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Mayor's Foreword

I am pleased to present the Annual Report for the financial year 2004/2005. This Report highlights Council's extensive range of achievements and activities across Shoalhaven's large and diverse area.

Our City continues to attract new residents, as well as significant commercial and industrial development - extending the range of services and employment opportunities for our residents. A number of high profile developments have been considered by Council for the Central Business District of Ulladulla and for a major expansion of retail facilities in Nowra. Land sales from Council's industrial estates was strong, the proceeds of which will fund future expansion plans for the South Nowra, Woollamia and Albatross Aviation Technology Park estates.

Tourism continued to play a major role in our economy, with the Shoalhaven still having the State's second highest visitation rate outside of Sydney. This is a credit to the co-ordinated efforts of Council's Tourism office, the Shoalhaven Tourism Board and local tourist operators.

Improvements in our City's infrastructure continued with upgrading and sealing of roads in the Coolangatta, Burrier, Sussex Inlet, Culburra, Milton and Jervis Bay. Over 1,200 metres of kerb and guttering and 2,500 metres of footpaths and cycleways were also built across the City. Stage 1 of White Sand Park, Huskisson (Council's first Icon Park), has been completed with substantial works being undertaken to upgrade the sewerage schemes for Milton / Ulladulla, some 90% of a \$22 million scheme and 70% of a \$7 million scheme for the Berry area.

Council has been very active in the area of community facilities with the opening of the very well patronised Nowra Youth Centre and the development of the long-awaited Nowra Home and Community Care (HACC) Centre. In the 2004/2005 financial year the Shoalhaven City Arts Centre was officially open. Interest and patronage in the Arts Centre has exceeded all expectations with 22,000 visitors and over fifty community exhibitions being staged. Congratulations to the Manager and staff of the Arts Centre on being presented with the South Coast Tourism Award for Cultural Tourism.

Under the guidance of the General Manager, Council has a dedicated team of Directors and staff who have worked with our residents, community organisations, State and Federal Government to produce these very pleasing results.

On behalf of the Councillors I thank everyone who has had input into the achievements of 2004/2005. There are many challenges before us and I look forward with great confidence to another productive year.

Greg Watson
Mayor, Shoalhaven City



General Manager's Foreword

2004/05 has again been a challenging and productive year. There have been many competing demands in the areas of community, economy, environment and internal governance. In an endeavour to achieve the best utilisation of resources, Council's strategies and policies, as defined in **Cityplan**, have been developed and refined..

Some of the major achievements for the year include –

- Council's major Community Plan for 2005–2010 has been completed, following an extensive community consultation process and the comprehensive State of the Environment Report has also been finalised. The outcomes from both of these will be considered for funding and action in future years, as part of the Management Plan process.
- Significant progress has been made on the Nowra-Bomaderry Structure Plan and additional funding has been obtained from the State Government to allow the commencement of the City Growth Management Strategy & the Sussex Inlet Settlement Strategy.
- A major review of the Community Facilities and Passive Open Space categories of the Section 94 Contributions Plan has been finalised. A number of Development Control Plans have also been prepared or revised and considerable work has undertaken on planning for the provision and upgrading of reserves and sporting facilities within the City.
- Council's SCAMP (Shoalhaven Companion Animals Management Plan) has been finalised and was awarded the best such plan in the State by the Australian Institute of Local Government Rangers.
- Council has continued to operate a balanced budget, based on sound financial management and introduced payments by credit card, to improve customer service.
- Throughout the year Council's activities in the areas of economic development, recycling, waste, water & sewerage, tourism, planning & development and infrastructure provision, together with the Community & Operations area, were showcased at a wide range of forums.
- Council has also been actively engaged in briefing all levels of Government and the relevant Ministers on issues facing the Shoalhaven, in an endeavour to leverage the allocation of additional funds for various projects.
- The ongoing competing demands on Council's budget resulted in a successful application for a variation to the 2005/06 General Rate of 5.99%. The submission was prepared and advertised during the first half of 2005 and the additional funds raised will be fully allocated towards infrastructure maintenance and construction.
- During the year a number of internal reviews have been undertaken to deliver greater efficiencies in the provision of services and provide savings which can be directed to the maintenance and upgrading of Council's \$1 billion worth of infrastructure. This will again be a major focus for the 2005/06 year.

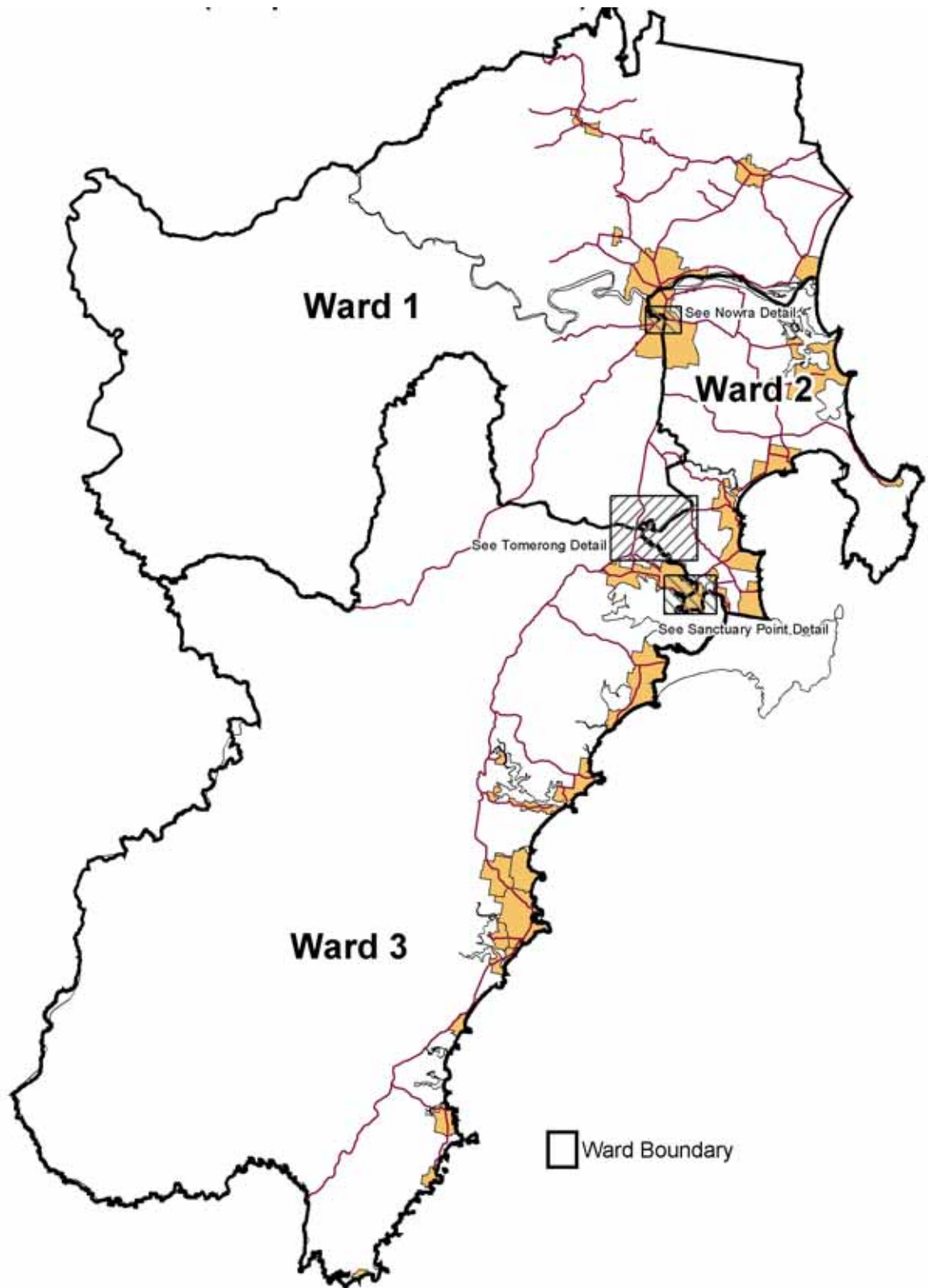
I thank the Councillors, staff and the community for the Commitment shown to achieve the results which are outlined in the Annual Report.

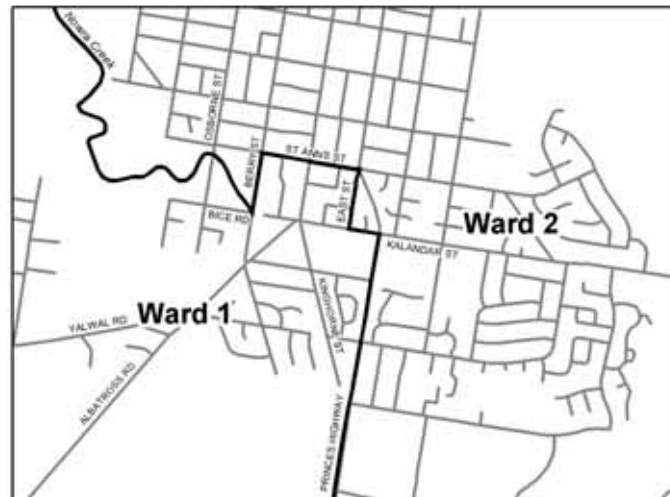


Russ Pigg
General Manager

Ward Boundaries

(Adopted 28th May 2002)

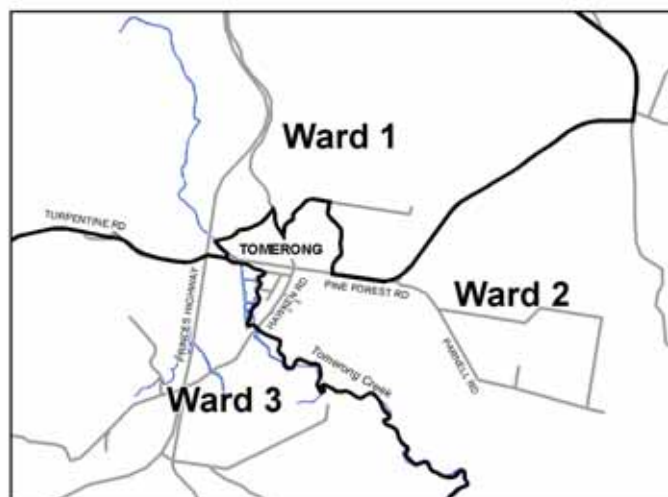




Nowra Detail

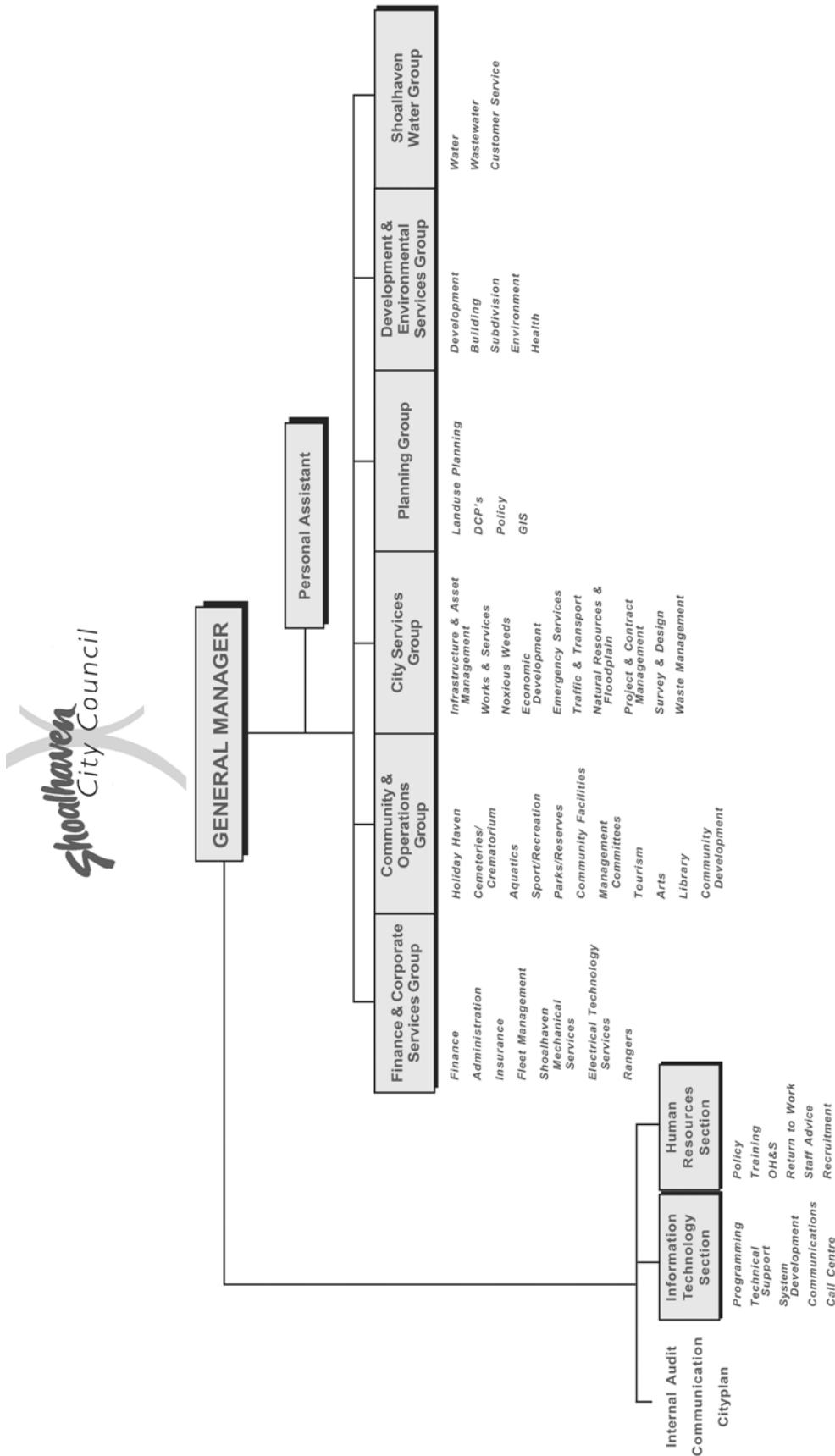


Sanctuary Point Detail



Tomerong Detail

Organisational Structure 2004-2005



Abbreviations used in the following pages:

The column marked **Grp. Dir** refers to the **Group Director/Manager** responsible for the Task:

GM	GENERAL MANAGER
FC	FINANCE & CORPORATE SERVICES GROUP
CO	COMMUNITY & OPERATIONS GROUP
CS	CITY SERVICES GROUP
DES	DEVELOPMENT & ENVIRONMENTAL SERVICES GROUP
GMIT	GENERAL MANGER – INFORMATION TECHNOLOGY
GMHR	GENERAL MANAGER – HUMAN RESOURCES
PLNG	PLANNING GROUP
SW	SHOALHAVEN WATER GROUP

Notes relating to Tasks:

- Task numbers have been assigned starting from the base year of 1999/2000; some Tasks have been completed and are not included in this year's plan, yet retain their Task number. Hence the numbering may appear to have gaps on some pages.
- Some Tasks relate to addressing Access & Equity issues for certain disadvantaged or Target Groups. Prefixes A to J relate to the Target Groups. If so, then reference is given to the Access & Equity summary table in Part B. Where relevant, reference is also given to the Community Plan objectives or the Youth Services Strategic Plan.

A	General community
B	Children
C	Youth
D	Older People
E	People with disabilities
F	Women
G	Aboriginal People
H	Families
I	People with Culturally/Linguistically Diverse Backgrounds
J	Unemployed People



Principal Activities

<u>Principal Activity 1</u> : Effective Government	10
<u>Principal Activity 2</u> : Protecting the Environment and Planning for Growth	53
<u>Principal Activity 3</u> : Promoting and Developing the Local Economy	75
<u>Principal Activity 4</u> : Improving Community Facilities and Services	90
<u>Principal Activity 5</u> : Providing Essential Water & Sewerage Services – Shoalhaven Water	135
<u>Principal Activity 6</u> : Operating Holiday Haven Tourist Parks	148

Principal Activity 1: Effective Government

Scope of the Activity

This Principal Activity includes Council's support, regulatory and other functions not covered in the other Principal Activity areas. These include corporate services such as record keeping, information technology and management of Council's finances as well as those activities that Council is required to undertake such as the assessment of new developments.

Strategic issues

Council faces competing demands on its resources. With such a large area, a widely spread population, high population growth and a huge seasonal influx of visitors, Council is not able to meet all of these demands and must plan accordingly.

Over the last 10 years Council has also had to address significant changes in legislation, structural reforms and work practices, as well as take on additional responsibilities from the State Government. A major issue affecting all of our services is that the population is distributed over a large number of settlements covering a huge area. There are many community organisations which focus on areas such as sports and other community services. Council appreciates the interaction and assistance of these groups.

Council has now become a provider of a diverse range of services, where we interact with a large number of stakeholders.

Setting priorities on demands is one of the most important challenges facing Council.

Proposed Responses

Council proposes to meet the challenge in a strategic way through the development and implementation of **Cityplan** and to develop and better integrate its supporting plans and strategies.

Further impetus will be given to embracing the principles of Ecologically Sustainable Development throughout the organisation.

A greater focus is proposed in developing more effective working relations with government, the community and others.

Improvements to customer service are proposed through a range of continuous improvement measures to be targeted across the organisation.

Greater emphasis will be given to marketing the breadth and significance of Council's activities and achievements through the development and implementation of a communication/marketing strategy.

