





# Welcome to the Kempsey Shire Council Annual Report 2014-15

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#### Welcome

The Kempsey Shire Council 2014-15 Annual Report provides a comprehensive account of Council's performance from 1 July 2014 to 30 June 2015. This document is an integral part of our democratic governance process in which we are open and accountable to the community. It demonstrates the Council's operations, identifies highlights and achievements, whilst acknowledging the challenges faced during 2014-15.

The NSW Local Government Act 1993 requires all NSW councils to present an Annual Report to the Minister for Local Government by 30 November each year.

#### **Indigenous Acknowledgement**

In the spirit of reconciliation, Council acknowledges and pays respect to the Dunghutti people, traditional owners and custodians of the Macleay Valley. We acknowledge the culture of elders past, present and future and their unique contributions to the life of this Valley.

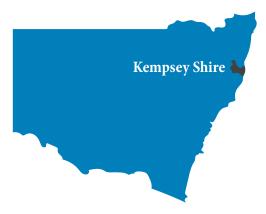
#### How to Read this Report

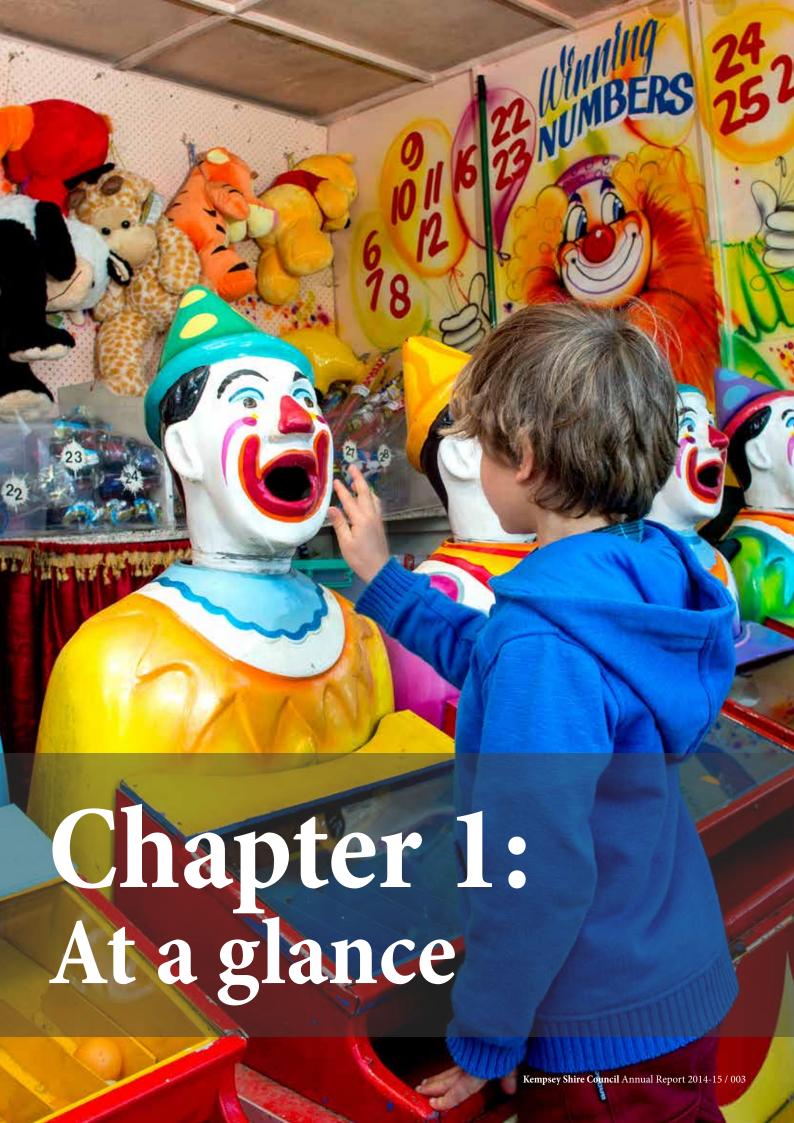
The 2014-15 Annual Report of Kempsey Shire Council is presented in distinct sections of general information, followed by individual reports from each of Council's four directorates.

It comprises two volumes:

- The 2014-15 Annual Report
- 2. The 2014-15 Financial Statements

The Community Financial Report can be found within the general overview in Chapter 2.5 on pages 13-19.





### 1.1 Introduction

### Macleay Valley Coast: Discover Something New

The Macleay Valley is currently home to 29,643 people (ABS 2014) who come from many different countries and are involved in a range of occupations, creative industries and social activities.

The Macleay Valley combines a quality rural and coastal lifestyle with a wide range of services and facilities, including:

- A strategic location along the Sydney-Brisbane corridor.
- Multi-skilled and stable workforce.
- Export-focussed business environment.
- Superior lifestyle.
- Welcoming sub-tropical climate.
- Spectacular, unspoiled mountains, bushland, coastline and river.

#### Vision

Kempsey Shire Council's vision arose from the development of our Macleay Valley 2036 Community Strategic Plan and, in consultation with the community, has set a vision for the Macleay Valley and a statement detailing how it will achieve this vision.

We live in a community that provides opportunity to all, to prosper in an environment that supports wellbeing, connectedness and access to the resources the community wants and needs.

#### Values

Being Healthy Being Wealthy Being Safe Being Sociable

#### Mission

Council's role is to take a leading position in partnering with other levels of government, business and community groups, and individuals to make the community's vision a reality. To achieve this we rely on our commitment to and cohesion as a professional, friendly, and ethical council that consults with and listens to the community. We pride ourselves on bringing values alive in our daily activities.

#### **Commitment**

As the custodian of the community's plan it is important that the community has a commitment from the Council. In working with the community and other key stakeholders to develop, review, and report back on this plan, Council commits to ensuring the following:

#### Great Leadership

This means having the courage to make difficult decisions when they are for the benefit of the whole community and having the skills to engage our teams in providing quality service.

#### **Informed and Engaged Community**

This means effective communication methods and technology are used to share information and provide services.

#### Respect for all

This means treating each other and all members of the community in a friendly, fair and equitable way.

#### Working together

This means everyone working in partnership both within Council and the community to achieve common goals.

# Council's Approach to Integrated Planning and Reporting (IPR)

Council introduced the Integrated Planning and Reporting framework which replaced the former Management Plan and Social Plan. It also included the long-term Community Strategic Plan and Resourcing Strategy.

The IPR recognises that Council plans should not exist in isolation – land use and infrastructure planning produces social, environmental and economic outcomes, and viceversa – they are connected.

IPR recognises that our communities share similar aspirations: a safe, healthy, and pleasant place to live, a sustainable environment, opportunities for social interaction, opportunities for employment, and reliable infrastructure.

The new framework opens the way for Council and the community to have important discussions about funding priorities, service levels, preserving local identity, and planning in partnership for a more sustainable future.

#### IPR Documents



### 1.2 Profile - Kempsey Shire

Kempsey Shire covers an area of 337,874 hectares from the Pacific Ócean in the east to Five Day Creek in the west; from Grassy Head in the north, to Kundabung in the south. It is an area rich in beautiful coastal beaches and natural bush hinterland.

Central to the lifeblood of the Shire is the Macleay River, which is surrounded by a wide floodplain of rich pastoral land and productive farms, overlooked by stunning mountain country.

Kempsey Shire is in an excellent strategic position for businesses wishing to access the lucrative markets of Sydney and Brisbane.

Kempsey, located on the banks of the Macleay River, is the largest town in the Shire. It is a hub of retail and business activity with the main railway line bisecting the town. Kempsey is surrounded by pleasant rural villages such as Frederickton, Smithtown, Gladstone, Willawarrin and Bellbrook.

The temperate climate and the natural beauty of the environment have contributed to the region's relaxed coastal lifestyle, which is highly prized by residents and visitors to

Add to this the coastal resort areas of South West Rocks, Crescent Head, Hat Head and Stuarts Point, which are a magnet for holidaymakers.

With spacious sandy unspoilt golden beaches, lush rainforests, miles of winding rivers and scenic hinterland it's no wonder we live here.

#### Towns and localities

- Aldavilla
- Frederickton
- Arakoon
- Gladstone
- Austral Eden
- Grassy Head
- Barraganyatti
- Greenhill
- Bellbrook
- Hampden Hall
- Bellimbopinni
  - Hat Head
- Belmore River
- Hickeys Creek
- Burnt Bridge
- Jerseyville
- Clybucca
- Kempsev
- Collombatti
- Kinchela
- Comara
- Kundabung
- Corangula
- Millbank
- Crescent Head Mooneba
- Moparrabah
- Deep Creek
- Dondingalong Mungay Creek
- East Kempsey
- Old Station
- Euroka

Fishermans

Reach

- Pola Creek
- - Seven Oaks

- Sherwood
- Skillion Flat
- Smithtown
- South Kempsey • South West Rocks
- Stuarts Point
- Summer Island
- Temagog
- Toorooka
- Turners Flat
- Verges Creek
- West Kempsey
- Willawarrin
- Willi Willi
- Wittitrin
- Yarrahapinni
- Yarravel
- Rainbow Reach Yessabah





### 1.3 History and Heritage

The Kempsey Shire, Macleay Valley, is located on the Mid North Coast of NSW offering tremendous diversity in lifestyle opportunities and containing some of the best coastline, hinterland and national parks in Australia. The Macleay River is at the heart of the Shire as it carves its way from the mountains of the New England Plateau to the sea at South West Rocks.

### Early Local Government

Local government came to the Macleay Valley in 1885 with the constitution of the Kempsey Borough Council. The remainder of the Valley was introduced to municipal administration in 1907 with the formation of the Macleay Shire Council. In 1975 these two authorities agreed to amalgamate, with the Kempsey Shire Council being incorporated on 1 October 1975 to govern the entire Macleay Valley.

### **Indigenous History**

Our history has its beginnings with the Dunghutti Aboriginal people, a group who lived in harmony with the land. Their pattern of life was governed by codes of conduct regarded as sacred, having been handed down through countless generations. Remnants of their ancient culture remain in our Valley.

### Distribution of Land

The earliest European settlement was recorded in 1827 with the establishment of a cedar party north of Euroka Creek on the Macleay River. The fine stands of cedar and rosewood timbers attracted the first residents.

The first land grants were surveyed on the east bank of the Macleay in 1835. Enoch William Rudder, a merchant from Birmingham, became Kempsey's first white settler. He surveyed the land for a private town which he named Kempsey as he found the countryside reminiscent of the valley of Kempsey in Worcestershire, England.

### **Early Industries**

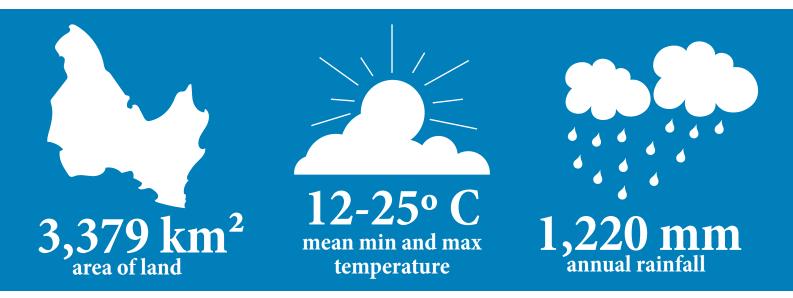
Industry from our past still plays an important role in the local economy today, including timber, beef and dairy cattle, maize, potatoes, fishing, prawning and oyster farming. Over time, industry has diversified with the Macleay Valley now being home to a number of Australia's leading manufacturers including Akubra, Nestlé Australia Ltd and Australian Solar Timbers.

A number of emerging industries such as pasture raised poultry, rabbit production, Indigenous bush foods, blueberries, organics, garlic, brewing, citrus and chillies also making strong holds in the Macleay. Dairying is making a resurgence, with strong output being produced and marketed through the NORCO cooperative, with increasing demand for NORCO milk both domestically and from China

The horticulture industry is blooming and tropical fruit and vegetables flourish in our subtropical climate. Our Shire's culture continues to be developed and enhanced with some of the most talented craftspeople and artisans in Australia living and working in our area, while our tourist industry is growing as more and more people discover this beautiful Valley.

### Transport

As our Shire progressed, so did our transport systems. Bullock and horse teams were the carriers of early times and shipping played a major role in transport. The first vehicular ferry operated in 1842. Up until 1893, the entrance to the Macleay River was at Grassy Head and droghers regularly plied the river carrying produce to meet the ocean going ships that tied up at Kempsey wharf.



### 1.4 Facts and Figures

### Council-owned facilities

- Customer service centres: 1
- Visitor information centres: 2
- Public ameities: 17
- Libraries: 4
- Mobile Libraries: 1
- Community buildings: 33
- Cemeteries: 14
- Art galleries: 2
- Swimming pools: 4
- Sporting facilities: 12
- Holiday parks: 5
- Skate parks: 4
- Bus shelters: 38
- Car parking lots: 16
- Airports: 1
- Saleyards: 1
- Rural Fire Stations: 23

### Roads and paths

- Roads: 1,199km
  - Sealed: **661km**
  - Unsealed: 588km
- Bridges: 159
- Culverts: 175
- Footpaths: 65km

### Waterways and flood mitigation

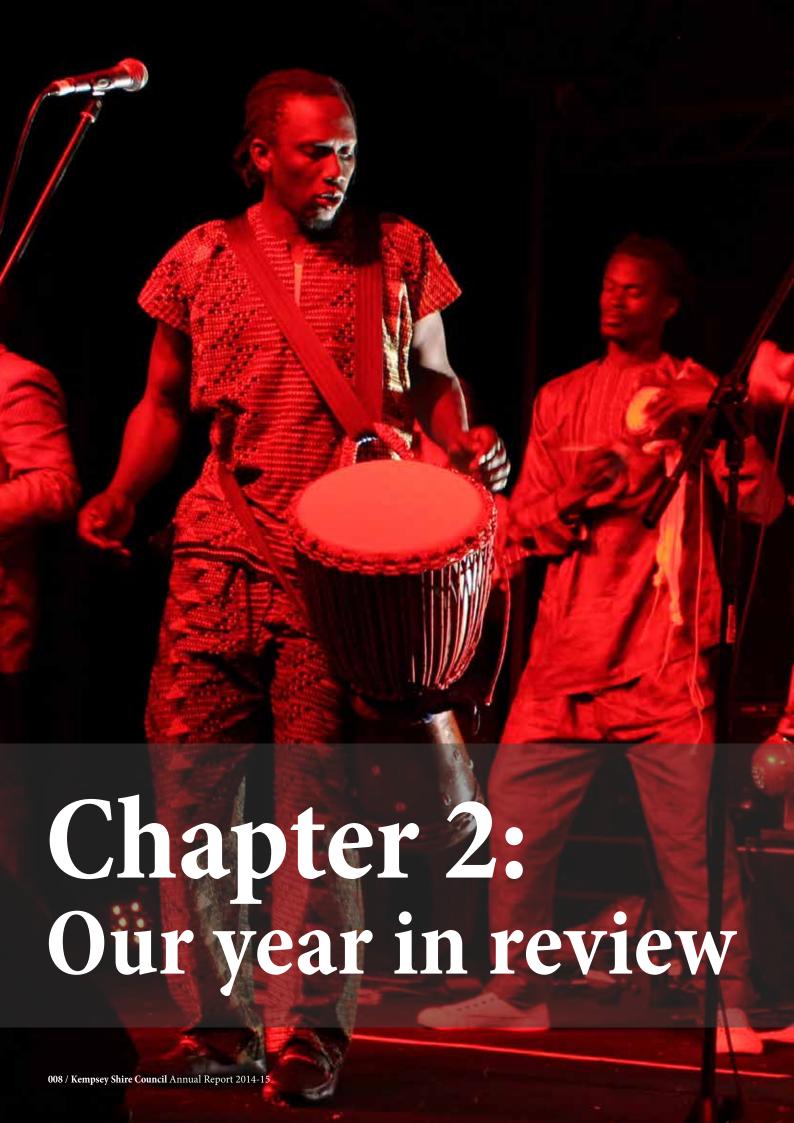
- Boat ramps: 20
- Flood gates: 177
- Flood drains: 53
- Levees and rock walls: 82
- Stormwater drains: 101km

### Population and income

- Estimated resident population 2014: 29,643
- Population density: 0:09
- Per capita income 2010/11: \$15,811
- Average wage & salary income 2010/11: \$38,655
- Employed persons (no.) YE June 2014: 10,932
- Unemployment rate (%) YE June 2014: 8.85
- Employed residents (no.) 2014: 10,911
- Local jobs (no.) 2014: 10,932

### Water and waste infrastructure

- Sewerage network:
  - Properties connected: 7,400
  - Sewerage pump stations: **79**
  - Treatment plants: 8
  - Length of sewer mains and reticulation: 212km
- Drinking water network:
  - Length of water pipes: 611km
  - Water supply reservoirs: 18
  - Dams: 2
  - Water pump stations: 21
  - Water treatment plants: 4
  - Reclaimed water treatment plants: 1
- Dosing stations: 9
- Water connections: 11,630
- Waste management network
  - Waste Management Centre: 1
  - Transfer stations: 3
  - Mobile Community Recycling Centres: 1
  - Weekly waste collections to households: 11,708
  - Fortnightly recycling collections to
    - households: 11,097
  - Fortnightly organics collections to households: **7,611**



### 2.1 Achievements and awards

# "Discover Something New" Marketing Campaign

Phase 2 of the 'Discover Something New' Destination Marketing Campaign in partnership with Destination NSW, Macleay Valley Coast Tourism Association and 170 local businesses, saw the campaign gain multi-award winning status, being awarded:

- 1st place for Excellence in Communication, 2014 NSW Local Government Dougherty Awards
- 1st Place for Excellence in Business, 2014 Macleay Argus Local Business Awards
- 2nd Place for Destination Marketing, 2014 Regional Tourism Awards

Encompassing traditional and digital media, the campaign included a complete redevelopment of the Macleay Valley Coast's tourism website (www.macleayvalleycoast.com.au), a new Macleay Valley Coast Visitor Guide, a new quarterly Tourism E-Newsletter 'Discovery', highway billboard signage and Sydney Weekender TV feature.

Using powerful new photographic imagery and professional copywriting services, the campaign's theme focussed on strengthening the Macleay Valley's profile, reputation and appeal as a leisure destination. It emphasised the Macleay's 'discovery' elements, including its natural assets, relaxed environment and nature-based experiences. Imagery and messages emphasised nature, culture, heritage, Indigenous, local personalities and food experiences.

A unique element of the Macleay Valley Coast Branding and Marketing Campaign included the use of 'Local Legend - meet the locals' personalities to tell the Macleay's story and provide insider visitor tips.



### Institute of Public Works Engineering Australasia Excellence Awards

The IPWEA (NSW Division) presents the Engineering Excellence Awards each year to encourage excellence in innovation, development, completion and management of Local Government and public works projects. Nominations are judged on their merits and are not constrained by project or council/organisation size.

A number of projects and initiatives undertaken in recent years by Kempsey Shire Council were recognised against initiatives and projects put forward by other NSW councils at the NSW Division of the Institute of Public Works Engineering Australia 2014 Engineering Excellence Awards. Projects and initiatives of the Council featured amongst the commendations in 4 out of 7 of the categories of awards, including:

- Public Works Leader of the Year Winner: Mrs Anne-Maree Burke, Manger Water Strategy
- Special Award Winner: "Grow Your Own", Industry Based Traineeship Program
- Excellence in Road Safety Engineering Highly Commended: Stabilisation of Job's Cutting, Armidale Road, Comara
- Excellence in Innovation Highly Commended: West Kempsey Effluent Pond Sludge Dewatering



### 2014 NSW & ACT Group Training Awards

A trainee within Kempsey Shire Council, Stephen Smailes, was awarded the 2014 NSW and ACT Group Training Association *Trainee of the Year Award-Building Construction & Utilities*. Stephen has since secured a permanent position within Kempsey Shire Council's Water Process department.



### 2014 Excellence in Environment Awards

This award recognises outstanding achievements by Local Government in managing and protecting the environment. Kempsey Shire Council was awarded the 2014 Excellence in Environment Award *Winner - Division B: Roadside Environmental Management* for the rehabilitation of Belmore River and Summer Island Roads through eradication of high risk weed species and restoration of native vegetation.

### 2.2 Calendar of events

### July - 2014

- Kick Start Your Community program (Healthy Communities)
- Aussie Bush Mail Box Competition
- Official opening of the refurbished library by Mylee Joseph

### <u> August - 2014</u>

- Head to Head Walk Run
- Local Government Week
- Children's Book Week

#### September - 2014

• Macleay River Festival



- Gladstone SES Headquarters opened
- Community Hall Makeover Competition
- Kempsey dLab workshops
- Customer Services attended the Kempsey, South West Rocks and Gladstone markets as part of the showerhead giveaway program

### October - 2014

- Goodstart Early Learning Session at the Library
- 90th Anniversary Commemoration Kinchela Boys Home -display of photographs, information and photos from the State Records "In Living Memory" travelling suitcase exhibition

#### November - 2014

- Show & Tell workshops held
- Celebration of 75 years of the NSW Library Act

#### December - 2014

- Carols and Riverside Markets
- Summer Reading Club Program



### *January - 2015*

- Holiday Cinema
- Free Rollin' Program at local skate parks



• Summer Reading Club Program

### February - 2015

- Free MyRoadInfo app launched
- Show & Tell workshops held
- Kempsey dLab workshops
- Goodstart Early Learning Session at the Library
- Freedom Ride 50 year anniversary

#### March - 2015

- Seniors Week activities
- Macleay Valley Community Art Gallery lighting installed
- Toy Library launch of resources for children with special
- Goodstart Early Learning session

### April - 2015

ANZAC Day commemorated



- ANZAC DAY Display: World War 1 local veterans
- "Country Nurses Go To War" by Noelene Kyle
- Kempsey dLab Mission Australia's Girl's camp
- Youth Week cinema event
- · School holiday activities at the library
- Scrapbooking for kids
- Manga workshop

### *May - 2015*

- Inaugural Volunteer of the Year awards held
- Seniors information day
- Kempsey dLab residency
  Law Week talk "Wills, Powers of Attorney and Appointment of Enduring Guardian"
- New Children's digital resources Storybox and Busy Things

### June - 201<u>5</u>

- Youth mural project completed
- Clean Up the Macleay Valley grants
- Pop up gallery MAKAS Open Day



### 2.3 Australia Day

Australia Day 2015 was the opportunity for Council and the community to recognise and promote the outstanding achievements of locals to the Kempsey Shire.

