724	53,028	61,306
Sewer	25,980	27,201	23,755
Water	13,708	15,360	17,058
Total	89,412	95,589	102,119

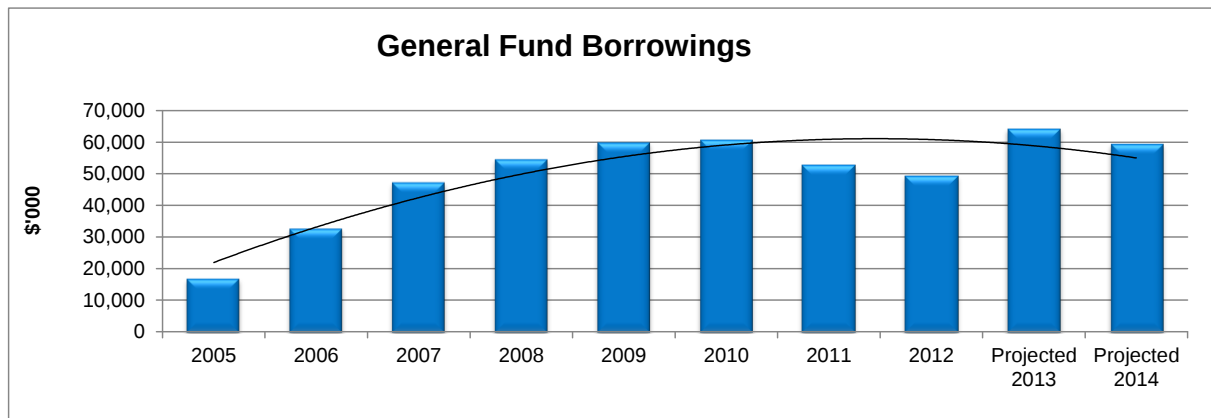
The loan liability for general fund includes the borrowings used to construct the Glasshouse. The liability included in the above general fund loan liability attributable to the Glasshouse is:

	2012 \$'000	2011 \$'000	2010 \$'000
Glasshouse loan liability	22,671	23,751	34,563

In addition to the above borrowings, Council's general fund has an internal loan liability to sewer fund of \$600,000 as at 30 June 2012. This borrowing is eliminated for financial reporting on a consolidated basis.

During the 2012 financial year Council repaid principal totalling \$8,115,000 and borrowed \$1,000,000 to fund sewer treatment plant construction.

Council's general fund borrowing projections are illustrated below:



Refer to comments at Section 7 of this report relating to Council's debt servicing.

7. KEY FINANCIAL PERFORMANCE INDICATORS

Council's performance can be measured using selected financial indicators. The local government sector utilises certain key performance indicators to measure some aspects of its financial position and performance. Note 13 to the general purpose financial statements provides details of local government sector key performance indicators on a consolidated basis as well as by Fund. We provide an analysis of some of these key performance indicators on a fund-by-fund basis.

When interpreting the ratios below it is important to recognise that they represent a measure of certain aspects of Council's operations at a particular point in time and do not provide a complete assessment of Council's financial performance or position nor do they consider the plans Council has in place to manage its operations into the future.

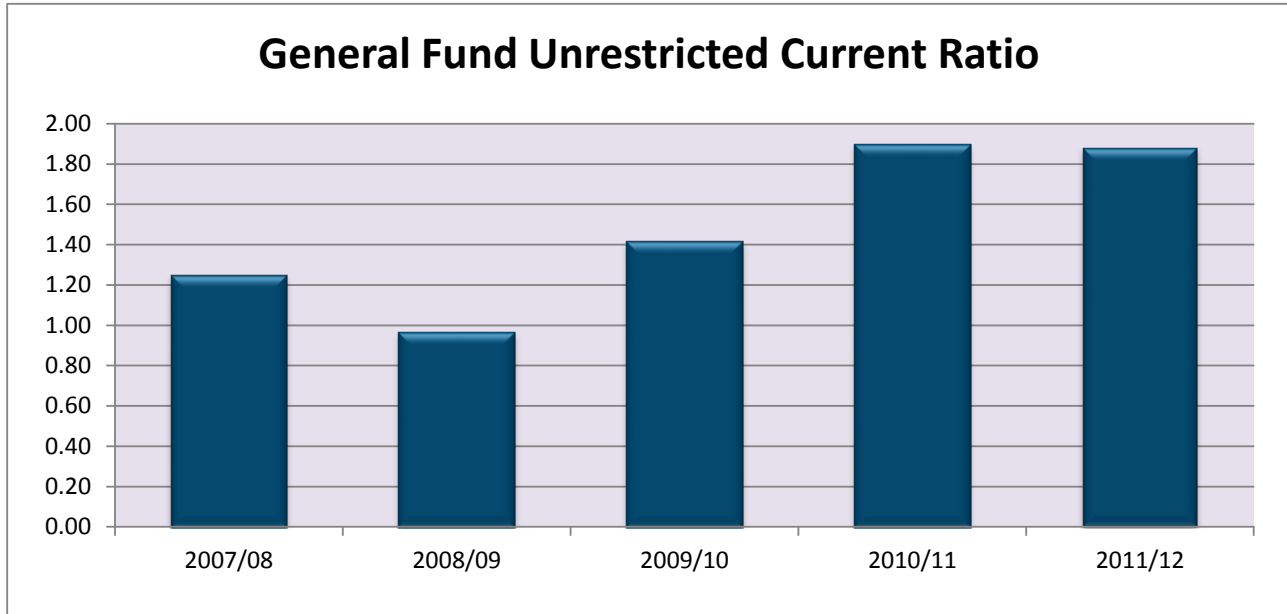
Unrestricted Current Ratio

The unrestricted current ratio represents Council's capacity to meet its commitments from current assets net of externally restricted cash, investments and receivables.

Factors influencing Council's unrestricted current assets ratio include:

- Planning and budgetary controls;
- Cash management and the timing of cash flows;
- The level of internally restricted assets; and
- Credit management policies and economic circumstances

General Fund Unrestricted Current Ratio



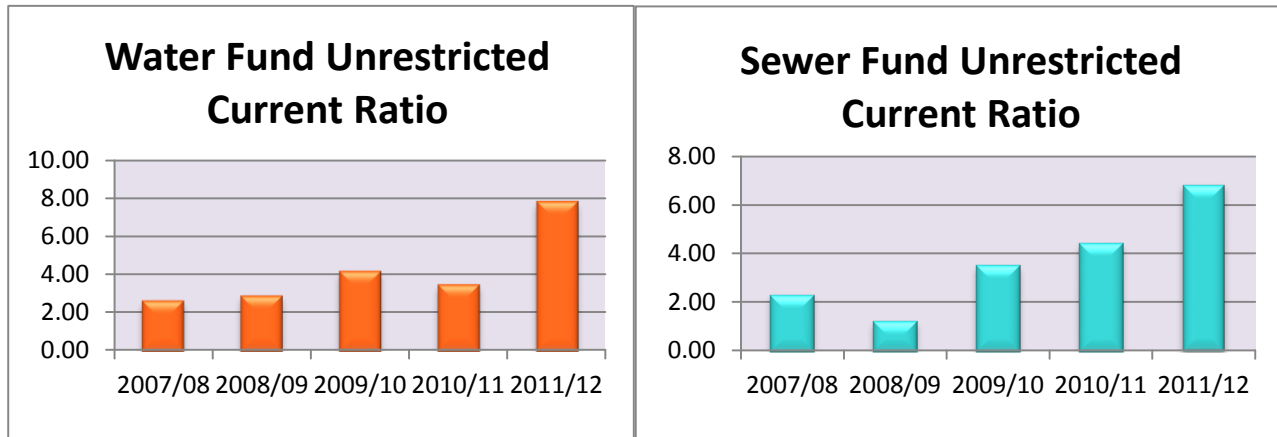
The general fund unrestricted current ratio has remained unchanged from 2011 and is 1.88 at 30 June 2012. This means that Council has \$1.88 in liquid current assets for every \$1 of current liabilities. The graph above illustrates the improvement in the general fund unrestricted current ratio since 2008 and is largely due to Council prudently replenishing its internal cash reserves.

An unrestricted current ratio of at least 1.5 is considered to be an appropriate level to allow Council to satisfy its day-to-day commitments and absorb unforeseen expenses or reductions in revenue. We commend Council on maintaining its short-term liquidity.

General Fund Long-Term Objectives

It is important to note that the unrestricted current ratio does not reflect Council's capacity to fund long term infrastructure needs nor maintain the current state of its infrastructure. As part of its asset management processes Council needs to assess its infrastructure requirements and develop strategies to deliver on its strategic plan. The development of asset management plans (supported by appropriate management systems and delivery plans) linked to strategic plans is required to satisfy long term infrastructure needs.

Sewer and Water Fund Unrestricted Current Ratio



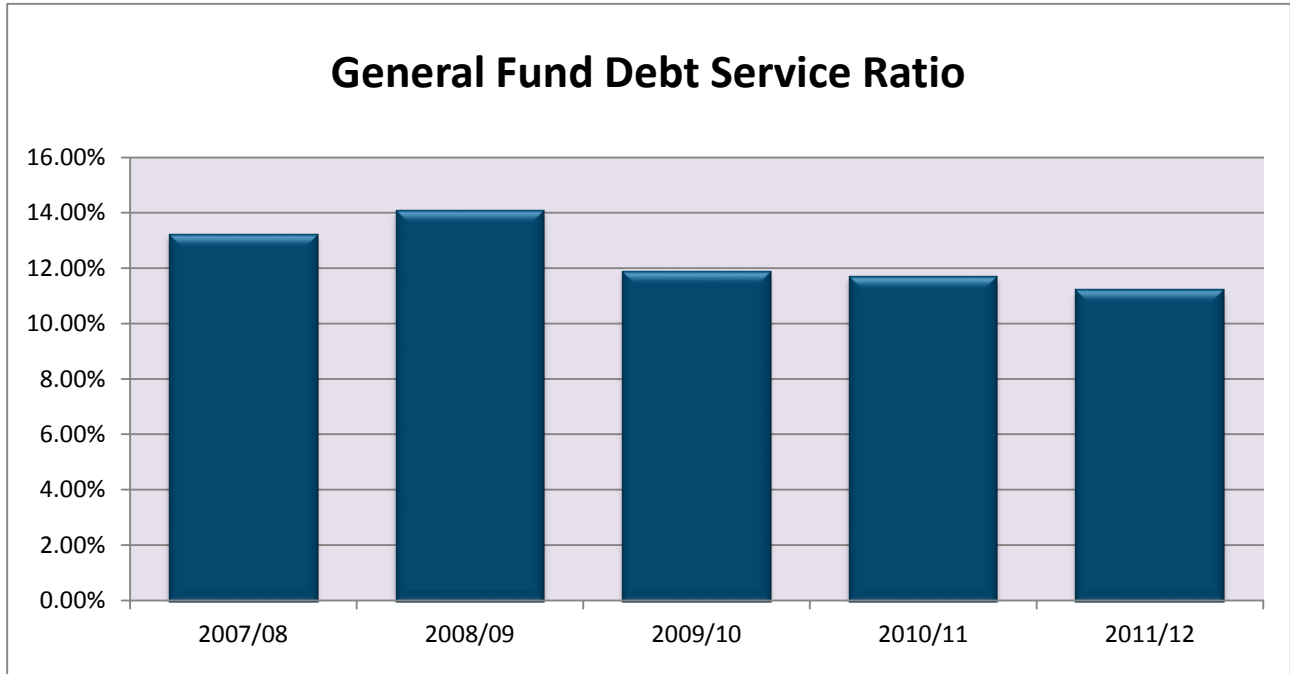
The unrestricted current ratio for water and sewer activities may fluctuate significantly. Yearly movements in the unrestricted current ratio will be influenced by the accumulation of internal reserves as well as the impact of lower debt levels and will continue to fluctuate in the future as further funds are collected and expended on infrastructure improvements.