(See over for more detail on these and other proposed tasks)

Highlights for 2004/05

General Manager's Group

- A community survey was undertaken in July 2004 in conjunction with the Community Plan survey and the outcomes were presented to Councilors at the Strategic Workshop in December 2004.
- A Community Consultation Strategy was prepared, exhibited for public comment and then adopted by Council in March 2005.
- The Innovation Program received 44 ideas in the 2004/05 year which are being investigated through the Innovation Panel and others. During the calendar year of 2004, 119 ideas were submitted. The best idea for that year was awarded for "Think before you Lift" slogans/stickers to help raise awareness of proper lifting techniques and thereby reducing back injuries. The stickers have now been issued to staff throughout Council.
- Communications/Media Strategy was prepared, publicly exhibited and finally adopted by Council in June 2005.
- There were a significant number of media releases issued throughout the year to keep the community informed of major issues.
- The implementation of the Internal Audit Plan resulted in improved procedures and cost savings achieved.
- The "compliments" and "complaints" facility on Council's web site Home Page is attracting more users and provides beneficial feedback direct to the General Manager.

Finance & Corporate Services Group

- Council has introduced a further Customer Service Payment option by implementing Credit Cards as a valid means of Paying Council accounts. Both IVR (phone payment) and Internet payments via Council's Website are now available
- Council's Ranger Services have received the Best Companion Animals Management Plan Award for the development of their Shoalhaven Plan called "SCAMP" (Shoalhaven Companion Animals Management Plan).
- Council has joined a growing number of public and private sector organizations in the purchase of its automated external defibrillator (AED). The AED is located in the Administrative building in Nowra and has potential health benefits for both staff and members of the public.
- Council's insurer for Public Liability and Professional Indemnity – Statewide Mutual, conducted their annual 2004 Risk Management Self Assessment at the end of 2004. Council were advised in March that their overall result was 88.4% which places Council in the top 5% of the 141 Councils audited. Areas audited included footpaths, roads, playground equipment and swimming pools.
- Council has included a coin operated photocopier for public use in the foyer area on Level 3.
- New EFTPOS facilities have been installed at Council offices in Nowra and Ulladulla to accommodate both debit and credit card payments to Council.
- Council was granted a variation to General Purpose Rate Income (2005/2006) of 5.99% by the Minister for Local Government. Additional revenue raised through this increase will be fully allocated toward funding for infrastructure, maintenance and construction.

Planning Group

- Achievement of 100% success rate for issue of Planning (Section 149) Certificates. This continues an excellent success rate in excess of the objective of 95%.
- Additions to Council's internet site:
 - Relevant Public Exhibition material
 - Public Exhibition material, that was previously only available for viewing, can now be downloaded and printed. CDs containing this information are now available for purchase.
 - Zoning, SEPP 71, Locality and Bush Fire Prone layers have been added to the online map of the Shoalhaven.
 - Updated information relating to the progress of the rezoning investigations for Heritage Estates.

- Updated information relating to the Sussex Inlet Settlement Strategy.

City Services Group

'Shoalhaven – An enterprising alternative' – On 27th June 2005 staff from Council's Economic Development Office attended the official launch of the 'Shoalhaven – An Enterprising Alternative' project. The launch hosted by Shoalhaven City Council was well attended by a mix of government, industry and community representatives.



Held at the picturesque White Sands Park Huskisson, Mayor Greg Watson officially launched the Shoalhaven's first stakeholder based economic development strategy – 'Shoalhaven – An Enterprising Alternative'. Other speakers at the launch included Federal Member for Gilmore, Joanna Gash; Member for Kiama, Matt Brown; and Richard Morecroft (ABC television personality and local media consultant). Richard being a recent 'seachanger' to the Shoalhaven and a local small business operator, provided a powerful insight into what attracted him to the Shoalhaven.

This strategy was developed over the last 14 months as a joint project between the Commonwealth Department of Transport and Regional Services, Shoalhaven Area Consultative Committee, the NSW Department of State and Regional Development, and Shoalhaven City Council together with consultants Dench McLean Carlson and Illawarra Regional Information Service (IRIS).



'Shoalhaven – An Enterprising Alternative' was an important project for developing effective government within the Shoalhaven as it was the first time that all three tiers of government had been involved in a collaborative effort with the local business community, to develop a stakeholder based strategy to guide future economic development within the region. Council will now continue to work with project partners and local stakeholders towards implementing the strategy, and to ensure it achieves its desired outcomes.

Main Road 92 – Nowra to Nerriga Upgrade

Throughout the year Shoalhaven City Council continued its efforts to secure approval for upgrading of Main Road 92 (MR92) between Nowra and Nerriga. This has been an ongoing three tiers of government consultative process. Shoalhaven City Council's role in this consultative process aside from seeking approval, has been to ensure that State and Federal representatives are aware of the relevance of this project to the Shoalhaven.



The NSW Minister for Planning, Mr Craig Knowles, recently approved the upgrading of MR92 between Nowra and Nerriga at a project cost of \$75m. This project has been an objective of Shoalhaven City Council and the former Tallaganda Shire Council for over 30 years. The granting of approval for the upgrading to occur will now allow the total budget allocation of \$80m (\$34m from the Australian Government; \$34m from NSW Government and \$12m from Shoalhaven City Council) to be used to improve the freight corridor between the Shoalhaven and the Hume and Monaro Highway corridors.



The NSW RTA will now proceed to construction from Humes Road westward and it is expected that tenders for the next 25km section will be invited in late 2005. It should also be recognised that Shoalhaven City Council previously coordinated the construction of the first section of MR92 from Albatross Aviation Technology Park (near HMAS Albatross) to Humes Road.

Princes Highway Upgrading – Shoalhaven City Council has been very active in promoting the need to upgrade the Princes Highway to

achieve the level of safety and transport economics that a modern city requires. Participation in the PHocus campaign via the Southern Council's Group in partnership with NRMA Motoring Services, SEATS, Illawarra Business Chamber, Road Transport Association of NSW, has seen Council staff attend many presentations to State and Federal Government Ministers and Members for the Opposition. An outcome of these campaigns has seen both the Federal Government and NSW State Government funding additional planning and works for projects supplementary to those included in the NSW Strategic 2010 Plan for Transport Infrastructure.

On 17th December 2004 NSW Minister for Roads, Carl Scully announced a package of key construction and maintenance projects aimed at reducing the number and severity of crashes on the Princes Highway. This announcement followed lobbying by the PHocus Group supported by the Councils and communities of the South Coast.

The program announced included: improving road alignment, improving junctions, improving skid resistance on the road surface, enhancing the separation of opposing traffic, installation of safety barriers and warning signs, shoulder and curve widening, together with speed management and pedestrian safety issues. Funding of over \$30 million will be spent over the period 2004-2006. Work on a number of the individual projects is now completed.

This announcement follows on from a Federal Government allocation of \$20m announced in June 2004. Within this program \$15m will be spent south of Nowra in the period 2005/07.

Collaboration with State and Federal Government

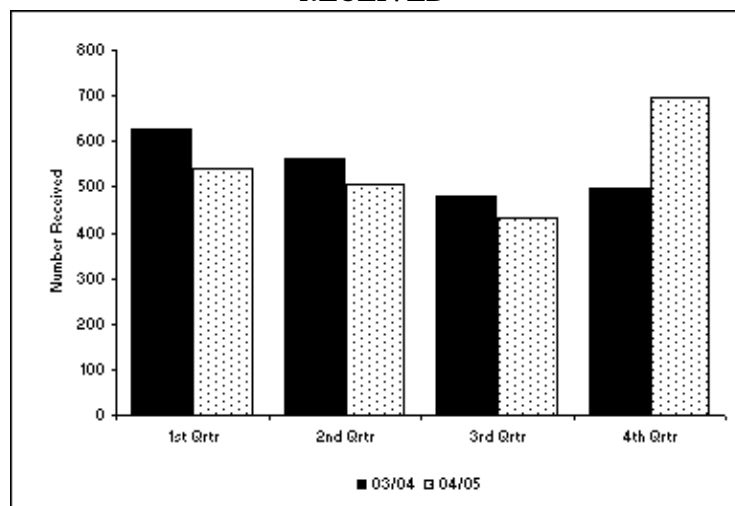
In addition to those projects outlined above, throughout the year staff from Shoalhaven City Council participated regularly in a variety of project steering committee and regional sub-committee structures to ensure issues facing the Shoalhaven receive attention.

Included in this list are:

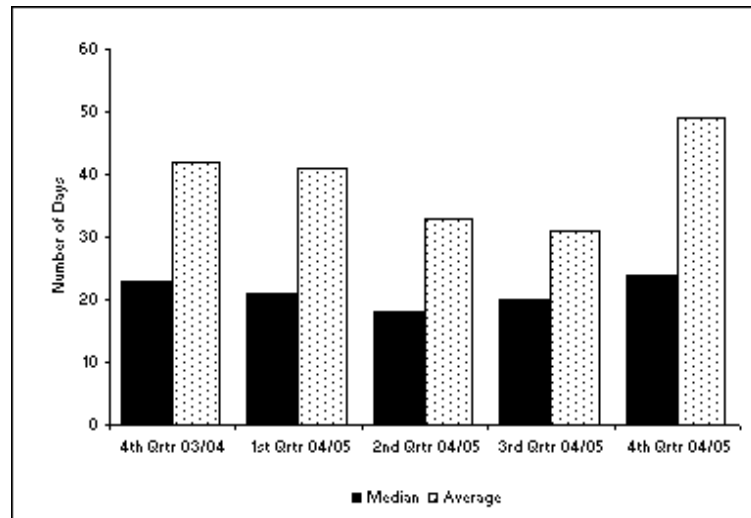
- Southern Council's Group (General Manager; Economic Development Practitioner; and Planning committees);
- Department of Infrastructure, Planning and Natural Resources (South Coast Settlement Strategy and various other project steering committees); and
- Department of Transport and Regional Services (membership and coordination of project steering committee for upgrading of Ulladulla Harbour precinct).

Development & Environmental Services Group

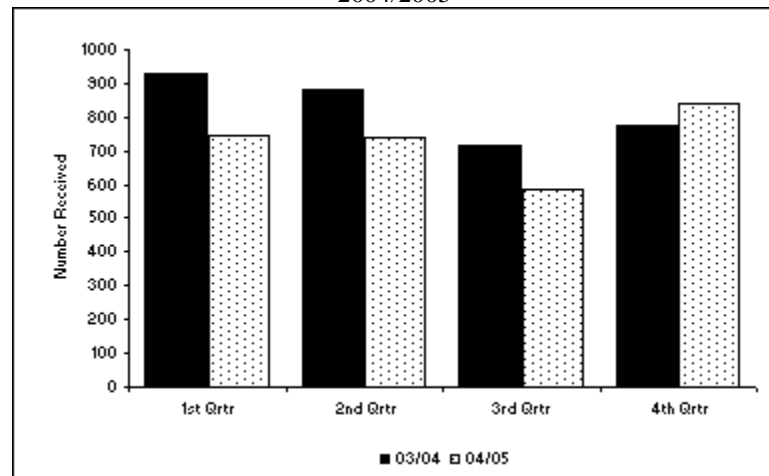
2004/2005
CONSTRUCTION CERTIFICATE APPLICATIONS
RECEIVED



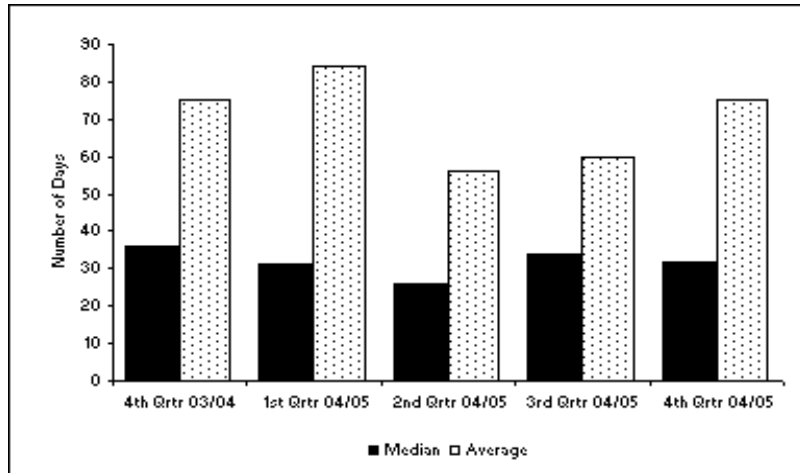
PROCESSING TIMES SUMMARY CONSTRUCTION CERTIFICATES



DEVELOPMENT APPLICATIONS RECEIVED 2004/2005



PROCESSING TIMES SUMMARY DEVELOPMENT APPLICATIONS



Ulladulla CBD Major Developments 2004/5

A number of high profile developments have been considered by Council for the CBD of Ulladulla this year which will see the town enter a new phase of development which will bring residents into the CBD to live which is hoped will bring a new vibrancy and after hours life into the centre of town which has been occurring in many other coastal towns in the state in recent years.

These developments include:

- Tory's Restaurant redevelopment in Wason Street which will include a new restaurant, shops, a plaza with apartments and penthouses above in a high profile location adjoining the harbour entrance
- Top View Motel in South Street to be redeveloped into 43 tourist accommodation and residential units
- Coles Myer Target development on a site between Princes Highway and Boree Street comprising a large Country Target, Liquorland and 30 residential apartments – see below.

Artists Impression of Mixed Use Development



Community & Operations Group

Crematorium & Cemeteries

- The cremator unit at Shoalhaven Memorial Gardens, Worrigeer underwent a major refit, involving completely relining the unit. Works were undertaken by the manufacturer of the unit.
- Planning commenced for the development of six new burial segments at Shoalhaven Memorial Gardens. When fully developed, the new segments will cater for the northern Shoalhaven's burial needs for the next 50 – 60 years. The first new segment will be constructed in 2005/2006.
- A new crypt development was constructed at Sandridge Cemetery, Mollymook. This facility offers a new service to the Milton/Ulladulla community, with a high level of interest being shown in the facility.

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.1		LEADERSHIP AND DIRECTION - to develop strong leadership and decisively guide the best future for the Shoalhaven.	
Strategy: 1.1.1		Develop, communicate and maintain the Cityplan process.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. Cityplan PROCESS			
Ensure that the whole of Council is aware of and follows the Cityplan processes to achieve better corporate strategic planning.	Better corporate strategic planning throughout Council through ensuring that development / review of key strategies takes place on a rolling basis.	GM	Completed the 5 year Community Plan and Management Plan for the 2005 - 2008 period and made substantial progress on the major review of the Section 94 Contributions Plan.
4. HUMAN RESOURCE STRATEGIES			
Develop strong leadership and decisively guide the best future for the Shoalhaven.	Continue the leadership training program for managers and supervisors.	GMHR	Strategies and training activities to enhance leadership at Council are developed in continual consultation with staff and management.
	Integrate leadership requirements in Job Descriptions and Performance Cycles.	GMHR	Corporate leadership modules are being developed for all supervisors and managers to enhance leadership skills

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.1		LEADERSHIP AND DIRECTION - to develop strong leadership and decisively guide the best future for the Shoalhaven.	
Strategy: 1.1.2		Integrate the principles of ecologically sustainable development into all Council's planning, decision-making and actions.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
<p>Ensure that Council meets and embraces its ESD obligations under the Local Govt Act, through:</p> <p>Implementation of guidelines for Councillors and staff.</p> <p>Incorporation of the ESD guidelines when plans, policies and checklists are reviewed or new ones prepared.</p>	All new and reviewed plans are consistent with the adopted ESD guidelines.	PLNG	5 LEP Amendments have been gazetted. The amendments are consistent with adopted ESD guidelines.
	Initiatives undertaken by the organisation to achieve ESD compliance.	PLNG	ESD Principles incorporated into Council Policies as a result of the Policy Review process.

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.2		INVOLVING OTHERS - to work more effectively with the community, government and others.	
Strategy: 1.2.1		Establish methods of achieving improved ongoing community liaison.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. CITYWIDE COMMUNITY LIAISON			
Identify and implement the most effective methods of community liaison on a geographical and issue-related basis. <i>Access & Equity Action Areas: A.3.</i> <i>Community Plan Objective: A8.</i>	Implement the Community Consultation Strategy within each Group.	GM	A Community Consultation Strategy was prepared, exhibited for public comment and adopted by Council in March 2005.
6. PRINCIPAL CONSULTATIVE BODIES ADVICE ON CAPITAL WORKS PROGRAMS			
Meet with Area Principal Consultative Bodies to provide advice on and feedback to future Capital Works and Maintenance Programs. <i>Access & Equity Action Area: A.3</i>	A combined meeting of Principal Consultative Bodies to be held for Wards 1, 2 & 3 every 6 months.	CS	Corporate meetings held with representatives of principal consultative bodies for each Ward (Ward 1, 2 & 3). Public meetings held throughout the year.
11. NETWORKING - KOORI			
SCC to work with the Shoalhaven Koori Information Network (SKIN) and other service providers to enhance information flows and develop new ways to disseminate information such as newsletters, etc to Aboriginal people. <i>Access & Equity Action Areas: G.2</i> <i>Community Plan Objectives: G4 .</i>	Improved access to information by Aboriginal people.	CO	* Contacted all Aboriginal Service Providers and are currently collating all the information to publish the next SKIN Magazine. The 10th Edition of the SKIN Magazine was published in October 2004. * Worked closely with Aboriginal Service Providers to collate information for the next edition of the SKIN Magazine.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	New ways developed to disseminate information.	CO	Sent out newsletters, flyers, brochures and information to Aboriginal Service Providers and individuals within the Shoalhaven. Aboriginal Services Directory has recently been updated and published. This has been sent out to all Aboriginal Service Providers throughout the Shoalhaven area.
14. ETHNIC AFFAIRS POLICY STATEMENT			
<p>SCC to commence implementation of the Local Ethnic Affairs Policy Statement (LEAPS) for the Shoalhaven for people from non-English speaking backgrounds.</p> <p><i>Access & Equity Action Areas: I.1</i></p> <p><i>Community Plan Objective: II</i></p>	Further development and implementation of policy.	CO	Council has continued to implement its Local Ethnic Affairs Policy Statement.