Council was fortunate to have Claire Tonkin, Network Ten's Drama Executive as the Australia Day Ambassador. Having grown up in small, remote mining towns across Australia, Claire has always been passionate about telling uniquely Australian stories.

### Citizen of the Year Award – Joint winners Brian Irvine and Milton Matthews

#### Brian Irvine

The words that have left Brian Irvine's lips more times than anyone in the Macleay community could count are "that won't be no problem, when would you like it done?" Brian is a selfless man whose nomination and selection for Citizen of the Year surprised and humbled him. Brian would not think that anything he does is any different to what any other person in his position would do.

#### Milton Matthews

Community service has been an intrinsic part of Milton's life since moving to South West Rocks in the early 1970s through the South West Rocks Lions Club and as a trustee and committee member of the South West Rocks School of Arts. Milton Matthews is a modest and self-effacing citizen who has maintained a high level of quality community service in the South West Rocks community for approximately 40 years.

### Young Citizen of the Year Award – Claire Martin

Overcoming the odds seems to be an overused and possibly understated phrase. What Claire Martin has accomplished through many challenging times is nothing short of amazing and sets a wonderful example for all youth that anything is possible when you have the determination not to let others define your future. Claire had the strength and courage to leave a situation where she experienced domestic violence and moved to the Macleay Valley to begin a new life with the support of her mother. Claire is now currently studying for her Bachelor of Criminology and has met a wonderful man, Ben who is now her husband. Her new studies have also led to a new position within the law and justice industry.

## The Community Group of the Year – All Saints Caterers

The All Saints Caterers have been active in the Macleay Valley community since the 1970s with many residents experiencing the warmth and hospitality this group provides at meetings and events, as well as times of celebration and loss. They provide services to all, including meals to those less fortunate in our community. All Saints Catering members have changed over time however the ethos and commitment of the group to our community remains the same. They give freely of their generosity, time, and talents.



### 2.4 Our volunteers

### Volunteer of the Year Awards

Council held its inaugural Volunteer of the Year Awards for the Shire, receiving 30 applications.

Every day volunteers throughout the Macleay Valley give their time and skills to support others in our community. Volunteers contribute in areas as diverse as emergency response, providing support to those who are disadvantaged or elderly, growing the arts, historical and cultural connections, working within schools and sporting clubs and ensuring that our towns and villages grow and prosper.

#### Recipients of the inaugural volunteer awards were:

- Sonya Murphy Volunteer of the Year
- Justin Cutter Young Volunteer of the Year
- Parklands Cottage for Volunteer Group of the Year.

#### Council Volunteers and 355 Committees

Council appreciates the 393 volunteers providing assistance in our community. Areas welcoming volunteers across the Shire include: Libraries, Visitor Information Centre, Community Halls, The HUB Community Centre, Macleay Community Care Options, Respite Care, Community Events and Graffiti Blasters.

The Volunteer Handbook used during the induction process has been reviewed to assist volunteers undertaking their role

The 'Toolkit' provided to community facilities that operate as a 355 Committee of Council is under review with the aim of simplifying many of the administration processes for the Volunteers looking after these community spaces.

### Macleay Valley ClubGRANTS

ClubGRANTS support local communities by providing funding for community welfare, social services, community development, community health services and employment assistance activities.

The Macleay Valley ClubGRANTS Local Committee has representatives from Council, Kempsey Macleay RSL Club, South West Rocks Country Club and Crescent Head Country Club who meet annually to determine the allocation of a proportion of their poker machine revenue to local community groups.

The following programs were funded in 2014:

- Department of Education and Communities received \$1,800 for the North Coast Deaf Camp held in September 2014.
- Life Education NSW received \$8,000 for providing a healthy living program to the children of the Kempsey area in 2014.





# Community Financial Report

The Community Financial Report provides an overview of the key elements of Council's Financial Statements in order to assist readers in their understanding of the Council's financial position and performance.

The next few pages provide a simple explaination for the key financial statements:

- Statement of Cash Flows
- Income Statement
- Statement of Financial Position



### Statement of Cash Flows

The Statement of Cash flows is just like your bank statement.

This statement only reports cash and shows:

- How much money we started the year with
- Where the incoming money came from
- Where the money was spent, and
- How much money we have left at the end of the year.

Cash flows for the period are separated into operating, investing and financial activities.

**Operating Activities** include all revenues and expenses incurred by Council in providing ongoing services to the community.

**Investing Activities** include money Council receives and spends when either disposing or purchasing assets including roads, buildings, and water and sewer infrastructure.

**Financing Activities** are cash received if Council takes out new loans or cash paid to repay loans.

Cashflow Snapshot	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Opening Cash Balance	29,832	28,448	31,590	32,221
Net Cashflow from Operating Activities	29,241	13,174	11,980	13,981
Net Cashflow for Investing Activities	(18,591)	(16,516)	(16,773)	(11,955)
Net Cashflow for Financing Activities	(1,190)	4,726	1,651	(2,657)
Closing Cash Balance	39,292	29,832	28,448	31,590

#### **Income Statement**

Did we make a profit or loss?

The Income Statement measures Councils financial performance over the financial year. The statement shows where Council's money comes from (revenue) and how that revenue is used (expenses) in providing services to the community.

The 2014/15 Income Statement reveals a net operational surplus (profit) for the year of \$13.331m compared to a deficit of \$20.853m in the previous year.

The major contributors to Council's Operating Surplus were:

- Increase in Capital Contributions due to the handover of road assets to Council to the value of \$18.044m and a settlement payment of \$3.491m from the Roads and Maritime Service following the Kempsey Bypass Stage1 construction.
- Contribution of \$1.756m in Water and Sewer assets together with additional Section 94 income of \$948,000.
- Increased revenue from user Rates & Annual Charges of \$2.171 million.



### Where did our money come from?

To pay for the services provided Council collects money from the community, that is the people who use the services. Councils obtain money in six main ways.

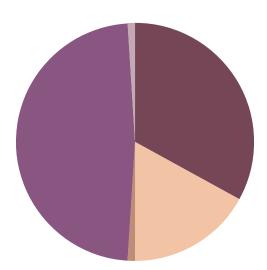
- 1. Rates This is Council's major source of income which is levied on landowners.
- Charges Council imposes an annual charge for providing services such as water, sewerage, drainage and waste management.
- 3. Fees Council charges fees for other service they provide e.g.
  - Caravan Park fees.
  - Use of council owned facilities, e.g. Saleyards.
  - Assessing and approving building and development applications.
- 4. **Grants** Council receives a financial assistance grant every year under the Local Government (Financial Assistance) Act 1995. Council also receives other specific grants contributing to the delivery of services such as flood mitigation, regional road maintenance and environmental projects.
- Borrowings Council borrows money from financial institutions with the approval of the Minister for Local Government.
- Investments Councils earns interest on money invested, investments are undertaken within the guidelines laid down by the Minister for Local Government and Council's policies.

### This year Council's income was:

\$89.363 million

The income is summarised in the table below.

Main Source of Income	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Rates and Annual Charges	29,693	27,522	25,872	24,233
User Charges and Fees	15,541	14,761	12,388	11,114
Interest and Investment Revenue	1,350	1,184	1,490	1,935
Grants and Contributions	42,658	15,082	16,686	17,135
Other Income	121	134	232	407
Total Income	89,363	58,683	56,668	54,824



#### Main Source of Income 2015

Rates and Annual Charges
User Charges and Fees
Interest and Investment Revenue
Grants and Contributions
Other Income



### Where is the money spent?

Council's expenditure for the year was \$76.032m and is set out below.

Expenditure	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Employee Benefits and On-Costs	20,293	20,704	19,365	19,381
Borrowing Costs	3,014	3,274	2,918	3,111
Materials and Contracts	15,755	16,341	15,742	15,151
Depreciation and Amortisation	31,247	30,530	29,508	29,974
Other Expenses	5,723	8,687	4,803	4,006
Total Income	76,032	79,536	72,336	71,623

### **Expenditure 2015**

**Employee Benefits and On-Costs Borrowing Costs Materials and Contracts** 

**Depreciation and Amortisation** 

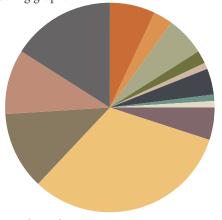
Other Expenses

Council's expenditure is incurred in the provision of services and infrastructure to the community. Some of the services Kempsey Shire Council provides are:

- Roads, bridges, footpaths and gutters.
- Waste disposal services and facilities.
- Water and sewerage infrastructure.
- Community care services for the frail aged and younger people with a disability.
- Libraries.
- Public halls.
- Swimming pools and other sporting and recreation facilities including parks.
- Public toilets.
- Planning and development services.
- Promoting local and regional tourism and economic development opportunities.

  • Drainage and flood mitigation systems.

A breakdown of operating expenditure by activity is set out in the following graph.



### What the money was spent on





### Statement of Financial Position

The Statement of Financial Position shows Council's net accumulated financial worth at the end of the financial year.

The Statement of Financial Position is broken down into three areas:

- What Council owns (Assets),
- What Council owes (Liabilities), and
- What Council is worth in dollar terms (Equity).

Equity is worked out by deducting the value of liabilities away from assets.

Financial Position Snapshot	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Assets (A)	1,068,531	1,200,083	1,182,774	1,141,700
Liabilities (L)	64,593	65,484	60,114	58,970
Equity (A-L)	1,003,938	1,134,599	1,122,660	1,082,730

#### What Council Owns - Assets

The major components of our assets include:

- Cash.
- · Receivables.
- Property, plant and equipment.
- Capital work in progress.

Infrastructure, Property, Plant and Equipment accounts for 95.56% of Council's assets. This is a significant investment by the organisation and requires astute management to ensure the levels of service provided by these assets is maintained.

As at 30 June 2015, Council held total assets worth \$1,068,531 million.

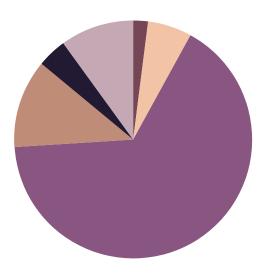
The value of Infrastructure, Property, Plant and Equipment in the Statement of Financial Position for the 2015 financial year shows a decrease in value to \$1,021,108 million. This is a \$138.882 million decrease in value from the 2014 financial year.

The movement in the carrying value of Councils assets is due to:

- Asset additions Council's expenditure on infrastructure, property, plant and equipment was \$39.274m. This comprised in part \$11.702m for the renewal of infrastructure and the transfer of the Macleay Valley Way to Council \$18 million.
- The revaluation of the roads and drainage infrastructure led to a net write off of \$143.992 million. The reduction in the value of Council's asset base is attributed to the refinement of asset data in respect of the road network which resulted in a reduction in the value of Councils roads of \$184 million.
- Annual depreciation expense of \$31.247.

Council Constructed/ Purchased Assets	2015 \$'000	2014 \$'000	2013 \$'000	2012 \$'000
Land and Buildings	647	1,368	1,599	342
Plant and Equipment	2,398	2,134	2,707	3,724
Roads, Bridges and Drainage Networks	26,117	6,893	7,765	5,707
Water Supply Network	4,676	4,479	3,771	1,067
Sewerage Network	1,569	1,423	1,730	1,848
Total	39,274	17,115	17,824	12,692





#### **Council Assets 2015**

Land and Buildings

Plant and Equipment

Roads, Bridges and Drainage Networks

Water Supply Network

Sewerage Network

Other Assets

#### What Council Owes - Liabilities

The major components of our liabilities include:

- Payables.
- Borrowings.
- Provisions.

Borrowings account for \$51.349 million representing 79.50% of Council's liabilities. Council's loan liability decreased by \$1.190 million in the year.

### What Council is worth in dollar terms - Equity

Council's equity or net worth can change as a result of:

- A profit or loss as recorded in the income statement.
- A change in the value of non-current assets resulting from the revaluation of those assets.

Kempsey Shire Council's net worth shows a decrease of \$130.661m in the 2014/15 year. The movement is attributed to a reduction in the value of infrastructure assets of \$143,992m due to the revaluation of Council' road and drainage networks offset in part by an operational surplus of \$13.331m as disclosed in Council's Income Statement.

### Council's net worth as at 30 June 2015 was:

\$1.004 billion



### Budget

Kempsey Shire Council's budget forms part of a detailed integrated planning cycle, the budget has as a primary objective the sound and sustainable financial management of Council's resources. Similar to managing a household budget, money needs to be earned, bills have to be paid and savings need to be set aside for future needs.

Council's budget is comprised of Operating and Capital components. The Operating Budget provides for the delivery of day to day service to the community while the Capital Budget provides funding for the renewal and expansion of Councils infrastructure and asset base.

### Financial Strategies Incorporated in the Budget

Councils Delivery Plan and 2014/15 Operational Plan had as a primary focus the principle of long term financial sustainability. Strategies implemented within these Financial Plans to address this issue included:-

- Increase revenue including greater reliance on user charges and increase in rate income.
- Reducing costs by the identification of efficiency savings, review of service levels and service delivery options and the rationalisation of facilities provided and maintained by Council.
- Reduction in level of debt thus freeing up funding in the General Fund to address infrastructure renewal requirements.
- Targeting expenditure on the maintenance/renewal of infrastructure which was assessed as delivering the greater benefit to the community and local economy.

Council's 2014/15 budget in addressing the above principles provided for:

- Ordinary rates increased in accordance with Council's Special Rate Variation Determination of 9.3%.
- Discretionary budgets were not increased.
- Continuation of the implementation of the targeted road network renewal program.
- Rigorous review of operational budgets to identify savings in order to support ongoing efficiency improvements.

### **Budget Results**

A comparison of the cash result achieved against the original budgeted estimate for the 2014-15 year is set out below:

	Budgeted Result	Actual Result	Accumulated Cash Surplus
General Fund	\$75,803 (S)	\$218,593 (S)	\$986,118
Water Fund	-	\$39,398 (S)	\$604,117
Sewer Fund	-	\$-2,717 (D)	\$856,135
Consolidated	\$75,803 (S)	\$255,274 (S)	\$2,446,370

(D) Deficit (S) Surplus

### Audit report

Council's 2014-15 Financial Statements have been audited by Thomas Nobel & Russell Chartered Accountants.

The Audit report for 2014-15 is unqualified.

## Amount of rates and charges written off during the year cl132

Pensioner Rates	\$1,385,964.15
Postponed Rates Section 585 Local Government Act	\$29,843.83
Total	\$1,415,807.98



### **Environmental Projects and Levy**

Council pursuance to section 508(2) of the Local Government Act 1993 received a variation to its general purpose income of 7.7% for a ten year period commencing from 1 July 2008 to enable identified environmental works to be undertaken. The following expenditures in respect to works identified as environmental works to be undertaken during the 2014/15 year:

Item	2014-15
Income	
Levy 2014-15	\$604,336.00
Expenditure	
Revenue Expenditure	
Stormwater Plan Implementation	\$10,320.00
Boyters Lane Wetlands Plant Implementation	\$12,592.00
Killick Creek Estuary Program	\$1,553.00
Coastal Management Plan	\$26,155.00
Macleay River Management Plan Implementation	\$390.00
Macleay River Floodplain	\$19,329.00
Implementation of Management Issue 4 - Korogoro Creek Estuary Management Plan	\$30.00
Korogoro Creek Estuary Management Program	\$160.00
Water Monitoring	\$50,000.00
Strategy U Saltwater Creek and Lagoon Estuary Management Program	\$3,045.50
Loan Repayments	\$132,878.00
	\$256,452.50
Loan Expenditure	
Flood Mitigation	\$4,282.00
	\$4,282.00
Total Expenditure	\$260,734.50
Projects carried forward to 2015-16	\$979,758.00

### Environmental Levy Reserve

A summary of Income and Expenditure for the year ended 30 June 2015 is as follows:

Balance at 30 June 2014					
Environmental Reserve Cash Assets	\$719,903.19				
Environmental Reserve Loan Funds	\$17,733.76				
Environmental Levy Income 2014-15	\$604,336.00				
Expenditure 2014-15					
Works and Studies (Reserve Funded)	\$123,574.50				
Loan Repayment	\$132,878.00				
Loan Expenditure	\$4,282.00				
Balance as at 30 June 2015					
Environmental Reserve Cash Assets	\$1,067,786.69				
Environmental Reserve Loan Funds	\$13,451.76				



### **Special Rate Variation Report**

### **Funding Thermometer**

Over the past three years, extra funds have been spent on road and bridge works.

For 2014-15, this resulted in an additional 10.5km of sealed roads, 16.9km of unsealed road, and 5 bridges being improved ahead of when the work was originally scheduled.

These additional funds are a result of efficiency savings amounting to \$7.15 million, special rate variations totalling \$3.87 million, special rate variations totalling \$3.87 million, and reduction in loan repayments of \$1.03 million, and deliver Council's commitment outlined in community consultation and IPART application for the approved Special Rate Variation.

Repair works on the following roads and bridges were brought forward into the 2014-15 roads program.

#### **Sealed Roads**

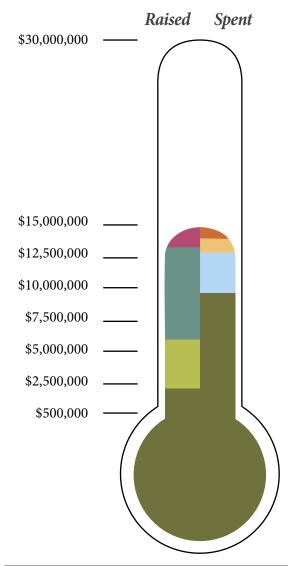
- Crescent Head Road (Crescent Head)
- Edinburgh Lane (West Kempsey)
- Geoffrey O'Hea Street (West Kempsey)
- Middleton Street (South Kempsey)
- South West Rocks Road (Pola Creek Road Bridge to 1.3km eastward, McKays Lane to 1.6km eastward)
- Great North Road (Frederickton)

#### **Unsealed Roads**

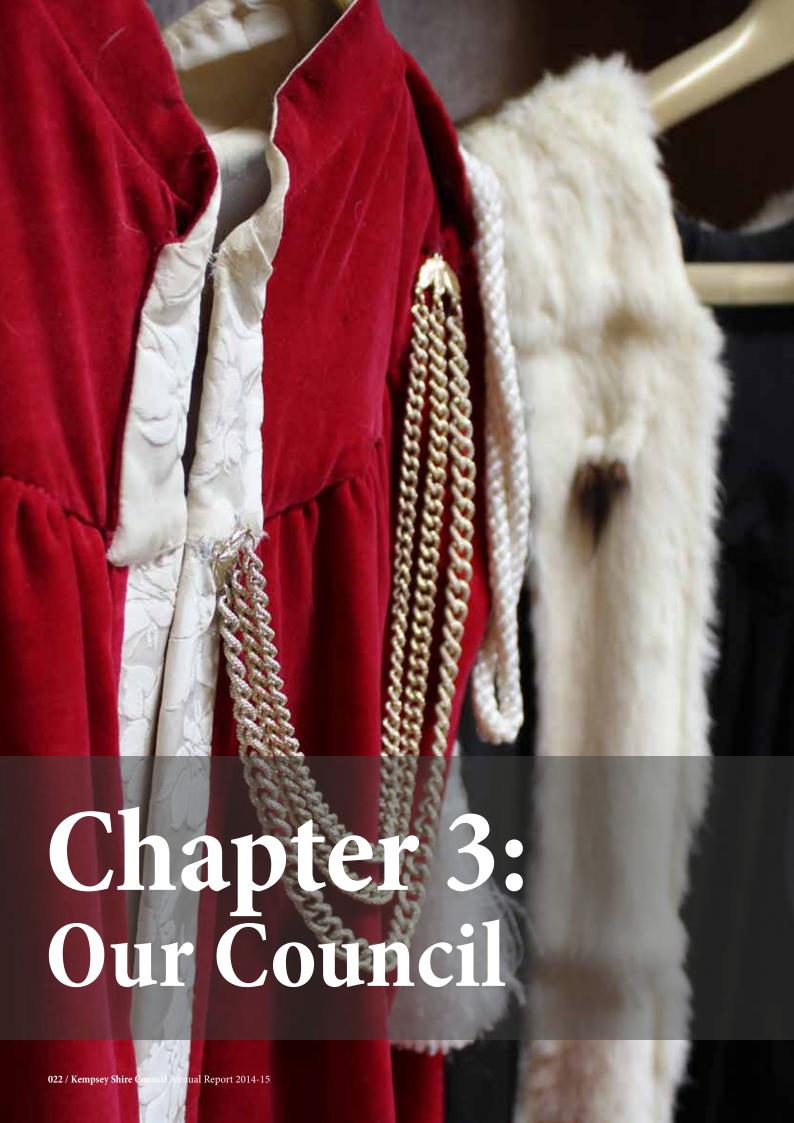
- Sandy Creek Road (South Kempsey)
- West End Road (South Kempsey)
- Verges Creek Road (Verges Creek)
- Old Station Road (Old Station)
- Fishermans Reach Road (Fishermans Reach)
- Battles Outlet Road (Dondingalong)
- Dungay Creek Road (Wittitrin)

#### **Bridges**

- Gills Gully Bridge (Wittitrin)Lovelocks Bridge (Turners Flat)
- McCuddens Bridge (Belmore River)
- O'Sullivans Bridge (Pee Dee)
- Home Gully Bridge (Moparrabah)



Raised Funds	Spent On
Rates	Sealed Roads
Additional Rates	Unsealed Roads
Efficiency Savings	Timber Bridges
Loan Reductions	Kempsey Corridor



### 3.1 Democratic Governance

Kempsey Shire Council is composed of nine Councillors, including the Mayor, for a fixed four-year term of office. The Mayor is directly elected while the eight other Councillors are elected proportionally as one entire ward.

### Defining Council's roles and responsibilities

As the Kempsey Shire Council, we are responsible for the effective management of the Kempsey Shire's local government area.

The powers of NSW councils to ensure the sound governance of their local authority areas are outlined in the Local Government Act 1993.

Our roles and responsibilities are wide-ranging, with Council responsible for providing most of the infrastructure needed for an expansive geographical area, as well as strategic leadership and sustainable future planning.

The specific responsibilities of the Mayor and Councillors are outlined in this section of our Annual Report.