Debt Service Ratio

This ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt. Factors influencing the Council's debt service ratio include:

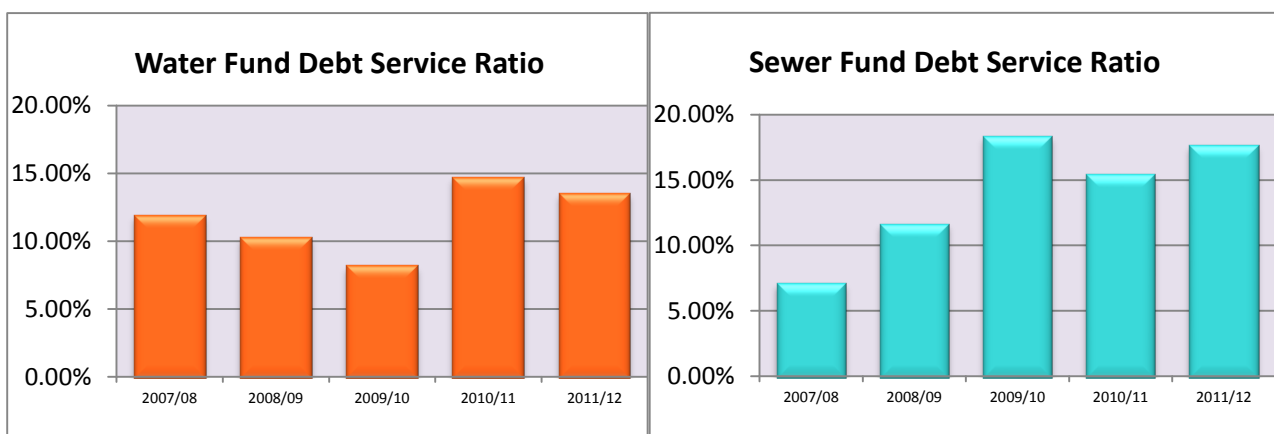
- The rate of new development in the Council area and the need to borrow to fund new infrastructure;
- Council's debt policy;
- Interest rate movements and loan terms;
- Capital investment strategies and capital contributions policies;
- The level of cash reserves available to reduce the level of borrowings; and
- The state of Council's infrastructure assets and the need to borrow to replace them.

General Fund Debt Service Ratio



The above graph illustrates the movement in Council's General Fund debt service levels over the past five years. Council's General Fund debt service ratio continues to reduce and is 11.17% as at 30 June 2012. A debt service ratio of this level for a developing coastal council such as Port Macquarie-Hastings is acceptable under Local Government Managers Association performance measures. We are aware that Council is managing its General Fund debt carefully.

Sewer and Water Fund Debt Service Ratio



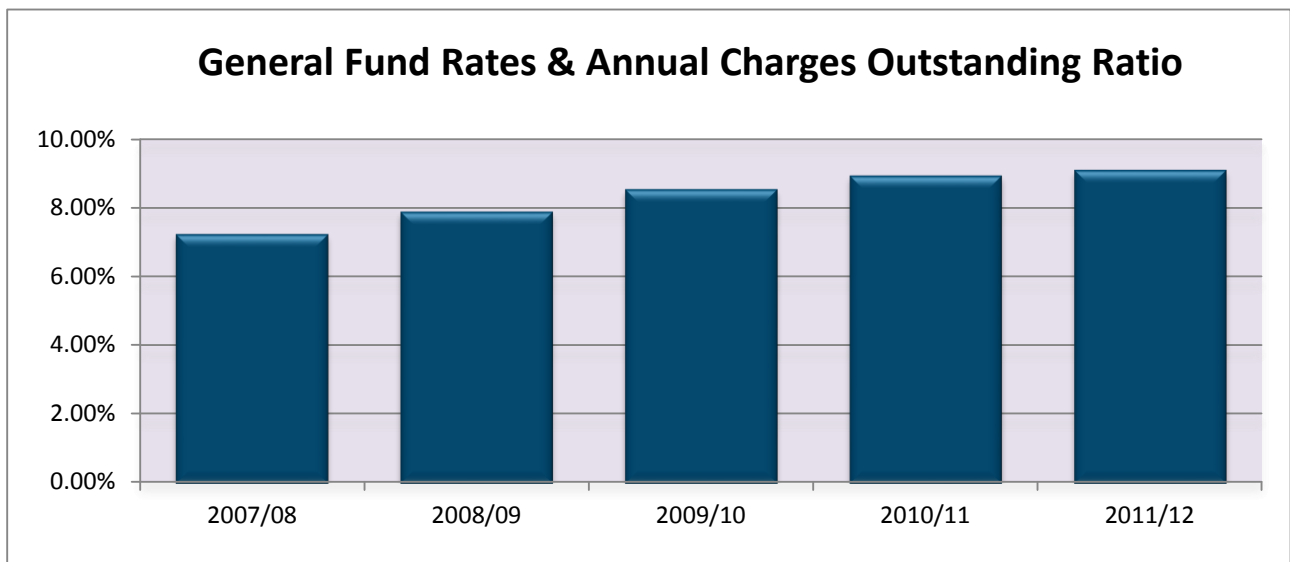
The above graphs illustrate the periodic borrowings to fund Council's capital works programmes for water and sewer funds.

Rates and Annual Charges Outstanding Percentage

This indicator assesses the effectiveness of Council's revenue collection processes. Factors influencing Council's rates and annual charges outstanding ratio include:

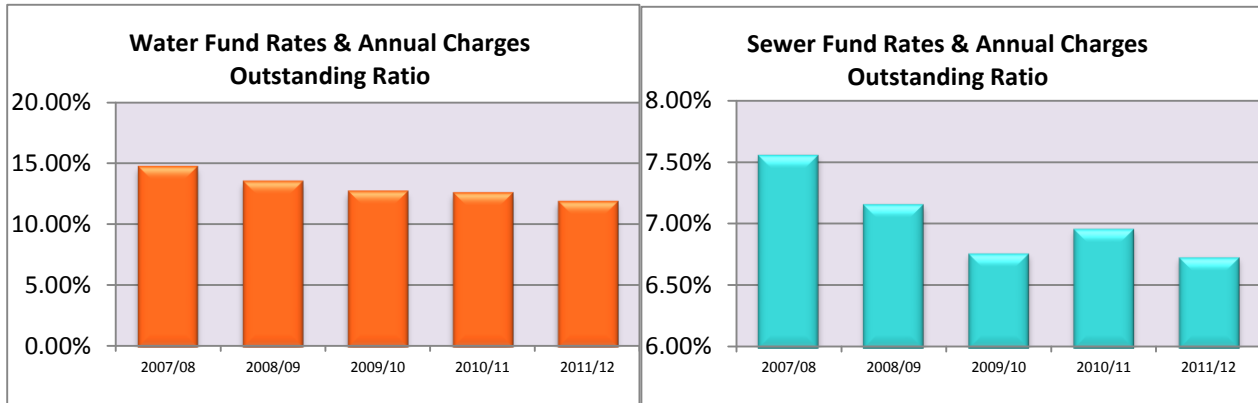
- Council's rating policy;
- Credit management policies;
- The socioeconomic characteristics of the area; and
- Environmental factors influencing ratepayers ability to satisfy their obligations.

General Fund Rates & Annual Charges Outstanding Ratio



Council's General Fund rates and annual charges outstanding percentage is gradually trending upwards and is 9.05% as at 30 June 2012. Whilst most local government authorities are experiencing increases in this ratio due to the current economic conditions, the ratio is above recommended levels and inhibits Council's cash flow. We recommend that Council review its collection procedures with a view to reducing this ratio to more acceptable parameters.

Sewer and Water Funds Rates & Annual Charges Outstanding Ratio

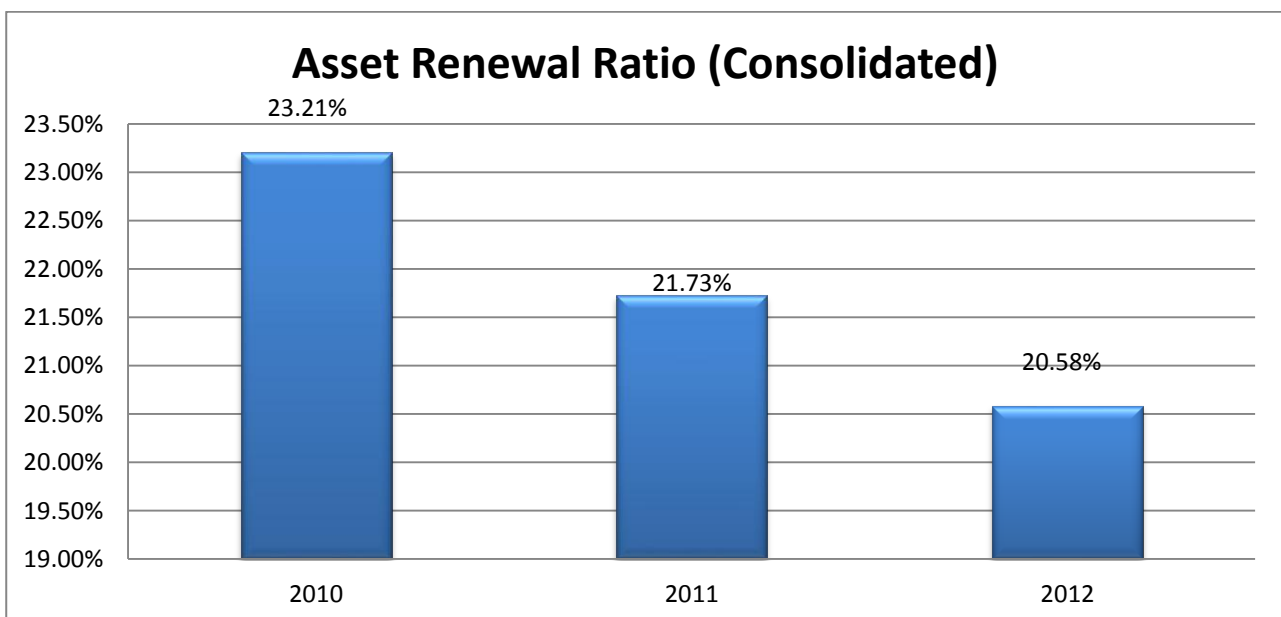


The above graphs illustrate the rates and annual charges outstanding ratio for water and sewer funds. Water Fund outstanding rates and annual charges can be influenced by the timing of invoices issued for annual charges however Council should determine whether this ratio can be reduced. Sewer Fund rates and annual charges outstanding is within acceptable parameters.