Principal Activity:	1	EFFECTIVE GOVERNMENT		
Objective:	1.2	INVOLVING OTHERS - to work more effectively with the community, government and others.		
Strategy:	1.2.2	Review and develop stronger networks with government and other organisations to work towards the objectives of Cityplan.		
Task	Performance Target & Assessment		Grp. Dir.	Annual Report
<i>1. STATE AND FEDERAL REPRESENTATIVES</i>				
Ensure that Council optimises every opportunity to stress the unique range and complexity of issues facing the Shoalhaven to relevant State and Federal Ministers and local elected Representatives.	Ongoing liaison with State and Federal Ministers and local MPs.		GM	Senior staff met with local and senior State and Federal representatives on a wide variety of issues throughout the year.
<i>2. GOVERNMENT DEPTS</i>				
Arrange and hold focus meetings of officers from each relevant government department at the start of major Council projects, as appropriate.	Focus meeting held for each major project which involves integration with NSW Government agencies in the approval process.		CS	Meetings held for Terara Levee with DIPNR. Coastal Hazard Assessments and Flood studies with DIPNR. Various onsite meetings for on ground works considered major by community members at Currarong, Callala Bay and Sanctuary Point. Meeting held with agencies regarding Greenwell Point foreshore and boating project. Ongoing working group established for Ulladulla Harbour Upgrade suite of projects. Meetings implemented on major projects eg Ulladulla Harbour with Premiers Dept, Lands Dept and Maritime Authority. Meetings held regarding Lakehaven Drive Jetty. Ulladulla Industrial Subdivision and Terara levee.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
5. SEEK 3 YEAR PROGRAM & FUNDING AGREEMENT FOR FLOODPLAIN, ESTUARY, COASTAL & WATERWAYS			
Develop 3 Year Program and funding agreement for Floodplain, Estuary, Coastal and Waterways Programs	Discussions held with Department of Sustainable Natural Resources and program finalised.	CS	<p>Extremely successful period in winning substantial funding to necessary natural hazard studies and management actions. A total of \$1.247 million has been won by Council.</p> <p>Additionally, significant rehabilitation projects were funded along foreshores as was support for Bushcare Groups with concentrated weed control efforts assisting their rehabilitation plans.</p>

Principal Activity:	1	EFFECTIVE GOVERNMENT		
Objective:	1.2	INVOLVING OTHERS - to work more effectively with the community, government and others.		
Strategy:	1.2.3	Ensure Council has appropriate facilities and equipment to enable effective interaction with the community and the communication of Council's objectives		
Task	Performance Target & Assessment		Grp. Dir.	Annual Report
<i>1. COMMUNITY CONSULTATION</i>				
Ensure Council has appropriate facilities and equipment to enable effective interaction with the community and the communication of Council's objectives <i>Access & Equity Areas: A3</i>	Maintain and update facilities and equipment required for Council and other community meetings		FC	Council is proactive in providing the most up to date facilities and equipment required for Council and other community meetings. During this Financial Year 2004/05 Council has purchased and installed the following equipment to improve communication channels and to facilitate Council and other community meetings: *Audio and visual equipment within the Council Chambers *Two New Corporate Lightshows and notebook PC's *DVD Sound system in the Admin Building *Digital Camera for Council Functions *Corporate Photocopiers x 9 *EFTPOS facilities in Nowra and Ulladulla

Principal Activity: 1 EFFECTIVE GOVERNMENT			
Objective: 1.3 EFFECTIVE MANAGEMENT - to responsibly manage the Council's finances, resources and regulatory functions.			
Strategy: 1.3.1 Implement sound financial management strategies to meet Cityplan objectives.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
3. FINANCIAL PERFORMANCE MEASURES			
To effectively manage Council's financial resources as per policies and guidelines set by Council and the Department of Local Government.	Keep Council's internal debt service ratio below 25%.	FC	To the end of the fourth quarter Council has maintained an internal debt service ratio of below 25%. The Management Plan for 2005/06 which was prepared during the 2004/05 year maintains a ratio within target
	Ensure that appropriate Australian Accounting Standards Regulations, Guidelines, Practices and Procedures are efficiently and effectively implemented to achieve compliance with statutory requirements	FC	Councils 2003/04 Annual Financial Statements were audited during the audit period and Council received and unqualified audit. Staff have been preparing for the introduction of International Accounting Standards during the year by attending industry sessions and training courses.
	Review and monitor Council's adopted policies in respect of rate arrears, hardship provisions, pensioner rate rebates and paper subdivision landholders with a view to reducing the level of debt owed to Council.	FC	Many of the current adopted Council Policies in respect of rate arrears, hardship provisions, pensioner rate rebates and paper subdivisions are presently under review. These policies were only recently presented to the Rates Working Party to consider/alter and review. The recommendation from the Rates Working Party was for Council staff to further review the flexibility and practicality of the current policies and report back to the Rates Working Group either later this financial year or early in the new year. The likely timeframe for this is now during the first quarter of the 2005/2006 Financial Year.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Monitor with a view to continuous improvement, customer service standards which provide quality and affordable Council services to stakeholders	FC	<p>Corporately Council is currently implementing the recommendations as identified through the Customer Service Discussion Paper and subsequent workshops held during May and June 2004. The initial recommendation called for the installation of Credit Card payment facilities at Council and these have been introduced through COSMOS P/L in November 2004. EFTPOS machines have also been purchased and have been installed and tested during June 2005.</p> <p>The rental of a quality coffee machine for use by Council customers is now installed within the Admin Building Foyer area during March 2005. Similarly the current hours of operation of our Council Cashiers is also under review with monetary provision being made in the 2005/06 Budget to facilitate longer hours of cashier operation with a view to improving our front counter customer service standards.</p> <p>Provision has also been made within the 2005/06 Budget for a customer service benchmarking survey to be conducted early in the new financial year to identify shortfalls in our customer service standards.</p>
4. DEVELOPMENT OF FINANCIAL SYSTEMS			
To continue to monitor Council's financial reporting systems to ensure they meet the needs of users throughout the organisation.	Investigate opportunities for the use of E-business.	FC	During the reporting period Council introduced an e-payment gateway for payments of accounts, an on-line tourism booking system and investigated EFTPOS facilities within Council offices.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Continue to investigate improvements to Council's financial systems and processes.	FC	During the reporting period Council scoped and implemented new budget management software and scoped a new debt recovery management system.
6. SECTION 94 CONTRIBUTIONS PLAN REVIEW			
Continue the major review of the plan. <i>Access & Equity Action Areas: A.4.</i> <i>Community Plan Objectives: A19.</i>	Continue major review of Section 94 Contribution Plan through a series of amendments.	PLNG	The Major Review of the S94 Contributions Plan has been separated into various components. Several of these have been now been adopted or reached practical completion, with the remainder at the final stages of investigation. In regard to Community Facilities (adopted in 2003), a number of opportunities have recently emerged which will require further amendments to the Contribution Plan. These relate to the proposed SMPCCC, and changes to the location of a number of other community facilities in Nowra. The EP & A Amendment (Development Contributions) Act became effective on July 8, together with the Regulation and a number of Practice Notes. This will enable testing of a range of alternative contribution scenarios.
7. LONG TERM FINANCIAL STRATEGY			
Develop a 10year Financial Plan and ensure data is regularly reviewed and updated.	Regularly review with senior staff the 10 year Financial Plan and adjust accordingly.	FC	The model for the 10 year plan has been developed and is being continually refined. A internal review group has been established to review and further develop the plan to ensure Council is able to meet it's objectives.
8. STATUTORY FINANCIAL REQUIREMENTS			
To ensure that Council meets it's statutory financial obligations.	Lodge Council's annual Fringe Benefits Tax returns by the due date and forward each quarterly instalment by the due date.	FC	Council has complied with all FBT reporting requirements.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Lodge Council's monthly Business Activity Statement for GST by the due date.	FC	All Business Activity Statements due during the reporting period were submitted by the due date.
	Submit each quarterly budget review to Council within the timeframe laid down in the Financial Management Regulation.	FC	All quarterly budget reviews due during the reporting period were submitted within regulation timeframes.
	Complete and lodge Council's Annual Financial Reports within the timeframe laid down in the Local Government Act.	FC	Council's Annual Financial Statements for the 2003/04 year were submitted on 5th November 2004, within statutory timeframes. Financial Statements for the period 2004/05 will be submitted prior to the 7th November 2005.
9. DONATIONS			
Identify the donations to be made by Council to individuals and community groups pursuant to Section 356 of the Local Government Act. (Also see list of Donations, Sponsorships and Subsidies) <i>Access & Equity Action Areas: A.4.</i>	Payment of donations, subject to submission of claims by the identified groups and individuals.	FC	Council has paid out 100% of the budgeted donations during this financial year. These payments have been made subject to the appropriate written submissions, validated claim or by Council resolution
10. REBATE ON RATES			
Water and wastewater availability charges and payment of general rates is discounted to pensioners. <i>Access & Equity Action Areas: D.3.</i>	Provide annual pensioner rebates.	SW	The Pension rebate included in 2005/2006 Management Plan
11. REVIEW CHARGES TO COMMUNITY SERVICE ORGANISATIONS			
SCC to consider reviewing existing rate and charging structure for community services organizations. <i>Access & Equity Action Areas: A.4</i> <i>Community Plan Objectives: A26.</i>	Undertake a review.	CO	Fees and charges for Recreation and Leisure reviewed as per Council corporate program.

Principal Activity:	1	EFFECTIVE GOVERNMENT	
Objective:	1.3	EFFECTIVE MANAGEMENT - to responsibly manage the Council's finances, resources and regulatory functions.	
Strategy:	1.3.2	Further develop a positive organisational culture focussed on using resources wisely, achieving quality customer service and seeking continuous improvement.	
Task		Performance Target & Assessment	Grp. Dir. Annual Report
1. NEXT MANAGEMENT PLAN			
Prepare the Management Plan for the following year after appropriate consultation with Council, the community and staff.		Council adopts the 'draft' Management Plan for public exhibition by May each year.	<p>FC</p> <p>The Draft Management Plan for 2005-2008 was adopted for public exhibition by Council on the 26th April 2005.</p> <p>The Draft Management Plan 2005-2008 was exhibited for public comment between 4th May and 1st June 2005 inclusive.</p> <p>Following 3 public meetings and a full review of written public submissions Council adopted the Management Plan for 2005-2008 on the 28th June 2005.</p>
2. GROUP PLANS AND WORKS PROGRAMS			
Ensure that Group Plans and works programs are prepared by each Group Director which incorporates Cityplan objectives / Management Plan corporate priorities and tasks.		Group Plans are prepared for all major operational areas by July each year.	<p>GM</p> <p>Group Plans prepared for each area for 2004/05 and work undertaken on similar plans for 2005/06.</p>
		Group Directors to report progress to the General Manager on a six monthly basis and to collectively discuss on at least a quarterly basis with the GM any major shortfalls, budget overruns, etc.	<p>GM</p> <p>Annual review and six monthly discussions conducted as required.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. CONTINUOUS IMPROVEMENT			
Create and maintain a learning environment which encourages review of policies, procedures and processes to continuously improve and more effectively meet organisational goals and objectives.	Continuing implementation of a performance development system that will assist to create a learning organisation and encourage constant review and adjustment.	GMHR	The EDD system provides an opportunity to continuously review training requirements to meet Council's goals and objectives.
	Identify opportunities to use innovative technology to meet organisational objectives.	GMIT	<p>IT staff participated in the innovation panel and assisted in the implementation of a number of initiatives from this scheme.</p> <p>Developed a system to allow public viewing of council policies on the internet and ensure policies are index in Trim.</p> <p>eBusiness applications such as online certificate processing continue to be used achieving more than \$250,000 in income since introduction.</p> <p>Credit card payments via the internet and phone are now available.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
5. MAJOR COMPUTER APPLICATION ENHANCEMENTS - GIS			
Continue to enhance all aspects of GIS data and GIS enquiry.	Continue to upgrade the map base accuracy.	PLNG	<p>Council's GIS has been maintained in a timely manner and the cadastral accuracy upgrade has been progressing according to expectations. In this respect major improvement has been made to the Nowra/Bomaderry Structure Plan area with approx 65% of the area upgraded. This financial year an additional 2600 lots have been upgraded.</p> <p>ESRI GIS Software has been kept up to current releases and Council's data is being converted to the best format to take advantage of the editing, querying and data storage and retrieval features of the software.</p>
	Enhance the internal GIS enquiry to continue as the focus for land based enquiry on corporate data sets.	GMIT	<p>Conversion of basic cadastral data into a geospatial database was completed enhancing maintenance of the data.</p> <p>GIS enquiry enhanced to integrate with DARTS.</p>
	Investigate expanding GIS data enquiry to the Internet.	GMIT	<p>Additional datasets made available on the internet (State Of the Environment mapping, Bushfire prone land).</p> <p>Implementation of non-graphic enquiry system on the internet.</p>
	Assess feasibility to integrate new and existing computer systems with the GIS to gain maximum advantage from the system.	GMIT	<p>Integration of DARTS with GIS.</p> <p>Use of GIS data and GPS systems for systems such as footpath assessment and pothole maintenance.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
7. HUMAN RESOURCES STRATEGIES			
Develop partnering relationships that facilitate the achievement of strategic business goals, Management Plan, and Cityplan objectives through good people management and recognition of the value of human capital.	Provide benchmarking data to senior management with analysis of trends and recommendations for strategic human resource interventions if required on a quarterly basis.	GMHR	Human Resources provide benchmarking data and develop strategies for analysis of same to Senior Management.
	Ensure current information, legislation and industry trends are incorporated in planning and implemented in a timely manner when required.	GMHR	Regular meetings with the General Manager and stakeholders have been complemented by training sessions to ensure timely and effective implementation of information.
8. TRAINING and DEVELOPMENT			
Identify, prioritise and address training and development needs which facilitate the achievement of Cityplan and Management Plan objectives.	Continue to develop and adopt a Council Training Plan annually by drawing from annual staff performance reviews (Employee Development Discussions – EDDs).	GMHR	The Training Plan is developed in consultation with all Groups and is reviewed on a continuous basis to align with CityPlan and Management Plan objectives.
10. INFORMATION MANAGEMENT STRATEGY			
Review the strategy for the management of corporate information.	Review the Information Technology Management Strategy, at least on an annual basis or more frequently as required.	GMIT	The Information Technology Management Plan was updated to reflect the requirements of the 2004-2007 Council Management Plan. The IT Strategy remains consistent with the IT Management Plan.
	Support each Group of Council in undertaking IT initiatives associated with their Group Plans.	GMIT	The Information Technology section held regular meetings with each of the Groups within council, providing assistance and guidance with their IT requirements.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Undertake an annual review of the Business Plans for the Call Monitoring and Response Centre as well as Shoalcom communications workshop.	GMIT	An extensive review of the Call Monitoring and Response Centre business has been carried out and staff input has been gained throughout the process. The final stage of establishing business goals and setting KPI's will be completed by the end of quarter 1, 2005/06.
12. ORGANISATIONAL STRUCTURE			
Review Council's organisational structure to ensure best fit with Management Plan and Cityplan objectives.	Review organisational structure within twelve months of appointment of each new Council. Recommend and implement changes where appropriate at other times.	GM	The major organisational restructure is now complete.
13. QUARTERLY REPORTING			
Review and monitor performance of Council in relation to the Management Plan.	Management Plan task reviews reported to Council within the time frame laid down in the Local Government Act.	FC	All quarterly 2004 - 2007 Management Plan reviews were completed and adopted by Council within a two month timeframe from the end of each quarter as prescribed under Section 407 of the Local Government Act, 1993. An emphasis has been placed this year on groups highlighting any positives or negatives to Council for each of the principal activities. The quarterly reviews also included comments in respect of those tasks which were not achieved within agreed timeframes.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
14. ANNUAL REPORT			
Prepare the Annual Report on the performance of Council for the previous financial year.	Prepare the report in line with guidelines set out in the Local Government Act and submit to the Department within 5 months of the financial year end.	FC	The 2003/2004 Annual Report and State of the Environment Report have been finalised and copies were forwarded to the relevant Govt. Agencies on Friday 12th November 2004. The completion date for both documents was within the prescribed deadline as provided under the Local Govt. Act 1993 and Local Govt. Regulations.
15. ELECTRONIC ACCESS TO COUNCIL INFORMATION			
Web site availability and usability. <i>Access & Equity Areas: A.3</i>	Review Council's internet site quarterly ensuring the most up-to-date information is posted.	FC	Council's internet website has been progressively reviewed and updated appropriately
	Monitor and improve Council's web sites to ensure reliable and effective service delivery to the public.	GM	The internet website was maintained and improved on a daily basis, responding to customer feedback where appropriate. In the 12 months to 30 June, the main council web site had 122,306 visits and 1.9 million hits.
17. STANDARDISED ONLINE CONTRACT MANAGEMENT SYSTEM			
Refine the Intranet based standard contract management guide	All significant contracts being managed in compliance with system standards.	CS	Contract Management System Stage 2 development and trial of a number of programs and documents available on our website.
18. MISCELLANEOUS COMPUTER APPLICATIONS			
Create, enhance and maintain the large number of existing applications.	Continuously review and enhance systems as resources permit to ensure that Council's computing applications continue to meet customer requirements.	GMIT	This year has seen major updates and roll out of a number of solutions including HRI, eTRS, Policy Index and DARTS (1st July). We have undertaken new version upgrades to vendor supplied software Conquest, CHRIS, TRIM and ESRI products.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
19. INFORMATION TECHNOLOGY & TELECOMMUNICATIONS INFRASTRUCTURE			
<p>Maintain and enhance the IT&T infrastructure.</p> <p><i>Access & Equity Action Areas: A.3</i></p> <p><i>Community Plan Objectives: A10.</i></p>	<p>Ensure that Council's IT&T infrastructure has a high availability, provides effective and efficient services particularly in the areas of the Internet, telephone and radio call handling, and electronic security systems to facilitate the public's access to Council services and information while protecting Council resources.</p>	GMIT	<p>During the past 12 months, council's IT & T systems continued to operate reliably, providing a consistent and robust platform for council's staff and customers.</p>
	<p>Construct the new Cambewarra communications tower by the 3rd Qtr 2004/5.</p>	GMIT	<p>There has been substantial delay in this project brought about by the rezoning approval process. The Development Application was prepared in quarter 2 and will be submitted once the LEP is Gazetted - this should occur early in quarter 1, 2005/06.</p>
22. EQUAL EMPLOYMENT OPPORTUNITY MANAGEMENT PLAN			
<p>Identify possibilities which enhance equal employment opportunities, raise awareness about fair and equitable employment and training and promote Council's commitment to diversity and fairness.</p> <p><i>Access & Equity Action Areas: A.4.</i></p>	<p>Implement the EEO Management Plan which ensures community groups receive fair and equitable treatment.</p>	GMHR	<p>Outcomes of EEO survey and strategies that address fair and equitable treatment of community groups have been incorporated into EEO Management Plan.</p>
	<p>Research and analyse appropriateness of strategies to address specific target group needs and identify strategies as required.</p>	GMHR	<p>EEO Management Plan undergoing consultation with stakeholders to ensure strategies address specific target group needs.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
24. CULTURAL AWARENESS			
<p>Council to introduce cultural awareness for all Council staff.</p> <p><i>Access & Equity Action Areas: A.3, G.2, I.1</i></p> <p><i>Community Plan Objectives: A14, G5.</i></p>	Increased awareness of Council staff to cultural issues and needs.	GMHR	Access and equity principles have been incorporated in the Corporate Training Plan to increase Council Staff's cultural awareness.
25. INNOVATION			
Foster innovation in the workplace to provide efficient and effective provision of services and customer relations.	Identify system deficiencies and promote solutions that improve the efficiency and effectiveness of Council resources.	FC	<p>Council's Finance and Corporate Services Group are continually reviewing strategies for better systems and modern technological improvements to existing Council activities.</p> <p>The innovation panel is also regularly vetting submissions for improved work practices and is also rewarding creative thinking by staff. Examples for the financial year 2004/05 include:</p> <ul style="list-style-type: none"> *Improvements to the HRI System *EFTPOS and facilitating credit card payment options *TRIM Records Management improvements *MIS Aila Budgeting Software *Remote diagnostic software for photocopier meter readings