With its community base, local government is often regarded as the grassroots level of government, and the most accessible to the people it represents. While Australia's local, state and federal authorities each have their own administrative responsibilities, many of these are shared between these three tiers of government.

### Services and facilities provided by us, within the scope of our operations, include:

- Animal management
- Catchment management
- Cemeteries
- Centre improvement
- Community and cultural development
- Economic and industry development
- Emergency/disaster management
- Environmental health compliance
- Environmental planning
- Flood mitigation/drainage
- International connections and export development
- Lakes, canals and waterways management
- Library services
- Lifeguard services
- Natural areas management
- Nature conservation
- Ocean beach management
- Parks and recreation services
- · Pest management
- Public health and immunisation services
- Regional tourism promotion
- Road/bikeway construction and maintenance
- Shire cleaningSporting facilities
- Strategic land and transport planning
- Tourist parks
- Urban design
- Waste management
- Water services, including the supply of safe drinking water and wastewater collection, treatment, re-use and disposal

### Representing the interests of the community

Councillors provide direct representation for their communities with each Councillor offering an individual perspective to decisions the Shire makes on behalf of residents and ratepayers.

While each Councillor represents a unique experience of the community, a Councillor's ultimate consideration must be the current and future interests of the shire as a whole. Council's authority is exercised as a whole, with decisions being made not by individual Councillors but collectively when sitting as a Council.

Community members are encouraged to participate in local government by nominating for Council elections and community engagement programs, as well as informing Councillors of relevant divisional issues. Information on our Councillors, as well as their contact details, is provided on pages 23 to 27.

### Fulfilling their obligations

By their declaration of office, the Mayor and Councillors acknowledge their duties and responsibilities. They are required to give a solemn undertaking that they will fulfil the duties of office faithfully and impartially, according to their best judgment and ability. To represent the community effectively, Councillors are required to attend regular meetings and vote on all matters which require a decision. The responsibilities of Councillors and the additional roles of the Mayor are defined under the Local Government Act

### Ensuring good governance

To ensure accountability within local government, everyone in authority must act in accordance with the principles outlined in Section 8 of the Local Government Act 1993. This includes the Mayor, Councillors, local government employees and any other person with a responsibility within local government. The local government principles aim to ensure the system of local government is accountable, effective, efficient and sustainable.

These principles bring transparency and effective processes and decision-making that guide:

- Sustainable development and management of assets and infrastructure, and effective service delivery.
- Democratic representation, social inclusion and meaningful community engagement, as well as good governance of, and by, local government.
- Ethical and legal behaviour of Councillors and local government employees.

The Local Government Act 1993 also outlines disciplinary actions to which the Mayor and Councillors are subject if they are found to have engaged in inappropriate conduct or misconduct. Disciplinary measures range from removal from a meeting, to counselling or dismissal from office. Collectively, they safeguard local government from the misuse of power and authority. The Local Government Act 1993 provides a clear outline of the roles and responsibilities of the Mayor, Councillors and Council employees.

### Making and enforcing local laws

The NSW Local Government Act 1993 empowers the Council of Kempsey Shire to form and enforce local laws, regulations and policies necessary to effectively manage and govern the local area. Council administers a range of permits and licences to ensure community health and wellbeing, and to maintain the liveability of the shire.

Many issues faced by residents can be identified as the responsibility of either Council, or State or Federal Governments. The interaction of local, state and federal laws can be complex. Occasionally, enquiries to local Councillors may need to be referred to another level of government which has jurisdiction over a matter outside Council's control.

### 3.2 Mayor's Message

In striving to meet the objectives set out in our Community Strategic Plan, Council achieved a strong operational performance in 2014-15 by driving efficiencies in the way we run the organisation and improving our financial position.

Council continued to consolidate the short-term and long-term plans put in place over the past three years on how to achieve the best outcome for the Macleay Valley community. We have now moved into the delivery phase and this will see us reach financial sustainability over the next 10 years.

Fundamental for any local government area is the maintenance, replacement and upgrade of its infrastructure assets, and in 2014-15 a substantial program to repair and replace ageing assets across the Shire was rolled out. This included a prioritised road refurbishment program, upgrades to five bridges, and more than 2,000 metres of water and sewer mains relined or replaced. Along with the completed upgrade to the Kempsey Airport and significant progress on the Smith Street project to rejuvenate Kempsey's business and retail centre, it was a proud day for the Macleay with the opening of the new SES Headquarters in Gladstone.

Council achieved a strong operational performance in 2014-15 by driving efficiencies in the way we run the organisation and improving our financial position.

To grow and strengthen our economy, Council looked for new ways to generate development and jobs growth within the Macleay Valley. This included the completion of the Kempsey Shire Council Rural Residential Land Release Strategy, the negotiation of a lease at Kempsey Airport for training student pilots from China, and submitting the winning tender to host the NSW Country Surf Life Saving Championships in 2016 and 2017. Council further consolidated gains made in building a strong agribusiness sector in the Macleay Valley with the development of the Macleay Valley Food Bowl (MVFB) branding and marketing campaign, and held successful MVFB workshops to build networks for local producers across the agribusiness sector.

Council partnered with local community groups, schools, government agencies and local residents on a range of programs to embrace our community's core values of being Healthy, Wealthy, Safe and Sociable. At a grass-roots level, our Healthy Communities team worked with volunteers to develop and operate



'The Hub' community facility, and sponsored themed workshops to encourage individuals in our community to feel included and connected. Council also provided nearly 46,000 hours of service to the most vulnerable in our community, the aged and disabled, to assist them in living full and independent lives.

The Macleay celebrated its proud cultural and artistic heritage with a range of events that showcased the diverse talent and history within our community. These included 3,000 people enjoying the vibrant Macleay River Festival in September to the 90th Anniversary Commemoration of Kinchela Boys Home, as well as the celebration of new and outstanding local citizens at the Australia Day Awards Ceremony and the entertaining Slim Dusty Music Memories Week.

Council is continuing to work with the NSW Government throughout its 'Fit for the Future' reform process. Independent reports have recognised that Kempsey Shire has the scale and capacity to achieve financial sustainability by standing as our own council area, while we continue to develop shared service arrangements with our neighbouring council partners where financial and efficiency benefits are identified.

I am pleased to present this year's Annual Report, and the good results demonstrate the commitment by Council's management team, staff and my fellow Councillors to provide efficient and value for money services to our local communities. I feel Council has built a strong foundation for the challenges we face, and we understand the responsibility we hold in delivering on our core strategies to ensure the best outcomes for the Macleay Valley community in the years ahead.

- Mayor, Councillor Liz Campbell



### 3.3 Councillor's Profiles



m 0427 627 074 p 6562 7352 ah 6566 3310 e liz.campbell@kempsey.nsw.gov.au First Elected September 2008 Mayor September 2011– present

### Cr Liz Campbell - Mayor

Cr Campbell resides in East Kempsey with her husband. She was born, educated and has owned businesses within the Shire. She has also lived and worked in Brisbane, Sydney, Coffs Harbour and the Central Coast.

**Qualifications:** Diploma of Travel and Tourism, Diploma of Business, part-completed Bachelor of Arts (Sociology).

**Interests:** Sociology, travel, Macleay River Business Women's Network, Aboriginal cultural and cross-cultural awareness, youth activities.

Memberships of organisations, advisory committees, regional and local boards: Kempsey District Chamber of Commerce and Industry Inc, Rotary International, Australia Day Committee, Community Development and Expenditure Committee, Melville Community Centre Management Committee, Chair of Mid North Coast Regional Organisation of Councils (MIDROC).

Career highlights:

- Owned and managed travel and tourism business for 30 years.
- Joint private/public partnership with National Parks and Wildlife Service developing Smoky Cape Lighthouse Tourist Precinct.
- TAFE Travel and Tourism lecturer.

### Occupation:

Company Secretary, Fyson Holdings.



m 0408 240 540 p 6562 5484 e lou.kesby@kempsey.nsw.gov.au First Elected September 2012

### Cr Lou Kesby - Deputy Mayor

Cr Kesby has lived in Kempsey all of his life and is married with three children and three grandchildren.

He firmly believes our Shire has some of the best beaches on the coast and a great valley to promote to the world.

**Qualifications:** 

Interests: Travel.

Memberships of organisations, advisory committees, regional and local boards:

Career highlights:

Occupation:

Owner of Lou's Cafe Restaurant, Kempsey.



m 0427 419 302 p 6562 8938 e betty.green@kempsey.nsw.gov.au First Elected September 2004

### Cr Betty Green

**Qualifications:** Bachelor of Health Administration, Diploma of Nursing Administration.

**Interests:** Strategic planning and development, social cohesion, employment, biodiversity and the environment.

Memberships of organisations, advisory committees, regional and local boards: Melville Community Centre Management Committee, Chair of Macleay Valley Community Art Gallery Management Committee, and Chair of Wigay Aboriginal Cultural Park Management Committee.

Career highlights:

- Director of Nursing 24 years/Executive Officer 11 years.
- Former Executive Director of Care, Booroongen Djugun Aged Care.
- Mayor of Kempsey Shire Council 2006-07.

### Occupation:

Retired



m 0417 461 716 **p** 6567 4658 e sue.mcginn@kempsey.nsw.gov.au First Elected September 2012

#### Cr Sue McGinn OAM

Cr McGinn was born in London in 1964 and immigrated to Australia as an infant in 1965. She grew up in Brisbane and achieved her academic qualifications as an adult learner.

Sue lives with her husband, Brett, on the alluvial Lower Macleay Floodplain where they have run a dairy farm since moving to the Kempsey Shire in 1994.

Qualifications: Diploma of Agriculture, Master of Business Administration (Management of Organisational Change), Australian Institure of Company Directors Diploma.

Interests: Travel, cooking, family and friends.

Memberships of organisations, advisory committees, regional and local boards: Director of Holiday Coast Credit Union, Director of Dairy NSW, Past Director of Mid Coast LHPA, Founding Director of White Knights Charity. Member of Holstein Australia, Australian Dairy Leadership Alumni, Nuffield Farming Scholars Alumni, RIRDC Rural Women's Alumni, Business Chicks, Australian Institute Company Directors, Macleay River Business Women's Network.

#### Career highlights:

- Nuffield Farming Scholar.
- RIRDC Rural Women's Award Finalist.
- OAM for service to the dairy industry and as a role model for rural women.

#### Occupation:

Dairy farmer and professional Company Director.



m 0427 952 068 p 6562 6628 e bruce.morris@kempsey.nsw.gov.au First Elected September 2012

#### Cr Bruce Morris

Cr Morris is married to Maureen. They have three adult children and three grandchildren.

He moved to the Macleay Valley in December 2007, although he and his family have been regular visitors to the Macleay Valley since the early 1980s.

Qualifications: Bachelor of Engineering (Civil) Hons., Diploma of Personnel and Resource Management.

Interests: Legatee (Secretary) Kempsey Region, Mid North Coast Division of Sydney Legacy, Volunteer with Kempsey Unit of NSW SES, Member of Consultative Committee for Catholic Care for the Aged.

Memberships of organisations, advisory committees, regional and local boards: Chair of Bush Fire Management Committee, Chair of Rural Fire Service/ Council Service Level Agreement Committee, Delegate of Natural Resources Working Group, North East Zone Public Libraries NSW Committee, Mid North Coast Regional Weeds Advisory Committee and Floodplain Management Authority.

#### Career highlights:

- Army Officer with the Royal Australian Engineers for 24 years.
  Kempsey Shire Council Director Shire Services.
- Forbes Shire Council Director Technical Services.
- Narromine Shire Council Director Engineering Services.
- Cessnock City Council Manager Civil Construction and Manager Business Units.

#### Occupation:

Retired.



m 0429 342 271 p 6562 1194 e anthony.patterson@kempsey.nsw.

First Elected September 2012

### Cr Anthony Patterson

Cr Patterson was born in Kempsey in 1965 and attended St Joseph's Primary School and later St Paul's High School. He began full-time work at age 15 in the aluminium and glass industry and started his own business in 1996. Ownerbuilt homes in Kempsey in 1996 and 2014. Developed and built own factory in Kempsey in 2004 and currently employing up to 10 local staff. Married in 1995 and has three children.

Qualifications: Qualified glass cutter / Glazier.

Interests: Motor sport, swimming, soccer, fishing, water skiing.

Memberships of organisations, advisory committees, regional and local boards: Kempsey Sporting Club Car, Macleay District Motor Cycle Club, Saints Soccer Club, Nulla Cricket Club, Member of Australian Glass and Glazing, Motor Cycling Australia, Kempsey Chamber of Commerce.

#### Career highlights:

- Recipient of Businessman of the Year in 2010.
- In 1987 was in the Australian Dragon Boat team winning world titles in New Zealand.
- Travelled the world in 1988.

#### Occupation:

Business owner of Patterson Glass.



m 0458 806 587 p 6562 4954 e dean.saul@kempsey.nsw.gov.au First Elected September 2004

#### Cr Dean Saul

Cr Saul was born and educated in Kempsey and is a third-generation local. Now proudly residing in Frederickton, his background is in farming the fertile soils of the Lower Macleay. A firm believer in locals supporting locals, Dean purchased the Kempsey Bus Stop Cafe in 2013, and employs only local staff.

He has played a significant role in upgrades to the Kempsey Regional Saleyards, strong supporter of the Kempsey Airport and the new Gladstone SES headquarters, as well increased parking spaces in the Kempsey CDB and improvement of local roads.

#### **Qualifications:**

#### **Interests:**

Memberships of organisations, advisory committees, regional and local boards: Deputy Chair of Mid North Coast Regional Weeds Advisory Committee, Bush Fire Management Committee, Kempsey Regional Saleyards Advisory Group.

#### Career highlights:

• Served as Deputy Mayor 2010-11 and 2011-12.

#### Occupation

Cattle Grazier at Seven Oaks and owner/operator of Kempsey Bus Stop Cafe.



m 0424 266 836 p 6566 5667 e anna.shields@kempsey.nsw.gov.au First Elected May 2013 in a by-election

#### Cr Anna Shields

Cr Shields is the third generation of her family to live in the Macleay Valley. She is originally from Bourke, but now resides on a beef farm at Kinchela with her husband and two children.

Qualifications: Bachelor of Medical Science, Master of Chiropractic.

#### Interests:

Memberships of organisations, advisory committees, regional and local boards: Arts Mid North Coast, Natural Resources Working Group, Lower Macleay Preschool, Kempsey Riverside Markets Committee.

#### Career highlights:

- Working as a chiropractor in Ireland.
- Being elected during the 2013 Council by-election.

### Occupation:

Chiropractor.



Cr Ashley Williams

Cr Williams has lived in the Shire for 26 years and is married with four children. He feels that we are heading in the right direction heading into the coming years.

He is privileged to be able to work as part of the team towards improving the whole Shire for future generations.

#### **Qualifications:**

**Interests:** All sport, collecting memorabilia, spending time with his children.

Memberships of organisations, advisory committees, regional and local boards: A member of various sporting organisations within the Shire.

#### Career highlights:

- National Rental Salesperson of the year 2011, 2012, 2013 and 2014.
- Finalist BSR National Young Retail Professional 2011.

#### Occupation:

Store Manager at Kempsey Betta Home Living.

m 0428 631 847 p 6562 5394 e ashley.williams@kempsey.nsw.gov.au First Elected September 2012

### 3.4 Councillor's Expenses

### Councillor Fees and Expenses

Councillors are required to attend meetings of Council and its committees, to represent Council at public functions, to attend training and professional development sessions and to attend conferences that relate to the business of Council.

These meetings are not only held in the Kempsey Shire but are often held in Sydney or in regional NSW. The attendance at meetings can involve expenses relating to travel, accommodation and sustenance. Under these circumstances Council pays these expenses up to the limits outlined in the Policy.

Each councillor receives an annual fee within a range set by the Local Government Remuneration Tribunal. The mayor in addition receives a mayoral fee within a range also set by the Local Government Remuneration Tribunal.

The total mayoral and councillor fees paid in the 2014-2015 year were:

Mayor \$38,952 Councillors (9) \$161,333

# Council's policy on the provision of facilities for use by Councillors and the payment of Councillors' expenses

Council's procedure for payment of expenses and provision of facilities to the Mayor and Councillors can be found at the following web address:

www.kempsey.nsw.gov.au/corporate/policies/procedure-5-01-05-payment-expenses-provision-facilities-councillors.

### Councillors' expenses and provision of facilities

Council has adopted a procedure covering the payment of expenses and provision of facilities to the mayor and councillors. Council's procedure was developed in accordance with the Division of Local Government's guidelines. The procedure provides for reimbursement of reasonable expenses incurred up to a limit per month set by the procedure.

The mayor is provided with a vehicle and a mobile telephone, if required, for Council business use. For the 2014-2015 year the mayor elected not to have a vehicle or mobile phone provided. The mayor's travel expenses and telephone expenses were reimbursed in accordance with the procedure.

All councillors are provided with an iPad with internet connection to receive meeting agendas electronically and for use on Council business. A corporate wardrobe is provided for councillors and meals are provided on Council meeting days when required. Councillors may claim reimbursement for travel when using their private vehicles for council business such as attending meetings, at a per kilometre rate adopted as part of the procedure.

### Details of overseas visits

There were no overseas visits by Councillors, Council staff or other persons representing Council during 2014-2015.

Expense	Cost
Mayor's travelling expenses	\$318
Councillor's travelling expenses	\$5,193
Telephone calls made by councillors 217(1)(a1)(i)(ii)	\$989
Attendance of councillors at conferences and seminars 217(1)(a1) (iii)	\$9,018
Interstate visits by councillors, including transport, accommodation and other out of pocket travelling expenses 217(1)(a1)(v)	Nil
Meals and refreshments for council and committee meetings	\$4,720
Training of councillors and provision of skill development 217(1)(a1)(iv)	\$12,139
Overseas visits by councillors, including transport, accommodation and other out of pocket travelling expenses 217(1)(a1)(vi)	Nil
Expenses of any spouse, partner or other person who accompanied a councillor 217(1)(a1)(vii)	Nil
Expenses involved in the provision of care for a child or an immediate family member of a councillor 217(1) (a1)(viii)	Nil
Provision of dedicated office equipment allocated to councillors 217(1)(a1)(i)	\$3,923
Total Expenses	\$36,300



### 3.5 Councillor's Committees

#### Council committees

#### **Community Development and Support Expenditure Committee**

**Purpose:** This committee considers the allocation of part of the funding required to be allocated by the clubs in the region from their poker machine takings that is used to fund community groups. The committee considers the applications and determines the funding. The composition of this committee has been developed in agreement with the various clubs.

Council Representation: Mayor Campbell.

#### **General Manager's Performance Review Panel**

**Purpose:** This committee undertakes the performance reviews of the General Manager. All councillors have input into the performance review, with the committee then undertaking the review.

Council Representation: Mayor Campbell, Deputy Mayor Kesby, Councillor McGinn, Councillor Williams.

#### **Local Traffic Committee**

**Purpose:** This committee exists to provide the advice required to satisfy Council's delegation from the Roads and Maritime Services for traffic matters on the road network. The committee is primarily a technical review committee. Council Representation: Mayor Campbell.

#### **Works Committee**

Purpose: Where the councillors wish to undertake a site inspection or any matter affecting the functions of the Council. It is the only committee with delegated authority. As long as a quorum exists, the Works Committee can make a binding decision on the Council.

Council Representation: All councillors.

### **Working Parties**

#### **Natural Resources Working Group**

Purpose: The working group meets council's requirement under the NSW coast and estuary program and floodplain development manual that it have a mechanism for consultation between government departments, council and the community. The group provides input and advice on strategies and plans to be developed by the council. Council Representation: Councillor Green, Councillor Morris, Councillor Shields.

### **External Organisations**

#### **Bush Fire Management Committee**

Purpose: Liaison committee for Rural Fire Service and local government. Reviews the performance of the Rural Fire Service against the performance criteria in the service level agreement between the Rural Fire Service and Council. Council Representation: Councillor Morris.

#### **Melville Community Centre Management Committee**

**Purpose:** The facility was established with grant funding, which required the facility to be available for public access. The committee manages public access.

Council Representation: Mayor Campbell, Deputy Mayor Kesby, Councillor Green.

Mid North Coast Regional Arts Board
Purpose: The NSW State Government funds a number of regional arts boards, this is the one that covers our region. The purpose of the board is to encourage and promote the arts in the region. The councillor is to provide the conduit between the board and the Council.

Council Representation: Councillor Shields.

#### Mid North Coast Regional Weeds Advisory Committee

**Purpose:** Formed to support the regional coordination of the noxious weeds response within the Mid North Coast. The group looks at the development of the regional strategies for the processes of dealing with and response to

Council Representation: Councillor Saul, Councillor Morris (Alternate).

#### Flood Plain Management Committee

Purpose: To engage with public agencies, elected officials and other stakeholders to improve flood safety and maximise floodplain resources through effective dialogue, collaboration, education, legislation and policy. Council Representation: Councillor McGinn, Councillor Morris (Alternate).

#### North-East Zone Public Libraries NSW Committee

**Purpose:** The State Library of New South Wales, Public Library Services has area zones for public libraries within New South Wales. Committee meetings are a focal point for operational and strategic planning within the regional council districts which our zone covers.

Council Representation: Councillor Morris.



### 3.6 MIDROC and Partnerships

#### **MIDROC**

The Mid North Coast Regional Organisation of Councils (MIDROC) is an important membership that Council maintains. The MIDROC is the peak organisation representing the interests of seven local government areas on behalf of over 300,000 residents of the Mid North Coast. It is the third fastest growing region in New South Wales with a projected population growth to 380,000 persons in 2031.

MIDROC serves to:

- Advocate to and inform all spheres of government of the economic, social, environmental and infrastructure needs of the region.
- Strengthen the role of local government in regional affairs with regard to policy and strategic directions of both the State and Federal Governments.
- Support the implementation of strategies that will build community capacity across the region and,
- Increase the effectiveness and efficiency of member councils through sharing ideas and resources.

Member Councils include Gloucester Shire, Greater Taree, Port Macquarie-Hastings, Kempsey Shire, Nambucca Shire, Bellingen Shire and Coffs Harbour City.

MIDROC is also the primary vehicle in establishing effective resource sharing amongst member Councils. Areas of focus for sharing and determining common approaches include asset management, planning, information technology and human resource planning and training opportunities.