Buildings & Infrastructure Renewals Ratio

The purpose of this ratio is to assess the rate at which these assets are being renewed against the rate at which they are depreciating.

This ratio is calculated based on replacement of existing assets with assets of equivalent capacity or performance as opposed to the acquisition of new assets. It should be noted that Council has incurred expenditure during the year to increase the capacity of existing assets. By definition, this type of expenditure is not included in the asset renewal ratio to the extent of the increased capacity.



The table above indicates that Council's total asset renewal expenditure is not keeping pace with the rate at which these assets are depreciating. Industry benchmarking recommends that asset renewals equate to the related depreciation expense, or 100%. The asset renewal ratio by fund for the 2011 and 2012 financial years is:

	2012 %	2011 %
General Fund	24	12
Sewer Fund	19	65
Water Fund	14	13

The table below illustrates the shortfall in expenditure on asset renewals compared to the related depreciation expense for the 2012 financial year. Information relating to expenditure on new assets purchased or constructed during 2012 is also included for comparative purposes:

	Renewals Expenditure \$'000	Depreciation Expense \$'000	Renewals Shortfall \$'000	New Asset Expenditure \$'000
General Fund	5,411	22,460	17,049	4,558
Sewer Fund	1,212	6,180	4,968	4,097
Water Fund	1,149	8,212	7,063	4,132

This information shows that expenditure on renewal of General Fund assets, being roads, drainage and buildings, is approximately \$17.049million less than the rate at which these assets are being consumed using current depreciation estimates.

Whilst Council has spent significant money on new assets, it is important that the level of renewal expenditure be monitored to ensure infrastructure can be maintained at acceptable levels.

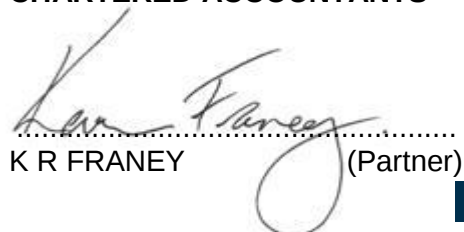
8. INTERNAL CONTROL ENVIRONMENT

No significant breakdowns of internal control were encountered during the course of our audit nor did we become aware of the existence of items comprising material error, sufficient to cause us to issue a modified audit opinion.

Subject to the foregoing comments the books of account and records of the Council were maintained in good order and condition and the information and explanations required during the course of our work were readily supplied by the General Manager and his staff.

Yours faithfully

THOMAS NOBLE & RUSSELL
CHARTERED ACCOUNTANTS


K R FRANEY (Partner)

**PORT MACQUARIE-HASTINGS COUNCIL
GENERAL PURPOSE FINANCIAL REPORT
INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial report of Port Macquarie-Hastings Council (the Council), which comprises the balance sheet as at 30 June 2012, the income statement, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Councillors and Management.

Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

Our audit responsibility does not extend to the original budget information included in the income statement, statement of cash flows, note 2(a), note 16 budget variation explanations and note 17 forecast information, and accordingly, we do not express an opinion on such. In addition, our audit did not include an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the special purpose financial report of Port Macquarie-Hastings Council for the year ended 30 June 2012 included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

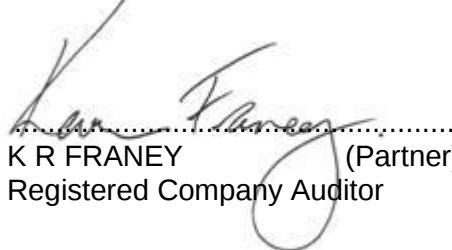
In our opinion the special purpose financial report of Port Macquarie-Hastings Council:

- i) has been prepared in accordance with the requirements of those applicable Australian Accounting Standards detailed in note 1 and the Local Government Code of Accounting Practice and Financial Reporting;
 - a) is consistent with the Council's accounting records;
 - b) presents fairly, in all material respects, the financial position of Council's nominated Business Activities as at 30 June 2012 and the results of their operations for the year then ended;
- ii) all information relevant to the conduct of the audit has been obtained; and
- iii) there are no material deficiencies in the accounting records or financial statements that we have become aware of in the course of the audit.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the NSW Division of Local Government. As a result, the financial report may not be suitable for another purpose.

**THOMAS NOBLE & RUSSELL
CHARTERED ACCOUNTANTS**


K R FRANEY (Partner)
Registered Company Auditor

Dated at Lismore this 31st day of October 2012.

Port Macquarie-Hastings Council

Special Purpose Financial Reports

for the year ended 30 June 2012

Port Macquarie - Hastings Council

Special purpose financial statements for the year ended 30 June 2012

Contents

	Page
Statement by Councillor's and Management	1
Income statement of Water Supply business activity	2
Income statement of Sewerage business activity	3
Income statement of Waste Management business activity	4
Balance sheet of Water Supply business activity	5
Balance sheet of Sewerage business activity	6
Balance sheet of Waste Management business activity	7
Notes to the Special Purpose Financial Statements	8
Auditors' report	

Port Macquarie - Hastings Council

**Special purpose financial statements
for the year ended 30 June 2012**

**Statement by Councillors and Management
made pursuant to the Local Government Code of Accounting Practice and
Financial Reporting**

The attached Special Purpose Financial Statements have been prepared in accordance with:

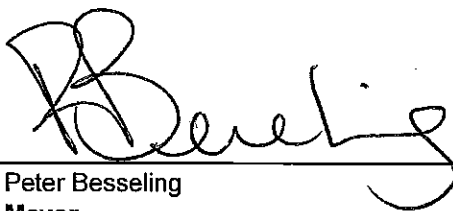
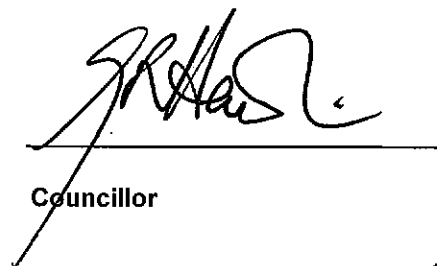
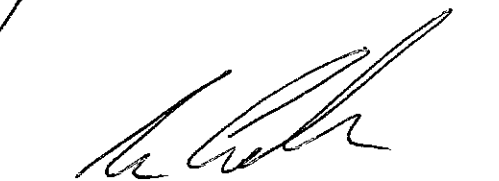
- * NSW Government Policy Statement *"Application of National Competition Policy to Local Government"*.
- * Division of Local Government Guidelines *"Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality"*.
- * The Local Government Code of Accounting Practice and Financial Reporting.
- * The NSW Office of Water, Department of Environment, Climate Change and Water Guidelines.

To the best of our knowledge and belief, these Reports:

- * present fairly the operating result and financial position for each of Council's declared Business Activities for the year, and
- * accord with Council's accounting and other records.

We are not aware of any matter that would render the reports false or misleading in any way.

Signed in accordance with a resolution of Council made on 15 August 2012.


Peter Besseling
Mayor
Councillor
Tony Hayward
General Manager
Kristian Enevoldson
Responsible Accounting Officer

Port Macquarie - Hastings Council

Income Statement of Water Supply business activity for the year ended 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000	Actual 2010 \$'000
Income from continuing operations			
Access charges	5,371	4,995	4,827
User charges	11,480	10,905	11,917
Fees	1,214	610	585
Interest	1,584	894	2,899
Grants and contributions provided for non capital purposes	394	550	236
Other income	39	142	72
Total income from continuing operations	20,082	18,096	20,536
Expenses from continuing operations			
Employee benefits and on-costs	3,212	3,162	2,976
Borrowing costs	963	1,045	656
Materials and contracts	6,511	6,242	5,639
Depreciation & impairment	8,544	8,587	7,694
Water purchase charges			
Loss on sale of assets	331	392	139
Calculated taxation equivalents	96	97	97
Debt guarantee fee (if applicable)	436	486	429
Other expenses	882	813	800
Total expenses from continuing operations	20,975	20,824	18,430
Surplus (deficit) from continuing operations before capital amounts	-893	-2,728	2,106
Grants and contributions provided for capital purposes	3,796	4,052	6,454
Surplus (deficit) from continuing operations after capital amounts	2,903	1,324	8,560
Less Corporate Taxation Equivalent (30%) [based on result before capital]	0	0	632
Surplus (deficit) after tax	2,903	1,324	7,928
Opening retained profits	198,158	196,251	187,165
Adjustments for amounts unpaid			
Taxation equivalent payments	96	97	97
Debt guarantee fees	436	486	429
Corporate taxation equivalent			632
Adjustment for previous period error			
Closing retained profits	201,593	198,158	196,251
Return on Capital %	0.02%	-0.47%	0.78%
Subsidy from Council	8,893	8,888	4,364
Calculation of Dividend Payable			
Surplus (deficit) after tax	2,903	1,324	7,928
Less: Capital grants and contributions (excluding developer contributions)	1,386	109	1,603
Surplus for dividend calculation purposes	1,517	1,215	6,325
Dividend calculated from surplus	759	0	0

Port Macquarie - Hastings Council

Income Statement of Sewerage business activity for the year ended 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000	Actual 2010 \$'000
Income from continuing operations			
Access charges	17,501	16,572	15,948
User charges	828	801	838
Fees	62	150	117
Interest	2,461	5,202	1,807
Grants and contributions provided for non capital purposes	346	339	335
Profit from the sale of assets			
Other income	170	151	154
Total income from continuing operations	21,368	23,215	19,199
Expenses from continuing operations			
Employee benefits and on-costs	3,281	3,357	3,477
Borrowing costs	1,339	976	714
Materials and contracts	6,016	5,733	5,880
Depreciation & impairment	7,437	6,454	6,834
Loss on sale of assets	45	1,550	54
Calculated taxation equivalents	113	111	112
Debt guarantee fee (if applicable)	807	824	704
Other expenses	1,747	1,446	1,286
Total expenses from continuing operations	20,785	20,451	19,061
Surplus (deficit) from continuing operations before capital amounts	583	2,764	138
Grants and contributions provided for capital purposes	1,696	3,089	2,130
Surplus (deficit) from continuing operations after capital amounts	2,279	5,853	2,268
Less Corporate Taxation Equivalent (30%) [based on result before capital]	175	829	41
Surplus (deficit) after tax	2,104	5,024	2,227
Opening retained profits	158,644	151,856	148,772
Adjustments for amounts unpaid			
Taxation equivalent payments	113	111	112
Debt guarantee fees	807	824	704
Corporate taxation equivalent	175	829	41
Less: TER Dividend Paid			
Less: Surplus Dividend Paid			
Closing retained profits	161,843	158,644	151,856
Return on Capital %	0.68%	1.59%	0.39%
Subsidy from Council	2,768	1,036	3,573
Calculation of Dividend Payable			
Surplus (deficit) after tax	2,104	5,024	2,227
Less: Capital grants and contributions (excluding developer contributions)	329	0	870
Surplus for dividend calculation purposes	1,775	5,024	1,357
Dividend calculated from surplus	888	0	0