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Through the innovation program, seek innovative ideas from staff, have them investigated and implement them within resource and budgetary constraints.	GM	The Innovation program received 44 ideas in the 2004 / 05 year which are being investigated through the Innovation Panel and others. During the calendar year of 2004, 119 ideas were submitted. The best idea for that year was awarded for "Think before you Lift" slogans/stickers to help raise awareness of proper lifting techniques and thereby reducing back injuries. The stickers have now been issued to staff throughout Council.
26. COUNCIL BUSINESS PAPERS			
Improve the process, layout and efficiency in the preparation of Council's Business Paper and Minutes. Ensure Council's Business Papers and Minutes are presented in an easy to read format and are readily accessible to the public, elected members and council staff.	Examine available software options and implement improvements to the procedures, processes and presentation of Council's Business Paper and Minutes	FC	Software suitable for upgrading the production of Council's Business Paper has been identified. This software has been tested and installation issues identified by Council staff are currently being addressed by the supplier

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.3		EFFECTIVE MANAGEMENT - to responsibly manage the Council's finances, resources and regulatory functions.	
Strategy: 1.3.3		Ensure that Council's activities are carried out within a clear framework of policies, procedures and service standards.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. APPLICATIONS FOR DEVELOPMENT (DA), etc.			
Meet statutory requirements for development and other application processing times and process all applications in a timely and efficient way.	<p>Percentage of applications determined within target time:</p> <p>Development Applications: Within 40 days – 70%; Within 21 days – 55%;</p> <p>Construction Certificates: Within 28 days – 70%;</p> <p>For Building Works – Within 15 days – 55%;</p> <p>For Subdivision Works: Within 10 days – 65%;</p> <p>Subdivision Certificates: Within 14 days – 80%; Within 7 days – 65%;</p> <p>Complying Development Certificates: Within 7 days – 90%, Within 5 days – 75%;</p> <p>Building Certificates: Within 15 days – 80% Within 7 days – 60%.</p>	DES	<p>Percentage of applications determined within target time:</p> <p>Development Applications: Within 40 days – 57%; Within 21 days – 32%;</p> <p>Construction Certificates: Within 28 days – 60%;</p> <p>For Building Works – Within 15 days – 39%;</p> <p>For Subdivision Works: Within 10 days – 98%;</p> <p>Subdivision Certificates: Within 14 days – 96%; Within 7 days – 96%.</p> <p>Complying Development Certificates: Within 7 days – 97%, Within 5 days – 95%;</p> <p>Building Certificates: Within 15 days – 47% Within 7 days – 31%.</p>
2. PLANNING CERTIFICATES			
Process Section 149 (Planning Certificates) in a timely and accurate manner.	95 % of certificates issued in three to five working days.	PLNG	100% of Planning Certificates issued within three to five working days.
4. FOOD SAFETY			
To maintain quality standards in food premises by regular and effective monitoring of food premises.	Inspect 25% of active food premises each quarter.	DES	During this year, the dedicated Food Safety Team carried out 1298 inspections on 542 active food premises, an average of 2.4 inspections per food shop. 18 improvement notices were served for non-compliance with the Food Safety Standards.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
11. INTERNAL AUDIT PLAN			
Implement the Annual Audit Plan based on the long range Internal Audit Plan to ensure that Council has a disciplined approach to evaluate and improve the effectiveness of its risk management, control and governance processes.	Progressively implement the Annual Audit Plan based on the long range Internal Audit Plan on a risk assessment basis.	GM	<p>The Internal Audit Program concentrated on a number of major projects in 2004-05, with many smaller projects also undertaken, a number of which were to meet senior management needs for quick analysis and feedback on various matters, in line with the modern internal audit role of being a consulting service to management.</p> <p>Significant attention was given to Statewide Mutual insurance matters to endeavour to further improve Council's compliance position and thus reduce public liability risks. In this regard Council achieved a result well above the State average and should obtain the maximum 10% premium bonus.</p> <p>A financial audit was done on the Holiday Haven Tourist Parks incomes, analysing trends over time as a basis for assessing performance and contract compliance, as well as providing some basis for future investment decisions. In addition, on-site compliance audits were done at all but one Park in the year. Results indicated that the parks were being well managed, and generally in very good conformity with Council's expectations and the relevant contracts.</p> <p>A major series of audits of the changes in the CHRIS system resulting from the 2003 organisational restructure were completed to ensure the integrity of the data within Council's key human resources & payroll management system</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>A range of audits was also undertaken in relation to various electronic time recording (eTRS) and payroll matters, including recording of approved leave and other absences, accumulated annual leave and recording of hours worked. Significant improvements in compliance generally have resulted, including major reductions in leave errors.</p> <p>Financial and related audits were completed for each of Councils five aquatic and leisure centres, with recommendations made for cash handling, training, security and computer back-up procedures.</p> <p>Contributions to corruption prevention were also made by preparing new and updating existing material for Council's Intranet site, including material related to email, internet usage, vehicles & general computer usage.</p> <p>Internal Audit completed a detailed review of Council's governance aspects using the ICAC-LGMA Governance Health Check methodology. This will enable comparisons over time and benchmarking with other councils.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>Compliance audits of Council's Rangers Agreements with the RTA and VicRoads were completed. The template developed by Internal Audit is now used by the RTA throughout NSW councils.</p> <p>Shoalhaven's Internal Audit has had a role in investigations when required.</p> <p>Councils' Internal Auditor also represents Council on the executive of the Corruption Prevention Network (CPN).</p> <p>The Internal Auditor is also a member of the Risk Management Committee and is refining the model of corporate risks and specific risks facing Council's groups and sections. This is essential to Council meeting its obligations to address enterprise risk management of its activities and resources.</p>
13. SALARY STRUCTURE AND AWARD COMPLIANCE			
Ensure compliance with Award and legislative requirements is balanced with a transparent process which promotes equity and fairness for Council customers and employees.	Implement a salary system which complies with both Award and Council requirements, and monitor management commitment and staff involvement.	GMHR	Pay Policy working effectively and continues to be monitored. Recent Award salary variations undergoing review and inclusion in salary system to ensure compliance.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
14. RECORDS & INFORMATION ACCESS			
Review legislative changes to ensure Council compliance with the requirements of the Freedom of Information Act, Local Government Act and the Privacy and Personal Information Protection Act as they relate to the release of information.	Maintain knowledge of legislative changes and implement requirements in a timely manner.	FC	Compliance with the information access and publication requirements of the Freedom of Information Act, 1989 and the Local Government Act, 1993 has been maintained. Council's legal obligations in regard to compliance with the Privacy & Personal Information Protection Act, 1998 and the Health Records & Information Privacy Act, 2002 have also been met.
16. RANGER SERVICES - ENFORCEMENT			
Administer and enforce Acts and Regulations under various Legislation and Council Policies relevant to Ranger Services' responsibilities to ensure Council and community compliance.	Number of action requests investigated and statistics of action taken relating to environmental issues, companion animals and stock, parking, security and general enforcement.	FC	Generally Action requests and Infringements statistics have remained reasonably static over the past year. Some changes in enabling staff to undertake varied duties have proven valuable, however, the associated disruption has been challenging. Numerous investigation matters over the last year have impacted on the time of the RSM. Senior Ranger Grant Astill and other staff have responded positively with the workload being shared out evenly.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>Projects within the SCAMP initiative have progressed with planning well under way for the building of the cattery, and the RSPCA kennels. Parking enforcement income well exceeded the projected budget, allowing Council to vote funds for a vehicle allocated to parking and the addition of an extra officer.</p> <p>Rangers responded to a total of 3922 Action Requests, a total of 5429 parking infringements were issued, and Rangers issued a total of 189. Training requirements albeit necessary, continue to encroach into staff time, and apart from the above recorded Action Requests, many minor duties are undertaken for various sections of Council throughout the year.</p>
	Statistical information to be compiled on a monthly basis from April 2004	FC	<p>Statistics forwarded each month to Group Director for his information and perusal. This allows for the Group Director to make comment on any trends or anomalies from month to month, throughout the year.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Number of Patrols and Infringements issued in relation to parking restrictions to increase availability of parking spaces within the city.	FC	Parking Patrol unit performance has remained reasonably static over the past year. An increase of 99infringements in the final quarter, over the previous quarter was achieved despite one period of wet weather. With the steady increase of workload, and some staff variations, it has been more difficult to maintain coverage. Complaints from various schools have been responded to, however, present staff levels do not permit complete consistent coverage of school zones. Fine income exceeded projected budget figures, but considerable work is required in a number of car parks and street zones re the recent audit to enable more proficient enforcement. The provision of an allocated vehicle to parking duties will assist coverage.
	Monitor and enforce restrictions in Berry, Huskisson and local schools	FC	Some difficulty in consistently policing some car parks and street zones in Berry due to the nature of the restrictions, and a review of the restrictions is recommended. Restrictions in Huskisson and Sussex Inlet are being enforced when possible with limited staffing resources.
17. RANGER SERVICES - COMMUNITY EDUCATION			
Prepare and implement education programs and services to increase community awareness and knowledge of their obligations in relation to legislative requirements and associated issues such as environmental protection and animal welfare.	Prepare education programs by end of December 2004.	FC	An education program, Paw Pals, has been prepared for primary schools about companion animals. This program can be utilised to prepare other programs for the community. Throughout the year education has been delivered by officers to compliment enforcement programs.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
18. STRATEGIC COMPANION ANIMALS MANAGEMENT PLAN			
Implement the Strategic Companion Animals Management Plan (SCAMP).	Feedback/surveys from the community.	FC	Feedback from interested parties and the community has assisted Council in commencing the implementation of the Strategic Companion Animals Management Plan (SCAMP).
	Scamp Panel consider and determine task priorities for implementation and draft allocation of resources in the 2004/05 budget.	FC	Several tasks have been completed including development and distribution of companion animal brochures and improvements at the animal shelter and pound. Others listed such as desexing programs, microchip and registration initiatives, wildlife awareness and feral animal management are ongoing.
19. OCCUPATIONAL HEALTH AND SAFETY			
Facilitate consultation, process development, implementation and management of Council's OH & S System to support the achievement of Cityplan and Management Plan objectives. <i>Access & Equity Areas: A.6</i>	Monitor and review Council's OH&S System by meeting regularly with Management and OH&S Committees to ensure OH&S Strategies are effective in reducing risk of injury and accidents and meet all legal obligations as a "responsible employer".	GMHR	Consultation through the organisation on safety matters continues to provide good focus on OH&S system improvements. Injury reduction rate for LTI's down 16% from 44 to 37 for 2004/2005.
	Ensure appropriate and adequate Injury Management Plans are implemented to enable injured workers to return to pre-injury duties.	GMHR	Improvement in the dissemination of information for management of injuries through the website. Good consultation with all involved in case management resulting in less time away from the workplace by injured workers.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
20. INSURANCE / WORKERS COMPENSATION			
Ongoing compliance with sections 210 to 216 of the Workers Compensation Act 1987, claims management guidelines under the Workplace Injury Management & Workers Compensation Act 1988 and Workers Compensation Legislation Amendment Act 2001.	Ensure Councils continued status as a self insurer through favourable monthly claims audit report by Workcover.	FC	All claims have been submitted and accepted by WorkCover as 30 June 2005 as in accordance with their guidelines.
	Provision of licence information requirements and statistical returns by due dates.	FC	As at the 30 June 2005 all licence information has been forwarded and accepted by WorkCover. Council Self Insurance Licence remains renewed until 31 March 2007.
21. RISK MANAGEMENT			
Through Council's corporate Risk Management Committee, prepare, review and adopt risk management procedures to reduce Council's risk exposure on financial and other grounds.	Procedures investigated and adopted.	FC	Councils overall results in the 2005 Statewide Risk Management Audit were very good and the Internal Auditor and the Corporate Risk Management Committee are working with Senior Management to improve Council's overall results in the 2006 Audit.
22. BUSINESS OPERATIONAL PLANS			
Develop and review business and operational plans for all Corporate Business Unit Operations to ensure objectives of Units are consistent with objectives of Cityplan and Council	Completion of plans and adoption and acceptance by Management	FC	Business Plans have been developed and will be reviewed on an ongoing basis.
23. REVIEW OF DELEGATIONS			
Review all Council delegations in accordance with Section 380 of the Local Government Act	Amend and reissue delegations in accordance with organisational requirements.	FC	All Council delegations have been reviewed and reissued in accordance with the requirements of Section 380 of the Local Government Act.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
24. CORPORATE POLICIES			
Ensure that Council's corporate policies are accessible and remain relevant to Current issues and the current political and community environment. <i>Access & Equity Action Areas: A.3</i>	Provide improved access to council policies for the public, elected members and Council staff	FC	An index to Council policies is available on the Internet and public policies are being progressively displayed on the Internet in conjunction with the policy review program.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Develop and implement a strategy to progressively review Council's corporate Policies	FC	<p>During 2004/05, the various Council Groups commenced reviewing and reformatting the 303 public policies which had been identified in the previous financial year using standard document templates developed specifically for policies.</p> <p>Since July 2004, 137 policies have been revised, reformatted and reaffirmed by Council resolution. On staff recommendations, Council also rescinded 120 policies that had become redundant over time. In addition, 17 policies have either been superseded by more recent policies or consolidated with other related policies into new policy statements. The review of public policies was 90% completed at the end of 2004/05.</p> <p>All policies which have been reviewed during the process are now available to the public as downloads from Council's Internet Website. A program has been developed and installed which will automatically update the policy index with any new policies or amendments to existing policies.</p> <p>Council has resolved that future reviews of all its public policies would occur within a year of each Council election to allow any newly elected Councillors to become familiar with and have input into Council's policies.</p>