MIDROC works collaboratively across the region with the MIDROC Regional Strategic Plan outlining the aspirations for the organisation and the communities it represents which include:

- Improving the Lifestyle of Our Local Communities
- Protecting our Environment
- Improving Councils' Capacity and Productivity
- Enabling Our Communities to be Strong and Sustainable.

### **Partnerships**

Council works to develop partnerships for providing a number of services to the community with agencies such as NSW Health, NSW Trade and Investment, Joint Regional Planning Panel with Nambucca Shire Council, Department of Premier and Cabinet, and Regional Development Australia. Resource sharing initiatives continue to provide benefits to the community, these include:

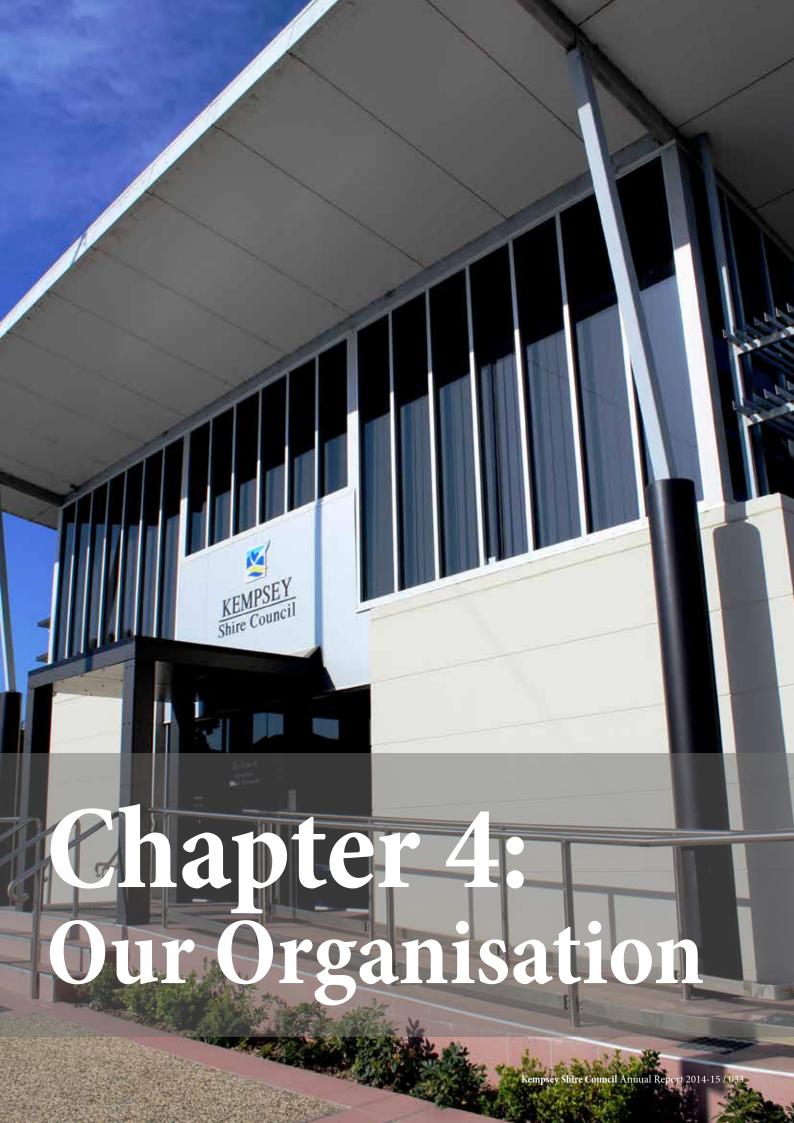
- Library Services, our ongoing cooperative relationship with the Port Macquarie-Hastings Council enables Council to realise economies of scale through co-operative purchasing, and the securing of grants for shared projects.
- Waste disposal is another ongoing partnership with the Cairncross Waste Recycling Facility, where Council sends its recyclable waste. Without this arrangement Kempsey Shire would have to provide its own recycling facility at significant capital and waste disposal costs.

#### **Joint Promotions**

The MIDROC promotes a common service on their websites called MyRoad Info which provides information on road works or the impacts of flooding on local roads and bridges. This service is promoted at a regional level to encourage residents and visitors to find out about local conditions.

### Memberships

Council is a member of the Pacific Highway Taskforce, the peak lobbying body for the full upgrade to dual carriage way for the Pacific Highway. Council is also a member of the Shires Association as well as an associate member in the Local Government Association.



### 4.1 General Manager's Message

The 2014-15 year was the first of Council's four-year Special Rate Variation to tackle the backlog of maintenance and asset replacement. We are investing more than ever in renewing and replacing aged roads and bridges as a result of these funds, plus our efficiency savings. More money is also going into replacing the water and sewerage systems and we are starting to do many little things, which you will find scattered through this report, that are slowly improving our communities' assets.

Our Shire has a large road network - with more than 1,000 kilometres of sealed and unsealed roads – that has undergone wear and tear over many decades. This year alone we have spent over \$6 million maintaining and upgrading our roads to address the age of the roads. Our new way of doing these works has led to our cost of gravel resheeting coming down and getting substantial sections of sealed roads back into good condition - giving more repairs for each dollar spent.

Our focus has been on fixing up areas where there is high usage and 'just in time' works to get ahead of road failures which save on big future repair bills. While much is still overdue for renewal, the planning and effort that Council has put into the last few years is starting to show results. We are still very aware that our overall road network will still go backwards before we can get on top of all the works required, but this year's program means most major roads in the Shire have had considerable improvements made in the last few years.



Council also spent \$9.6million on maintaining and replacing our water and sewer network. Work on 600 metres of sewer mains and over 1400 metres of water mains has seen less costly and annoying blockages or breaks on our network, a good outcome. We are progressing on a new West Kempsey Sewerage Treatment plant, with concept designs completed, land purchased for the state-of-the-art plant that will mean lower capital costs as well as lower ongoing operations and maintenance costs than a traditional plant. While a large investment, the current plant cannot cope with the demand and needs replacement.

Council had around 570,000 contacts from the community during the year, through the phones, front counter, libraries and the like. While it is great that people contact us, we are kept busy and this has challenged our ability to get back to everyone. Our results on the letters we receive are improving, with the response rate within 10 days rate being 5% higher than last year at 79%. We have not yet gotten to the level of response that is required. We managed to resolve 80% of calls in the first instance, so people do not need to be sent onto someone else, but our calls in two days has remained at around 85%.

Within our workforce we have continued to focus on opportunities for trainees, with the appointment of three full-time trainees, two apprentices and one graduate position, as well as hosting work placements from local



### David Rawlings - General Manager

**Qualifications:** Bachelor of Business in Accounting and Marketing Management, Graduate Diploma in Local Government Management.

Appointed: July 2009.

**Experience:** Over 28 years of experience in local government.

schools, TAFE and universities. Our insurer undertakes audits and Council achieved a score of 94.6 per cent in the workplace safety audit. This is a positive jump on last year's result and places us above the average when compared to all councils with the insurer. Similarly, we improved our performance against lost time injuries and injury frequency rate demonstrating Council's positive approach to workplace health and safety. A safer workplace is better for employees as well as reducing costs for the community.

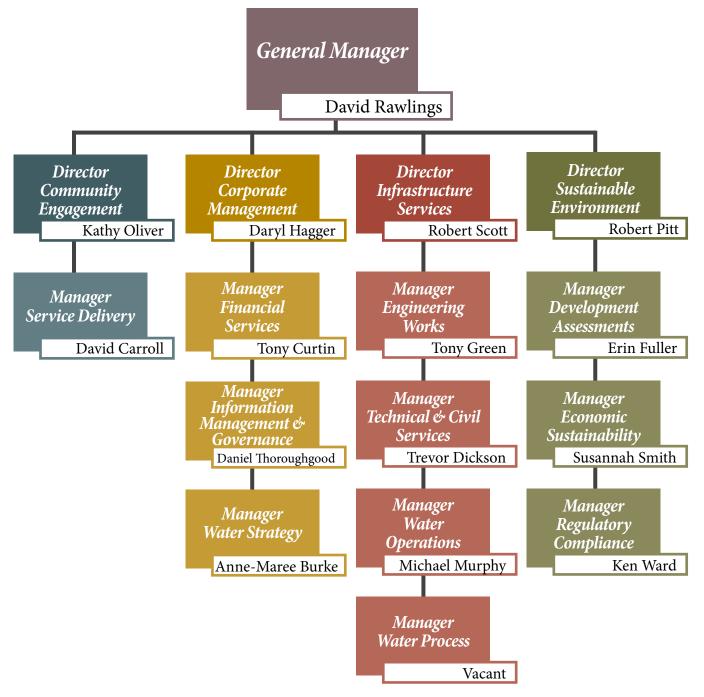
Council strengthened its financial position over the past year with a focus on cost reduction and improved operational efficiencies. We have reduced our operating expenses compared to last year. Our income jumped dramatically due to funding from the Roads and Maritime Services contributions towards the maintenance costs of the roads that were transferred to Council as part of the new Pacific Highway construction.

Even excluding this, our spending restraint coupled with additional income means we have improved our financial position during this year.

Council's strong performance this year is a credit to the hard work and professionalism of our staff and Councillors to deliver the best outcomes for the Macleay Valley community, and places us in a sound position to continually improve our performance in future years.

- General Manager, David Rawlings

# 4.2 Organisational Chart



## Statement of the number of senior staff employed by the council during the year \$428(2)(g)

Consistent with Section 332 of the Local Government Act 1993, Council designates the Senior Staff positions within Council. The General Manager is the only designated Senior Staff member within Council's structure. The total remuneration package for the General Manager in the reporting year was \$278,400.

Expense	Cost
Statement of the total remuneration comprised in remuneration packages of each senior staff member employed during year s428(2)(g) cl 217(1)(b). Includes for each such member, total of the following: Total value of salary component of package cl 217(1)(b)(i)	\$235,925
Total amount of any bonus payments, performance or other payments that do not form part of salary component $cl\ 217(1)(b)(ii)$	Nil
Total employer's contribution to superannuation (salary sacrifice or employers contribution) cl 217(1)(b)(iii)	\$33,975
Total value non-cash benefits cl 217(1)(b)(iv)	\$8,500
Total fringe benefits tax for non-cash benefits cl 217(1)(b)(v)	Nil
Total Remuneration	\$278,400

# 4.3 Executive Leadership Team



# Daryl Hagger - Director Corporate Management

Qualifications: Bachelor of Business in Accounting.

**Appointed:** August 2010.

Memberships:

**Experience:** Joined Windsor Municipal Council in April 1979, Hawesbury City Council in January 1981, Cooma-Monaro Shire Council in June 1990. Over 36 years' experience in local government, including 25 years at executive level across Finance, Governance and Corporate Management.



# Kathy Oliver - Director Community Engagement

Qualifications: Master of Business Administration, Master of Management.

Appointed: April 2010.

Memberships: Member of Local Government Managers Association.

**Experience:** Began at Kempsey Shire Council in 2003, holding positions of Manager Economic Development, Manager Strategic Planning and Economic Development, Manager Community Services and Acting Director Corporate and Community Services. Previous employment outside Local Government includes Telstra, the NSW Government, Boral Construction Materials Group.



#### Robert Pitt - Director Sustainable Environment

**Qualifications:** Bachelor of Arts in Geography, Diploma of Natural Resources in Land Use Management, Diploma in Urban and Regional Planning.

Appointed: October 2004.

Memberships:

**Experience:** Commenced at Kempsey Shire Council in 1992 as a Town Planner, moving to Senior Planning, Planning Co-ordinator and Director.



# Robert Scott - Director Infrastructure Services

**Qualifications:** Bachelor of Engineering (civil) with second class honours, Master of Environmental Engineering Management.

**Appointed:** June 2010.

**Memberships:** Member of Institute of Public Works Engineers, Australian Water Association and Engineers Australia.

**Experience:** Over 18 years of experience in local government including positions with Gosford City, Hornsby Shire and Port Macquarie-Hastings Councils with experience in Roads, Development & Water/Sewer Engineering. Previous employment outside Local Government includes New South Wales State Rail Authority.



# 4.4 Our Workforce

# **Our Employees**

Our Workforce Management Strategy aims to ensure there are sufficient numbers of appropriately trained employees to carry out the organisation's purpose. That is, the right people are in the right place at the right time to build a strong, interconnected and sustainable organisation.

The principles of this plan are built on attraction and retention, employee safety and wellness, work/life balance, skill development, organizational culture, employee satisfaction and promoting local government as a career prospect to local schools.

To meet these principles we have adopted procedures and practices that will assist us in becoming an attractive employer with:

- Variable work arrangements
- Flexible working arrangements for parents/carers
- Providing access to phased retirement plans for matured aged worker
- Appointed 3 full time trainees, 2 apprentices and 1 graduate within the areas of Customer Service, Fleet/ Workshop (Mechanic & Boilermaker) and Technical and Civic Services
- Hosting work placements from local schools/TAFE and universities
- Hosting 10 full time trainees, 2 apprentices and 2 school based trainees from a Group Training organisation within the areas of Water/Sewer services, Civil Construction, Engineering- Mechanical Trade and Electrotechnology-Electrician
- Participating in engineering scholarships with Newcastle University and a Urban and Regional Planning scholarship with University of New England
- Gauging the satisfaction of our employees by conducting an annual employee opinion survey
- Continuing to review and update our Work Health and Safety management system in line with best practices
- Maintaining staff health and wellbeing programs.

# Equal Employment Opportunity (EEO)

We continued our ongoing focus on fostering a culture that values and responds to the diversity of our staff and community. The aim is to achieve fair practices and behaviours in the workplace to be free from all forms of unlawful activity, harassment and discrimination by having open and competitive recruitment; providing access to training and development; and providing flexible working arrangements.

All vacant positions during the year were advertised and filled in accordance with the merit principle, the Local Government Act 1993, the Local Government (State) Award and the EEO Management Plan.

Number of positions advertised	63
Number of positions filled	49
Number of positions being filled 2015/2016	14
Number of applications received	1275
Number of positions where females applied	31
Number of positions where females were successful	17

Council employed 88.35 full time equivalent (FTE) women during the year, taking the FTE level of women in the workplace to 30.4%. The number of women in management roles remained unchanged at 4 representing 25.0% of our Management team with 6 women represented in our leadership team representing 37.5%.

# Employment of people with Disabilities

Council employed 2 full time equivalent staff (FTE) with a disability, taking the level of people with a disability within Council to 0.7%.

# Employment of people of Aboriginal and Torres Strait Islander Descent

Council employed 10 full time equivalent staff who identify as being of Aboriginal and Torres Strait Islander Descent, taking the level of Indigenous employment within Council to 3.3%.

# Employment of people from Non English Speaking Backgrounds (NESB)

Council employed 7 full time equivalent staff from a Non English Speaking Background, taking the level of people from NESB within Council to 2.3%.

# Flexibility for Work and Family Arrangements

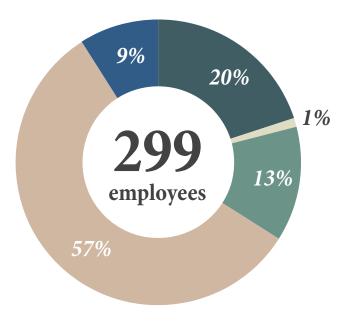
Staff are informed of the opportunities for flexible working arrangements, including parental leave, working from home and phased retirement. During 2014-2015 employees accessed flexible working arrangements of:

Paid maternity leave	6
Unpaid parental leave	4
Supporting parents leave	6
Phased retirement	7
Working from home	4

## Total number of employees

To deliver the services of Council we had a head count of 299 employees with 289.05 FTE.

Department	Head Count	FTE
Community Engagement	59	51.59
Corporate Management	40	38.85
General Managers	2	2.00
Infrastructure Services	170	169.24
Sustainable Environment	28	27.57



The turnover rates, as shown below, and employees numbers indicates a fairly stable workforce.

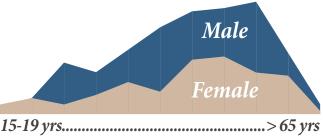


The numbers below are based on actual head count and include permanent full-time and part-time staff. The figures exclude temporary and casual appointments engaged through labour hire, and apprentices and trainees who are employed by external training providers.

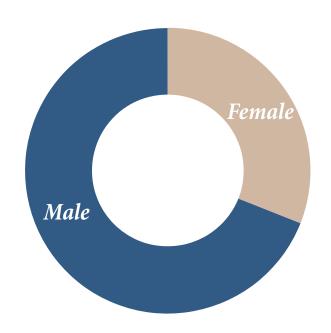
Position Breakdown	2010- 2011	2011- 2012	2012- 2013	2013- 2014	2014- 2015
# Full-Time Positions	246	263	256	241	244
# Part-Time Positions	34	33	31	38	32
# Casual Positions	-	-	-	-	-
# Temporary Part- Time Positions	2	4	4	2	2
# Temporary Full- Time Positions	1	4	8	4	21
Total	283	300	299	285	299

# Age and Gender Demographics of Employees

The age demographics across Council's workforce indicate that 61% of the workforce is over 45 years of age and of this 27.6% are over 55 years of age.



Based on FTE staff numbers Council's workforce is 30.2% female / 69.8% male and on actual head count the workforce is 31.7% female / 68.3% male.

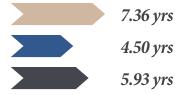


## Length of Service

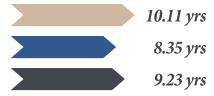
Associated to the concept of an ageing workforce is the length of service with Council. The average length of service of our employees as at 30 June 2015 was 10.06 years, with service by gender of females 7.34 years and males 11.30 years. The below chart illustrates that in most departments of Council there is a balanced range of experience. A workforce with employees who have longer than average length of service can be seen as a plus for the Council in terms of capitalising on the investment in training and development and reduced recruitment costs.



# Community Engagement



# Corporate Management



# General Manager



#### Infrastructure Services



#### Sustainable Environment



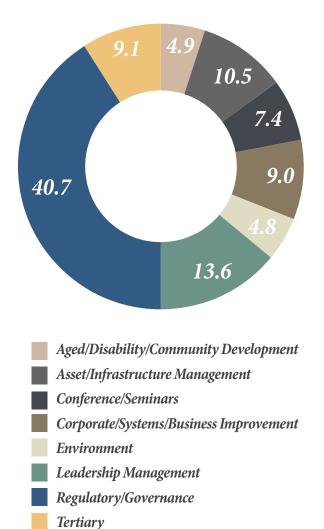
## Learning and Development

In 2014-15 a total of 5827.44 hours was spent on training courses and conference/seminar attendance, including tertiary sponsored studies. During the year 14 employees were undertaking tertiary sponsored studies with 3 completing their qualifications, the remaining 11 employees are still completing studies. The participation rate of employees undertaking training was 100.0% of the FTE staff number.

A focus this year was placed on Leadership and Management Development training to strengthen the skills of the Leadership Team. Other training programs undertaken to develop our staff and to improve how we deliver our services included:

- Asset/infrastructure management
- Customer service
- Communications
- Environmental
- Water industry
- Aged/disability care
- Community development
- Corporate systems
- Business improvement
- Computer
- Regulatory/governance/WHS

# Course Category % of total Training Hours





# 4.5 Workplace Health and Safety

Kempsey Shire Council is committed to providing a safe and healthy environment for employees, students, contractors and the public. This is achieved by fully integrating health and safety into all its operations and activities, continual improvement and requiring leadership in safety.

To improve and maintain the standard of Work Health and Safety (WHS) within Council, our safety management system is implemented based on systematic identification, assessment and control of hazards. To ensure the ongoing development and improvement of WHS systems, policies and procedures that foster effective communication and consultation forms a fundamental part of this management process, encouraging innovative means of reducing risk in the work environment.

# Health and Safety Committee

The main medium for consultation on health and safety is through the Health and Safety Committee, the membership of the committee comprises of Health and Safety Representatives (HSR) and Management representatives. The HSRs represent the employees within their work groups and provide a forum to discuss health and safety issues with management and to bring about a culture in the workplace to think and work safely. During 2014-2015 the committee held 4 ordinary meetings.

# Annual self-assessment

Council received a payment of \$60,000 for completion of the WHS annual self-assessment and verification audit conducted by our Workers' Compensation Insurer, StateCover. The StateCover report on the self-assessment audit said "that Council's overall WHS performance result is 94.6%, which is above average when compared to the average score for all councils."

Overall result	
2014-2015	94.60%
2013-2014	89.33%
2012-2013	72.00%

## **WHS Training**

This year 2,304.75 hours was spent by staff attending WHS training. The training was varied with programs being delivered in the statutory WHS tickets/ licences, WHS legislation and Council's WHS management system across all levels of Council.

Our ongoing commitment to workplace health and safety is to provide supervisory staff with the skills and knowledge to manage health, safety and welfare in their work areas. Training on responsibilities and accountabilities was provided in the areas of Alcohol & Other Drug Awareness, Asbestos Management, Contractor Management, Mental Health, Preventing Bullying & Harassment and Supervising the Workplace.