Port Macquarie - Hastings Council

Income Statement of Waste Management business activity for the year ended 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000	Actual 2010 \$'000
Revenue from continuing operations			
Access charges	10,583	10,120	9,766
User charges	4,027	3,568	3,783
Interest	324	189	363
Grants and contributions provided for non capital purposes	546	493	508
Profit from the sale of assets	107		
Other income	1,585	1,190	1,249
Total income from continuing operations	17,172	15,560	15,669
Expenses from continuing operations			
Employee benefits and on-costs	1,299	1,266	1,147
Borrowing costs	50	60	77
Materials and contracts	12,741	10,706	10,091
Depreciation & impairment	1,477	329	322
Loss on sale of assets			8
Calculated taxation equivalents	56	40	41
Debt guarantee fee (if applicable)	11	16	26
Other expenses	1,316	877	466
Total expenses from continuing operations	16,950	13,294	12,178
Surplus (deficit) from continuing operations before capital amounts	222	2,266	3,491
Grants and contributions provided for capital purposes			
Surplus (deficit) from continuing operations after capital amounts	222	2,266	3,491
Less Corporate Taxation Equivalent (30%) [based on result before capital]	67	680	1,047
Surplus (deficit) after tax	155	1,586	2,444
Opening retained profits and reserves	12,391	10,561	8,153
Adjustments for amounts unpaid			
Taxation equivalent payments	56	40	41
Debt guarantee fees	11	16	26
Corporate taxation equivalent	67	680	1,047
Less: Dividend Paid	-660	-492	-1,150
Less: Non Depreciable Land Improvements written off through Equity	-325		
Closing retained profits and reserves	11,695	12,391	10,561
Return on Capital %	2.25%	24.68%	37.13%
Subsidy from Council	90	0	0
Calculation of Dividend Payable			
Surplus (deficit) after tax	155	1,586	2,444
Less: Capital grants and contributions (excluding developer contributions)	0	0	0
Surplus for dividend calculation purposes	155	1,586	2,444
Dividend calculated from surplus	660	493	1,150

Port Macquarie - Hastings Council

Balance Sheet of Water Supply business activity as at 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	2,938	2,975
Investments	13,714	9,903
Receivables	4,868	4,469
Inventories	269	256
Total current assets	21,789	17,603
Non Current Assets		
Investments	15,257	15,560
Receivables	2,912	4,937
Infrastructure, property, plant and equipment	448,512	360,652
Total non-current assets	466,681	381,149
Total assets	488,470	398,752
LIABILITIES		
Current liabilities		
Payables	629	1,473
Interest bearing liabilities	1,616	1,512
Provisions	1,623	1,553
Total current liabilities	3,868	4,538
Non-current liabilities		
Payables	3,810	5,287
Interest bearing liabilities	12,092	13,848
Provisions	155	177
Total non-current liabilities	16,057	19,312
Total liabilities	19,925	23,850
Net assets	468,545	374,902
EQUITY		
Retained earnings	201,593	198,158
Reserves	266,952	176,744
Council equity interest	468,545	374,902
Total equity	468,545	374,902

Port Macquarie - Hastings Council

Balance Sheet of Sewerage business activity as at 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	2,192	2,107
Investments	14,122	10,937
Receivables	3,474	3,618
Inventories	6	8
Total current assets	19,794	16,670
Non Current Assets		
Investments	9,397	7,096
Receivables	402	1,003
Infrastructure, property, plant and equipment	284,546	235,292
Total non-current assets	294,345	243,391
Total assets	314,139	260,061
LIABILITIES		
Current liabilities		
Payables	489	518
Interest bearing liabilities	1,949	1,765
Provisions	1,438	1,303
Total current liabilities	3,876	3,586
Non-current liabilities		
Payables	3,337	3,337
Interest bearing liabilities	24,631	25,436
Provisions	119	89
Total non-current liabilities	28,087	28,862
Total liabilities	31,963	32,448
Net assets	282,176	227,613
EQUITY		
Retained earnings	161,843	158,644
Reserves	120,333	68,969
Council equity interest	282,176	227,613
Total equity	282,176	227,613

Port Macquarie - Hastings Council

Balance Sheet of Waste Management business activity as at 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000
ASSETS		
Current Assets		
Cash and cash equivalents	385	389
Investments	3,636	3,326
Receivables	1,197	1,030
Total current assets	5,218	4,745
Non Current Assets		
Investments		
Receivables	485	413
Infrastructure, property, plant and equipment	12,083	9,423
Total non-current assets	12,568	9,836
Total assets	17,786	14,581
LIABILITIES		
Current liabilities		
Payables	2	3
Interest bearing liabilities	101	94
Provisions	409	436
Total current liabilities	512	533
Non-current liabilities		
Interest bearing liabilities	226	327
Provisions	390	375
Total non-current liabilities	616	702
Total liabilities	1,128	1,235
Net assets	16,658	13,346
EQUITY		
Retained earnings	11,695	12,391
Reserves	4,963	955
Council equity interest	16,658	13,346
Total equity	16,658	13,346

Port Macquarie - Hastings Council

Notes to the Special Purpose Financial Reports for the year ended 30 June 2011

Contents of the notes to the financial statements		Page
Note 1	Significant accounting policies	SP10
Note 2	Water Supply Business best practice management disclosure requirements	SP14
Note 3	Sewerage Business best practice management disclosure requirements	SP16

Note 1 Significant accounting for the year ended 30 June 2012

(continued)

A statement summarising the supplemental accounting policies adopted in the preparation of the SPFS for National Competition Policy reporting purposes follows.

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by the Council and Department of Local Government. For the purposes of these statements, the Council is not a reporting entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition criteria of applicable Australian Accounting Standards, other authoritative pronouncements of the AASB and Australian Accounting Interpretation. The disclosures in these special purpose financial statements have been prepared in accordance with the Local Government Act and Regulation and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government Policy statement on the '*Application of National Competition Policy to Local Government*'. The '*Pricing & Costing for Council Businesses A Guide to Competitive Neutrality*' issued by the Division of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; Council subsidies; return on investments (rate of return); and dividends paid.

Declared business activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1 - Where annual turnover is greater than \$2 million

Name	Brief description of Activity
Port Macquarie-Hastings Water Supply	Comprising the whole of the operations and assets of the water supply systems servicing the Port Macquarie-Hastings Council area, which is established as a separate Special Rate Fund. As the total annual operating revenues exceed \$2,000,000, it is defined as a "Category 1" Business activity.
Port Macquarie-Hastings Sewerage Services	Comprising the whole of the operations and assets of the sewerage reticulation and treatment systems servicing the Port Macquarie-Hastings Council area, which is established as a separate Special Rate Fund. As the total annual operating revenues exceed \$2,000,000, it is defined as a "Category 1" Business activity.

Note 1 Significant accounting policies - continued

Port Macquarie-Hastings Waste Management Services	Comprising the whole of the operations and assets of the waste management service carried out by the Port Macquarie-Hastings Council, which is established as a separate Special Rate Fund. As the total annual operating revenues exceed \$2,000,000, it is defined as a "Category 1" Business activity.
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Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of Note 2 (Water Supply Best Practice Management Disclosures A513) and Note 3 (Sewerage Best Practice Management Disclosures A514). As required by the NSW Office of Water, Department of Environment, Climate Change and Water, the amounts shown in Notes 2 and Note 3 are shown in whole dollars.

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations (General Purpose Financial Statements) just like all other costs. However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council nominated business activities and are reflected in the SPFS. For the purposes of disclosing comparative information relevant to the private sector equivalent the following taxation equivalents have been applied to all Council nominated business activities (this does not include Council's non-business activities):

	Notional Rate Applied
Corporate Tax Rate	30%
Land Tax	\$100 plus 1.6cents for each \$ by which the taxable value exceeds \$396,000 but is less than \$2,421,000. A premium rate of 2 cents for each \$ applies where taxable value exceeds \$2,421,000.
Other Taxes for Charges	Adjusted accordingly
Payroll Tax	5.45% on salaries and wages in excess of \$678,000

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities. The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993. Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of the business. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Note 1 Significant accounting policies - continued

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional, that is, it is payable to the “Council” as the owner of business operations, it represents an internal payment and has no effect on the operations of the council.

Accordingly, there is no need for disclosure of internal charges in the GPFR. The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates and Charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face “true” commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council’s borrowing rate for its business activities.

Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for council to meet its community services obligations. The overall effect of subsidies is contained within the statement of financial performance by Business Activities.

Return on Investments (rate of return)

The Policy statement requires that Councils with category 1 businesses “would be expected to generate a rate of return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field”. Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council’s business activities on the Income Statement.

Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus. The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed 50% of this surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2012 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management for Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, unqualified independent Financial Audit Report and Compliance Audit Report are submitted to the NSW Office of Water.

Note 2 Water Supply Business best practice management disclosure requirements**2012****1. Calculation and payment of tax-equivalents**

(i)	Calculated tax-equivalents	532,011
(ii)	No of assessments multiplied by \$3/assessment	92,982
(iii)	Amounts payable for tax-equivalents (lessor of (i) and (ii))	92,982
(iv)	Tax equivalents paid	92,982

2. Dividend from Surplus

(i)	50% of surplus before dividends <i>(Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines)</i>	758,500
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	836,838
(iii)	Cumulative surplus before dividends for 3 years to 30 June 2012, less cumulative dividends paid for 2 years to 30 June 2011	9,057,000
(iv)	Maximum dividend from surplus (least of (i), (ii) and (iii))	758,500
(v)	Dividend paid from surplus	758,500

3. Required outcomes for 6 Criteria**Yes/No**

(i)	Complete current Strategic Business Plan (including Financial Plan)	Yes
(ii)	Full cost recovery, without significant cross subsidies <i>(Item 2(a) in Table 1 on page 22 of the Best Practice Management Guidelines)</i>	Yes
	Complying Charges <i>(Item 2(b) in Table 1)</i>	Yes
	DSP with Commercial Developer Charges <i>(Item 2(e) in Table 1)</i>	Yes
	If Dual Water Supplies, Complying Charges <i>(Item 2(g) in Table 1)</i>	Yes
(iii)	Sound Water Conservation & Demand Management Implemented	Yes
(iv)	Sound Drought Management Implemented	Yes
(v)	Complete Performance Reporting Form <i>(by 15 September each year)</i>	Yes
(vi)	a. Complete Integrated Water Cycle Management Evaluation	Yes