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.4		COMMERCIAL OPERATIONS - to successfully manage Council's commercial operations.	
Strategy: 1.4.1		Develop sound business plans for each of Council's commercial operations which offer value for money to customers and acceptable returns for Council.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. BUSINESS PLANS AND STRATEGIES</i>			
Refine and develop individual business plans for each of Council's commercial operation units.	Refine / develop business strategies for implementation in the next financial year.	CO	<p>* Implementation of Aquatics Business Plan has given strategic direction for delivery of services and programs for the unit within budgets available.</p> <p>* Joint working party with representatives from COG and C/S have reviewed pervious SLA and prepared new Open Space Maintenance Agreement (OSMA) to direct open space maintenance work, standards required and assist in planning and costing future open space maintenance works. Funding identified for immediate response / risk management activities to be undertaken directly by service provider.</p> <p>* Management Committee Guidelines reviewed with input from relevant staff who work with volunteers who sit on management committees at Council community and sporting facilities.</p>

	Performance Target & Assessment	Grp. Dir.	Annual Report
2. BUSINESS UNIT DEVELOPMENT			
To further enhance Council's Commercial Operations through the provision of additional facilities and services and the refurbishment/enhancement of existing facilities.	Introduce strategies which improve service to the customers/clients of Councils commercial operations.	CO	<p>* Software system for booking of community facilities, parks, reserves and sport grounds purchased. System built and goes live date for 5 July 2005.</p> <p>* Mandatory training for Aquatics staff undertaken and accreditation maintained.</p> <p>* Aquatics Business Plan objectives achieved and comprehensive range of products and services provided within funding available.</p>
	Aquatic Facilities – Continue work on the rehabilitation program, subject to Council endorsement of funding.	CO	* Capital Works programs implemented.
3. BUSINESS UNIT OPERATIONS			
Targets have been established for business unit operations.	Crematorium and Cemeteries – Target for an annual operating surplus of \$30,000.	CO	Closure of the Cremator unit during June for major maintenance impacted on revenue. However, a surplus exceeding \$30,000 was still achieved.
	Adhere to financial targets	FC	In general the Business Unit Operations were able to meet financial objectives. In areas where objectives were not met analysis has been undertaken and an action plan has been put in place to improve future performance.
	Aquatic Facilities – Provide quality aquatic, fitness and secondary spend / services in a safe and cost effective manner.	CO	* A range of products and services offered throughout Aquatic and Leisure Centres in accordance with unit Business Plan. Services operated within identified Council budgets.
	Enter into Service Level Agreements with Key Customers	FC	Service Level Agreements have been entered into for the majority of key customers of the Business Units.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Beach Inspector Program – Provide lifeguard services at eight beaches over peak holiday period.	CO	<p>* Contract with Contractor concluded in January. No major incidents or accident for the 2004/2005 season. Patrol activities reported to Council.</p> <p>* Tender prepared and called for future beach patrol services 2005/2010. Report pending to Council.</p>

Principal Activity: 1		EFFECTIVE GOVERNMENT	
Objective: 1.5		PROMOTING LOCAL PRIDE - to effectively promote a positive image of the Shoalhaven.	
Strategy: 1.5.1		Develop methods to better promote the achievements of Council and the local community.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. MARKETING COMMUNICATION (External) STRATEGY			
<p>Develop and implement the strategy over an 18-month period to explain the breadth and significance of Council's activities and achievements.</p> <p><i>Access & Equity Action Areas: A.3</i></p> <p><i>Community Plan Objectives: A7</i></p> <p>.</p>	Implement the strategy within budgetary constraints.	GM	Communications/Media Strategy was prepared, publicly exhibited and finally adopted by Council in June 2005.
2. RECOGNISE LOCAL EXCELLENCE			
<p>Council will continue to run or be involved with awards and sponsorships such as:</p> <p>Business Excellence Awards; School Citizenship sponsorship; Australia Day Awards; Mayoral Civic Receptions; Arts and Cultural Awards, etc.</p>	Identify sponsorship or involvement each quarter.	FC	<p>Council has again indicated that it wishes to continue supporting and promoting the various existing methods of showcasing excellence achieved by citizens and businesses within the Shoalhaven during 2005/2006. During the financial year 2004/2005 the Council has promoted or hosted the following:</p> <ul style="list-style-type: none"> * School Citizenship Awards * Major Arts & Cultural Awards * Business Excellence Award * Australia Day Awards * Queens Birthday Honours Awards * Mayoral Civic Receptions for various achievers * Dinners & Functions honouring Community Service

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. PROJECT STATUS REPORTING ON THE INTERNET			
	5 major projects placed on Council's Internet site and progress updated monthly.	CS	Ratepayers have been able to access the internet to keep informed of progress on significant council projects throughout the year.

Principal Activity 2: Protecting the Environment and Planning for Growth

Scope of the Activity

This activity area covers those services that specifically aim to protect and plan for the future of the Shoalhaven's natural and built environment.

Strategic Issues

The environment of the Shoalhaven is recognised as one of the most beautiful, yet sensitive in the State, with its magnificent beaches, lakes, pastures and bushland.

The Shoalhaven has 49 settlements and extensive rural areas, each with a distinctive character and heritage. The population is approximately 90,000 (estimate for year 2002) and over the last 20 years the area has experienced one of the State's most consistently high growth rates. In peak holiday periods the population rises to over 320,000. Indications are that the area will continue to experience strong growth.

The ocean, rivers, streams, lakes and air in this region remain relatively unpolluted. However, there are increasing pressures on these systems such as sedimentation and nutrient levels in stormwater. The area is believed to be home to the greatest number of threatened species of any Council in NSW and many proposed developments are facing issues on this front. Council and other agencies recognise that the factual data on species and their possible habitats here is not comprehensive and needs to be addressed.

The Shoalhaven has a richness of cultural heritage, both Aboriginal and non-Aboriginal. This is reflected by the strong spiritual ties that the traditional people have with the land and the numerous items and places of heritage significance for non Aboriginals.

The Shoalhaven is prone to two main natural occurrences – bush fires and flooding. These cannot be eliminated but need to be managed as best we can – through preventative measures and through disaster plans for when they occur.

Proposed Responses

Council has a major role to play in the protection of the City's natural and cultural attributes for current and future generations. One of the biggest challenges for Council and the Community is to accommodate an acceptable and sustainable level of growth, whilst protecting the inherent natural qualities of the area. This is being addressed in many different ways, including the development of the integrated strategies outlined in **Cityplan**, eg Settlement Strategy, Conservation Strategy, as well as in the development of structure plans for Milton-Ulladulla and Nowra-Bomaderry and their ensuing local environmental plans.

Council is addressing these issues through key plans and strategies for particular areas in the City. A number of new initiatives are planned to help address them in a coordinated way on a City wide basis, such as:

- Conservation strategy, Settlement strategy and Growth Management Strategy
- Estuary Management Plans
- Integration of actions from Stormwater and Estuary Management Plans.
- Better monitoring and restoration of air and water quality
- Continue to improve disaster management planning

Highlights for 2004/05

Planning Group

- Bush Fire Prone Land Mapping - Due to new State legislation, Council has prepared mapping that defines bush fire prone land by way of vegetation type. A review of that map is complete and it has been certified by the Commissioner of the Rural Fire Service. The Bush Fire Prone property mapping is now available for viewing on Council's intranet site.
- Tree Preservation Order - Council has amended its Tree Preservation Order. The adoption of the amended Order is to ensure consistency with Council's Tree Management Policy, which aims to ensure that all trees are contributing to the function and amenity of the region whilst also ensuring that any risks associated with them are managed or controlled in accordance with industry best practice.
- Gazettal of LEP Amendment No 206 - The purpose of the amendment is to permit boundary adjustments in rural areas in certain circumstances and correct the heading to two provisions in Shoalhaven Local Environmental Plan 1985. Development Control Plan No. 89 – Exempt and Complying Development will also be amended to reflect the change to the LEP in this regard.
- Gazettal of LEP Amendment No 214 - The amendment rezones land from the Village or Township zone under the Interim Development Order No.1 to Residential 2(a4)(restricted development) under Shoalhaven LRP 1985. The zoning is consistent with the recommendations of the Riverview Road Floodplain Management Plan.
- Local Heritage Assistance Grant Funding - 12 applicants were successful in receiving grants for their projects. 2 applicants were unable to complete works in the 2004 program, the funds were reassigned to two ongoing projects.
- Gazettal of LEP Amendment No 218 - The amendment applies to all land in the City of Shoalhaven to which Shoalhaven LEP 1985 applies, which has been identified as being bushfire prone. The amendment replaces an existing clause (Clause 28) in Shoalhaven LEP 1985 with a new clause that ensures emergency personnel and properties are subject to best practice protection from bush fires, and that future development does not adversely affect existing bushfire protection strategies.
- DCP 93 - Council adopted an amendment to Development Control Plan (DCP) No. 93 - Controls for Waste Minimisation and Management and associated Guidelines. Education of staff and local builders and development industry representatives was undertaken to ensure that DCP No. 93 is implemented successfully and the requirements of the guidelines understood. The DCP requires a Waste Minimisation and Management Plan (WMMP) to be submitted with Development Applications and/or Construction Certificate Applications.
- Nowra Bomaderry Structure Plan – Two Councillor Briefings have been held and further liaison with the state government was carried out, including a meeting with the Regional Office of the Department of Infrastructure, Planning and Natural Resources to present the working draft of the Structure Plan to the senior officers.
- Council has received funding from DIPNR to enable the preparation of a Settlement Strategy for the Sussex Inlet and its surrounds. This strategy will consider future residential and rural residential growth opportunities and is being prepared in consultation with the community. Consultants were engaged late in 2004 to undertake the preparation of the Settlement Strategy. A public meeting and Councillor briefing have been held. The consultants have recently been supplied with an up-dated aerial photograph of the relevant part of the study area to review ecological issues. It is anticipated that a second Councillor briefing will be held in the second week of August, 2005.
- Council received funding under the State Government's Planning Reform program to prepare a City Wide Growth Management Strategy. The funding of \$150,000 was used to initially engage a consultant to prepare an issues paper relating to settlement and conservation. The issues paper has been completed and is currently being reviewed by Council staff prior to release for community comment.

- Heritage Estates – Consultants have been appointed to undertake a Bushfire Assessment. Consultants have also been appointed to undertake the hydro geological, acid sulfate soils and preliminary land contamination assessment. Briefs have been issued for the water quality monitoring strategy and threatened species assessment. Fee proposals for these studies have been received and are being assessed. Re-zoning investigation update letters were forwarded to all landowners. Community and landowner representatives are being kept informed of progress via monthly update letters and web site updates.

City Services Group

The review of the Stormwater Management Plan identified critical catchments for further analysis and grant funding has been received to undertake the more detailed analysis. Works were undertaken in St Georges Basin to mitigate against sediment loss and further works are planned for 2005/06 in the St Georges Basin catchment as well as Burrill Lake. The detailed review will be staged over several years and the priority catchments are:

- St Georges Basin
- Currarong
- Narrawallee
- Lake Conjola
- Burrill lake, and
- Lake Tabourie

Waste Services



A waste / paper survey was undertaken on the Council Administration Centre, with staff from Waste Management spending a week sorting through every bit of rubbish thrown out in the Nowra Administration Building during that week. The survey resulted in a number of paper saving recommendations which have been implemented during the year. Significantly, double sided printing and photocopying has been increased, and the capture of waste paper for recycling has increased.

As part of our Recycling Educational Tools, the Waste Education Section has developed our very own recycling characters known as the 'Recycling Rangers'. Nev the Newspaper, the super snoop of the paper trail; Miss Polly the PET Bottle, a sweet and innocent girl; Roger the Recycling Bin, just an average bloke; Gordie the Green Glass Bottle, the Sergeant Major of the Recycling Rangers; Mike the Paper Milk Carton, a distinguished gent; Alison the Aluminium Can, the starlet of the Recycling Rangers; and our very own Super Hero, 'Steel Can Man'!



An environmental awareness campaign that aims to change people's butt littering habits was conducted in the Bay and Basin area. Waste Management as the applicant and major project partner has received funding from the Butt Littering Trust to raise community awareness about the problems associated with butt litter. Other partners include Jervis Bay Tourism, Huskisson Chamber of Commerce, NSW Rural Fire Service, NSW National Parks and Wildlife Service, Jervis Bay Marine Park and Booderee National Park.

Staff of the waste unit provided information on a variety of topics through informal interviews as part of a Lifestyle Program on a Sunday morning on Radio 2ST. The topics included the Clean Up Australia Day campaign; composting; worm farming; what is recyclable, and where does it go from our yellow bin; emerging waste technologies; and who are the Rid Squad and what have they been up to?



Eight very successful free composting and worm farming workshops were conducted at the West Nowra, Huskisson and Ulladulla Recycling and Waste Depots. The response from the community was overwhelming and the sessions were booked out quickly. Each workshop ran for about 3 hours and participants were able to learn the principles of composting, ask questions and share their knowledge and experience and then participate

in making a compost heap, managing a working worm farm and constructing a no-dig garden.

Waste Services were prominent in the local agricultural shows with a showcase including displays, attitudinal surveys and children's activities. As a special feature, children at the show were invited to take the Murphy "Get it Sorted" Recycling Challenge – an interactive educational game designed to increase understanding of what materials are and are not accepted in the yellow lidded recycling bin. In keeping with the waste minimisation message the game was made from reused cardboard drums and utilised a broad range of packaging items commonly found in the household.



Noxious Weeds

Bitou Bush was treated at Culburra Beach and Sussex Inlet by a combination of aerial spraying and onground works.

Fireweed inspections are focusing on the Kangaroo Valley and southern Shoalhaven areas during the fireweed growth season extending from around April to October. During this period additional inspectors are employed and roadside control for fireweed is undertaken in all areas of the city.

Privet control works were carried out on private property in Kangaroo Valley, Nowra, Bomaderry and Milton.

Throughout the year local programs were undertaken to control Blackberry, African Boxthorn, Pampas Grass, Crofton Weed, Rhus, Giant Parramatta Grass.

Shoalhaven Council is continuing to work with other Councils in the area to develop group projects and to attract the funding for programs to control lantana either directly or through biological control means, Groundsell Bush, Serrated Tussock, St Johns Wort, African Lovegrass, Giant Parramatta Grass, Bitou Bush, aquatic weeds.

Bushcare Groups

Council has continued to support Bushcare Groups to regenerate and protect the natural areas around the villages of Shoalhaven. A Bushcare Volunteer's Policy was developed and adopted to guide Bushcare members in their works and to clarify areas of responsibility.

Contractors were appointed to support Bushcare members through education and training in key areas such as OH&S, weed control techniques, plant and weed identification, site management.

A huge volunteer effort is made each year by over 600 members in 70 different Bushcare groups to assist in the task of regenerating and protecting natural areas throughout the City.

Floodplain Management

Flood studies were completed in 2004/05 for Nowra Creek. The final report for the St Georges Basin Floodplain Management Plan has been received in preparation for public exhibition and adoption by Council. Flood awareness education will be one of the key outcomes of the program.

Flood studies are well advanced and will be completed in 2005/06 for Burrill Lake, Currumbene Creek and Moona Moona Creek, Kangaroo Valley, Berry Floodplain and the Lower Shoalhaven floodplain.

The final draft report has been received for the Lake Conjola Flood Study and is currently under review between Shoalhaven City Council and DIPNR.

Estuary Management

The estuary program has made significant advances in implementation of the actions adopted by Council through its suite of Estuary Management Plans. Recently completed projects include rehabilitation of erosion, foreshore vegetation at John Williams Reserve (St Georges Basin); rehabilitation of acid sulphate soil affected estuarine foreshore at Pats Bay (St Georges Basin) created by poor development standards; and, rehabilitation of foreshore erosion adjacent to the sailing club on the southern bank of the Shoalhaven River and provision of improved amenity for the craft launching. This work is very obvious to those traveling south over the Nowra bridge.

Coastal Management

The principle highlight is finalisation of the brief for the suite of Coastal Hazard Studies to address identified vulnerabilities across the City identified in the prioritisation study commissioned by Council that has underpinned the successful leverage of 360K of grant funds to the Shoalhaven to address this important natural resource management issue. Tendering process commencing Q1 2005/06.

Bushfire Hazard Reduction

Council completed all of the bush fire mitigation activities it is responsible for under the Shoalhaven District Bush Fire Risk Management Plan. Council similarly participated in all Shoalhaven Bush Fire Management Committee meetings and activities to ensure Council is integrated with the activities of all agencies working towards achieving the Bush Fire Risk Management Plan objectives.

230 inspections were undertaken in response to complaints received by the Shoalhaven District RFS. Of this number, 46 related to Council land with 4 sites requiring vegetation management works that have subsequently been completed. Sixteen s66 notices were issued by the RFS on behalf of Council requiring specific bushfire hazard reduction works be undertaken.

Council's Mitigation works focused on Asset Protection Zones (APZs) originally established or re-established following the 2000-2001 Hylands fire. Having satisfied the requirements of the amended legislation in respect to APZs Council is now concentrating of refinements and maintenance in cooperation with NSW Rural Fire Service (RFS) staff. The RFS now have overarching responsibilities for complaint investigation and subsequent direction of Council to undertake specific works when necessary.

Council maintains a Bushfire Hazard Reduction Maintenance Schedule of ninety individual locations which are inspected twice annually and the necessary maintenance carried out. Council's operational activities in respect to fire mitigation consist largely of mechanical clearing and maintenance of previously cleared areas. All bushfire mitigation activities are certified using the Bushfire Environmental Assessment Code (BEAC) and the NSW Rural Fire Service Bushfire Risk Information Management System (BRIMS). BRIMS is the state-wide database developed by the NSW Rural Fire Service whereby all bushfire mitigation activities are reported and monitored.