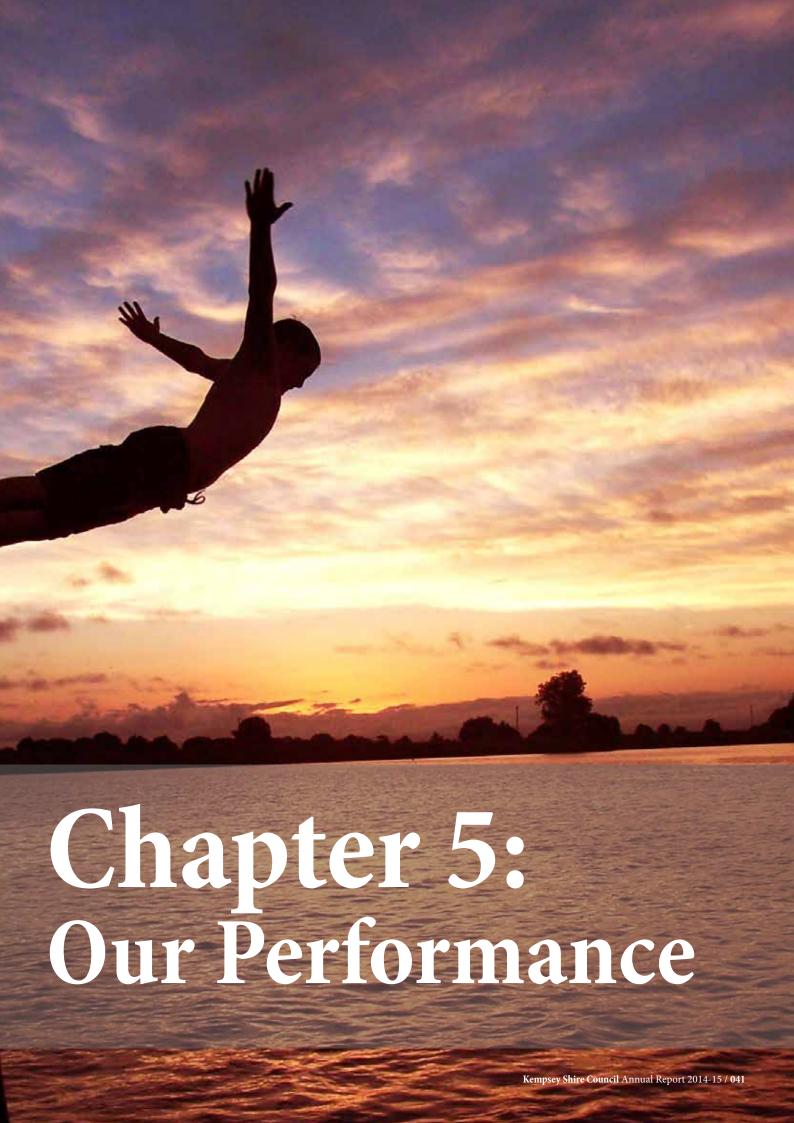
# Lost Time Injury Frequency Rate (LTIFR)

The number of workers compensation claims for this year has decreased by 1 falling from 20 in 2012-13 to 19 and the number of lost time injuries decreased by 6 falling from 11 in 2013-14 to 5. Days lost to injury for this year have improved by 10%, while the frequency rate of 16 days per injury has increased compared with 8 days in 2013-14.

The improvement in the number of lost time injuries demonstrates Council's proactive approach to supporting Injury Management. We are committed to assist injured workers to remain at work, or return to work as early as possible to meaningful employment within their physical capacities as determined by treating medical practitioners.

# Employee Assistance Program (EAP)

As part of our commitment to health and wellbeing, Council offers access to an EAP to staff and their immediate family members. The program offers confidential and professional advice, support and counselling on a wide range of issues that can be either personal or work related, including serious problems such as depression, drug and alcohol dependence, and anxiety. The program also provides critical incident counselling if required. The program is promoted initially at employee induction training and posters are on display in work areas. Staff accessed 22 hours of EAP services this reporting year.







Pets returned to owners, sold, or rehomed.

Environmental
Health
inspections.

Unauthorised camping requests.

Illegal dumping requests.

Properties inspected for weed infestation.

Ranger requests received.

Responses to barking dog enquiries.

Food premise inspections.

Livestock on roads control requests.

Overgrown land requests.

Construction certificates (Council and private certifers).

47669448

Value of
development
approvals.

# **5.1.1 Major Achievements**

# **Economic Sustainability**

- Developed the Macleay Valley Food Bowl (MVFB)
  branding and marketing campaign, including the launch
  of the www.macleayvalleyfoodbowl.com.au website and
  linked social media campaign, launched in May 2015. Cobranding agreements have also been negotiated with
  several local food production companies, including Green
  Leaf Farm and Burrawong Gaian pasture-raised poultry
  farm.
- Successfully negotiated renewed lease and airport use agreement with Australia International Aviation College (formerly Arena) to train student pilots from China for future careers as commercial pilots.
- Coordinated the continuing commercial negotiations and funding strategy for the Kempsey Cinema project.
- Delivered Phase 2 of the \$100,000 'Discover Something New' Destination Marketing Campaign in partnership with Destination NSW, Macleay Valley Coast Tourism Association and 170 local businesses.
- Hosted the Regional Tourism Awards at South West Rocks, August 2014.
- Produced the 2014-16 Macleay Valley Coast Destination Management Plan.
- Produced the Macleay Valley 2015-16 Welcome Pack for new businesses.
- Provided in-kind and promotional support to local event coordinators, including 2015 Australian Junior State Dirt Bike Championships, 2015 Slim Dusty Country Music Memories Week and Veterans Week of Golf.
- Submitted the successful tender to host the NSW Country Surf Lifesaving Championships in 2016 and 2017.
- Completion of design and documentation of the Smith Street, Kempsey town centre upgrade.
- Completion of Lachlan Street, South Kempsey streetscape upgrade design and documentation.

# Strategic Planning and Natural Resources

- Completed the Kempsey Rural Residential Land Release Strategy.
- Awarded the Local Government NSW Excellence in the Environment Award for the Belmore Roadside Vegetation Project.
- Completion of the Kempsey Shire Coastal Zone Management Plan, including priority management actions to be implemented over the next 5 to 10 year timeframe.
- Completion of the Sherwood Borefield Rehabilitation Project. The program resulted in improved ecological condition of 6.34ha of riparian area, with over 18,000 native trees and shrubs planted on the site.
- Commencement of the Macleay River Ecological Health Assessment Program.









Cocks Comb Coral Tree

Kempsey Airport



Smith Street Upgrade

#### Regulatory Compliance

• Undertook control actions for Class 1 and other noxious weeds, including Senegal Tea Plant and Cocks Comb Coral Tree.

# 5.1.2 Challenges Faced

- Maintaining and building upon the growth achieved in the local tourism sector.
- Working effectively with the local business community to create a vibrant, prosperous and competitive environment attractive to investors.
- State and Federal recognition of unique economic issues facing regional Australia, and reflection of these in policy and funding priorities.
- Responding to the issue of Flying Foxes.

## 5.1.3 Plans for the Year Ahead

- Maximising opportunities from the Bypass (Marketing Campaign Kempsey's CBD).
- Encourage tourist visitation.
- Grow and build returns from agriculture.
- Completion of Frederickton Planning Review.
- Completion of South Kempsey Planning review.
- Septic tank risk mapping of the Shire.
- Introducing and promoting the 'Scores on doors' NSW food hygiene scoring program.
- Implementation of actions from the Coastal Zone Management Plan.
- Continued restoration works on Boyter's Lane Wetlands Ecology area.
- $\bullet$  Restoration works at Korogoro Creek.
- Implementation of specific management strategies within the Macleay River Environmental Management Plan.
- Continued funding and participation in the Ecohealth program in partnership with OEH and UNE.
- Implementation of the Rural Residential Land Release Strategy.
- Review of Strategic Planning Program.
- Development of a Biodiversity Strategy.

# 5.1.4 Long Term Plans

- Expanding the Macleay's tourism sector and agriculture sector.
- Develop and implement a Financial Plan and Capital Works Program for Kempsey Regional Saleyards 5 year capital works program.
- Enter into Sister City relationship to access Chinese markets.
- Rural Lands Review.

# **5.1.5 Key Performance Indicators**

Indicator	Target	Y.T.D.	Achieved	Comment
Percentage of all Development Applications approved within 30 days.	85%	80.3%	<b>⊗</b>	The initial results were expected due the effect of vacancies. Temporary resources were deployed and resources reallocated from other functions that saw an improvement, albeit falling below the annual target.
Percentage of Construction Certificates approved within 30 days.	90%	99.7%	•	
Total average days to process Development Applications.	42	40.6		
Number of compliant development application audits.	95%	99.2%	•	This KPI measures the percentage of DAs issued without error that could potentially: • Result in a DA being invalid, or • Result in financial loss to Council, or • Result in environmental risk by omission.
Percentage of requests relating to environmental quality that may cause preventable harm to the environment responded to within 7 days.	90%	82.6%	8	144 requests received with 119 responded to within 7 days for the year. This result was impacted upon by vacancies throughout the first half of 2014/15 with available resources allocated to DAs. It is noted that this KPI has only been achieved once since its introduction in 2011/12, however, such a result is achieveable given availability of resources.
Percentage of requests for Ranger Services responded to within 5 days.	95%	94.9%	•	1891 Ranger related requests received with 1837 completed within 5 days for the year. This represents 7.2 responses per day with a continued high level of service being achieved.
Collection of contained stray dogs/cats within 6 hours.	90%	91.4%		395 requests were received with 361 collected within 6 hours for the year.
Complaints relating to stray dogs responded to within 2 working days.	95%	97.2%	•	405 requests were received with 403 responded to within two working days for the year.
Average number of days to issue Section 149 Planning Certificates.	1.10	0.81		2265 certificates were issued for the year.
Percentage of properties with infestations.	27%	29.8%	8	1267 inspections undertaken with 378 properties with infestation found for the year. This resulted reflects the additional resources provided by grant funding for an officer to target Tropical Soda Apple.
Number of people employed in the Kempsey Shire area.	11,800	10,911	<b>3</b>	10,911 (2014 NIEIR). Target was not achievable due to a change of the reporting method. A more realistic target is 10,905 which was achieved.
Percentage of strategic planning project tasks completed on time.	80%	97.1%	•	
Percentage of environmental project tasks completed on time.	80%	95.9%		
Percentage of economic sustainability project tasks completed on time.	80%	64%	8	64% (9 of 14 projects). CBD marketing project, airport business plan and other time critical projects pushed back to second half of 2015.
Number of developments unreasonably held up by the lack of foreseeable council responsible infrastructure requirements.	Nil	0		

Indicator	Target	Y.T.D.	Achieved	Comment
Number of compliance audits per annum.	120	162		
Number of onsite sewerage management systems inspected each annum.	840	516	8	516 inspections undertaken for the year. This was not met due to staff shortages.
Percentage of food premises inspected per annum.	85%	100%		This KPI was met by employing the services of a contract inspector for 8 weeks.
Number of environmental health inspections per annum.	500	512	<b>Ø</b>	This KPI was met by employing the services of a contract inspector for 8 weeks.
Percentage of compliant food inspections.	85%	79.7%	8	This was a new KPI which seeks to measure the effectiveness of Council's inspections and systems in improving food hygiene. The limited data indicates an improving trend which is expected to continue as proprietors become aware of the standards to be met.
Percentage of caravan parks inspected per annum.	100%	100%		
Required Annual Fire Safety Certificates are provided.	100%	98.1%		367 out of the required 374 certificates received for the year. There are 7 outstanding properties which Council is taking action on to comply with the requirements of the Act.
Number of education programs on weeds per annum.	2	9		
Area of residential land made available for development.	50 ha	>50 ha		Council has an excess of land zoned and available for residential development. Applications for rezonings at Crescent Head and Spencerville that are developer funded have continued.
Area of land rezoned for industrial development.	8 ha	>8 ha		Council has an excess of land zoned and available for industrial development.
Number of environmental education projects per annum.	12	16		
Percentage of people enrolled in tertiary education.	5%	4.19%	•	4.19% (1192 from a population of 29,643). Figure based on Kempsey TAFE (1166) & CSU Port Macquarie (26) enrolments. Data is being drawn from three local campus institutions only and does not take account of all other students from Kempsey studying at other institutions. Although that data is currently not available, it is expected that this would increase the percentage above target.
Level of farm output.	\$124M	\$102M	8	\$102 M (Source: Latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) June 2014 Gross State Product, 2009 / 2010 National Input Output Tables and 2011 Census Place of Work Employment Data).
Number of visitor night stays has increased.	10%	+6.4%		+ 6.4% (250,000 YE June 2014 compared to 266,000 YE March 2015) (Two-year average data used due to higher level of accuracy. June 2015 data not released as at August 2015).
Water quality monitoring of the Shire's creeks, rivers and beaches is undertaken on a weekly basis.	51	51		
Income from Council's Caravan Parks has increased.	+5%	+4.28%	8	+ 4.28% (\$6.13M for 13/14 compared to \$6.41M for 14/15).

# 5.2 Community Engagement

Building a strong community is a key outcome for Council. Community wellbeing is influenced by participation in community, cultural, and recreation activities, access to facilities and community information. Engaging all parts of our diverse community is the focus for the Community Engagement team. To have a bright, vibrant and growing community we need input from all aspects with different ideas and hopes for the future.





<u>376596</u>

Phonecalls to Customer Services. <u>19353</u>

Visitors to our Information Centres. 45944

Hours of service to aged and disabled population.

<u> 25946</u>

Pieces of correspondence sent to Council.

181269

Items borrowed from libraries.

11987

People attending Customer Services front counter.

136190

Visitors to our libraries.

25518

eBooks and audio books downloaded.

2676

Facebook followers.

<u> 24360</u>

Library Wi-Fi logins. 213

Media releases issued.

23

Exhibitions held at the Macleay Community Gallery.

# 5.2.1 Major Achievements

## Macleay River Festival

Over 3,000 people enjoyed a beautiful spring day and a spectacular evening at Riverside Park in September 2014 as the community turned out to experience some of the best the Macleay had to offer. The Macleay River Festival bought the community together to celebrate the amazing talent and vibrant spirit of the Macleay Valley.

The festival showcased art, culture and stories of the Valley including, giant lantern sculptures, festival poles and lanterns made by local primary schools, festival flags made by Macleay Valley communities as well as a herd of knitted and crocheted whimsical colourful cows which represented the Macleay's cattle farming heritage. The 'Many Faces of the Macleay' project was displayed; photographic portraits of residents which were combined with historic images and landscapes of the Macleay Valley.

There was a full entertainment program with water activities, market stalls, music, art installations and workshops. The festival finished with the lighting and floating of the lanterns on the Macleay River at dusk followed by music.

# dLab Program

In partnership with Kempsey Shire Council and supported by the Australian Government Initiative Unlocking Australia's Potential, dLux MediaArts has been delivering dLab to youth in the Macleay.

The dLab program was developed to provide an avenue for young people from isolated backgrounds to access alternative education models and pathways to higher learning and training.

Kempsey dLab initiated partnerships with Mission Australia, Kempsey High School, Melville High School and Macleay Vocational College in 2014. During 2015, these partnerships have continued to flourish, with dLab supporting ongoing partner projects and collaborating with these partners to create new projects to engage participants. A tool kit of digital equipment that has facilitated a number of residencies and workshops has been assembled with support from Charles Sturt University. The workshops have taught skills in photography, audio recording, stop animation, cyanotype, video production, interview technique, green screen, microscopic imaging and editing.

Some of the residencies and workshops have included:

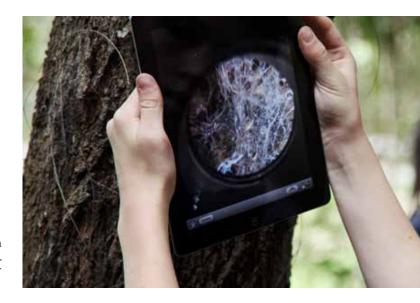
# Mission Australia – Kempsey Cultural Leadership and Development Program

This program provides activities and experiences for young Aboriginal people that will help to buffer them against negative life events. It focuses on developing leadership skills, cultural knowledge and identity, whilst actively encouraging young people to complete their formal education.

#### **Leadership Girls Camp**

The camp was held in April and provided participants with training in, audio recording, developing an audio introduction, story development, photography skills, portraiture and landscape photography, video recording, underwater filming, microscopic imaging with phone attachment and USB microscope, basic editing skills in Photoshop, iMovie, and Audacity, as well as an introduction to cyanotype.









Macleay River Festival



dLab Macroscopic Imaging



Show and Tell Workshops

#### **Dunghutti Stories from Yesterday**

Melville High School Aboriginal Studies Year 11 Students and Year 9 Peer Group participated in this project. Students conducted and digitally record oral histories with members of the community.

Students assisted in the delivery of this project to Primary Schools and were led through a practise of documentation, taking photographs and writing a blog on their experiences.

#### Goori Books - Kempsey High School

Kempsey dLab have supported the Goori Books project which is an ongoing project initiated by Kempsey High School. Yenny Huber from Delux Media Arts and two local facilitators of Kempsey dLab have worked with students enrolled in the Goori Books project. The effort to digitise the stories and other content of the "Gooris on the Job" magazine has been the focus. As a part of this process, the students are educated about the tools and processes of digitising the material, recording interviews and creating visual ways to retell the stories, including creating animations and sound pieces. They are also practising interview techniques, learning about the Dunghutti language and heritage and discussing and understanding the history of their people and Aboriginal people across Australia. Topics such as The Freedom Bus Ride, Close The Gap, NAIDOC Week and Sorry Day are included, as well as achievements in sport, education and the arts.

Professional Development days for facilitators, educators and art practitioners are held during each residency.

# Healthy Communities in the Macleay Valley

Council has continued to support this worthwhile program, developing a wellness culture and growing community participation within our Valley. Healthy Communities is now working to grow local leadership, expand interest and participation in a range of activities, promote and expand participation in MicroAgri business and building more resilient and connected communities.

Some of the programs and community support provided by Healthy Communities include:

- Pride of the Macleay articles showcasing the contribution of residents living in our Shire
- Supporting the Head to Head Walk Run in Crescent Head
- Conducting 15 Show & Tell Workshops attended by 216 residents. The workshops included Preserving Limes; Worm Farming; Growing Vegies; Making Candles; Sustainable Living; Introduction to Alpacas; and Spinning and Weaving.
- Introducing the Kempsey Shire Volunteer of the Year awards.
- Clean up the Macleay Valley grants.
- Inspired Leadership workshops.
- Building Communities workshops.
- Grant Writing workshops.
- I Love the Macleay sticker promotion.
- MicroAgri business development and promotion.

 Local Leaders – supporting community groups to initiate projects and events.

The HUB is a community facility with volunteers supporting its development and running in conjunction with Healthy Communities. The HUB was launched in May with a garage sale, proceeds of which will go towards HUB events and developing it as a space for the whole community to enjoy.

Volunteers painted the roller door, seating and other areas to breathe life back into this valuable community asset. Vegie gardens have been built and planted to supply the kitchen for HUB events. The HUB has a commercial kitchen, training and meeting spaces and is a valued community facility.

# Kempsey Family Community Centre (KFCC)

The KFCC is a Housing NSW initiative auspiced by Kempsey Shire Council to strengthen the living skills and social structures in the communities of South and West Kempsey. Partnerships with government and non-government agencies provide programs and support to the community including:

- · Legal, health, housing and education advice
- Supporting Brighter Futures playgroups
- Community garden programs
- · Holiday activities
- · Lifeskill programs to assist in reducing homelessness
- Community clean-up programs
- Driver authority program participants completing their Medium Rigid Licences to qualify to seek work within the public transport.

# Community Facilities

To highlight Councils contribution to the community, small signs with Council's logo were installed on community facilities in the Shire in June 2015.

#### **Cemeteries**

Council manages and maintains the Shire's cemeteries, catering for the burial needs of the Macleay Valley. During this term 120 burials and 23 placement of ashes have occurred at the following cemeteries:

Burials	Placement of Ashes
65	6
27	3
21	13
3	1
1	0
1	0
1	0
1	0
	65 27 21 3 1

In excess of 120 new lawn beams were laid for the general lawn sections of East Kempsey, Frederickton and Arakoon Cemeteries to ensure adequate positions are available for burials.









The HUB



SWR Library Seniors Class



Frederickton School of Arts Hall

Arakoon Historical Cemetery on Arakoon Road, Comara Cemetery on Towel Creek Road and Crescent Head Cemetery are not currently available for burials.

Council has a reserve fund to attend to the maintenance of the valuable memorials in our cemeteries to ensure our history is retained. Subsidence of the graves can cause monuments to sink, fall over and break. Council staff carry out works as funds permit.

## Frederickton Hall Refurbishment

Frederickton School of Arts Hall affectionately known as 'Freddo Hall' has been the heart of the local community for 110 years having seen many generations of local families pass through its doors.

This hall holds fond memories within the community having hosted many birthdays, Christmas parties and special occasions over the years.

Council decided that this grand old lady was well overdue for a facelift. Repair works included, weatherboards and timber window sills being replaced, windows repaired and scaffolding erected before the hall was repainted. The colour palette chosen for the hall came from consultation with heritage consultants.

# 5.2.2 Challenges Faced

Working with State and Federal Governments and Non-Government Organisations towards a Community Strategic Plan

#### Aged care reform

Government funding of aged care services is currently undergoing significant changes. Changes to service delivery have combined several programs into a single Commonwealth Home Support Program, modifying how customers can access services via My Aged Care. More services are now delivered on a Consumer Directed Care basis, giving the client more control over what services they receive and who provides those services.

This has required additional training for staff to prepare for these changes, and some realignment of the programs currently offered in order to ensure we will continue to provide a quality service throughout the transition period.

#### Mobile devices and growing online services

There is an ever increasing demand for assistance in using new technology and accessing services. With more agencies putting their services online, community needs are growing for assistance in these areas. As the library moves towards being a digital hub, the provision of internet and Wi-Fi services to the community will be reviewed.

# **Unfunded Projects**

- The redevelopment of Judith Evill Court Aged Units into a supported living facility.
- South West Rocks Library.

# 5.2.3 Plans for the Year Ahead

## Service Delivery

The Customer Service area incorporates Customer Services, Records and Visitor Information. Over the next twelve months there will be a focus on streamlining the flow of incoming and outgoing information. Currently the three areas of Customer Service operate individually of each other. As part of the process these areas will be defined into two focus groups; verbal communication and written correspondence.

Verbal communication will include face-to-face and over the phone customer interactions. The knowledge management system and tools used to communicate will be re-evaluated to determine if we are working with the best and most cost effective methods. The introduction of the Iferret software will increase the accessibility of information contained in the various databases allowing for faster and higher quality interactions with the customer.

The written correspondence area will incorporate the current records area which includes the registration of incoming and outgoing correspondence. The allocation of Customer Services staff to perform administration duties will allow us to locate and respond to more correspondence at the first point of contact without seeking further assistance. Template letters will be developed to increase the speed of communication and to ensure the customer is kept informed of progress.

While the department is being placed into two focus groups there will be a crossover of information. The same knowledge base will be used by both to ensure the information provided remains the same regardless of how the customer contacted Council. Where a written response to verbal communication is required, the enquiry will be dealt with in a manner that is seamless to the customer.

#### Library services

- Children's programming.
- Expand our digital fiction collection.
- Continue the digitisation of our local history material.
- Mobile Library Van replacement.

#### Kempsey Skate Park

In August, Council will give the Kempsey Skate Park a makeover. This Public Art Project will involve local artists and students transforming the skate park into a unique creative useable space.

#### **Cemeteries**

Council's Infrastructure staff have been working on updating the mapping of the rural cemeteries and Council will be engaging an organisation to photograph East Kempsey Cemetery using a drone to document the sections, rows and monuments from an aerial point of view and identify future burial plots at the cemetery.