Note 2 Water Supply Business best practice management disclosure requirements

b. Complete and implement Integrated Water Cycle Management Strategy

Yes

National Water Initiative (NWI) Financial Performance Indicators

NWI F1	Total Revenue (Water) = <i>Total Income (w13)</i> - <i>Grants for Acquisition of Assets (w11a) - Interest Income (w9)</i>	\$ ('000)	21,332
NWI F4	Revenue from Residential Usage Charges (Water) = <i>Income from residential Usage Charges (w6b) × 100 / (Income from residential usage charges (w6a) + Income from residential access charges (w6b)</i>	%	67.91
NWI F9	Written Down Replacement Cost of Fixed Assets (Water) = <i>Written down current cost of system assets (w47)</i>	\$ ('000)	448,512
NWI F11	Operating Cost (OMA) (Water) = <i>Management Expenses (w1) + Operation and Maintenance Expenses (w2)</i>	\$ ('000)	10,091
NWI F14	Capital Expenditure (Water) = <i>Acquisition of fixed assets (w16)</i>	\$ ('000)	7,264
NWI F17	Economic Real Rate of Return (Water) = <i>[Total Income (w13) - Interest Income (w9) - Grants for acquisition of Assets (w11a) - Operating Cost(NWI F11) - Current cost depreciation (W3)] × 100 divided by Written Down Cost of system assets (w47) + Plant and Equipment (W33b)</i>	%	0.6292
NWI F26	Capital Works Grants (Water) = <i>Grants for Acquisition of Assets (w11a)</i>	\$ ('000)	952

Notes

- References to w (eg. W12) refer to item numbers in Special Schedules Nos. 3 and 4 of each of Council's Annual Financial Statements.
- The NWI performance indicators are based on the National Performance Framework handbook for Urban Performance Reporting Indicators and Definitions.
The NWI indicators are to be calculated using the formulae shown above.

Note 3 Sewerage Business best practice management disclosure requirements

1. Calculation and payment of tax-equivalents

(i)	Calculated tax-equivalents	919,726
(ii)	No of assessments multiplied by \$3/assessment	84,927
(iii)	Amounts payable for tax-equivalents (<i>lessor of (i) and (ii)</i>)	84,927
(iv)	Tax equivalents paid	84,927

2. Dividend from Surplus

(i)	50% of surplus before dividends (<i>Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines</i>)	887,550
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	764,343
(iii)	Cumulative surplus before dividends for 3 years to 30 June 2012, less cumulative dividends paid for 2 years to 30 June 2011	8,156,100
(iv)	Maximum dividend from surplus (<i>least of (i), (ii) and (iii)</i>)	764,343
(v)	Dividend paid from surplus	764,343

3. Required outcomes for 4 Criteria

Yes/No

(i)	Complete current Strategic Business Plan (including Financial Plan)	Yes
(ii)	Pricing with full cost-recovery, without significant cross subsidies (<i>Item 2(a) in Table 1 on page 18 of the Best Practice Guidelines</i>)	Yes
	Complying Charges (a) Residential (<i>Item 2(b) in Table 1</i>)	Yes
	(b) Non-residential (<i>Item 2(b) in Table 1</i>)	Yes
	(c) Trade Waste (<i>Item 2(d) in Table 1</i>)	Yes
	DSP with Commerical Developer Charges (<i>Item 2(e) in Table 1</i>)	Yes
	Liquid Trade Waste Approvals and Policy (<i>Item 2(f) in Table 1</i>)	Yes
(iii)	Complete performance Reporting Form by (<i>15 September each year</i>)	Yes
(iv)	a. Complete Integrated Water Cycle Management Evaluation	Yes

Note 3 Sewerage Business best practice management disclosure requirements

b. Complete and implement Integrated Water Cycle Management Strategy

Yes

National Water Initiative (NWI) Financial Performance Indicators

NWI F2	Total Revenue (Sewerage) = Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10)	\$ ('000)	20,373
NWI F10	Written Down Replacement Cost of Fixed Assets (Sewerage) = Written down current cost of system assets (s48)	\$ ('000)	284,546
NWI F12	Operating Cost (OMA) (Sewerage) = Management Expenses (s1) + Operation and Maintenance Expenses (s2)	\$ ('000)	11,051
NWI F15	Capital Expenditure (Sewerage) = Acquisition of fixed assets (s17)	\$ ('000)	5,569
NWI F18	Economic Real Rate of Return (Sewerage) = [Total Income (s14) - Interest Income (s10) - Grants for acquisition of assets (s12a) - Operating Cost(NWI F12) - Current cost depreciation (s3)] x 100 divided by Written Down current cost (WDCC) of system assets (s48) + Plant and Equipment (s34b)	%	1.059
NWI F27	Capital Works Grants (Sewerage) = Grants for Acquisition of Assets (s12a)	\$ ('000)	329
NWI F3	Total Income (Water & Sewerage) = Total income (w13 +s14) + Gain/loss on disposal of assets (W14+S15) - Grants for acquisition of assets (w11a + s12a) - Interest income (w9 + s10)	\$ ('000)	41,329
NWI F8	Revenue from Community Service Obligations (Water and Sewerage) = Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.7107
NWI F16	Capital Expenditure (Water & Sewerage) = Acquisition of fixed assets (w16 + s17)	\$ ('000)	12,833
NWI F19	Economic Real Rate of Return (Water and Sewerage)	%	0.796

Note 3 Sewerage Business best practice management disclosure requirements

$$= \frac{[Total\ Income\ (w13 + s14) - Interest\ Income\ (w9 + s10) - Grants\ for\ Assets\ (w11a + s12a) - Operating\ Cost(NWI\ F11 + NWI\ F12) - current\ cost\ depreciation\ (w3 + s3)] \times 100}{Written\ Down\ Replacement\ Cost\ of\ fixed\ assets\ (NWIF9 + NWIF10) + Plant\ \&\ Equipment\ (w33b + s34b)}$$

National Water Initiative (NWI) Financial Performance Indicators - continued

NWI F20	Dividend (Water & Sewerage) <i>= Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)</i>	\$ ('000)	1523
NWI F21	Dividend Payout Ratio (Water & Sewerage) <i>= Dividend (NWI F20) *100</i>	%	40.90%
NWI F22	Net Debt to Equity (Water and Sewerage) <i>= [Overdraft (w36 +s37) + Borrowings (w38 + s39) - Cash and investments (w30 + s31)] x 100 divided by [Total Assets (w35 +s36) - Total Liabilities (w40 + s41)]</i>	%	- 2.31
NWI F23	Interest Cover (Water and Sewerage) <i>= EBIT /NI</i> <i>Earnings before Interest and Tax (EBIT) = Operating result (w15a+s16a) + Interest expense (W4a +s4a) - Interest income (w9 + s10) - Gain/loss on disposal of assets (w14 +s15) + Miscellaneous expenses (W4b+w4c+s4b+s4c)</i> <i>Net Interest (NI) = Interest expense (w4a + s4a) - Interest income (w9 + s10)</i> <i>Note: If EBIT>0 AND Net interest <=0 THEN Interest cover is to be reported as ">100"</i> <i>If EBIT <0 THEN interest Cover = 0</i>		>100
NWI F24	Net Profit After Tax (Water and Sewerage) <i>= [Surplus before Dividends (w15a + s16a) - Tax Paid (1(iv) of Note 2 + 1(iv) of Note 3)]</i>	\$ ('000)	3,723
NWI F25	Community Service Obligations (Water and Sewerage) <i>= Grants for pensioner rebates (w11b + s12b)</i>	\$ ('000)	707

Notes

- References to s (eg. s12) refer to item numbers in Special Schedules Nos. 5 and 6 of each of Council's Annual Financial Statements.
- The NWI performance indicators are based on the National Performance Framework handbook for Urban Performance Reporting Indicators and Definitions
The NWI indicators are to be calculated using the formulae shown above.

**PORT MACQUARIE-HASTINGS COUNCIL
SPECIAL PURPOSE FINANCIAL REPORT
INDEPENDENT AUDITOR'S REPORT**

We have audited the accompanying financial report, being a special purpose financial report, of Port Macquarie-Hastings Council (the Council), which comprises the balance sheet as at 30 June 2012, the income statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Councillors and Management.

Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report and has determined that the basis of preparation described in Note 1 to the financial statements is appropriate to satisfy the requirements of the *Local Government Act 1993* and meet the needs of the NSW Division of Local Government. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

Our audit responsibility does not extend to the best practice management disclosures in note 2 and note 3 to the financial statements, and accordingly, we do not express an opinion on such. In addition, our audit did not include an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the special purpose financial report of Port Macquarie-Hastings Council for the year ended 30 June 2012 included on Council's website. The Council is responsible for the integrity of the website. We have not been engaged to report on the integrity of this website. The auditor's report refers only to the financial report identified above. It does not provide an opinion on any other information which may have been hyperlinked to/from the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Auditor's Opinion

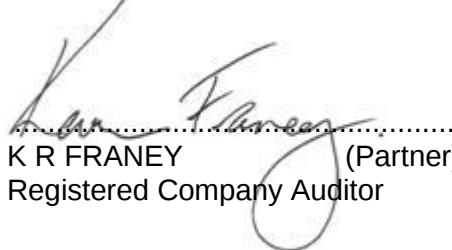
In our opinion the special purpose financial report of Port Macquarie-Hastings Council:

- i) has been prepared in accordance with the requirements of those applicable Australian Accounting Standards detailed in note 1 and the Local Government Code of Accounting Practice and Financial Reporting;
 - a) is consistent with the Council's accounting records;
 - b) presents fairly, in all material respects, the financial position of Council's nominated Business Activities as at 30 June 2012 and the results of their operations for the year then ended;
- ii) all information relevant to the conduct of the audit has been obtained; and
- iii) there are no material deficiencies in the accounting records or financial statements that we have become aware of in the course of the audit.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the requirements of the NSW Division of Local Government. As a result, the financial report may not be suitable for another purpose.

**THOMAS NOBLE & RUSSELL
CHARTERED ACCOUNTANTS**


K R FRANEY (Partner)
Registered Company Auditor

Dated at Lismore this 31st day of October 2012.