Council continues to participate in a number of working groups established by the Shoalhaven Bushfire Management Committee including the Asset Protection Zone working group and the Fire Trails working group.



Cleared and mulched Asset Protection Zone at Wrights Beach, St Georges Basin.

Development & Environmental Services

Food Safety Standards

Introduction of the new Food Safety Standards and associated legislation means that Council is now able to issue penalty infringement notices for failure to comply with food safety standards. Environmental Health Officers have received extensive training from the NSW Food Authority in regard to these changes. Environmental Services have undertaken a rigorous inspection program to ensure that all food premises comply with the Food Safety Standards and have already issued 2 PIN's for failure to comply with Food Safety Standards.

Acid Sulphate Soil Project

Council's Acid Sulphate Soil Project is nearing completion, with the preparation of the final report currently under way. This year the laser scanning elevation data has been completed with associated mapping being used to identify where potential acid sulphate soils may occur in the Shoalhaven Floodplain. Results of the soil analysis and elevation mapping will enable prediction of where high risk acid sulphate soil hot spots will occur.

State of Environment Report

Shoalhaven City Council's Comprehensive State of Environment report was the largest report ever completed by Council. The report covered a wide range of indicators that provided information and trends on the condition of Shoalhaven's Environment. The report has been published in hard copy and also on Council's intranet site.

Principal Activity:	2	PROTECTING THE ENVIRONMENT AND PLANNING FOR GROWTH		
Objective:	2.1	A PLANNING FRAMEWORK FOR GROWTH AND CONSERVATION - to protect the natural beauty, built environment and heritage of the area, whilst adopting a balanced approach to growth.		
Strategy:	2.1.1	Develop an integrated set of strategies on a citywide basis to protect the environment and allow for sustainable growth.		
Task	Performance Target & Assessment		Grp. Dir.	Annual Report
1. CONSERVATION STRATEGY				
Continue to identify areas of conservation value in the City and develop recommendations for action through implementation plans eg LEPs, works programs, community or State Govt programs.	Prepare a conservation issues paper as part of the Growth Management Strategy.		PLNG	Council received funding under the State Government's Planning Reform program to prepare a City Wide Growth Management Strategy. The funding of \$150,000 was used to initially engage a consultant to prepare an issues paper relating to settlement and conservation. The issues paper has been completed and is currently being reviewed by Council Staff prior to release for Community comment.
2. SETTLEMENT STRATEGY				
Prepare a settlement strategy which identifies anticipated population growth in the Shoalhaven over the next 20 – 50 years and indicates in broad terms where this is likely to occur. <i>Access & Equity Action Areas: A.5</i> <i>Community Plan Objectives: A32.</i>	Develop a draft settlement issues paper for Council adoption and public comment by end of 2004.		PLNG	Consultants were engaged late in 2004 to undertake the preparation of a settlement strategy for Sussex Inlet and its surrounds. A public meeting and Councillor briefing have been held and a second briefing requested following a Councillor briefing. The consultants have recently been supplied with an up-dated aerial photograph of the relevant part of the study area to review these issues. It is anticipated that a second Councillor briefing will be held in the second week of August, 2005.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
3. GROWTH MANAGEMENT STRATEGY (CITYWIDE STRUCTURE PLAN)			
<p>Compile the major land use elements of Council's plans and strategies into one Citywide Growth Management Strategy and develop a mechanism to keep it updated as new policies are proposed and adopted.</p> <p><i>Access & Equity Action Areas: A.5</i> <i>Community Plan Objectives: A32.</i></p>	<p>Seek funding from the State Government's Strategic Planning Fee to finalise settlement & conservation issues paper, conduct community consultation and develop a draft Shoalhaven Growth Management Strategy.</p>	PLNG	<p>Council received funding under the State Government's Planning Reform program to prepare a City Wide Growth Management Strategy. The funding of \$150,000 was used to initially engage a consultant to prepare an issues paper relating to settlement and conservation. The issues paper has been completed and is currently being reviewed by Council Staff prior to release for Community comment.</p>
4. NOWRA BOMADERRY STRUCTURE PLAN			
<p>Investigate and develop proposals for urban growth, conservation and transport in the area.</p>	<p>Prepare a Structure Plan for adoption by January 2005 and a draft LEP for Council's consideration by March 2005.</p>	PLNG	<p>Draft report presented to Councillor Briefing in April. Amendments requested were made and presented again to Councillors in May. Further changes being made before final draft is reported to Council for consideration prior to public exhibition.</p>
5. ESTUARY MANAGEMENT PLANS (In preparation)			
<p>Work with Estuary Task Force for the Shoalhaven River to investigate and prepare plans for the proper management and protection of the estuary.</p>	<p>Work with the task force to compile the large volume of existing information and data for the Shoalhaven river; identify any knowledge gaps and studies required; review management objectives stemming from recent planning actions such as the healthy rivers</p>	CS	<p>Preparation of an Estuary/Natural Resources Management Plan commenced with data compilation study prepared to inform management planning process and identify significant gaps.</p> <p>The process has been impacted by the new plans for extraction of water from the Shoalhaven River to Sydney water storages.</p> <p>Council is endeavouring to work with DIPNR & SLA to ensure integration with government agencies so that modifications of the flow regime in the lower river are captured by the</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			Estuary/Natural Resources Management Plan. Staff are finding this difficult as DIPNR and SLA are apparently not able to adequately resource a proper involvement with Council in this project.
7. FLOOD DATA INFORMATION AND FORECASTING			
Flood Data: Via the floodplain management program, progressively replace historical flood data with the results of flood studies and provide wider access to that information within Council. Flood Forecasting: Via the floodplain management program, progressively improve the capability for flood forecasting by use of Alert systems.	Database complete by end of December Quarter.	CS	<p>All studies and plans progressing. Milestones across all projects include completion of all survey requirements and construction of hydrologic and hydraulic models and calibration of these models against historical data.</p> <p>The release of the 'Floodplain Development Manual' has triggered a reassessment of the program in light of changes to the manual. Broadly, Council's program will meet the objectives of the manual, however, some refinements to the interim policy may be required to ensure Council is acting commensurate with legislative responsibilities.</p>
10. NOWRA CBD STRATEGY REVIEW			
<p>Review the existing Nowra CBD Strategy (covering the next 15 year period).</p> <p><i>Access & Equity Action Areas: A.5</i> <i>Community Plan Objectives: A31.</i></p>	Review and implement LEP and DCP by end of March quarter 2005.	PLNG	Investigation will be resumed to develop a proper development Model for the CBD in conjunction with a progress of N/B Structure Plan and the draft LEP process.
11. HOUSING STRATEGY			
<p>Review Housing Strategy.</p> <p><i>Access & Equity Action Areas: C.5, D.6, E.5, F.3, H.2</i> <i>Community Plan Objectives: C18, D13, E11, F11, H8.</i></p>	Adopt review by December quarter.	PLNG	Two comprehensive working papers produced to aid in reviewing the Housing Strategies. Draft review of the Housing Strategy now being finalised.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
12. STATE OF ENVIRONMENT REPORTING			
Prepare 2003 Supplementary State of Environment Report (SOE) in accordance with Dept Local Govt guidelines with emphasis on sustainability issues.	Prepare and complete Comprehensive SOE by November, 2004.	DES	Four yearly Comprehensive State of Environment Report completed in November 2004 and Supplementary for 2005 commenced.
15. ESTUARY MANAGEMENT PLANS – IMPLEMENTATION (PLANNING)			
Undertake planning actions previously identified in adopted Estuary Management Plans.	Incorporate relevant actions into any planning instruments prepared for areas covered by adopted Estuary Management Plans.	PLNG	Ongoing implementation of relevant actions from approved Estuary Management Plans considered in strategic planning projects.
16. COASTAL MANAGEMENT PLAN			
Undertake coastal studies and procedures.	Undertake a Coastal Hazard Risk Definition Study and report this to Council by end of June quarter.	CS	Council's strategic approach of moving ahead of the State Government's comprehensive coastal assessment by way of investment in a more detailed local investigation to support proposals into funding streams have been extremely successful in leveraging \$360,000 to undertake Coastal Hazard Studies as required by the State Government. Further, through our studies, Council is advancing a rational method of risk assessment in line with State Government manuals for floodplains as opposed to using only historically recorded events. This approach is now being presented via publication of 'A Rational Approach for Quantifying Coastal Storm Erosion Hazard' by SCC and SMEC (technical consultant) to the 2005 Coasts and Ports Conference. These achievements place SCC at the leading edge of Coastal Hazard investigations.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
17. FACILITIES FOR WOMEN, FAMILIES AND YOUTH IN MAJOR COMMERCIAL DEVELOPMENTS			
<p>Encourage major new commercial and retail development to provide suitable access and facilities for women, families and youth within the development.</p> <p><i>Action & Equity Action Areas: A.5, B.3, F.4, H.2</i></p> <p><i>Community Plan Objectives: A50, B10, F9, H7.</i></p>	Enhanced access and provision of facilities in commercial and retail development through suitable facilities being identified with developers.	DES	Developers encouraged to provide suitable access and facilities for women and youth when designing commercial and retail development within the City.
18. CULTURAL SITES			
<p>Assist in identifying areas or sites of cultural significance.</p> <p><i>Action & Equity Action Areas: G.2.</i></p>	Maintain a database in conjunction with NPWS and add to it through archaeological surveys carried out for various projects.	PLNG	Ongoing process of identifying sites and liaising with Department of Environment & Conservation. Information has been added when available.
20. FLOOD PLAIN STUDIES/PLANS			
Work with Government agencies to ensure completion of Flood Planning Studies and Plans.	Complete Lower Shoalhaven Plan by end of June quarter.	CS	This critical Floodplain Management Plan is nearing completion. The final stage being finalisation of the entrance management policy commensurate with the floodplain management planning.
	Complete Nowra Creek Plan by end of June quarter.	CS	Study complete. Progressing to Risk Management and Management Planning stages of this 3 stage process.
	Complete St Georges Basin Plan by end of June quarter.	CS	Complete. Now progressing to final public exhibition, adoption by Council and public information campaign.
	Complete Burrill Lake Flood Study by June 2005	CS	Study progressing though milestones of complete survey, construction of hydrologic and hydraulic models and calibration of those against historical records. Project 70% complete.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Complete Currambene & Moona Moona Creeks Flood Plan Study by June 2005	CS	Study progressing through milestones of complete survey, construction of hydrologic and hydraulic models and calibration of those against historical records. Project 70% complete.
	Complete Kangaroo Valley/Berry Flood Plain Study by June 2005	CS	Both studies progressing. Necessary additional work stemming from planned modifications to Tallowa Dam and the recent flood in Berry have added work to these projects.
	Commence Flood Plain Study for Lake Conjola by June 2005	CS	Project nearing completion. Integration of Flood Study with Entrance Management Policy a key achievement of this project.
23. WASTE MANAGEMENT - STREET AND PARK LITTER BIN STRATEGY			
Implement the strategy to manage street and park litter bins.	Perform annual audits on 20% of street and park litter bins to assess effectiveness of the strategy.	CS	A comprehensive audit was completed on bins in Berry, Bomaderry, Huskisson, Milton, Nowra, Sanctuary Point, Sussex Inlet, Ulladulla and Vincentia.
24. WASTE MANAGEMENT - IMPLEMENT WASTE STRATEGY STAGE 2			
Implement action items in Council's adopted Stage 2 waste strategy.	Develop an implementation plan for Alternative Waste Processing Techniques and report to Council by December 2004.	CS	An Alternative Waste Processing Techniques working group was formed and has visited sites at Woodlawn and Eastern Creek, and the Bedminster and Remondis processing plants.
	Progressively implement improvements to recover additional waste materials at transfer depots.	CS	Improvements were implemented and an average recovery of 1.6t/day at Ulladulla and 3.0t/day at Huskisson was achieved. This is equivalent to 10.1% and 26.0% recovery at each depot.
	Develop procedures to assess effectiveness of waste minimisation advice given to small and medium sized commercial operations.	CS	After completion of the project an advertising campaign was commenced to get operators to take up an additional recycling bin. 27 additional bins have been ordered to date.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
25. NSW PLANNING REFORM PROCESS			
Prepare a Planning Reform Implementation Strategy <i>Action & Equity Action Areas: A.5.</i>	Seek confirmation from State Government on outcomes of PlanFIRST review. Reconsider following preparation of City Wide Growth Management Strategy.	PLNG	Council Staff have continued to monitor the components of the State Government's Planning Reforms that are relevant to the City. Where relevant, staff have attended workshops/information sessions on emerging legislation and reported matters to Council for their information. Council has also provided formal submissions to the State Government on aspects of the reforms.
26. ESTUARY TASK FORCE – ULLADULLA HARBOUR			
Work with Estuary Task Force for Ulladulla Harbour to investigate and prepare plans for the proper management and protection of the Harbour and Millards Creek.	Work with the Task Force and others to compile existing data for Ulladulla Harbour prior to developing the draft management plan by the end of June quarter.	CS	Plan progressing to completion. However, priority actions considered by community based Natural Resources Committees being achieved such as weed control in Millards Creek and rehabilitation of a small section of foreshore near the road bridge.
27. ESTUARY MANAGEMENT PLANS			
Move focus from planning to implementation of completed estuary management plans.	Funding applied for and received to implement actions.	CS	Shoalhaven River: Completion of data compilation study and progression to management plan development. Completion of Nowra Sailing Club project: erosion remediation / access construction. Submission of DA for Greenwell Point Erosion. Remediation: tender of Precinct 2 works commenced. Catchment Stormwater review commenced.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>Curarong Creek:</p> <p>Entrance management Policy draft completed.</p> <p>Review of beach erosion study completed.</p> <p>Catchment Stormwater review commenced.</p> <p>Swan Lake:</p> <p>Lake Education signage design completed.</p> <p>Foreshore Reserve rehabilitation designs completed and under review.</p> <p>St Georges Basin:</p> <p>John Williams reserve project completed.</p> <p>Pats Bay foreshore rehabilitation completed.</p> <p>Catchment Stormwater review commenced.</p> <p>Lake Conjola:</p> <p>Dune Stabilisation project completed.</p> <p>Lake Education signage design completed and under review.</p> <p>Foreshore Reserve rehabilitation designs completed and stage 1 under contract.</p> <p>Catchment Stormwater review commenced.</p> <p>Narrawallee Inlet:</p> <p>Foreshore Erosion project approval received and contracted for September 2005 stage 1 construction.</p> <p>Catchment Stormwater review commenced.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>Ulladulla Harbour:</p> <p>Foreshore erosion remediation project approval received and contracted for August 2005 construction</p> <p>Millards creek site assessment completed.</p> <p>Catchment Stormwater review commenced.</p> <p>Burrill Lake:</p> <p>Education signage project complete.</p> <p>Lion Park project contracted and approvals pending.</p> <p>Foreshore Reserve rehabilitation designs completed and under review.</p> <p>Catchment Stormwater review commenced.</p> <p>Tabourie Lake:</p> <p>Draft Entrance Management Policy under review.</p> <p>Erosion project development consent granted, contracting in process.</p> <p>Foreshore Reserve rehabilitation designs completed and under review.</p> <p>Catchment Stormwater review commenced.</p>
	Integration of flooding/drainage/stormwater and bushcare items into business papers for consideration of committees/task forces.	CS	<p>Process continuing.</p> <p>Integration of interrelated areas of flooding, drainage, stormwater, vegetation management and erosion control.</p>
28. PLANNING TASK PRIORITY LISTING			
Progress project listing as determined by Council.	Complete individual projects by nominated quarters.	PLNG	Planning Projects being dealt with in accordance with Planning Task Priority Listing.

Principal Activity: 2		PROTECTING THE ENVIRONMENT AND PLANNING FOR GROWTH	
Objective:	2.2	ENVIRONMENTAL QUALITY - to maintain and improve the high quality of our natural assets (eg waterways, air).	
Strategy:	2.2.1	Work with the community and government agencies to refine and develop Council's environmental monitoring system.	
Task	Performance Target & Assessment		Grp. Dir. Annual Report
3. WATERWAYS			
Regularly monitor waterways within each of the 22 catchments against agreed standards and address problem areas as they arise.	Continue to monitor the condition of waterways and revise schedule as necessary to incorporate new indicators from trial projects.		DES Council's waterway monitoring program continued with each site being tested for various pollution parameters. Approximately 2,500 samples were taken between 2004-05 and approximately 15,000 tests were performed.
4. ON-SITE SEWAGE MANAGEMENT			
Implement Onsite Sewage Strategy and integrate this with Council’s other environmental and catchment management strategies and monitoring activities.	Carry out 2000 inspections of on-site Sewage Management Facilities.		DES A total of 1861 Sewage Management Facility inspections were carried out this year, slightly below the target of 2000.
6. DEVELOPMENT OF INDICATORS			
Identify indicators that can be monitored to indicate the progress towards sustainability and measure Council’s impact on the Environment for SOE reporting.	Continue identification and measurement of indicators to measure Council’s impact on the Environment and the impact of built environment by June quarter for 2004/05 Supplementary State of Environment Report.		DES Indicator reviews will be undertaken as part of the State of Environment Report.