Council will continue to restore old cemetery monuments as funds permit and introduce a cemetery tour of West Kempsey Cemetery during local government week.







# MACLEAY VALLEY COMMUNITY CARE CENTRE

Macleay Valley Community Care Centre

Baby Bounce at Kempsey Library



Frederickton Cemetery

# 5.2.4 Long Term Plans

## Service Delivery

The development of higher quality and more detailed information in the customer services database over the next twelve months will pave the way for online "chats" with customers and the community in the longer term. Another five years will see a more tech savvy community and increasing electronic communication. The preparation now for increasing online services will allow Council to advance when the community is ready for this style of communication.

## Library Services

A review of library services and the ongoing needs of the community of South West Rocks has highlighted the need to upgrade library services. A new library for the area has been scoped and will be a significant project in the coming years.

# **Aged Care**

Further changes to aged care funding with the Government proposing to combine the Commonwealth Home Support Program with the Home Care Packages Program from 2018 and transition disabled services in to the National Disability Insurance Scheme.

In the budget in May the Government announced that from 1 July 2018, the Commonwealth Home Support Program would be combined with the Home Care Packages Program. They have not released details of how this will happen, but funding for the CHSP has been extended until 30 June 2018. The likely impacts include:

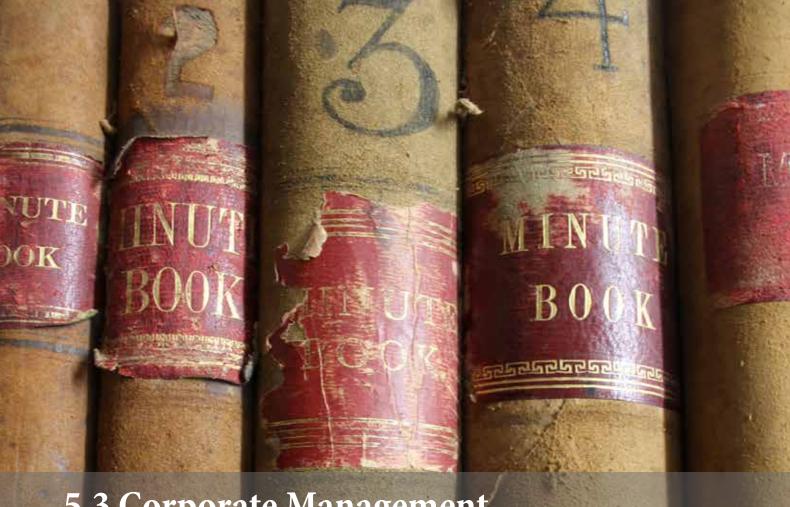
- More services will be delivered on a Consumer Directed Care (CDC) basis.
- Less certainty of funding as it will be dependent on the consumer's choice as to who provides their services rather than block funding being received by the Service Provider.
- Individuals will be receiving care from a greater mix of providers, rather than just one.
- More competition between service providers and a greater emphasis on marketing and promotion.
- Potential to increase demand for our services by providing quality services for clients.
- How to ensure continuity of care during transition periods

The NSW Department of Ageing Disability and Home Care currently funds disability support programs, which is planned to rollover into the National Disability Insurance Scheme (NDIS) by 2018. The details are still to be released, but the potential impacts include: having to become an approved NDIS provider, whether existing clients who receive support will qualify for the NDIS, and what to do if they do not qualify and ensuring continuity of care during the transition.

# **5.2.5 Key Performance Indicators**

Indicator	Target	Y.T.D.	Achieved	Comment
Customer service enquires (telephone) per annum.	>33,000	37,659		
Customer service enquiries at Customer Service Centre per annum.	>12,000	11,987	<b>&amp;</b>	Not a negative result.
Customer abandoned calls per month.	<5%	6.92%		Target impacted by staff shortages. This is now rectified with the recruitment of trainees.
Customer enquiries resolved at first contact.	>75%	79.87%		
Percentage of customer calls returned within 2 business days.	>85%	85.99%		
Number of Customer Surveys Completed per annum.	>960	141		Target impacted by staff shortages. This is now rectified with the recruitment of trainees.
Percentage of correspondence received needing a reply that is responded to within 10 working days.	>90%	78.98%	8	KPI improving with management reporting.
Number of meals provided.	2,250	1,549		Impacted by changes to Aged Care Reform Packages.
Number of hours of social participation provided.	31,000	31,189		
Number of hours of assistance at home provided.	5,500	8,994	<b>Ø</b>	
Number of people provided with transport.	3,350	4,291		
Provide venues for arts to be sold and promoted (other than the Macleay Valley Art Gallery).	10pa	10	•	
Hold literacy workshops.	10	45		
Increase in literacy skills in younger people.	80%	0		Target to be measured through the Department of Education.
Provide access to literacy resources (digital and online).	80%	100%		Resources available at the library and online.
Number of participants participating in road safety education programs.	1,000	180	8	
Number of community groups actively engaged in community projects.	20pa	60		
Number of community projects completed.	10pa	12		
Number of volunteers increased (Current Council volunteer base is 356).	2,000	18		YTD figure refers to new Council volunteers. Target is for the whole community. February 2015 survey indicated 48% of community members volunteered.
Number of events for the community to participate in.	15pa	54	<b>Ø</b>	
Increased number of community groups engaged in hosting events.	10 groups pa	19	<b>Ø</b>	
Increased participation of youth in community activities.	20%	183		Only measuring direct engagement with Council projects. This target does not take into consideration external activities and events.

Indicator	Target	Y.T.D.	Achieved	Comment
Cater for future burial and internment requirements.	100	100		
Level of graffiti needing removal.	<10%	741	<b>Ø</b>	
Reduced crime levels: break and enter, malicious damage.	<400pa			Break and Enter – Dwelling (2013-14) 355. Break and Enter – Non-Dwelling (2013-14)
				127. Malicious Damage to Property (2013-14) 593.
Number of reported incidents of vandalism to public areas/facilities.	<80		8	113 for 2013.
Number of reported assaults.	<40			240 for 2013-14.
Reduce domestic violence incidences.	<150		<b>&amp;</b>	210 for 2013-14.
Reduction in domestic violence assaults.	15% reduction annually			Stable for 2013-14.
Reduced number of accidents responsible from alcohol consumption.	10% reduction annually			Need to determine benchmark and data capture.
Community consultations held per annum.	>30	25		Identifying new approaches to engagement, including markets.
Number of participants in community consultations per annum.	>1,500	987	8	Directly influenced by the above.
Percentage of population engaging in sporting activity.	30%	67%		Survey results Jan-Feb 2015.
Average frequency that sports related exercise is undertaken.	3pw	79%		Survey results Jan-Feb 2015.
Percentage of population reporting taking children to a playground in the last three months.	20%	40%		Survey results Jan-Feb 2015.
Percentage of properties likely to be affected by flooding or bushfire with an emergency plan.	50%	38%	8	Survey results Jan-Feb 2015.
Percentage of businesses likely to be affected by flooding or bushfire with an emergency response/business continuity plan.	65%			Survey to be undertaken.
Established partnerships for community engagement in response to disasters.	20%	0		0 for 2014-15 reporting period.
Increased community resources to respond to disasters.	40%	0		0 for 2014-15 reporting period.
Improved resilience and rapid deployment of volunteers to areas worst affected.	20%	0		0 for 2014-15 reporting period.
Number of people volunteering.	20%	48%		Survey results Jan-Feb 2015.
People feel safe in their homes.	85%	84% ave		92% day. 76% night.
People feel safe in public spaces.	85%	52% ave		92% day. 12% night.



# **5.3** Corporate Management

Corporate Management refers to the corporate governance of Council and the processes by which Council is directed, controlled and held to account. Corporate Governance encompasses authority, accountability, stewardship, leadership, direction, and control in the organisation. The key elements for Corporate Management are the implementation of effective internal control systems for financial, work health and safety and administrative processes, transparency of corporate information and operations, and accountability through clear and timely disclosure to the community.





Percentage of staff satisfied with their employment.

Lost time injuries.

**Public liability** claims for personal injury.

Ave. hours after **Council meetings** that minutes are available.

Percentage of staff turnover.

Percentage of staff satisfied with management.

152.36 Ave. hours before **Council meetings** that the Agenda is available.

Number of contracts awarded.

Percentage of **GIPA** requests resolved within timeframe.

Number of citizenship ceremonies.

Number of new citizens.

Number of countries new citizens have emigrated from.

# 5.3.1 Major Achievements

# Information Management and Governance

# Update Code of Conduct and Induction Training in line with ICAC recommendations.

A review of Councils Code of Conduct showed that Council's current code has stricter requirements than those recommended by ICAC. The Office of Local Government's model training is used to deliver face to face training at induction sessions.

# Develop, implement and test an information technology Disaster Recovery Plan.

An operational disaster recovery site has been established and commissioned at the Works Depot. Replication of Council's production IT environment is taking place on a daily basis. Failover between the Civic Centre and the Depot has been tested for individual workloads.

Establish an operational Information and Communications Technology (IC disaster recovery site at the Works Depot. Server room has been constructed, fitted out and commissioned at the depot.

# Streamline storage publication of documents via multiple information systems e.g. web, intranet and TRIM.

TRIM WebDrawer identified as existing software which will allow the publishing via the web and intranet of documents stored in TRIM. It has been installed and configured.

Review and implement the Workforce Management Strategy. A Workforce Management Strategy is reviewed annually in conjunction with the development of the Operating Plan.

#### Conducted an Employee Opinion Survey.

Survey distributed November 2014 by email link and provided in hardcopy to Managers for distribution to Operational teams.

#### **Finance**

# Present annual and monthly financial reports in accordance with statutory timeframes and Division of Local Government Guidelines.

Quarterly budget reporting and monthly investment reporting are presented to Ordinary Council meetings in accordance with statutory timeframes.

# Annual financial statements have been audited by 31 October each year.

The General Purpose and Special Purpose Financial Reports were completed and audited within statutory timeframes.

# Sufficient cash resources are maintained to meet future commitments.

The timing of investment renewals are set to meet expected cash flow requirements. A review of cash holdings did not identify significant amounts that had not been allocated to specific works.

#### Review the Ten Year Plant Replacement Program.

Replacement programs are reviewed every 6 months in consultation with relevant managers to identify operational requirements.







Council Chambers



Water Bottle Refill Stations

#### Review Fleet Business Plan.

Business plan has been reviewed and updated. Accurate and timely distribution of rate notices. Rate notices were forwarded in July 2014. Instalment reminders have been issued in accordance with the requirements of the Local Government Act.

Maintain and review Council's Ten Year Financial Plan. The 10 Year Financial Plan was reviewed in conjunction with the development of the 2015-16 budget and ongoing Operating Plan.

#### Water Strategy

Implement a Demand Management program focusing on education and demonstrative programs to encourage and assist customer's transition to improved consumption patterns.

Council undertook shower retrofit program to 212 residences; 'Set your goal' – Programming for customer interface to plan, estimate and monitor water saving targets with own usage data; Installed 8 water bottle filling stations in high profile public spaces; Installed 3 smart water meters for difficult to read meters and high risk services to quicker detect leaks.

Review water and waste water supply Strategic Business Plans and pricing path for the next 10 years to ensure user charges are equitably distributed amongst the community.

The financial plan and sensitivity analysis was finalised. Detailed work is required on the pricing path followed by a further sensitivity analysis and public consultation prior to adoption.

Investigate the viability of linking the coastal village schemes and Kempsey district water supply system.

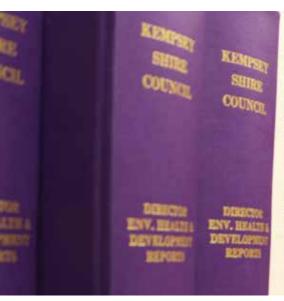
A draft concept design and costing has been completed. A yield assessment of these schemes is integral to the viability assessment.

Construct a Replacement Waste Water Treatment Plant in West Kempsey.

The concept design was completed. The Public Works
Department is writing a brief for detailed design and tender

# 5.3.2 Challenges Faced

- Review water supply strategic business plan and pricing path.
- Review existing service standards and develop alternative levels of service standards.





# 5.3.3 Plans for the Year Ahead

- Annual financial reports have been audited by 31 October 2015.
- Sufficient cash resources are maintained to meet future commitments.
- Review the 10 year plant replacement program.
- Review and implement the Workforce Management Strategy.
- Conduct an Employee Opinion Survey.
- Construct a Replacement Waste Water Treatment Plant in West Kempsey.
- Complete an augmentation of Hat Head Waste Water Treatment Plant.
- Design and plan for the extension of the South Kempsey waste water system.
- Investigate the construction of a waste water collection and treatment system for Stuarts Point.
- Increase the rate of effluent reuse/recycling within the
- Provide a communal effluent collection and disposal system for the small urban allotments in the Sherwood area.
- Develop organisational Service Standards.
- Revaluation of assets completed in accordance with the Office of Local Government schedule.
- Implement a Demand Management Program focusing on education and demonstrative programs to encourage and assist customer's transition to improved consumption patterns.
- Undertake a Coastal Village Aquifer Sustainable Yield Study to determine the impact on raw water volumes.
- Update corporate risk register in consultation with all Directorates.
- Deploy Exponaire and MapInfo Manager.
- Deployment of CivicView Version 9.

- Review PABX Rental Agreement.
- Prioritise customer response to ensure issues are resolved promptly.
- Purchase and implement a customer management system.
- Purchase software/hardware to effectively track performance of the organisation against service delivery standards.
- Develop systems for electronic data capture and workflow.
- Review and update asset management plans.
- Develop a performance management framework.
- Provide customer service training to all staff who interact regularly with members of the public.
- Review water supply and waste water strategic business plans.
- Investigate the viability of linking the coastal village schemes and Kempsey district water supply system.

# 5.3.4 Long Term Plans

- Maintain and review Council's ten year Financial Plan.
- To facilitate the procurement of goods and services that are suitable for the purpose and provides value for money on a whole of life basis through open and effective competition.
- Maintain a manageable inventory stock level to meet operational requirements and cost.
- Monitor plant utilisation to ensure usage is in line with the plant replacement program to meet operational requirements.
- Review and implement the Workforce Management Strategy.
- Consolidate current asset registers into one corporate register.
- Undertake organisational service level reviews.



# **5.3.5** Key Performance Indicators

Indicator	Target	Y.T.D.	Achieved
Percentage of staff expressing satisfaction with management leadership.	>60%	61.16%	
Percentage of staff indicating satisfaction with their employment.	>85%	95.5%	
Average number of hours before Ordinary Council meetings that the Agenda is available to the public.	>90	152.36	
Average number of hours after ordinary Council meetings that the minutes are available to the public.	<24	18.77	
Number of public liability claims for property damage received per annum.	<40	28	
Number of public liability claims for personal injury received per annum.	<10	8	
Percentage of formal GIPA requests resolved within legislated timeframe.	100%	100%	
The total number of lost time injuries per annum.	<12 claims	5	
Staff turnover (excluding retirement).	<10%	5.33%	
Annual financial reports have been audited by 31 October each year.	Yes/No	Yes	
Rating Structure reviewed to ensure a fair and reasonable impost by 28 February each year.	Yes/No	Yes	

# 5.4 Infrastructure Services

Management of the community's assets is a critical Council function. It impacts on our everyday life and enables the community to live, work, and play. The development of effective Asset Management Plans and the delivery of prioritised infrastructure replacements has been a key priority throughout 2014-15. Our Council is like many others with an expansive infrastructure base covering a large geographical area, much of which is nearing, or past, its effective life. Council has developed an asset management program, on a priority basis, for major infrastructure groups and will now implement and refine this program within the resources available.





Weekly waste collections to household

properties.

Tonnes of asbestos disposed of.

Meters of sewer mains relined or replaced.

Unsealed roads refurbished.

Meters of water main renewed.

Tonnes of problem waste collected by the MRC trailer.

Sealed roads refurbished.

Bridges refurbished.

Number of new bus shelters installed.

Days of lifeguard service provided.

Road accidents.

Tonnes of domestic waste disposed of to landfill.

# 5.4.1 Major Achievements

# **Engineering Works**

**Blackspot Roadworks** 

Three sections of road were upgraded under the Federally funded Blackspot program. Two sections of Armidale Road (between Mungay Flat Road and Mungay Creek Road and between Turners Flat Road and Jacks Crossing Road) and the intersection of Sherwood Road and Old Aerodrome Road were realigned, widened and resurfaced to improve safety. The projects were delivered within budget and on time to meet the grant funding conditions.

South West Rocks Road Widening and Rehabilitation Rehabilitation and widening of approximately 3km of South West Rocks Road including an upgrade to the intersection with Old Station Road restored these sections to an excellent condition with greatly improved safety.

Bissett/Washington/Macleay Streets, East Kempsey This intersection was realigned for safer operation and Macleay Street was resurfaced with asphalt.

Plummers Lane Widening and Rehabilitation

Widening and rehabilitation of 1.3km of Plummers Lane between Rainbow Reach Road and Summer Island Road was completed. The work included additional guardrail where the road runs in close proximity to the river.

**Crottys Lane Sealing** 

Crottys Lane at Yarravel was constructed and sealed. This replaces the previous gravel road and provides a greatly improved access to a rural residential area and was funded through previous contributions paid by the subdivision developers.

**Geoffrey O'Hea Street, West Kempsey Reconstruction**Failed kerbing and pavement at Geoffrey O'Hea Street resulted in complete reconstruction. A program of similar works on other residential streets is now planned.

Macleay Valley Way Major Maintenance Program A 10 year program to upgrade Macleay Valley Way commenced with asphalt resurfacing at South Kempsey.

**Gravel Resheeting** 

Almost \$1M was expended on gravel resheeting of Verges Creek Road, Old Station Road, Dungay Creek Road, Fishermans Reach Road, Sandy Creek Road and West End Road.

Belmore River Right Bank Road Bridge Replacement McCudden's (timber) Bridge was replaced with precast concrete box culverts.

**Dungay Creek Road, Wittitrin Bridge Deck Replacement** The timber girders and deck on Gills Gully Bridge were replaced with concrete deck units.

Willi Willi Road, Moparrabah Bridge Replacement Home Gully (timber) Bridge was replaced with precast concrete box culverts.

Bridge refurbishment

Major bridge refurbishment was undertaken to Clarke's Bridge on Yessabah Road and Lovelock's Bridge on Turners Flat Road. Significant structural repairs were completed on Black Bullock and Lawrence's Bridges on Five Day Creek Road.









South West Rocks Road



South West Rocks Waste Water Treatment Plant



Mobile Recycling Centre trailer

#### **Kempsey CBD (Smith Street) Streetscape Improvements**

Work has commenced on the upgrade of Smith Street Kempsey as part of the Kempsey Corridor Masterplan Works. The work entails the complete replacement of kerb and gutter and paving, new streetlights, furniture, and improved pedestrian facilities. Work will continue in 2015-16 with completion planned by November 2015.

#### Airport Upgrade

Work was completed on construction of a business park to facilitate development of aviation related businesses. The work included new access roads.

#### Technical and Civil Services

#### **Free Asbestos Trial**

The free disposal trial finished at the end of June with over 70 tonnes of asbestos being collected.

#### **Mobile Recycling Centre (MRC)**

The MRC is a unique initiative of council with over 30 tonnes of problem waste being collected over 6 months. Fully funded by the EPA's Waste Less, Recycle More initiative, the MRC trailer aims to encourage proper disposal of problem wastes and minimise littering and illegal dumping.

#### **Pedestrian Counter**

Gathering statistics on pedestrian facilities including footpaths and bridges to complement Council's pedestrian data usage for the Asset Management Plan and review of the Pedestrian Access and Mobility Plan.

#### Flood Camera

A new camera system at Sherwood Bridge which monitors flood levels and the status of the bridge during floods was installed. Images from the camera on Council's website show the bridge deck to enable residents to see water flowing over the bridge during flood events.

#### Water Operations and Processes

#### **SCADA Replacement**

Rollout of Stage 2 of the ClearSCADA telemetry network upgrade to increase the level of remote control and monitoring of our water and sewer systems.

#### **Hat Head Sewer System**

Significant improvements have been made to the system by reducing infiltration in known hot spots through sealing manholes, raising controllers and fitting flood proof caps to the yard gully in the lowest lying properties. This resulted in the system remaining in operation even during periods of extended and heavy rainfall.

#### **Hat Head Sewer Treatment Plant**

Pumping and transfer changes were undertaken to improve the treatment process and provide additional treatment capacity, particularly during peak holiday periods. The annual license conditions were satisfied, demonstrating the success of the actions taken this year.

#### **Sewer Pumping Station Upgrades**

Pump upgrades were completed at K28 (Correctional Centre, Aldavilla), K14 (Bloomfield Street, South

Kempsey), K17 (Harry Boyes Avenue, South Kempsey) and R1 (Simpson Street, South West Rocks). Control and instrumentation upgrades were completed R1 (Simpson Street, South West Rocks), R3 (Roy Sanders Street, South West Rocks), R10 (Gladstone Street, South West Rocks), R22 (Spencers Creek Road, South West Rocks), R23 (Gregory Street, South West Rocks), G2 (Kinchela Street, Gladstone), K25 (Sandy Creek Road, Burnt Bridge), K29 (Queen Street, Greenhill), K11B (Rudder Street, East Kempsey) and K13B (East Street, South Kempsey).

#### Sewer main renewals

600 metres of sewer mains were relined or replaced in West Kempsey and Crescent Head areas.

#### Water main renewals

Water main renewals were completed in Washington Street East Kempsey, Ponds Way, Eucalypt and Waterford Crescents Aldavilla and Tozer Street West Kempsey, totalling 1420 metres.

#### Valve Maintenance Program

The hydrant and stop valve maintenance program was completed throughout South West Rocks, Gladstone, Smithtown and Frederickton.

#### **WH&S Improvements**

Safe access and work platforms were installed at West Kempsey and Frederickton Sewerage Treatment Plants (STP) to improve the safety of our staff accessing these areas during the course of their duties.

#### West Kempsey Sewerage Treatment Replacement/ Augmentation

The concept design for this project was completed and expanded to create a centralised STP that could replace three existing plants to achieve better environmental outcomes. In addition, suitable land was purchased and detailed site investigations are progressing (including contour surveying, geotechnical drilling and environmental assessments). Council adopted a new emerging technology Nereda™ as the preferred technology for the plant providing a reduced capital cost as well as lower ongoing operating and maintenance costs. This will be the second plant in Australia and the first in NSW to adopt this new technology.