Port Macquarie-Hastings Council

Special Schedules

for the year ended 30 June 2012

Port Macquarie - Hastings Council

Special Schedules for the year ended 30 June 2012

Contents

<i>Special Schedules (Not Audited)</i>		Page
Special Schedule No. 1	Net cost of services	1
Special Schedule No. 2(a)	Statement of long-term debt (all purpose)	4
Special Schedule No. 2(b)	Statement of internal loans (Section 410(3) LGA 1993)	5
Special Schedule No. 3	Water supply Income Statement	6
Special Schedule No. 4	Water supply - Balance sheet	9
Special Schedule No. 5	Sewerage Income Statement	10
Special Schedule No. 6	Sewerage service - Balance sheet	13
Notes to Special Schedules 3 and 5		14
Special Schedule No. 7	Condition of public works	15
Special Schedule No. 8	Financial Projections	16

Port Macquarie - Hastings Council

Special Schedule No. 1

Net cost of services

for the year ended 30 June 2012

Function or Activity	Expenses from continuing operations '000	Income from continuing operations (non capital) \$'000	Income from continuing operations (capital) \$'000	Net cost of services \$'000
Governance	4,330			4,330
Adminstration	1,263	535	148	580
Public Order and Safety				
Fire Service Levy, Fire protection, Emergency services	2,059	513	147	1,399
Animal Control	209	96		113
Beach Control	511	79		432
Enforcement of Local Govt Regs	845	326		519
Other	333	0		333
Total Public Order and Safety	3,957	1,014	147	2,796
Health	2			2
Environment				
Noxious Plants and Insect/Vermin control	475	125		350
Other Environmental Protection	2,375	1,396	961	18
Solid Waste Management	16,187	16,713		-526
Street Cleaning	142	0		142
Drainage	2,789	740	457	1,592
Stormwater Management	345	-8		353
Total Environment	22,313	18,966	1,418	1,929
Community Services and Education				
Administration & Education	1,029	12		1,017
Social Protection (welfare)	315	548		-233
Aged Persons and Disabled	153	61		92
Childrens Services	128	46		82
Total Community Services and Education	1,625	667	0	958
Housing and Community Amenities				
Public Cemeteries	1,091	1,155		-64
Public Conveniences	656	-20		676
Street Lighting	1,057	98		959
Town Planning	2,792	1,175	187	1,430
Other Community Amenities	37	32		5
Total Housing & Community Amenities	5,633	2,440	187	3,006

Net cost of services (continued)

Function or Activity	Expenses from continuing operations '000	Income from continuing operations (non capital) \$'000	Income from continuing operations (capital) \$'000	Net cost of services \$'000
Water Supplies	18,746	19,455	3,796	-4,505
Sewerage Services	16,747	21,064	1,696	-6,013
Recreation and Culture				
Public Libraries	2,630	246	105	2,279
Museums	143	17		126
Art Galleries	294	126	53	115
Community Centres & Halls	288	-40	491	-163
Performing Arts Venues	8,059	1,258		6,801
Other Performing Arts	0	0		0
Other Cultural Services	344	68	67	209
Sporting Grounds & Venues	1,481	5	2,142	-666
Swimming Pools	980	-28		1,008
Parks and Gardens (Lakes)	5,081	112	1,849	3,120
Other Sport and Recreation	1,214	43	57	1,114
Total Recreation and Culture	20,514	1,807	4,764	13,943
Mining, Manufacturing and Construction				
Building Control	2,415	1,018		1,397
	2,415	1,018	0	1,397
Transport and Communication				
Urban Roads (UR) - Local	7,571	965	5,317	1,289
Urban Roads - Regional	2,095	1,135	-5	965
Sealed Rural Roads (SRR) - Local	5,537	-3	878	4,662
Sealed Rural Roads (SRR) - Regional	2,000	-3		2,003
Unsealed Rural Roads (URR) - Local	4,203	-5		4,208
Unsealed Rural Roads (URR) - Regional	5	0		5
Bridges Urban Roads - Local	251	0	250	1
Bridges on Sealed Rural Roads - Local	1,386	0	28	1,358
Bridges on Unsealed Rural Roads - Local	662	-1		663
Bridges on Regional Roads	345	0		345
Parking Areas	244	-118	39	323
Footpaths	671	49	311	311
Aerodromes	3,193	3,823	3,500	-4,130
Other Transport & Communication	3,666	143	1,651	1,872
Total Transport and Communication	31,829	5,985	11,969	13,875

Net cost of services (continued)

Function or Activity	Expenses from continuing operations '000	Income from continuing operations (non capital) \$'000	Income from continuing operations (capital) \$'000	Net cost of services \$'000
Economic Affairs				
Camping Areas & Caravan Parks	210	558		-348
Other Economic Affairs	3,151	1,532		1,619
Total Economic Affairs	3,361	2,090	0	1,271
Totals - Functions	132,735	75,041	24,125	33,569
General Purpose Revenues (2)				-46,163
Net operating result for the year (1)				-12,594

Note:

(1) As reported on the Income statement

(2) Includes:

- * Rates and annual charges (including ex-gratia but excluding water and sewer)
- * Non-capital general purpose grants
- * Interest on investments

Port Macquarie - Hastings Council

Special Schedule No. 2(a)

Statement of long-term debt (all purpose)

for the year ended 30 June 2012

Classification of Debt	Principal outstanding at beginning of year			New loans raised during the year	Debt redemption during the year		Transfer to Sinking Funds	Interest applicable for year	Principal outstanding at end of year		
	Current	Non-current	Total		From revenue	Sinking Funds			Current	Non-current	Total
Loans (by source)											
Financial Institutions	6,980	83,185	90,165	1,000	6,980			5,989	7,236	76,949	84,185
State Government	1,135	7,039	8,174		1,135				1,135	5,904	7,039
Department of Lands	0	0	0	0					0	0	0
Total Loans	8,115	90,224	98,339	1,000	8,115	0	0	5,989	8,371	82,853	91,224
Total long term debt	8,115	90,224	98,339	1,000	8,115	0	0	5,989	8,371	82,853	91,224

Port Macquarie - Hastings Council

Special Schedule No. 2(b)

Statement of internal loans (Section 410(3) LGA 1993)

for the year ended 30 June 2012

Summary of internal loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year Principal and interest	Principal outstanding at end of year
General Fund	4,737	619	600
Total long term debt	4,737	619	600

The summary of internal loans (see above) represents the total of Councils' internal loans categorised according to the purpose of the borrower. Details of individual loans are set out below.

Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's approval	Date raised	Term Years	Dates of maturity	Rate of interest	Amount originally raised	Total repaid during the year Principal and interest	Principal outstanding at end of year
Property (Land purchase Flynn Street, Port Macquarie)	Sewer Fund	5/07/2003	2/07/2003	10	2/07/2013	3.54%	2,008	264	253
Property (Land purchase Toorak Circuit, Port Macquarie) - Deposit	Sewer Fund	5/07/2003	3/05/2003	10	3/05/2013	3.92%	302	40	38
Property (Land purchase Toorak Circuit, Port Macquarie)	Sewer Fund	5/07/2003	30/06/2003	10	30/06/2013	4.09%	2,427	315	309
							4,737	619	600

Port Macquarie - Hastings Council

Special Schedule No. 3

Water Supply Income Statement

(Gross including Internal Transactions)

for the year ended 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000
A Expenses and Income		
Expenses		
1 Management Expenses		
a. Administration	2,753	2,482
b. Engineering and Supervision	846	1,080
2 Operation and Maintenance		
Dams and Weirs		
a. Operation expenses	135	172
b. Maintenance expenses	387	522
Mains		
c. Operation expenses	843	706
d. Maintenance expenses	728	573
Reservoirs		
e. Operation expenses	148	86
f. Maintenance expenses	249	144
Pumping Stations		
g. Operation expenses (excluding energy costs)	35	45
h. Energy Costs	551	499
i. Maintenance expenses	544	550
Treatment		
j. Operation expenses (excluding chemical costs)	597	545
k. Chemical Costs	212	169
l. Maintenance expenses	264	250
Other		
m. Operation expenses	1,173	1,270
n. Maintenance expenses	514	463
o. Purchase of Water	112	142
3 Depreciation		
a. System assets	8,526	8,569
b. Plant and equipment	18	18
4 Miscellaneous Expenses		
a. Interest expenses	963	1,045
b. Other expenses	404	519
NCP Tax & Other Equivalents	532	583
5 Total expenses	<u>20,534</u>	<u>20,432</u>
Income		
6 Residential charges		
a. Access (including rates)	5,372	4,995
b. Usage charges	11,370	10,905
7 Non-residential charges		
a. Access (including rates)		
b. Usage charges		
8 Extra charges	98	113
9 Interest income	1,485	802
10 Other income	1,283	730
11 Grants		
a. Grants for the acquisition of assets	952	
b. Grants for pensioner rebates	364	504
c. Other grants		
12 Contributions		
a. Developer charges	1,027	3,411
b. Developer provided assets	1,384	579
c. Other contributions	434	109
13 Total Income	<u>23,769</u>	<u>22,148</u>
14 Gain or (loss) on disposal of assets	<u>-331</u>	<u>-392</u>
15 Operating result	<u>2,904</u>	<u>1,324</u>
15a Operating result (less grants for acquisition of assets)	<u>1,952</u>	<u>1,324</u>

Port Macquarie - Hastings Council

Special Schedule No. 3 (continued)
Water Supply Income Statement
(Gross including Internal Transactions)
for the year ended 30 June 2012

		Actual 2012 \$'000	Actual 2011 \$'000
B	Capital transactions		
	Non-operating expenditures		
16	Acquisition of Fixed Assets		
a.	New assets for Improved Standards	711	2,059
b.	New assets for Growth	5,374	3,132
c.	Renewals	1,149	1,157
d.	Plant and equipment	30	33
17	Repayment of Debt		
a.	Loans	1,653	1,698
18	Transfer to sinking fund		
19	Totals	8,917	8,079
	Non-operating funds employed		
20	Proceeds from the disposal of assets	0	0
21	Borrowings utilised		
a.	Loans	2,860	1,466
22	Transfer from sinking fund		
23	Totals	2,860	1,466
C	Rates and charges		
24	Number of assessments		
a.	Residential (occupied)	27,476	27,168
b.	Residential (unoccupied ie vacant lot)	837	975
c.	Non-residential (occupied)	2,486	3,204
d.	Non-residential (unoccupied ie vacant lot)	195	178
		30,994	31,525
25	Number of ET's for which developer charges were received	234	401
26	Total amount of pensioner rebates	662	639

Port Macquarie - Hastings Council

Special Schedule No. 3 (continued)

Water Supply - Cross-subsidies

for the year ended 30 June 2012

	Yes/No	Amount
D Best practice annual charges and developer charges		
27 Annual Charges		
a. Does Council have best-practice water supply annual charges and usage charges*?	Yes	
If yes go to 28a.		
If no, has Council removed land value from access charges (ie rates)		
 * Such charges for both residential customers and non-residential customers comply with 3.2 of <i>Water Supply, Sewerage and Trade Waste Pricing Guidelines</i> , NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.		
b. Cross-subsidy from residential customers using less than allowance (page 25 of Guidelines)		
c. Cross-subsidy to non-residential customers using less than allowance (page 25 of Guidelines)		
d. Cross-subsidy to large connections in unmetered supplies (page 26 of Guidelines)		
28 Developer charges		
a. Has council completed a water supply Development Servicing Plan? **	Yes	
b. Total cross-subsidy in water supply developer charges for 2010/11 (page 47 of Guidelines)		2
 **In accordance with page 9 of <i>Developer Charges Guidelines for Water Supply, Sewerage and Stormwater</i> , NSW Office of Water, December 2002		
29 Disclosure of cross-subsidies		
Total of cross-subsidies (27b+27c+27d+28b)		2

Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above

However, disclosure of cross-subsidies is not required where a Council has implemented best practice pricing and is phasing in such pricing over a period of three years.