Principal Activity: 2		PROTECTING THE ENVIRONMENT AND PLANNING FOR GROWTH	
Objective: 2.2		ENVIRONMENTAL QUALITY - to maintain and improve the high quality of our natural assets (eg waterways, air).	
Strategy: 2.2.2		Undertake and encourage the restoration and protection of our environment.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. BUSHCARE GROUPS			
Support groups to regenerate and protect the natural areas around the villages of Shoalhaven. <i>Action & Equity Action Areas: A.4.</i>	Policy developed and on-ground plans prepared for each site. .	CS	Policy complete and implementation commenced and ongoing.
	Education/training needs of groups met and groups' miscellaneous needs serviced.	CS	Additional training opportunities being provided as the programs success exceeds the Coordinator's ability to service all Groups needs.
5. NOXIOUS WEEDS PROGRAMS			
Implement inspection and control programs.	Develop and implement Local programs consistent with grant funding allocations and conditions and Regional Weeds Management Plans.	CS	Control of Privet implemented. Local programs developed for Blackberry, African Boxthorn, Pampas Grass, Crofton Weed, Rhus, Privet, Giant Parramatta Grass. Aerial spraying of Bitou Bush and on ground works carried out at Culburra Beach and Sussex Inlet. Fireweed inspections commenced in Kangaroo Valley and southern Shoalhaven. Roadside control for Fireweed commenced in all areas. Privet control carried out on private property in Kangaroo Valley, Nowra, Bomaderry, Milton.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	All Noxious Weed Grant Funding applications to be submitted by 1st May 2005	CS	Noxious Weed Grant funding application successful. Continuing Group project funding applications submitted for Lantana, Lantana biological control, Groundsell Bush, Serrated Tussock, St John's Wort, African Love Grass, Giant Parramatta Grass, Bitou Bush, Aquatic Weeds. New applications submitted for Fireweed and Blackberry. Coordination grant lodged requesting additional \$19,000 for Lantana inspections 2005/06.
	Annual report to NSW Agriculture showing compliance with grant conditions and Regional Plans by 30th September 2004.	CS	Coordination assistance expenditure report submitted. Group Project grant expenditure reports submitted for Aquatic weeds, Bitou Bush, Groundsell Bush, African Lovegrass, Serrated Tussock, Lantana, Broom, Gorse, Fireweed, and Giant Parramatta Grass. Next report due in September 2005.
8. DEVELOPMENT SITES			
Maintain awareness of erosion and sedimentation issues on development sites.	Number of Information Leaflets sent out each quarter. Number of on-site discussions with Developers on this issue.	DES	2701 Information Leaflets sent out this quarter. Discussions occur on a needs as basis on building sites to ensure maintenance of the required erosion and sedimentation control devices.
9. ACID SULPHATE SOIL REMEDIATION			
Facilitate research remediation in Broughton Creek Floodplain.	Continue research on acid sulfate soils in Broughton Creek in association with Wollongong University, EPA, Department of Sustainable Natural Resources and Dept Ag.	DES	Project is being finalised after completion of laser scanning elevation data and soil testing results.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
10. CAULERPA TAXIFOLIA			
Work with Government agencies to prevent the spread of Caulerpa Taxifolia.	Provide in-kind support to NSW Fisheries and other agencies.	CS	Additional training opportunities being provided as the programs sources exceeds the Coordinator's ability to service all Groups needs.
	Pursue avenues to assist NSW Fisheries' capability to prevent the spread of Caulerpa taxifolia.	CS	Council maintains an open offer to assist NSW Fisheries in Caulerpa Control.

Principal Activity:	2	PROTECTING THE ENVIRONMENT AND PLANNING FOR GROWTH	
Objective:	2.3	EMERGENCY MANAGEMENT - to relieve the impact of natural disasters (eg floods and bush fires).	
Strategy:	2.3.1	Develop and maintain a high level of expertise and good facilities for all disaster response agencies.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. SES PLAN			
Implement State Emergency Services Strategic Development Plan in accordance with the Budget.	Provide technical assistance to SES to achieve their targets.	CS	Liaison throughout the year with Local and Regional Controller of SES. Headquarter extensions are complete. Technical support has been given via flood studies and budget allocation. Meetings were held re Tsunami threat and combat agency role.
2. SHOALHAVEN RURAL FIRE SERVICE STRATEGIC PLAN			
Assist the Rural Fire Service (RFS) by providing access to Council's resources in compliance with the Service Level Agreement. <i>Action & Equity Action Areas: A.4.</i>	Workshop, Communications and Financial Support are the key Service Level Agreement items.	CS	Delivery in compliance with the existing Service Level Agreement continues. New Service Level Agreement is being prepared.
	Provide a corporate link to RFS volunteers in order to be aware of issues facing Shoalhaven volunteers	CS	Corporate link to RFS volunteers maintained and access to Council records and systems available.
	Meet with Volunteers through the Strategic Reference Group and respond to issues.	CS	Meetings held throughout the year with Strategic Planning Committee.
3. DEVELOPMENT IN BUSH FIRE PRONE AREAS			
Develop and maintain fuel management strategies for Council managed land for the high risk areas identified in the Bush Fire Risk Management Plan that are Council-managed lands.	Review maintenance requirement for Asset Protection Zones and put in place a maintenance regime.	CS	Asset Protection Zones established for high priority areas and maintenance regimes integrated with SCC operations. Occasional additional works required under instruction from RFS.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Complete specific asset protection zones for high priority areas of Council-managed lands by end of December quarter.	CS	Asset Protection Zones established for high priority areas and maintenance regimes integrated into SCC operations. Occasional additional works required under instruction from RFS.
4. SHOALHAVEN BUSH FIRE MANAGEMENT COMMITTEE			
Assist with the facilitation and functioning of the Bush Fire Management Committee.	Attendance at all Bush Fire Management Committee and Sub-Committee meetings.	CS	Council attends all meetings to ensure facilitation and functioning of Bush Fire Management Committee.
6. LOCAL EMERGENCY MANAGEMENT			
Coordinate arrangements for the preparation, response to and recovery from emergencies within the Shoalhaven area. Access & Equity Action Areas: A.3	Chair and provide support to the Local Emergency Management Committee, coordinate regular reviews of the DISPLAN and supporting plans and provide support under DISPLAN arrangements during an emergency.	CS	Regular reviews of DISPLAN. SLEMC held a training camp in September 2004, a presentation was given to Southern Tablelands District Emergency Management Committee. An Emergency Risk Management consultant was appointed under grant funding.
	Hold regular LEMC meetings (minimum 3 per year).	CS	Regular meetings were held throughout the year.
	Review DISPLAN and supporting plans annually.	CS	Review of DISPLAN complete. Review complete of Emergency Risk Management.
	Provide support during emergencies as per DISPLAN arrangements.	CS	There were no emergencies (DISPLAN definition) with the City throughout the year.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Provide community education in accordance with budget allowances.	CS	A flood education strategy including a study into the feasibility of a demountable physical flood model for the education of school children has been produced under the banner of FloodSmart, which was jointly funded by SCC and Emergency Management Australia. A very successful series of composting, worm farming and no-dig garden workshops were held. Two staff members attended training in Emergency Risk Management protocols.

Principal Activity 3: Promoting & Developing the Local Economy

Scope of the Activity

This includes services provided by Council to promote, develop and foster the retention and growth of sustainable economic development in the area.

Strategic issues

The Shoalhaven is a significant regional business and industrial centre.

Over the past 20 years Council has been active in encouraging new businesses and industries to the area. Many are attracted by the lifestyle change as well as lower operating overheads for their enterprises. Key improvements to regional infrastructure are required to remain economically competitive and attractive – such as transport improvements, tertiary education facilities and improved telecommunications to handle e-commerce requirements.

Shoalhaven will continue to have above average levels of unemployment because of its proximity to the major metropolitan areas and the structural readjustment of a rapidly growing population. Council will actively stimulate the economy to create employment at a rate equivalent to the population increase.

Tourism – After Sydney, the Shoalhaven is the most visited area in NSW with 2.8 million visitors and a direct expenditure of \$250 million in 1997/8. Council has a highly effective Tourism Department which encourages tourists to the area and provides information and other services through two visitor centres at Nowra and Ulladulla. Excellent accommodation is available in caravan parks, bed and breakfast establishments and up to 4.5 AAA Tourism star rated motels and guest houses.

Proposed Responses

Council has played a decisive role with other agencies to foster the following regional infrastructure:

The construction of Main Road 92 (the Shoalhaven Highway) from Nowra to Nerriga and establishment of the Shoalhaven Education Campus for Wollongong University and the Illawarra Institute of Technology (further information on these is given under Principal Activity 4 – Improving Community Facilities and Services).

Council will continue to provide advice and support to encourage sustainable economic development to the area and to increase job opportunities. Council will also work closely with the Tourism Board to develop and diversify tourism accommodation and facilities through implementation of the Shoalhaven Tourism Master Plan.

Significant initiatives are outlined in the following pages.

Highlights for 2004/05

Planning Group

Gazettal of LEP Amendment No. 215 – The amendment rezones land from Residential 2(b2) to part Business 3(b) (transitional) and part Special Uses 5(d) (arterial road widening) under Shoalhaven LEP 1985. The rezoning provides for the redevelopment of the site consistent with the Nowra CBD Strategy and also the future East Nowra Sub – arterial road link.

City Services Group

Educational developments – During the year two significant announcements were made to compliment tertiary education offerings within the Shoalhaven. The Shoalhaven Marine and Freshwater Centre, a research and demonstration marine science farm, will be established at the Shoalhaven Campus of the University of Wollongong. This centre will not only benefit the Shoalhaven, it will also assist the growth of the aquaculture industry along the South Coast.

During the year the Federal Government also announced that the University of Wollongong will establish a medical school, with part of its program to be delivered out of the Shoalhaven Campus of the University. Both of these initiatives are major steps forward in expanding the education industry within the Shoalhaven economy.

'Operation Seachange' – Formally launched on 8th July 2004, the 'Operation Seachange' project now provides a valuable resource in understanding what attracts younger professionals to the Shoalhaven. A dedicated website (www.shoalhavenseachange.com.au) has been established to host profiles of nine younger professionals who recently relocated to the Shoalhaven, which can be downloaded in PDF format. It is anticipated that these profiles will be utilised by industry seeking to recruit professionally qualified staff to the area, but will also be relevant to anyone considering relocation to the Shoalhaven. In September 2004 a presentation outlining Council's conduct of the project was also given to the annual conference of the Australia and New Zealand Regional Science Association International in Wollongong, where it was well received.



Delegation to China – During October 2004 a small delegation led by the Deputy Mayor, Councillor John Anderson, travelled to Fujian International Friendship Cities Conference held in Fuzhou, China. Twenty-nine cities with over 250 delegates attended the conference. The Deputy Mayor made a presentation based on cultural and economic exchange. The Economic Development Manager then proceeded on to Jiamusi in the north of China, with representatives of the Shoalhaven dairy industry, to assist local government with the development of a provincial dairy industry.



Benefits from the establishment of a dairy industry in Jiamusi are anticipated to flow on to the Shoalhaven, given that the Chinese farmers embrace the Australian dairy farming philosophy and seek to genetically improve their herd through local progeny.

Australian International Airshow – During March 2005 staff from Council's Economic Development Office participated in a joint Shoalhaven Areospace Technology stand at the Australian International Airshow 2005. The purpose of this joint stand was to exhibit the diversity and expertise of current defence related enterprises within the region, and to highlight the Albatross Aviation Technology Park as a future destination for other aviation or defence related enterprises. Financial support for the display was provided by the Illawarra Regional Development Board.



Held every two years at Avalon (near Geelong in Victoria), the Airshow is a prestigious event internationally renowned for showcasing the latest technological developments within the aerospace industry. For Shoalhaven industries, participation in the Airshow provides the opportunity to showcase the region to both a national and international audience, with the aim of generating further trade and investment opportunities.



This year Shoalhaven City Council participated in a collective exhibition with the Illawarra Regional Development Board, three locally based defence industries (Global Defence Solutions; Partech Systems; and Serco Sodexho Defence Services), and Navy Aviation Systems Program Office based at HMAS Albatross. Feedback from visitors to the stand confirmed that Shoalhaven defence industries are now achieving recognition for their contribution to aviation/defence from many of the larger corporations within the sector.

Re-Engineering Australia - In late 2004 Shoalhaven City Council formed a partnership with the Re-Engineering Australia Forum to bring the Schools Innovation Design Challenge (SIDC) initiative to the Shoalhaven. Essentially the SIDC program seeks to develop key relationships between industry, educators and youth, within the discipline of engineering. In doing so this program not only educates students and their educators on local opportunities within the engineering discipline available to them, it facilitates engagement with local industry prior to their entry into the workforce.



In May 2004 teachers and select students from five local high schools completed a five day training session. Students from years seven to twelve were given access to state of the art 3D CATIA v5 design software currently being used by formula one racing teams and companies such as Boeing; a fully automated CNC router; wind and smoke testing tunnel; and a twenty metre twin lane computerised race track. These facilities enable students to design their own race cars, analyse and calculate component performance, watch their cars being manufactured automatically, conduct wind tunnel and smoke testing, and then compete in a regional championship. Winning teams will at a later stage, have the opportunity to attend state, national and perhaps even international finals if successful.

The Shoalhaven SIDC program is being sponsored locally by Ganderton Civil, Tyco Flow Control, the Todd Group of Companies, Telstra Countrywide and Shoalhaven City Council. The extremely positive response to this program from sponsors, students and their teachers has resulted in arrangements now being made for an official launch of this program within the Shoalhaven.

Innovation Showcase - During the week 2nd-6th May Council assisted the Illawarra Regional Development Board with their Illawarra Innovation Showcase, held at the Illawarra Regional Airport. This event provided an opportunity for local industries to showcase innovative products and practices developed locally within the Shoalhaven, as part of a broader National Innovation Week initiative. Representing the Shoalhaven at this event was a Super Seasprite helicopter and crew from 805 Squadron, HMAS Albatross which attracted a great deal of media attention.

As part of the Illawarra Showcase, Shoalhaven City Council also hosted a breakfast to showcase three local enterprises engaged in manufacturing innovative products or developing innovative practices to alter consumer attitudes. This breakfast marked the official launch of the Shoalhaven City Innovation Showcase Program, and was well attended by representatives of both government and industry. Speakers at the breakfast included Tony and Charlie Emery from Soilco; John Gould from Shoalhaven Water; and Peter Terleckyj from Centaweb who detailed their success in engaging in innovative and environmentally responsible business ventures.



Industrial land development and sales – Throughout the year Shoalhaven City Council continued its activities to investigate opportunities for development and later sale of further industrial sites within the Shoalhaven. The vibrancy of the Shoalhaven economy was further recognised during the year with Shoalhaven City Council proceeding to develop industrial sites at Albatross Aviation Technology Park, Woollamia and Flinders Industrial Estates. Land sales secured throughout the year from these estates totalled \$3.65million, fully funding current and future expansion plans for these three key estates.

Commercial Operations Group

Tourism

- Shoalhaven Tourism Marketing Plan was assessed and all 223 key performance indicators determined as actioned.
- In conjunction with Tourism New South Wales and South Coast Regional Tourism Organisation Inc implemented a \$500,000 Capital City TV campaign
- Council launched the 2005 Visitors Guide
- In conjunction with the South Coast Regional Tourism Organisation Inc implemented a \$120,000 regional TV campaign promoting the South Coast as an attractive tourism destination.
- On 22 November 2004 Council launched the new On-line, Real Time Accommodation and Reservations system – www.shoalhavenholidays.com.au. Reaction to this initiative has been very positive with on-line bookings commencing from "Day 1" and it has continued with turnover being approximately \$10,000 per month.
- Ran a Shoalhaven print campaign which, when the combined circulations were added together, secured over 10 million exposures for the Shoalhaven.
- Released a Tourism Impact Statement which showed that direct expenditure by tourists exceeds \$647 million per annum.
- Released a new Product Manual for the Sydney Melbourne Coastal Drive

- Sunday Telegraph (Circulation 725,000) released statistics from Tourism Australia showing that the Shoalhaven is the second most visited Local Government area in New South Wales behind Sydney.