#### Water Supply Pumping Station Upgrades

Replacement bores were installed at South West Rocks to supplement the existing bore-field capacity. The switch control board for Cardwell Street Booster Pump Station was replaced including instrumentation upgrades to SCADA (System Control and Data Acquisition).

# 5.4.2 Challenges Faced

- Coordinating planning and construction of roadworks with the aim to achieve completion of the 2014-15 Operating Plan while accommodating significant additional funding from the Special Rate increase, Regional Roads (REPAIR) Program, the Federal Nation Building Blackspot and Roads to Recovery Programs.
- Delivering on the long term commitment to improve the performance of the Hat Head Sewer reticulation and treatment system to improve the level of service to the community.









Steuart McIntyre Dam



Airport runway widening



Gill's Gully Bridge

- Developing the business case to adopt an innovative and revolutionary new sewerage treatment process/ method to reduce both upfront and ongoing costs as well as minimising the long term risk to Council and the community of the unknown.
- Working with a local contractor to deliver road shoulder widening at a cost effective price.
- Designing and developing a Mobile Recycling Centre (MRC), the first in NSW and Australia.

# **Unfunded projects**

- Stormwater drainage augmentation at Crescent Head
- Relocate and upgrade Crescent Head skate park
- Construction of skate park at Hat Head
- Installation of a flood warning gauge on Dungay Creek.

# 5.4.3 Plans for the Year Ahead

- Undertake an increased level of road rehabilitation work at South West Rocks Road (from Old Station Road to Austral Eden Outer Road, Belmore River Bridge to Darkwater Street, Gladstone and at the intersection of Kinchela Creek Left Bank Road), Crescent Head Road (from Seale Road to Beranghi Road), Stuarts Point Road (from Pacific Highway to Lukes Lane), Armidale Road (from Sherwood Road to the timber mill and at Mungay Creek Road), Grassy Head Road (from Stuarts Point Road northward 400m) and Old Station Road (from South West Rocks Road to Belle Rio Close).
- Undertake road improvements under the Blackspot Program at Armidale Road (Hillview Drive to Heatherglenn Road and at Skillion Flat) and on Grassy Head Road (from the Council boundary southwards for 600m).
- Reconstruct the roundabout at Stuart and Forth Streets, Kempsey and provide a new roundabout at Cochrane and Broughton Streets, West Kempsey for improved safety under the Blackspot program.
- Complete the refurbishment of Edinburgh Lane, West Kempsey extending the work to Tozer Street for improved access to carparking and commercial properties.
- Undertake the refurbishment of Kemp Street (Tozer Street to North Street) and North Street (River Street to Forest Avenue) at West Kempsey.
- Undertake rehabilitation of residential streets at Robert Gardem Place, Marsh Street and Short Street, West Kempsey; Parkins Place, Frederickton; John Street, Smithtown; and Peter Mouatt Street, South West Rocks.
- Undertake rehabilitation of industrial service area streets at Queen Street and Nance Street, South Kempsey.
- Continue to undertake major maintenance works on Macleay Valley Way following the handover of this asset to Council with asphalt resurfacing works planned for Frederickton (Collombatti Road to North Street) and at Lord Street, East Kempsey (Druitt Street to Kempsey Traffic Bridge).

- Complete the Smith Street upgrade works under the Kempsey Corridor Masterplan Program and undertake further upgrade works in Smith Street north (Forth Street to First Lane), Belgrave Street (Smith Street to Stuart Street) and lower Belgrave Street.
- Commence an ongoing program to replace failed kerb and gutter with works proposed for Bestic Street, Cameron Street, Clarence Ryan Avenue, Colin Tait Avenue, Fernhill Crescent, Park Avenue, Hughes Place, Taylor Street, Cochrane Street and Elrington Avenue.
- Commence an ongoing program for replacement of failed footpaving with works proposed for John Street, Kempsey and Phillip Drive, South West Rocks.
- Replace bridges at Nagles Falls Road and Nulla Nulla Creek Road (McIntyre's Bridge and Yellow Gully Bridge).
- Refurbish timber bridges at Secombs Lane, and Toms Gully Road, and two bridges at Mines Road.
- Undertake gravel resheeting at Inches Road, Mighell Road, Pipers Creek Road (to Wirrang Drive), Willi Willi Road (Sherwood Road to Turners Flat Road), Chain O' Ponds Road and Collombatti Road (Chain O' Ponds Road to Cedar Crossing Road).
- Deliver the planned projects as part of the implementation for the Kempsey Corridor Masterplan, resulting from the Pacific Highway Bypass.
- Implementation of the Kempsey District Water Supply Scheme: Drinking Water Quality Management Plan.
- Complete and implement the open spaces service level review.
- Prepare an open spaces strategy review looking at all open spaces and determining how best to utilise and rationalise the assets, in particular sporting facilities.
- Undertake public consultation on service standards identified in the water supply strategic business plan.
- Prepare an overall development plan for the Waste Management Centre.
- Undertake condition surveys of all Council buildings and prepare forward works plans.
- Review the water supply and sewerage section structure to realign the structure with the delivery of service and achieving the strategic goals of the Operating Plan.
- Detailed design of West Kempsey Sewerage Treatment Plant.
- Fluoridation of the Kempsey Water Supply and upgrade the chlorination system at the Steuart McIntyre Dam.
- Expansion of the Sherwood community sewerage system, Stage 6.
- Detailed design for sewerage in South Kempsey from South Street to the new highway on ramp.
- Commence operation of the South West Rocks recycled water scheme.
- Prepare a master plan for Crescent Head CBD and foreshore reserve.





- Undertake an assessment of the stormwater infrastructure in South West Rocks.
- Review the flood mitigation infrastructure for the Lower Macleay.
- Implement the upgrade of Horseshoe Bay Reserve in accordance with the master plan and plan of management.
- Undertake a re-evaluation of our major infrastructure assets.

## 5.4.4 Long Term Plans

- Continue to prioritise and repair road pavements across the Shire with particular attention to highly trafficked regional roads; rehabilitate failed residential streets; replace failed kerb, gutter, and footpaving; and replace or refurbish timber bridges.
- Continue to implement the 10 year maintenance program for Macleay Valley Way.
- Complete the Bypass Corridor Masterplan upgrade/ redevelopment projects.
- Establish tender for sewer rehabilitation works.
- Develop long term upgrade/refurbishment programs for infrastructure assets.
- Construct a new West Kempsey Sewer Treatment Plant to meet modern day environmental licensing and standards as well as accommodate flows from two other STPs.
- Develop concept augmentation plans for water supply, recycled water and sewerage services to meet our growing communities needs and modern day standards.
- Continue to develop and improve Council's asset management plans.
- Use Council's asset management plans to prepare detailed forward works programs for all asset types, including asset evaluation and possible disposal, renewal and replacement.
- Rationalise existing recreational infrastructure to reduce operating and maintenance costs, allowing for reinvestment in the development of more important assets.
- Upgrade the saleyard facility to address effluent disposal issues and improve the selling yards.
- Implement the Horseshoe Bay and Crescent Head Reserve master plans.

# **5.4.5 Key Performance Indicators**

Indicator	Target	Y.T.D.	Achieved	Comment
Number of water main failures per year.	<40	25		Performance within target.
Number of sewer surcharges per year.	<90	32		Performance within target.
Percentage of water and sewer supply failures responded to within two (2) hours of being reported.	90%	100% Water Accum Ave	<b>②</b>	100% achieved this year.
		100% Sewer Accum Ave	<b>Ø</b>	
Percentage of water quality analyses complying with Australian Drinking Water Guidelines (ADWG).	98%	98.9%	<b>Ø</b>	Performance above target.
Number of incidents resulting in illness due to Council's potable water supply system.	<1	0		
Annual frequency of unplanned water supply service interruptions per 1000 customers.	<69	72	8	This KPI reflects the low service frequency per Km of watermain and the result is marginally above the target which is also the NSW State average.
Annual rate of economic return for water supply system.	>0.6	0.0		
Reduce operating costs per Kl of water produced.	10% (over 4 years)	4% (over 2 years)	8	Performance marginally below target.
Percentage of routine fluoride monitoring tests within the range provided by the regulation.	>99%	85.74% Accum Ave		Some underdosing of fluoride has occured at South West Rocks.
Proportion of public spaces receiving an improved level of service.	20% (over 4 years)	6% (18% over 3 years)	8	KPI on track to achieve target next year.
Proportion of public spaces made redundant and disposed of to fund improvements in other facilities.	15% (over 4 years)	0	8	No areas of land have been disposed of.
Annual level of usage of the swimming pools (including aquatic centre related activities).	70,000pa	73,681pm	<b>Ø</b>	
Number of people using footpaths daily.	3,000	5,071		
Percentage of effluent analyses complying with EPA licences.	95%	94.55%	8	The aged West Kempsey plant has prevented the overall performance from achieving the target.
Volume of treated wastewater reused or recycled.	>10%	8.37% Accum Ave	<b>3</b>	Decreased demand compared to previous years.
Volume of sludge reused/ recycled.	>95%	100%		
Reduce the costs of management, treatment and pumping (electricity) costs.	>10% (over 4yrs)	-1% (Total reduction of 5% over last 2yrs)	8	On track to achieve target over the next two years.

Indicator	Target	Y.T.D.	Achieved	Comment
Annual average unplanned service disruptions.	<102 mins	119 mins	<b>8</b>	Service below standard.
Annual rate of return for sewer.	20.6	0.4		Performance marginally below target.
Reduction in number of road condition complaints.	20%	13%	8	Percentage reduced by 13% in 3 years. Previous years' results have satisfied the KPI, however the wet weather late in 2014/15 resulted in a significant increase in complaints/requests.
Vehicle accidents attributed to poor road condition.	<20	3		
Number of bridges below adequate condition.	<30%	10%	•	
Number of bridges replaced with concrete or composite structures.	2	3		
Percentage of bridges with load limits implemented.	<10%	0	<b>Ø</b>	
Drains and floodgate structures maintained to ensure flood mitigation system is available for operation.	95%	100%		
Number of accidents at lighted intersections.	<20	16		
Percentage increase in annual street lighting charges.	<5%	-4.41%		
Reduce the level of road accidents.	Decreasing	170	<b>Ø</b>	
Days of lifeguard service provided.	186	277		This is over 5 beaches in the Shire.
Number of annual visitors to patrolled beaches.	>200,000	203,376	<b>V</b>	The weather over summer encouraged higher visitor numbers.
Annual number of preventative actions undertaken.	>7,500	13,126		Increased from last year.
Annual number of serious rescues.	<40	60	8	33 at Crescent Head - however considering visitor levels, the result is still good.
Annual number of first aid cases.	<300	351	<b>3</b>	Demand for service above KPI target.
Percentage of blockages to Council's drainage system likely to cause property damage cleared within 24 hours of being safe to do so.	90%	46.15% Accum Ave	8	KPI reviewed to account for safety. Historical records unable to be adjusted based on the data kept.
Quantity of domestic waste material disposed of to landfill per year.	<4,400t	5,971t		Waste Services under review to set new KPIs.
Quantity of domestic waste materials per year diverted from landfill.	>6,600t	4,883t	8	Waste Services under review to set new KPIs.
Quantity of domestic waste materials recycled/reused as a percentage of the material going to landfill.	60%	45% Accum Ave		Waste Services under review to set new KPIs.
Percentage improvement in the quantity of materials divered from landfill compared to previous years.	5%	2.3%	8	This is an improvement against the 2014 diversion rate of 44%.
Maintenence of public areas within levels of service.	>90%	66.36%		142 areas were maintained out of the 266 within the current levels of service areas.

Indicator	Target	Y.T.D.	Achieved	Comment
Recreational facilities maintained within the adopted levels of service.	>90%	98.82%		
Number of complaints regarding standard or location of amenities per year.	<20	2		
Number of complaints about standard of car parking.	<5	ĺ	V	
Number of Local Traffic Committee meetings.	4	4		

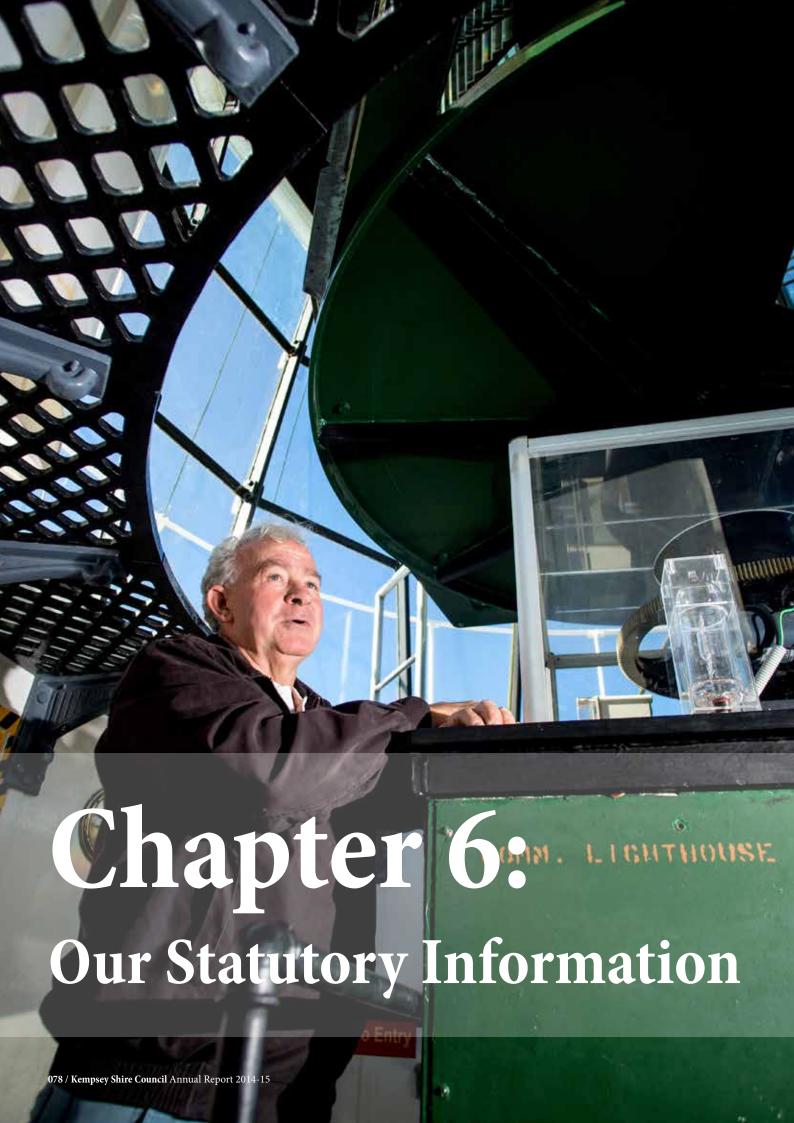
# Works Program 2014-15

Program/Project Name	Completed	Comments
2014/2015 Roads Program Carryovers		
Sealed Roads		
Washington Street, East Kempsey.		Completed June 2015* Awaiting final seal (Sept 2015).
Gordon Young Drive, South West Rocks.		Completed May 2015* Awaiting final seal (Sept 2015).
River Street, Greenhill.	<b>V</b>	Completed December 2014.
Bridge and Culvert Program		
Clarkes Bridge, Yessabah Road, Yessabah (refurbish timber bridge).		Completed September 2014.
Additional Projects Added to 2013/14		
Crescent Head Foreshore Reserve Footpath (Public Reserve Management Fund Program).		Completed December 2014.
Flagstaff Point Walkway (Public Reserve Management Fund Program).		Not commenced. Funding issues. Now planned for completion October 2015.
Killick Creek Footbridge, Crescent Head (Public Reserve Management Fund Program).		Not commenced. Planned for completion November 2015.
2014/2015 Roads Program		
Unsealed Roads		
Verges Creek Road, Verges Creek.	<b>V</b>	Completed July 2014.
Old Station Road, Old Station.		Completed July 2014.
Dungay Creek Road, Wittitrin.		Completed August 2014.
Battles Outlet Road, Dondingalong.		Completed August 2014.
West End Road, South Kempsey.	<b>V</b>	Completed September 2014.
Sandy Creek Road, South Kempsey.		Completed September 2014.
Fishermans Reach Road, Fishermans Reach.	<b>V</b>	Completed September 2014.
Sealed Roads		
Geoffrey O'Hea Street, West Kempsey.	<b>V</b>	Completed September 2014.
Middleton Street, South Kempsey.		Completed December 2014.

Program/Project Name	Completed	Comments
Macleay Street, East Kempsey (Incl. Bissett/ Washington/Macleay Streets Intersection).		Completed February 2015.
South West Rocks Road (Pola Creek Bridge To 1.3Km Eastward).		Completed April 2015.
South West Rocks Road (McKays Lane To 1.6Km Eastward).		Completed April 2015.
Plummers Lane (Rainbow Reach Road To 1.3Km Westward).		Completed June 2015* Awaiting final seal (Sept 2015).
Great North Road, Frederickton.		Completed June 2015* Awaiting final seal (Sept 2015).
Edinburgh Lane, West Kempsey – Stage 1.		Work in Progress. Extended to Tozer Street in 2015/16 Program.
Bridge and Culvert Program		
McCudden's Bridge, Belmore River Right Bank Road (replace with box culverts).		Completed October 2014.
Gill's Gully Bridge, Dungay Creek Road, Wittitrin (replace timber deck with concrete).		Completed November 2014.
Home Gully Bridge, Willi Willi Road, Moparrabah (replace with box culverts).		Completed June 2015.
Lovelock's Bridge, Turners Flat Road (refurbish timber bridge).		Completed December 2014.
O'Sullivan's Bridge, Pee Dee Road, Pee Dee (replace with box culverts).	<b>&amp;</b>	Not commenced – delays with land acquisition to realign road.
Other Works		
Kempsey CBD Masterplan Works – Smith Street upgrade.	<b>Ø</b>	Works in progress – planned completion November 2015.
New Projects Added		
Armidale Road, Mungay Flat/Mungay Creek Roads (Nation Building Blackspot Program).		Completed December 2014.
Armidale Road, Turners Flat/Jacks Crossing Roads (Nation Building Blackspot Program).		Completed December 2014.
Sherwood Road/Old Aerodrome Road Intersection (Nation Building Blackspot Program).		Completed December 2014.
Crottys Lane, Yarravel.		Completed March 2015.
Horseshoe Bay Reserve Improvements		
Update Plans of Management for Horseshoe Bay and Maria River Crown Reserves.		Horseshoe Bay Reserve Plan of Management complete & Approved by Minister.
Replace playground . Replace sunshade. Replace tables/seating, fencing and landscaping.		Deferred awaiting endorsement of Masterplan & Plan of Management.
Other Works		
Develop Churchill Quarry.		Contract signed for development and operation. DA approved.
Progressively upgrade coastal holiday parks in accordance with identified priorities in Plans Of Management.		Capital upgrade program completed.
Complete development of business and lease areas – Mid North Coast Aviation Excellence Plan.	•	Complete.
Country Transport Passenger Infrastructure Grant Scheme		
York Lane Taxi Rank.		Installation complete.

Program/Project Name	Completed	Comments
Crescent Head Bus Shelter.		Installation complete.
South West Rocks Bus Shelter (Altered to Smithtown).	<b>V</b>	Installation complete.
Angus McNeil Crescent, South Kempsey.		Installation complete.
Seven Hills Road, Collombatti.		Installation complete.
New Projects Added		
SES Gladstone Headquarters.		Construction complete.
2014/2015 Water and Sewerage Program		
Water Capital Program		
Review Water Supply and Wastewater Strategic Business Plans and pricing paths for next 10 years to ensure user charges are equitably distributed amongst the community.		Consultant for pricing path plan engaged.  Draft plan delivered and additional sensitivity analysis completed. Workshop held to raise concerns identified. Further detailed work underway by consultant.
Complete an investigation to assess the viability of linking the coastal village schemes and Kempsey District Water Supply System.		Consultant engaged to develop concept and trunk distribution modelling. Draft concept design completed.
Extend water main – South Kempsey industrial land servicing.		Complete.
Manage raw water quality – Coastal Aquifers - Participate in finalisation of aquifer study.		Consultant appointment progressing. Discussions held with NOW to finalise licensing requirements. Received new production bore licenses for Kinchela emergency borefield.
Construct a replacement waste water treatment plant in West Kempsey - Complete concept and detailed designs for West Kempsey WWTP.	•	Concept design completed. Negotiations with contractor in progress.
Complete an augmentation of Hat Head Waste Water Treatment Plant.	<b>Ø</b>	Immediate improvements trialed and adopted for permanent implementation.
Implement fluoridation at Crescent Head (DOH funded).		Concept design finalised, funding priority for project withdrawn.
Upgrade of disinfection system at Steuart McIntyre Dam.		Detailed design for both installation of Fluoride and disinfection upgrade progressing as one project.
Source water management - Sherwood recharge channel restoration/monitoring.	V	Stage 2 complete.
Prepare and implement Drinking Water Quality Management Plans.		Completed and being implemented.
Construction of formed access road and power to Clybucca Reservoir.		Complete.
Completion of works for South West Rocks water reclaiming plant.		Validation complete, awaiting approval to commence supply.
Water Renewals Program		
Creek Street, Hat Head.		Complete.
Fern Street, Hat Head.		Complete.
Baker Drive, Crescent Head.	<b>Ø</b>	Complete.
Ponds Way, Aldavilla.		Complete.
Eucalypt Close, Aldavilla.		Complete.