Port Macquarie - Hastings Council

Special Schedule No. 4

Water Supply - Balance Sheet

(Gross including Internal Transactions)
for the year ended 30 June 2012

	Current \$'000	Non current \$'000	Total \$'000
Assets			
30 Cash and investments			
a. Developer charges	103	15,257	15,360
b. Specific purpose grants			0
c. Accrued leave	603		603
d. Unexpended loans	3,633		3,633
e. Other	12,313		12,313
31 Receivables			
a. Specific purpose grants	498		498
b. Rates and charges	504	220	724
c. Other	3,866	2,692	6,558
32 Inventories			0
33 Property, plant and equipment			
a. System assets		448,465	448,465
b. Plant and equipment		47	47
34 Other Assets	269		269
35 Total assets	21,789	466,681	488,470
Liabilities			
36 Bank overdraft			
37 Creditors	629	3,810	4,439
38 Borrowings			
a. Loans	1,616	12,092	13,708
39 Provisions			
c. Other	1,623	155	1,778
40 Total Liabilities	3,868	16,057	19,925
41 Net assets committed	17,921	450,624	468,545
Equity			
42 Accumulated Surplus			201,593
Asset revaluation reserve			266,952
44 Total equity			468,545
Note to system assets:			
45 Current replacement cost of system assets			532,709
46 Accumulated current cost depreciation of system assets			84,244
47 Written down current cost of system assets			448,465

Port Macquarie - Hastings Council

Special Schedule No. 5

Sewerage Income Statement

(Gross including Internal Transactions)
for the year ended 30 June 2012

	Actual 2012 \$'000	Actual 2011 \$'000
A Expenses and Income		
Expenses		
1 Management Expenses		
a. Administration	1,656	1,776
b. Engineering and Supervision	850	790
2 Operation and Maintenance		
Mains		
a. Operation expenses	139	131
b. Maintenance expenses	541	404
Pumping Stations		
c. Operation expenses (excluding energy costs)	284	202
d. Energy Costs	544	492
e. Maintenance expenses	1,047	1,236
Treatment		
f. Operation expenses (excluding chemical , energy, effluent and biosolids management costs)	560	493
g. Chemical Costs	51	60
h. Energy Costs	1,025	789
i. Effluent management	202	230
j. Biosolids management	890	845
k. Maintenance expenses	1,329	1,251
Other		
l. Operation Expenses	753	779
m. Maintenance expenses	52	48
3 Depreciation		
a. System assets	7,079	6,078
b. Plant and equipment	358	376
4 Miscellaneous Expenses		
a. Interest expenses	1,339	976
b. Other expenses	1,121	1,011
NCP Tax & Other Equivalents	920	1,764
5 Total expenses	20,740	19,731
Income		
6 Residential charges (including rates)	16,321	15,422
7 Non-residential charges		
a. Access (including rates)	1,180	1,150
b. Usage charges	828	801
8 Trade Waste Charges	19	12
9 Extra charges	100	87
10 Interest income	2,361	5,114
11 Other income	213	289
12 Grants		
a. Grants for the acquisition of assets	329	
b. Grants for pensioner rebates	343	337
c. Other grants	3	3
13 Contributions		
a. Developer charges	1,179	1,511
b. Developer provided assets	187	1,578
c. Other contributions		
14 Total Income	23,063	26,304
15 Gain or loss on disposal of assets	-45	-1,549
16 Operating result	2,278	5,024
16a Operating result (less grants for acquisition of assets)	1,949	5,024

Port Macquarie - Hastings Council

Special Schedule No. 5 (continued) Sewerage Income Statement (Gross including Internal Transactions) for the year ended 30 June 2012

		Actual 2012 \$'000	Actual 2011 \$'000
B	Capital transactions		
	Non-operating expenditures		
17	Acquisition of Fixed Assets		
a.	New assets for Improved Standards	3,486	1,080
b.	New assets for Growth	801	6,361
c.	Renewals	1,212	3,958
d.	Plant and equipment	70	45
18	Repayment of Debt		
a.	Loans	1,620	1,557
19	Transfer to sinking fund		
20	Totals	7,189	13,001
	Non-operating funds employed		
21	Proceeds from the disposal of assets		
22	Borrowings utilised		
a.	Loans	1,000	4,114
23	Transfer from sinking fund		
24	Totals	1,000	4,114
C	Rates and Charges		
25	Number of assessments		
a.	Residential (occupied)	25,461	25,035
b.	Residential (unoccupied ie vacant lot)	850	895
c.	Non-residential (occupied)	1,847	2,019
d.	Non-residential (unoccupied ie vacant lot)	151	164
		28,309	28,113
26	Number of ET's for which developer charges were received	259	346
27	Total amount of pensioner rebates	624	606

Port Macquarie - Hastings Council

Special Schedule No. 5 (continued)

Sewerage - Cross-subsidies

for the year ended 30 June 2012

	Yes/No	Amount
D Best practice annual charges and developer charges		
28 Annual Charges		
a. Does Council have best-practice sewerage annual charges and usage charges and trade waste fees and charges*?	Yes	
If yes go to 28a.		
If no, has Council removed land value from access charges (ie rates)		
 * Such charges for both residential customers and non-residential customers comply with 3.2 of <i>Water Supply, Sewerage and Trade Waste Pricing Guidelines</i> , NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.		
b. Cross-subsidy to non-residential customers using less than allowance (page 25 of Guidelines)		
c. Cross-subsidy to trade waste discharges (page 46 of Guidelines)		
29 Developer charges		
a. Has council completed a sewerage Development Servicing Plan? **	Yes	
b. Total cross-subsidy in sewerage developer charges for 2010/2011 (page 47 of Guidelines)		
		7
 ** In accordance with page 9 of <i>Developer Charges Guidelines for Water Supply, Sewerage and Stormwater</i> , NSW Office of Water, December 2002		
30 Disclosure of cross-subsidies		
Total of cross-subsidies (27b+27c+27d+28b)		
		7

Councils which have not yet implemented best practice sewerage pricing should disclose cross-subsidies in items 27b, 27c and 27d above

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid trade waste pricing and is phasing in such pricing over a period of three years.

Port Macquarie - Hastings Council

Special Schedule No. 6

Sewerage services - Balance Sheet

(Gross including Internal Transactions)

for the year ended 30 June 2012

		Current \$'000	Non current \$'000	Total \$'000
Assets				
31	Cash and investments			
	a. Developer charges	64	9,397	9,461
	b. Specific purpose grants			
	c. Accrued leave	506		506
	d. Unexpended loans			
	e. Sinking fund	100		100
	f. Other	15,644		15,644
32	Receivables			
	a. Specific purpose grants	1,404		1,404
	b. Rates and charges	880	395	1,275
	c. Other	1,190	7	1,197
33	Inventories	6		6
34	Property, plant and equipment			
	a. System assets		284,515	284,515
	b. Plant and equipment		31	31
35	Other Assets			
36	Total assets	19,794	294,345	314,139
Liabilities				
38	Creditors	489	3,337	3,826
39	Borrowings			
	a. Loans	1,949	24,631	26,580
40	Provisions			
	c. Other	1,438	119	1,557
41	Total Liabilities	3,876	28,087	31,963
42	Net assets committed	15,918	266,258	282,176
Equity				
43	Accumulated Surplus			161,843
44	Asset revaluation reserve			120,333
45	Total equity			282,176
Note to system assets:				
46	Current replacement cost of system assets			363,834
47	Accumulated current cost depreciation of system assets			79,319
48	Written down current cost of system assets			284,515

Notes to Special Schedules 3 and 5

Administration⁽¹⁾ (item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

Engineering and supervision⁽¹⁾ (item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.
- Other technical and supervision staff:
 - Salaries and allowance
 - Travelling expenses
 - Accrual of leave entitlements
 - Employment overheads.

Operation expenses (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

Maintenance expenses (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

Other expenses (item 4c of Special Schedules 3 and 5) include all expenses not recorded elsewhere.

Revaluation decrements (item 4b of Special Schedules 3 and 5) is to be used when infrastructure assets have decreased in fair value.

Residential charges⁽²⁾ (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b User Charges. Exclude non-residential charges.

Non-residential charges⁽²⁾ (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b User Charges. Exclude residential charges.

Trade waste charges (item 8 of Special Schedule 5) include all income from trade waste charges.

Other income (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

Other contributions (items 12c and 13c of Special Schedules 3 and 5 respectively) include capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

Port Macquarie - Hastings Council

Special Schedule No. 7 Condition of Public works as at 30 June 2012 \$'000

Asset class	Asset category (as determined by Council)	Depn Expense % (specific rate or range of rates)	Depn expense \$'000	Cost \$'000	Valuation \$'000	Accum Depreciation, Amortisation and Impairment \$'000	WDV \$'000	Asset Condition (refer to details attached) (4)	Estimated cost to bring to a satisfactory standard (1) \$'000	Required annual maintenance (2) \$'000	Current annual maintenance (3) \$'000
		Per Note 1	Per Note 4	Per Note 9				Per Section 428(2d)			
Public Buildings	Infrastructure	1% to 10%	4,063		162,342	55,376	106,966	3	2,327	713	673
Public Roads	Infrastructure	1.25% to 10%	16,348		1,096,176	257,691	838,485	3	172,005	25,380	7,369
Water	Infrastructure	1.25% to 10%	8,212		493,264	77,858	415,406	3	1,750	6,645	2,686
Sewerage	Infrastructure	1.25% to 10%	5,839		310,166	77,377	232,789	3	0	3,576	3,576
Stormwater Drainage	Infrastructure	1.25% to 10%	1,726		123,497	49,205	74,292	3	11,772	1,726	566
Flood Mitigation	Infrastructure	1.25% to 10%	323		29,003	10,323	18,680	3	0	323	20
Total classes	Total – all assets		36,511	0	2,214,448	527,830	1,686,618		187,854	38,363	14,890

Notes:

Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned 'enhancement(s)' to the existing asset.

Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.

Current Annual Maintenance is what has been spent in the current year to maintain assets.

Port Macquarie - Hastings Council

Notes to Special Schedule 7

Notes:

1. Satisfactory refers to estimated cost to bring the asset to a satisfactory condition as deemed by Council. It does not include any planned 'enhancement(s)' to the existing asset.
2. Required Annual Maintenance is what should be spent to maintain assets in a satisfactory standard.
3. Current Annual Maintenance is what has been spent in the current year to maintain assets.
4. Asset Condition Assessment (DLG Integrated Planning and Reporting Manual) - Councils are strongly encouraged to use these condition rankings.

Level	Condition	Description
1	Excellent	No work required (normal maintenance).
2	Good	Only minor maintenance work required.
3	Average	Maintenance work required.
4	Poor	Renewal required.
5	Very Poor	Urgent renewal/upgrading required.