Program/Project Name	Completed	Comments
Waterford Crescent, Aldavilla.		Complete.
Willawarrin Bore Field Pumping Station - Upgrade.		Complete.
Complete replacement of Hat Head reservoir roof.		Complete.
Sewer Mains Renewal Program		
Skyline Crescent, Crescent Head.		Complete.
Noongah Terrace, Crescent Head.		Complete.
Gordon Young Drive, South West Rocks.	•	Complete.
Elrington Avenue, West Kempsey.		Complete.
Clarence Ryan Avenue, West Kempsey.		Complete.
Cochrane Street, West Kempsey.		Complete.
Leith Street, West Kempsey.		Complete.
Frederickton F1 Rising Main.	<b>Ø</b>	Complete.
Replace inlet works at Crescent Head, Gladstone and Frederickton Waste Water Treatment Plants.	<b>&amp;</b>	Not Started.
Connection of pipe work to Frederickton effluent pond.	<b>3</b>	Not Started.
Gladstone - G8 Sewer Pumping Station.	<b>(3)</b>	Not Started.
Gladstone - G1 Sewer Pumping Station.	<b>3 3 3</b>	Not Started.
South West Rocks - R10 Sewer Pumping Station.	<b>Ø</b>	Instrumentation upgraded.
South West Rocks - R11 Sewer Pumping Station.	<b>(3)</b>	Not Started.
Kempsey - K14 Sewer Pumping Station.		Complete.
Kempsey - K17 Sewer Pumping Station.		Complete.
Kempsey - K3 Sewer Pumping Station.	8	Not Started.
Frederickton - F3 Sewer Pumping Station.		Not Started.
Sewer Capital Program		
Implement Hat Head Waste Water Reticulation System Storm/Infiltration Improvement Program.	Ø	Works progressing.
Sewer pump station renewals – Pump replacements and switchboard upgrades – Gladstone, South West Rocks and Kempsey.		Program set - pumps/switchboards ordered.
Provide disinfection of effluent and reduce phosphorous levels prior to discharge - South Kempsey Waste Water Treatment Plant.	•	Completed.
West Kempsey Infiltration Program.		Work progressing on target over multiple years.
Sherwood Road – Sewerage System.		Stage 4 and 5 complete, Stage 6 commenced.





This section contains the requirements of the Local Government Act, Local Government General Regulation, Companion Animals Act and Regulation, Environmental Planning and Assessment Act, Privacy and Personal Information Protection Act, Government Information (Public Access) Act, Public Disclosures Act and Regulation and Carers' Recognition Act which have not been included elsewhere in this Annual Report.

## **6.1 Contracts Awarded** *cl217(1)(a2)*

The following is a list of contracts awarded by the Council during the 2014-2015 year other than employment contracts or contracts less than \$150,000:

Name of Contractor(s)	Nature of Goods and Services Supplied	Total Amount Payable under the Contract
Jim Anderson Earthmoving Pty Ltd	Construction of Kempsey Airport Redevelopment	\$1,588,113
Arnway Pty Ltd  GME Civil Construction Pty Ltd  Hurd Haulage Pty Ltd  NSW Quarry Services Pty Ltd	Supply and delivery of gravel	Schedule of Rates*
Boral Concrete Pty Ltd Hurd Haulage Pty Ltd T/As Hy-Tec Concrete	Supply and delivery of Ready Mix Contrete	Schedule of Rates*
Iplex Pipelines Australia Pty Ltd  Pentair Water Solutions Pty Ltd  CMV-BVA Valves Pty Ltd T/As Challenger Valves  Actuators and Rapid Clamps Pty Ltd	Supply and delivery of pipes and associated fittings	Schedule of Rates*
O'Donnell & Hanlon Pty Ltd	Smith Street, Kempsey – Streetscape Refurbishment	Schedule of Rates*

Name of Contractor(s)	Nature of Goods and Services Supplied	Total Amount Payable under the Contract
Steel Works Engineering Pty Ltd	Design, fabricate and install a new roof, work platform, hand rail, internal and external ladders on Hat Head Reservoir No. 2	\$191,176
A & LI Irwin Family Trust T/As Irwin Fencing D&P Fencing Contractors Guardrail Systems Pty Ltd Guardrail Installations Australia	Supply only and supply and installation of road safety barrier systems	Schedule of Rates*
DOB Enterprises Pty Ltd T/As Watchout Training and Traffic Control Newada Pty Ltd T/As	Provision of traffic control services	Schedule of Rates*
Men at Work Traffic Services SG & KM Osborne Pty Ltd T/As Midcoast Traffic Services		
Workforce Road Service Pty Ltd		
Ball's Earthmoving Pty Ltd	Supply and delivery of uncrushed gravel	\$451,954

<sup>\*</sup> This contract has been awarded via a procurement process for the provision of services which may or may not exceed the tendering threshold of \$150,000 over the period of the contract based upon the contract being awarded based upon the supplier providing a schedule of rates for products and/ or services to be procured under the contract.



# **6.2 Legal Proceedings** cl217(1)(a3)

Particulars Particulars	Expenses	Receipts	Status
Kempsey Shire Council ats Patterson – public liability claim for injury.	\$10,000		Settled
Kempsey Shire Council ats Cooper – public liability claim for injury.	\$10,000		Ongoing Matter
Kempsey Shire Council ats Marr – public liability claim.	\$10,000		Settled
Kempsey Shire Council ats Maher – public liability claim.	\$6,813		Ongoing Matter
Kempsey Shire Council v Midcoast Skip Bins and Metal Recycling.	\$108,921		Ongoing Matter
Kemspey Shire Council v Misty Mountain Health Retreat.	\$23,754		Ongoing Matter
Recovery of unpaid rates with costs recovered from ratepayers and debtors.	\$65,714	\$49,500	



# 6.3 Statement of External Bodies cl217(1)(a6)

External Body	Function
Kempsey District Silver Band Committee.	Provide a Town Band.
Macleay Valley Community Gallery Committee.	Public Facility Management – Community Gallery.
Friends of Wigay Committee.	Oversee the maintenance of Wigay Park.
Bellbrook Hall Committee.	Public Facility Management – Public Halls.
Crescent Head Hall Committee.	
Millbank Hall Committee.	
Stuarts Point Community Hall Committee.	
Sherwood Hall Committee.	
SWR School of Arts and Community Hall Committee.	
Gladstone Youth and Community Hall Committee.	
Smithtown Hall Committee.	
Willawarrin Hall Committee.	
Frederickton Hall Committee.	
Kalateenee Recreation Reserve Committee.	Public Facility Management – Public Reserve.
Gladstone Tennis Club.	Public Facility Management – Tennis Courts.
South Kempsey Tennis Club.	
Bellbrook Tennis Club.	



## 6.4 GIPA Annual Report \$125(6)

The Government Information (Public Access) Act 2009 (GIPA) commenced from 1 July 2010. This replaced the Freedom of Information Act.

The GIPA Act objective is to open government information to the public by:

- (a) authorising and encouraging the proactive public release of government information by agencies, and,
- (b) giving members of the public an enforceable right of access to government information, and,
- (c) providing that access to government information is restricted only when there is an overriding public interest against disclosure.

Currently Council makes much of its information publicly available on its website. Council is currently satisfied with

the level of government information currently available. Council will endeavour to proactively release any newly created documents that should be made available in the public interest. Council will only require formal GIPA applications as a last resort where there would appear an overriding public interest against disclosure.

During the reporting period, our agency received a total of 6 formal access applications (including withdrawn applications but not invalid applications).

During the reporting period, our agency refused a total of two formal access applications because the information requested was information referred to in Schedule 1 to the GIPA Act. Of those applications, one was refused in full, and one was refused in part.

The following table sets out information relating to the access applications made to Council during the 2014-2015 year. The information is provided in the format required by the Government Information (Public Access) Regulation.

## **Statistical information about access applications** Clause 7(d) and Schedule 2

Table A: Number of applications by type of applicant and outcome\*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already 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	0	1	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	0	0	1	0	1	0	0
Members of the public (other)	1	2	2	0	0	0	0	0

<sup>\*</sup>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 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
Personal information applications	0	0	0	0	0	0	0	0
Access applications (other than personal information applications)	2	3	2	1	0	1	0	0
Access applications that are partly personal information applications and partly other	0	1	0	0	0	0	0	0

<sup>\*</sup>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).

PLEASE NOTE: The total number of decisions in Table B should be the same as Table A.

**Table C: Invalid Applications** 

Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	3
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	3
Invalid applications that subsequently became valid applications	1



Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
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

 $<sup>^{\</sup>star}$  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 the Act

	Number of times occasions when application not successful
Responsible and effective government	0
Law enforcement and security	0
Individual rights, judicial processes and natural justice	2
Business interests of agencies and other persons	2
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)	9
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

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	1	1
Reviewed by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0

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

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

	Number of applications for review
Applications by access applicants	1
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

## 6.5 Privacy Act Statement s33

Council has adopted a Privacy Management Plan which sets out Council's policies and procedures on matters related to privacy and the protection of personal information. Council reviewed its Privacy Management Plan in 2012-2013 based on the new model Privacy Management plan issued by the Division of Local Government. Council also forwarded a copy of its revised plan to the Office of the Privacy Commissioner.

#### Statistical details of any review conducted by or on behalf of the council under Part 5. s33

(Part 5 relates to the review of certain conduct being: contravention by council of an information protection principle or of a privacy code of practice, or disclosure of personal information kept in a public register)

**Nil** - Council was not required to conduct any reviews in relation to privacy information.

## **6.6 Carers Recognition Statement**

Council continues to provide a small range of community care services for people who are frail aged, younger people with disabilities and their carers funded by the Commonwealth and State Governments using funding under the Home and Community Care (HACC) and National Respite for Carers Program (NRCP). Significant reform is occurring in Aged and Disability Services and Council has been keeping abreast of these changes and what it will mean for the future.

Council has taken all reasonable steps to ensure that staff have an awareness of the NSW Carers Charter. Training and induction of Care workers ensures that staff always take action to reflect the principles of the NSW Carers Charter.

When planning care services, the role of the carer is respected and effort is made to assist the carer in their caring role as well as recognising the needs of the carer.

When developing policies that impact on Carers any relevant carers groups are consulted and the needs of carers are considered in that policy.

## **6.7 Companion Animals Statement**

Activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation.

Council spent \$10,493.20 (excluding Rangers Salaries) on direct companion animal management and activities including the operation and maintenance of the pound, and associated management costs.

All brochures regarding companion animals are available on Council's website and in Council's Customer Service Centre. Rangers speak with dog owners whilst carrying out patrols and conduct registration inspections.

Council has an updated photo system of impounded animals on its website. This allows individuals and breed specific groups to monitor animals that may become available for rehousing. Council Rangers have a close relationship with local RSPCA officers which also aids with the rehousing of suitable animals.

Council has leash free areas in most of its towns and villages. The designated areas are provided in Council's Off Leash brochure.

Council spent \$14,053.50 of Companion Animal Fund money for management and control of companion animals in this area. During 2014-15 there have been 14 dog attacks in the Shire.





## 6.8 Regional State of the Environment Report

Kempsey Shire Council and Northern Rivers Catchment Management Authority (NRCMA) have worked together to prepare a Regional State of the Environment (SOE) Report for 2012.

In previous years Council has prepared a SOE report each year with a comprehensive report every four years. State agencies were also producing a range of environmental reports for the region. As these reports were independent of each other, they did little to guide environmental management at either a local or state government level.

A change to Local Government reporting requirements (IPR) has now created an opportunity to form a partnership with Local and State Government to develop a more integrated and regional approach to environmental reporting.

The regional SOE involves 12 Councils and 3 County Councils from Port Macquarie-Hastings in the south to Tweed in the north, this collaborative report will assess both local and regional environmental state, using a set of indicators and measures specifically designed for the region. The Regional SOE Report has 3 main goals:

- To meet the reporting requirements of the Local Government Act 1993;
- To provide information to the community and decisionmakers on the condition of the local environment and where resources are best placed to respond to community expectations; and
- To better align with State Natural Resource Management (NRM) reporting.

The indicators developed for the report cover four key themes which are biodiversity / vegetation, soils / land use, water, and people and the environment. A further 18 resource categories have been developed for the key indicators.

The project aims to produce a useful, informative and streamlined report that informs both local councils and state government agencies about the current condition of the environment at a regional and local level. With the next SOE report due in 2016, this report will act as a baseline of environmental condition which can be used for comparison. The new regional State of the Environment Report will provide more meaningful data for Council to make informed decisions in terms of the Environmental Objectives in Community Strategic Plans.

The SOE report is available at Council's Customer Service Centre, the Kempsey Library and on Councils website www.kempsey.nsw.gov.au.



## **Glossary**

### **Accrual accounting**

System of accounting where items are brought to account and included in the Financial Statements as they are earned or incurred, rather than as they are received or paid.

#### Accumulated average

The value of all net assets accumulated over time.

#### Assets

Future economic benefits controlled by Council as a result of past transactions or other past events.

#### **Audit**

An examination of the records, statements, systems, and procedures of an organisation, together with its stated claims for performance.

#### **Best Practice**

The means for achieving outcomes/results that are superior to all others and which are regarded as industry benchmarks.

#### **Balance sheet**

A quantitative summary of Council's financial position at 30 June, including assets, liabilities and net equity.

## Cash and cash equivalents assets

Cash and investments readily convertible to cash, including cash on hand, cash held in the bank, deposits at call and highly liquid investments.

## **Comprehensive Income Statement**

A financial statement highlighting the accounting surplus or deficit of Council. It provides an indication of whether the Council has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation and amortisation expenditure. It also includes other comprehensive income items including net asset revaluation increment (decrements) reversals and share of other comprehensive income of associates and joint ventures accounted for by the equity method to arrive at a 'comprehensive result.' The comprehensive result equates to the moment in net assets or total equity from the prior year.

#### **Contributions income**

Contributions received by Council are received for the purpose of providing and improving public open space, provision/improvement of the drainage system and in relation to specific projects.

### **Current assets**

Assets where Council expects to receive the future economic benefit within the next twelve months unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

#### **Current liabilities**

Liabilities where Council expects to fulfil its obligation within the next twelve months unless the Council does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.

#### Depreciation and amortisation expenditure

An expense which recognises the value of a fixed asset as it is used up over time.

#### **Employee benefits expenditure**

Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax, WorkCover and redundancy payments.

#### Equity

The residual interest in the assets of Council after deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.

#### Expense

An outgoing payment made by Council.

## **External Audit**

A formal, independent review of an organisation's financial statements, records, transactions, or operations. External audits are usually performed by professional accountants to provide credibility to financial statements, ensuring external accountability and to identify key internal weaknesses in an organisation.

#### **Finance costs**

Interest paid on borrowings.

#### **Financial Year**

The financial year, for the purpose of this Annual report, is the period from 1 July 2014 to 30 June 2015.

#### **Fixed assets**

See Property, infrastructure, plant and equipment.

#### Governance

The process by which decisions are taken and implemented, organisations are controlled and managed to achieve their objectives and the process by which organisations are directed, reviewed and held to account.



#### Grants - non-recurrent income

Grant income received for a 'one off' specific purpose, generally for a particular project.

#### **Grants - recurrent income**

Grant income received on a regular basis (i.e. quarterly, annually) and granted to Council by another entity for specific or general purposes.

### **Intangible assets**

Represent non-current assets held by Council that are not tangible (such as computer software and licences).

#### Interest and investment income

Includes interest earned on all cash and investment balances, interest earned on rates and unrealised gains on managed fund investments.

## Interest bearing loans and borrowings

Council's borrowings.

#### **Inventories**

Includes fuel and consumables located at Council's recreation centres.

#### **Investment property assets**

Represents land or buildings held to earn rentals or for capital appreciation or both, rather than for use in the supply of services or for administrative purposes.

## Investments in associates accounted for using the equity method

Council's share of the carrying value of its investment in its joint venture partnerships (Regional Landfill Clayton South).

## **Key Performance Indicator**

A meaningful, high level measure used to determine whether an organisation has met, or is progressing towards, its planned outcomes.

#### Liabilities

Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.

### Materials and services expenditure

Expenditure incurred in relation to contract payments and trade services, building maintenance, general maintenance, plant and equipment maintenance, utilities, consultants, office and administration, insurance, registration and Metropolitan Fire Brigade levy, financial and legal costs and information technology costs.

### Movement in equity for the period

The net movement in the net surplus (deficit) and asset revaluation increments (decrements). This is also equal to the change in net assets.

#### **Net asset revaluation increment (decrement)**

This represents the increase (decrease) between the old valuation and new valuation of property and infrastructure asset classes, which were re-valued during the year.

#### **Net assets**

The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.

## Net gain (loss) on disposal of property, plant and equipment, infrastructure

The net of income received in relation to the sale of assets and the carrying amount of assets sold, replaced or disposed of during the year.

#### Non-current assets

Assets where the future economic benefit is not expected to be received within the next twelve months or where the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

#### Non-current assets classified as held for sale

Non-current assets that Council intends to sell within the next twelve months.

#### Non-current liabilities

Liabilities where the obligation is not expected to be fulfilled within the next twelve months or where Council has a right to defer settlement of the liability for at least twelve months after reporting date.

#### **Operational Plan**

A statement of specific works to be undertaken, and services to be provided, to progress the goals and objectives set out in the corporate plan within a one-year period.

### Other expenses

Includes auditors' remuneration, Councillors' allowances, operating lease rentals, impairment losses, community grants and contributions, training and professional development expenditure, contract settlement expenditure and expenditure incurred in relation to special rate schemes.

## Other revenue income

Income received from investment property rental, other rental income, net assets recognised in new entity, waste management, craft markets, local laws and animal



management, National Competition Policy dividend, product sales, right-of-way-sales, town halls, transport and other sources.

#### Prepaid income

Income received by Council in advance of services being performed. This includes prepaid membership monies at Council's recreation centres.

#### **Prepayments**

Payments made by Council in advance of receiving the goods or services.

### Property, infrastructure, plant and equipment assets

Often referred to as Fixed Assets. This is the largest component of Council's asset base or worth. This represents the value of all land, buildings, roads, footpaths, drains, bridges, vehicles, plant and equipment and so on, which are recorded on Council's asset register.

## **Provisions**

Includes accrued long-service leave, annual leave and rostered days off owing to employees at reporting date.

#### Rate and charges income

Income received from ratepayers in relation to general rates, garbage rates and special rate schemes.

Revenue is the amount of money that Council actually receives from its activities, mostly from rates and services provided to customers and ratepayers.

### Right-of-way

Former laneway no longer required for access to surrounding properties.

## Statutory fees and fines income

Includes parking infringements and costs, Infringement court recoveries, town planning fees, land information certificates and trader parking and street furniture permits.

### Surplus (deficit)

Represents the difference between total revenues, expenses, net gain (loss) on disposal of property, plant and equipment, infrastructure and share of net profits (losses) of associates and joint ventures accounted for by the equity method.

#### Trade and other payables

Monies owed by Council to other entities/individuals.

## Trade and other receivables

Monies owed to Council by ratepayers and other parties less provisions for doubtful debts.

### Trust funds and deposits

Monies received by Council for a specific purpose, which are to be refunded upon a specific event occurring (eg. Council assets are not damaged). If that specific event does not occur, Council is entitled to recognise these monies as income.

#### User fees

Income received by Council from a variety of fees and charges such as aged and health services fees, animal and local law fines and registrations, building permits and other charges, child care/children's program fees, debt collection recovery charges, debt collection recovery charges, election fines, parking meter fees, ticket machine fees, leisure centre and recreation fees, ' fines and other charges and tow-away charges.

#### Vision

A statement articulating the desired future towards which the organisation is working.

## Acronyms and abbreviations

AASB	Australian Accounting Standards Board
ABS	Australian Bureau of Statistics
ah	after hours
AHD	Australian Height Datum
ARA	Australian Retailers Association
ASS	Acid Sulphate Soils
ASU	Australian Services Union
AUD	Australian Dollars
CA	Chartered Accountants
CBD	Central Business District
CCTV	Closed Circuit Television
CDAT	Community Drug Action Team
CKPOM	Comprehensive Koala Plan of Management
CI	Continuous Improvement
CIV	Capital Improved Value
CMA	Coastal Management Authority
CO2	Carbon dioxide
CPA	Certified Practicing Accountant
Cr	Councillor
CZM	Coastal Zone Management



DCP	Development Control Plan	LTIFR	Lost Time Injury Frequency Rate
<b>DEEWR</b>	Department of Education, Employment	MBA	Masters of Business Administration
	and Workplace Relations	MCCO	Macleay Community Care Options
DLG	Division of Local Government	<b>MIDROC</b>	Mid North Coast Regional
DOPI	Department of Planning and Infrastructure		Organisation of Councils
EAP	Employee Assistance Program	MOP	Mobile Outreach Program
EEO	Equal Employment Opportunity	NA	Not Applicable
<b>EMP</b>	Estuary Management Plan	<b>NAIDOC</b>	National Aborigines and Islanders Day
<b>EPA</b>	Environment Protection Authority		Observance Committee
FBT	Fringe Benefits Tax	NCP	National Competition Policy
FTE	Full time equivalent	NDRRA	Natural Disaster Relief Recovery
GIPA	Government Information Public Access		Arrangements
GIS	Geographic Information System	NESB	Non English Speaking Backgrounds
GM	General Manager	NGA	National Greenhouse Accounts
GRI	Global Reporting Initiative	NRCMA	Northern Rivers Catchment
GST	Goods and Services Tax		Management Autority
HACC	Home and Community Care	NRM	Natural Resource Management
HSR	Health and Safety Representative	NSW	New South Wales
IASB	International Accounting Standards Board	OAM	Medal of the Order of Australia
ICT	Information, Communication and	OHS	Occupational Health and Safety
	Technology	<b>OHSMS</b>	Occupational Health and Safety
IMG	Infrastructure Management Group		Management System
Inc	Incorporated	PNG	Papua New Guinea
IPR	Integrated Planning and Reporting	PPE	Personal Protection Equipment
<b>IPWEA</b>	Institute of Public Works Engineering	QLD	Queensland
	Australia	RIRDC	Rural Industries Research &
IT	Information Technology		Development Corporation
K	Thousand	RMS	Roads Maritime Services
KBA	Kempsey Bypass Alliance	RRISK	Reduce Risk - Increase Student Knowledge
kg	Kilogram	RSPCA	The Royal Society for the Prevention of
kl	Kilolitre		Cruelty to Animals
km	Kilometre	SES	State Emergency Services
KPI	Key Performance Indicator	SOE	State of the Environment
KSC	Kempsey Shire Council	SWR	South West Rocks
LASF	Local Authorities Superannuation Fund	T	Tonne
LAWA	Local Area Workplace Agreement	TAFE	Technical and Further Education
LEP	Local Environment Plan	U3A	University of the Third Age
LGA	Local Government Area	YAC	Youth Advisory Council
LGPro	Local Government Professionals	Yr	Year
LGR	Local Government Reporting	WHS	Work Health Safety
	Requirements	WIP	Works in Progress
LHPA	Livestock Health and Pest Authorities	WSUD	Water Sensitive Urban Design
LIDAR	Light Detection and Ranging		
LGA	Local Government Area		