Port Macquarie - Hastings Council

Special Schedule No. 8

Financial projections for the year ended 30 June 2012

	2012 (1) \$'000	2013 \$'000	2014 \$'000	2015 \$'000
Recurrent budget				
Income from continuing operations	145,329	146,726	168,841	149,039
Expenses from continuing operations	132,735	141,495	143,818	148,785
Operating result from continuing operations	12,594	5,231	25,023	254
Capital budget				
New capital works (2)	39,305	76,550	81,817	45,242
Funded by:				
- Loans	3,278	19,300	9,300	3,000
- Asset sales				
- Reserves	21,094	34,900	32,742	28,321
- Grants/Contributions	9,328	18,153	36,271	10,363
- Recurrent revenue	5,605	4,197	3,504	3,558
- Other				
	39,305	76,550	81,817	45,242

Notes:

(1) From income statement

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc

Attachment 2

2011-2012 Community Report Card



We Asked ... You Said ... We Delivered

2011-2012

Community Report Card

Building a better community together



PORT MACQUARIE
HASTINGS

We Asked ... You Said ... We Delivered

ENGAGEMENT is one of the fundamental processes of Local Government and drives Council decision-making when prioritising delivery of infrastructure and services necessary for a healthy, vibrant and sustainable community.

Community engagement is an ongoing and evolving process between Port Macquarie-Hastings Council and residents who continue to provide valuable feedback on service expectations and funding priorities.

Engagement with the community is the foundation of Council's 2030 Community Strategic Plan and this integrated approach has played an important role in the development of the 2011-2015 Delivery Program and the annual Operational Plan which puts 'your rates into action'.

When 'We Asked' what you thought Council's top priorities were, 'You Said' roads parks maintenance and recreation. These three key areas of Council's core service provision were reflected in the 2011-2012 Operational Plan.

Securing a strong financial framework was critically important in enabling Council to commit to delivering the service priorities and expectations identified by the community, particularly the maintenance of the region's extensive regional and rural roads network.

In 2011-2012, 'We Delivered' several major core service projects all made possible through listening to what the community wanted and working together to ensure the outcomes were socially, economically and environmentally beneficial.

Tony Hayward
General Manager
Port Macquarie-Hastings Council



What are we trying to achieve?

A collaborative community that works together and recognises opportunities for community participation in decision making that is defined as ethically, socially and environmentally responsible.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- A range of community engagement activities including Rural Consultation Forums, Listening to the Community and Council in the Community meetings;
- Community forums around a range of issues such as the Wauchope All Abilities Playground, Lakewood development and Ironman;
- A wide range of communication channels were utilised to reach a variety of audiences. More than 360 media releases were issued; 22 e-news drops sent and over 178,300 unique visitors visited Council's corporate website. Council now has more than 560 social media followers (Facebook and Twitter) who extend the reach of Council's message to the community;
- Community Connect four page newsletter distributed with rates notices in July and September 2011, January and April 2012;
- Community Reference Group Workshops conducted in conjunction with engagement on Special Rate Variation application during November 2011;
- Conducted prospective Councillor Information Sessions in conjunction with the State Electoral Commission and Funding Authority and Local Government Shires Association;
- Maintained important connections with other levels of government through participation in the Mid North Coast Regional Organisation of Councils and meetings with State and Federal members; and
- Delivered high quality customer services through our Call Centres and counter network.



**PORT MACQUARIE
HASTINGS**

What are we trying to achieve?

Our social infrastructure and community programs create a healthy, inclusive and vibrant community.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- Adopted and commenced implementation of the 2011-2015 Crime Prevention Strategy;
- Continued to work with the community regarding access issues with the Access Committee. This culminated in a “wheelchair cavalcade” through the Port Macquarie city centre;
- Worked with the community to celebrate and commemorate NAIDOC Week and Reconciliation Week;
- Delivered a Companion Animal education program to more than 19 local schools, hosted the Mongrel Dog Show and education day and a microchipping program;
- Co-ordinated and mentored the Youth Advisory Council and youth activities including the HSC Music and Dance Showcase, the FreshArt Youth Market Day, the multi-award winning Youth Week and weekend music and entertainment events;
- Implemented a number of healthy lifestyle programs including Move, Eat, Live Well and implemented the Smoke Free policy in children’s playgrounds;
- Advocated for special needs groups and delivered the 2011–2015 Social Strategy;
- Co-ordinated and delivered a successful Heritage Festival and Seniors Week program;
- Provided community access to grant opportunities through the Community Grants and Sporting Fund programs;
- Delivered education programs to over 6,000 students at the Glasshouse and welcomed more than 320,000 visitors through the doors;
- Introduced new technologies to local libraries to improve our library operations;
- Monitored standards of building construction, food shops and public health standards to promote a safe and healthy community; and
- Provided a number of community halls and sporting facilities for community use.



Move, Eat, Live Well launch



Ride For A Day In My Wheels



What are we trying to achieve?

The Port Macquarie-Hastings region is able to thrive through access to a range of educational, employment and business opportunities.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- A Higher Education Industry Plan feasibility study (endorsed by the Federal Government) secured funding to co-ordinate implementation of information portal;
- Commenced development of a four-year Major Events Strategy;
- Delivered the Airport infrastructure and facilities project plan;
- Implemented the Food & Wine Tourism Industry Plan incorporating the strategic directions of the Journey of Flavour program;
- Adopted a Structure Plan outlining future employment generating land uses for the John Oxley Drive Precinct;
- Conducted a review of Flynns Beach Caravan Park; and
- Supported major events including Ironman Australia, Australian Surf Festival and NSW Touch Football State Cup.



What are we trying to achieve?

Our population is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- Upgraded King Creek Road – Narran Close to Old King Creek Road;
- Footpath construction Lake Road eastern side – Hospital exit to Savoy Street;
- Footpath and interim landslip protection Kennedy Drive – Boambee St to Parklands Avenue;
- Provision of bus bay Ruins Way Port Macquarie;
- Road pavement rehabilitation on identified Wauchope streets;
- Implemented bridges and culverts maintenance and repair program including inspections, monitoring and bridge repair works;
- Implemented Local & Regional Bike Plan activities as scheduled in the Roads & Transport delivery program;
- Developed 10 year capital works program for the delivery of open space and recreational facilities including upgrade works;
- Upgraded Pilot Beach playground;
- Upgraded Town Beach Reserve;
- Improvements to Sancrox Park;



What are we trying to achieve?

Our population is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- Upgraded Laurieton Common;
- Improvements to Vince Inmon Sporting Complex carpark;
- Upgraded Pembroke playground;
- Regulated tree removal to maintain local amenity and protect koala food trees;
- Delivery of lifeguard services, education programs and beach facilities;
- Developed 30 year Capital Works Program for the delivery of water supply assets;
- Construction and commissioning of fluoridation facilities at the Rosewood Reservoir;
- Developed 30 year Capital Works Program for the delivery of sewer supply assets;
- Implemented sewer pumping station maintenance program;
- Continued operation of Environmental Laboratory to provide specialist advice, sampling, analysis and reporting of water quality;



Town Beach Skate Park, photo by Keegan Cronin



PORT MACQUARIE
HASTINGS

What are we trying to achieve?

Our population is supported through public infrastructure, land use and development strategies that create a connected, sustainable and accessible community.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- Developed 20 year capital works program for the delivery of stormwater assets including stormwater flood relief works and quality controls;
- Construction of stormwater overflow channel Milton Circuit;
- Treated drinking water to meet Australian Drinking Water Guidelines (ADWG);
- Managed and monitored water supply catchments;
- Continued implementation of Rural Grading Program to maintain unsealed road network;
- Completed a rezoning for 70ha of employment land at Sancrox and negotiated the acceleration of Sancrox overpass construction with landowners and Roads and Maritime Services; and
- Completed the rezoning of and infrastructure agreements for stage one residential lands in Area 14 – Lake Cathie Bonny Hills.



FOCUS AREA - Looking after our environment

What are we trying to achieve?

We understand and manage the impact that the community has on the natural environment.
We protect the environment now and into the future.

We Asked ... You Said ... We Delivered

In 2011-2012, Council delivered:

- Implemented the Invasive Plant Species Strategy (Invasive Species Plan) and carried out bush regeneration of 1,300ha of public bush lands;
- Provided continued support of Landcare and Dunecare programs;
- Completed Hastings River Floodplain Risk Management Study;
- Implementation of the Estuary Management Plan;
- Continued implementation of WaterWise Education Program;
- Commenced mapping of native vegetation and koala habitat in preparation for drafting a Koala Plan of Management and a Biodiversity Strategy;
- Implemented regional programs as part of the Midwaste Regional Strategy;
- Recycled 55% of all domestic waste collected; and
- Completed a climate change risk assessment for council operations.



Your Rates In Action

Moving Forward 2012 – 2013

Maintaining service standards a priority

Permanently retaining the 7.3% rate increase allows Council to maintain the service standards that have been in place for the past two years, ensuring roads maintenance programs remain a priority and investment continues in maintaining the parks and recreation spaces.

Projects will include continuing the high traffic roads resealing program such as sections of Ocean Drive within Lake Cathie and Bonny Hills \$1 million; continuation of third maintenance grader for the unsealed road maintenance program \$500,000; continuation of asphalt / hotmix intersection resurfacing such as Pacific Drive and Kennedy Drive \$400,000 and parks and recreation maintenance across the LGA \$500,000.



Securing a five-year plan

The addition of the 4.43% rate rise will generate around \$1.68 million per year for the next five years. This additional component will allow Council to start addressing the backlog of transport infrastructure that needs replacing and repairing and to assist with construction costs of new infrastructure. During 2012/13, \$500,000 of these funds will go into local road improvement works including additional

unsealed roads maintenance grading crew, bringing total number of grading crews up to four; \$800,000 for the continuation of the high traffic roads resurfacing program on sections of Pacific Drive, Kennedy Drive, Cameron Street/Bago Road, Bold Street and \$200,000 to commence pavement rejuvenation treatments on high traffic roads including sections of Ocean Drive, Lake Road and Hastings River Drive.

Upgrading transport assets

Proposed works include \$1.75 million for an upgrade to traffic signals at the intersection of Hastings River Drive and Boundary Street; \$800,000 Ocean Drive pavement upgrade including cycle lanes and shoulder widening from Bonny View Drive to 470m south; \$425,000 to reconstruct Woodlands Bridge; \$365,000 for the replacement of existing wire barrier through mountain section of Comboyne Road; \$230,000 for Wauchope rehabilitation and reconstruction of local roads; \$100,000 for the continuation of industrial area roads resurfacing program; \$300,000 for Buller Street Bridge pedestrian walkway widening; \$120,000 for preconstruction upgrade on Ocean Drive including cycle lanes (Fairwinds to Brotherglen) and \$100,000 for the preconstruction activities for replacement of Loggys Creek Bridge Pembroke Road.



For the 2012-2013 Operational Plan, visit Council's website at:

www.pmhc.nsw.gov.au/integratedplanning



PORT MACQUARIE
HASTINGS

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