Principal Activity:	3	PROMOTING AND DEVELOPING THE LOCAL ECONOMY	
Objective:	3.1	ECONOMIC OPPORTUNITIES - to promote, strengthen and diversify the area's economic base.	
Strategy:	3.1.1	Actively encourage sustainable employment generation and help strive for a stronger and more diversified economic base for the Shoalhaven.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. ECONOMIC PROMOTION			
Continue to actively promote and market the Shoalhaven as a vibrant regional business/industrial centre, where a relaxed lifestyle and protection of the environment are important in attracting new employment generators to the area. <i>Access & Equity Action Areas: J.2.</i>	Identify and target businesses in each quarter through personal visits, trade shows, etc.	CS	New contacts for year: 110 Business visitations for year: 5 Promotions undertaken during the year: Official launch of 'Operation Seachange' website and profiles Official launch of Shoalhaven Marine & Freshwater Centre Official launch of University of Wollongong Medical School Official launch of 'Shoalhaven - An Enterprising Alternative' Economic Development Strategy Exhibited at Australian International Airshow Avalon 2005 Participation in Illawarra Innovation Showcase Hosted Shoalhaven Innovation Showcase
4. EMPLOYMENT PROGRAMS FOR THE UNEMPLOYED			
Actively participate in programs to assist the unemployed in to the work force where this is both feasible and reasonable. <i>Access & Equity Action Areas: G.3, J.2.</i> <i>Community Plan Objectives: G11</i>	Identify and assess schemes for Council's involvement and participate where appropriate.	GMHR	Strategies developed for stakeholder consultation will enable more opportunity for Council participation in employment programs.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
5. FOSTER PROFESSIONAL DEVELOPMENT FOR EXISTING BUSINESSES			
Provide support to the existing Shoalhaven business sector.	Arrange collaborative networking between business operators – At least 4 such meetings each quarter.	CS	Hosted various business and professional networks during each quarter, including: Shoalhaven Consultants Network Shoalhaven Quality Breakfast South Coast Defence Network Shoalhaven Economic Development Practitioners Shoalhaven Business Forum Small Business Forum Network functions throughout the year attracted in excess of 230 attendees.
6. ENCOURAGE HOME BASED BUSINESS ACTIVITY			
Investigate and develop land use policies which will encourage home based business activity where compatible with the residential environment.	To be incorporated in Nowra Bomaderry draft LEP & other amending LEP where appropriate.	PLNG	To be incorporated into Nowra Bomaderry draft LEP.
7. ACTIVELY PARTICIPATE IN REGIONAL ORGANISATIONS			
Actively work with SCG (Southern Councils Group), IRDB (Illawarra Region Development Board), SEATS (South East Australian Transport Strategy) and others, to ensure Shoalhaven is part of any “Regional” growth initiatives.	Council is represented at 100% of meetings.	CS	Actively participated in regional organisations throughout the year to ensure the Shoalhaven remains a part of regional funding and growth initiatives. Council represented at meetings of: - SEATS - PHocus Taskforce for upgrading of Princes Highway - Main Road 92 - Steering Committee

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<ul style="list-style-type: none"> - South Coast Employment Lands Audit - Illawarra Regional Development Board - Re-engineering Australia Schools Innovation Design Challenge - Southern Councils Group Economic Development Practitioners.
10. ABORIGINAL BUSINESS SKILLS			
<p>Aim to increase Aboriginal and Torres Strait Islander representation in Local Government.</p> <p><i>Access & Equity Action Areas: G.3.</i></p>	Identify and assess schemes for Council's involvement and participate where appropriate for people in these target groups.	GMHR	Council's Indigenous Cadet graduated from the University of Wollongong June 2005. Strategies developed to increase target group awareness of Cadetship opportunities in Council.
13. ACCESS TO SERVICES AND INFORMATION			
<p>Continue to provide relevant information and resources to assist unemployed people in job searching, self-education and recreational materials.</p> <p><i>Access & Equity Action Areas: J.1.</i></p>	Provision of PC's for developing job applications.	CO	* The Library continues to provide relevant information and resources to assist unemployed people with the provision of 17 PCs for developing job applications, searching for jobs and for self education. Appropriate materials are also available to enable unemployed people to enhance their skills through self education. These materials and available technology can be used within the library if the user is not a library member.
	Provision of newspapers and other relevant materials.	CO	* Local, Regional and National newspapers are provided in hard copy for job seekers and others. Online newspapers are also available through the Reference staff. Other appropriate materials for lifelong learning are also available as are a wide and varied range of recreational materials in many formats.

Principal Activity: 3		PROMOTING AND DEVELOPING THE LOCAL ECONOMY	
Objective: 3.1		ECONOMIC OPPORTUNITIES - to promote, strengthen and diversify the area's economic base.	
Strategy: 3.1.2		Identify and foster the provision of essential infrastructure to boost the Shoalhaven's economic competitiveness.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. IDENTIFY INFRASTRUCTURE NEEDS			
Review and prioritise infrastructure needs which will increase our competitive edge over other regional centres.	Provide as needed reports to the Industrial Development & Employment Committee meeting on Infrastructure of Strategic Importance.	CS	<p>Reports provided to the Industrial Development and Employment Committee on issues of strategic significance, including:</p> <ul style="list-style-type: none"> - Upgrading of the Princes Highway - Integral Energy electricity outage December 2004 - Establishment of Shoalhaven Marine & Freshwater Centre: Shoalhaven Campus - Establishment of University of Wollongong Medical School: Shoalhaven Campus - Establishment of Australian Technical College - Establishment of a correctional facility - Review of Shoalhaven dairy industry - Cadetship and apprentice programs within Council - Council's delegation to China - Development of a stakeholder based economic development strategy for the Shoalhaven - Use of ethanol in fuel - Changes to Workcover legislation

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<ul style="list-style-type: none"> - NSW Department of State & Regional Development home-based business action program - Shoalhaven Aerospace Industry exhibition at Avalon International Airshow 2005. <p>Submissions prepared and lodged with Australian Parliament Rural & Regional Affairs & Transport Legislation Committee on:</p> <ul style="list-style-type: none"> - Auslink (proposal for a national land transport plan) - Parliamentary inquiry into Integration of Regional Rail & Road Freight Transport and their Interface with Ports.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. MAIN ROAD 92 (Shoalhaven Highway)			
Continue to work with the State and Federal Governments to construct MR 92 including injection of funds to accelerate the process.	Assist the RTA to secure necessary approvals and construct the section from Hames Road to Nerriga.	CS	<p>Council participated throughout the year on the Main Road 92 Steering Committee to encourage State Government approval of project.</p> <p>Council also continued to provide support to RTA Project Manager in terms of survey resources and assistance with progressing detailed design.</p> <p>Project approval granted for Main Road 92 by Minister Knowles during fourth quarter. Application now proceeding to Federal Government for consideration and approval.</p> <p>RTA looking to commence construction for 24 km stretch of Main Road 92 (from Hames Road) during second quarter of 2005-06 financial year.</p>
	Further develop the options for upgrading of the route west of Nerriga to the Hume and Federal Highways	CS	<p>Council has continued to support the RTA Project Manager and assist with planning approval. DIPNR approval has been achieved with the National Park boundary adjustments approved by State Parliament.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. EXPAND ROLE OF DEFENCE			
Implement the Shoalhaven Defence Strategy in a staged manner.	Maintain the effective operation of the South Coast Defence Network.	CS	<p>Coordination of South Coast Defence Network events continued throughout the year, including:</p> <ul style="list-style-type: none"> - A regional briefing in Shellharbour - A luncheon meeting between local defence industries and Fran Bailey - A network function in Nowra. <p>Council also coordinated and participated in a collective showcase of Shoalhaven defence industries (Shoalhaven Aerospace Technology Exhibition) at the Australian International Airshow Avalon 2005.</p>
5. INDUSTRIALLY ZONED LAND			
Ensure that there is an adequate supply of land zoned for industrial & commercial use throughout the Shoalhaven to meet projected demand.	Structure plans and Local Environmental Plans to identify suitable areas for industrial land ahead of market requirements.	PLNG	To be incorporated into Nowra Bomaderry draft LEP.
6. JERVIS BAY BOATHARBOUR			
Continue to work with the State and Federal Governments to facilitate and fund a Boat harbour within Jervis Bay.	Keep Boat harbour project within Jervis Bay before the government, industry and investment community.	CS	Despite further progress of the establishment of a boat harbour in Jervis Bay being limited throughout the year, attention continues to be drawn to this project by Council, amongst representatives of government, industry and the investment community.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
7. AQUACULTURE			
Continue to pressure and work with the State Government to develop an aquaculture industry within the Shoalhaven.	Have NSW Fisheries complete an Aquaculture Plan of Management for Shoalhaven Waterways.	CS	Throughout the year Council continued to pursue further development and investment in new and expanded aquaculture enterprises within the Shoalhaven. An application for funding to undertake studies associated with designated aquaculture activities within Jervis Bay was lodged with the Department of Transport & Regional Services during the last quarter.
	Develop and establish a South Coast Aquaculture Network.	CS	<p>An application for grant funding to establish a South Coast Aquaculture Network was prepared and lodged with the Department of Transport & Regional Services (DoTaRS) during the year. The objective of this project was to encourage investment in a Shoalhaven aquaculture industry.</p> <p>The application was unsuccessful and an alternative joint project for designated aquaculture activities within Jervis Bay has now been prepared and lodged for consideration by DoTaRS.</p>
8. INDUSTRIAL LAND AVAILABILITY			
Ensure that there is an adequate supply of land for industrial use throughout the Shoalhaven to meet projected demand.	Council maintains a portfolio of serviced industrial land ready for sale in each of the key industrial locations, where this is shown to be economic.	CS	<p>Flinders Industrial Estate Stages 6 & 7 were released and sold. Works at Woollamia commenced to create a further 13 lots.</p> <p>Total number of contracts exchanged during the year: 9</p> <p>Total number of contracts settled during the year: 13</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
9. REGIONAL ROAD INFRASTRUCTURE			
Review future regional road infrastructure needs for northern sector of City.	Develop 10 Year Implementation Program by end of December.	CS	Staff have given priority to the Nowra Bomaderry Structure Plan. Given delays in production of the input data, it is currently envisaged that this task may not be completed until the end of next financial year.

Principal Activity: 3		PROMOTING AND DEVELOPING THE LOCAL ECONOMY	
Objective: 3.1		ECONOMIC OPPORTUNITIES - to promote, strengthen and diversify the area's economic base.	
Strategy: 3.1.3		Actively promote tourism and the establishment of a broader range of tourism opportunities.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. REVIEW TOURISM MASTER PLAN			
Review the recommendations and strategies contained within the Tourism Master Plan and determine key priorities for implementation.	Revise the list of actions and priorities in conjunction with the Shoalhaven Tourism Board for ratification by Council by end of September quarter.	CO	<p>During 2004-2005 the tourism highlights were:</p> <ul style="list-style-type: none"> * In conjunction with South Coast Regional Tourism Organisation and Tourism New South Wales implemented a \$500,000 Capital City TV Campaign. * In conjunction with South Coast Regional Tourism Organisation implemented a \$120,000 Regional TV Campaign. * Implemented a Shoalhaven print marketing program worth over \$250,000 for which the Shoalhaven was featured over 10 million times. * Exhibited the Shoalhaven at 8 major Tourism or Caravan and Camping Consumer Shows. * Launched the On-Line Real Time Accommodation and Attraction Booking Service - www.shoalhavenholidays.com.au. * The Shoalhaven won 11 of the 22 categories in the South Coast Awards for Excellence in Tourism. * Tourism Economic Impact on the City of Shoalhaven - report released showing that direct expenditure by tourists is \$647 million per annum.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. IMPLEMENT TOURISM MASTER PLAN RECOMMENDATIONS			
From the prioritised list of actions begin implementation within the budget and other resources made available.	Review implementation of 223 key performance indicators in the Tourism Master Plan at end of December and June quarters.	CO	* The Shoalhaven Tourism Master Plan was originally accepted by Shoalhaven City Council on 2 July, 1996. It contained 223 key performance indicators. These have all been addressed and the Plan is now considered to be dated. The Shoalhaven Tourism Board has resolved to prepare a three year rolling plan.
3. TOURIST PROMOTION			
Continue to widely promote the Shoalhaven as one of the premier holiday locations in the State.	Produce and distribute informative, clear and good quality promotional material as hand-outs for the public, media and using the Internet.	CO	* The Shoalhaven continued its aggressive marketing campaigns throughout 2004/2005 and as part of that released a new format Visitors Guide. * An additional marketing tool was the launch of the on-line real time accommodation and attraction reservation service. www.shoalhavenholidays.com.au
	Attend and promote at a minimum of 6 Consumer Shows, etc in potential market areas.	CO	* The Shoalhaven continued its point of sale promotions with attendance at 8 major consumer shows during 2004/2005.
	Implement annual action plan by end of December quarter.	CO	The Economic Impact of Tourism to the Shoalhaven, for the calendar year 2003, was assessed as \$647,000,000 direct expenditure.

Principal Activity 4: Improving Community Facilities & Services

Scope of the Activity

This "Community" Principal Activity area covers transport, recreation, education, cultural development, health and amenity, public safety and the maintenance, replacement and provision of a range of community assets.

Strategic issues

Transport is a major issue for Shoalhaven both economically and socially. Improvements to transport links with Sydney and Canberra will encourage investment and employment to the area. Our large area, dispersed settlement pattern and lack of comprehensive public transport means that we currently have to rely heavily on private transport to meet internal transport needs. However, many of our residents do not have their own transport.

Over the past 15 – 20 years Shoalhaven has had one of the consistently highest population growth rates in NSW. This coupled with the issues mentioned, places strong demands on Council to meet the community needs of a growing population, where its income base in pro rata terms is not big. Council manages over a billion dollars worth of community assets such as roads, bridges, drainage, which also places demands on limited funds for maintenance and repair.

Proposed Responses

Council cannot address these issues alone and works closely with other governments and agencies on issues. Council is developing or reviewing a number of strategies to better address the issues. This entails a significant workload in managing community assets. Council has recently adopted a strategy of purchaser/provider split of responsibilities for such work to ensure a high level of infrastructure planning and efficient service provision.

The tasks to address these issues are outlined in the following pages.

Highlights for 2004/05

Planning

- NSW Coastline Cycleway - Funding has been obtained from DIPNR's Coastline Cycleway Funding Program to complete the cycleway through Voyager and White Sands Parks at Huskisson, to construct a cycleway across the foreshore frontage of White Sands Tourist Park at Huskisson and complete the missing section of cycleway and cyclist/pedestrian bridge on the St Georges Basin to Basin View Cycleway. It is envisaged that these projects will be completed during 2005/2005.
- Gazettal of LEP Amendment No 216 - The amendment provides for the use of the subject land as a medical centre, via an allowance clause in Schedule 9 of Shoalhaven LEP 1985.
- Section 94 Contribution Plan – The major review of the Section 94 Contributions Plan continues. The Community Facilities and Passive Open Space components of the Plan have been adopted and become effective.

For Car Parking, a draft amendment has been prepared and will be the subject of a Councillor briefing in August.

Work on Roads projects for the remaining planning areas is under way.

The Active Recreation component of the Plan is approaching practical completion, awaiting final concept and cost advice for a number of facilities.

Detailed work has commenced in conjunction with City Services Group to progress the review of the Drainage and Fire and Emergency components of the Plan.

The NSW Government has now gazetted an amendment to the legislation relating to Development Contributions. The implications of these changes are under consideration.

City Services Group

Works & Services



Bolong Road alignment and curve rectification

Work is being undertaken on Bolong Road at the BackForest Road intersection. The Australian Government Black Spot funding of \$870,000 has been provided to improve the alignment of the bend and upgrade the intersection. The work has involved the removal of 18,000m³ of material from the existing hill to provide enough space for the construction of the new section of road.

The Black Spot funded project resolved a significant safety issue where vehicles were leaving the road due to unsatisfactory road camber. The project was funded by the Australian Government.

Gerroa Road and Beach Road, Berry

This project makes up the 3rd project undertaken by Shoalhaven City Council in 2004/05 from Australian Government project funding. The intersection upgrading will protect right turning vehicles on Gerroa Road as they turn right into the 7 Mile Beach National Park and Beach Road, Berry.



Edward Avenue, Kings Point.

Construction of 150m of 450mm dia reinforced concrete stormwater drainage. This work was undertaken to stop stormwater flowing through an easement which during high rainfall events was causing minor flooding. Trenching was undertaken using an excavator with a rock hammer.

Major Projects completed in 2004/05

Roadworks

Sections of gravel road were upgraded and sealed at BackForest Road/Bryces Road, Boston Road, Burrier Road and Old Princes Highway, Termeil.

Sections of existing sealed roads were either widened or reconstructed at Sussex Inlet Road, Croobyar Road, Milton, Jervis Bay Road, Prince Edward Avenue, Culburra Road and two sections of Coonemia Road.

The intersection of Scenic Drive and Shoalhaven was reconstructed and upgraded to compliment other roadworks undertaken in conjunction with the Shoalhaven Hospital redevelopment.

New roadworks were undertaken as part of development of the Flinders Industrial Estate.

Drainage

Drainage works identified to alleviate private property flooding and improve environmental performance were completed across the City in 2004/05. A total length of 1,333 linear metres of underground stormwater drainage was constructed. Projects included were as follows:

Martin Avenue, Ulladulla (75m) and Old Berrara Road, Sussex Inlet, Witherington Avenue, Ulladulla (160m), Edward Avenue, Kings Point (155m), Diddell Street, Ulladulla.

Reserve Road, Basin View (90m), Beth Street, Old Erowal Bay (133m), Winn Avenue, Basin View (80m), Mia Way, Culburra (80m), Belgrave Street, Culburra (120m), Prince Edward Avenue, Culburra (20m)

Scenic Drive (100m), Yalwal Road (30m), Greys Beach (100m), Comerong Street (100m) and Lyrebird Park, Nowra (60m).

Kerb & Guttering

Work was completed on the following projects:

Parson Street, Ulladulla (182m), Martin Ave, Ulladulla (182m), Bannister Head Road (145m) and Myrniong Grove, Berrara (55m), Scenic Drive (200m), Flinders Estate (200m), Walmer Avenue, Sanctuary Point (40m), Mia Way, Culburra (80m), Emmett Street, Callala Bay (145m). The total length of work completed was 1,270 linear metres.

Footpath/Cycleway

Specific works aimed to extend the existing footpath and cycleway networks were completed in 2004/05. They included:

Emmett Street, Callala Bay (280m), The Wool Road, St Georges Basin (500m), Voyager Park, Huskisson (230m).

Ulladulla Harbour North Walkway (600m), Ulladulla Leisure Centre (60m), St Vincent Street (255m), Wason Street Footpath (117m)

HACC - Community Centre – East Nowra (100m), Kinghorne Street, Footpath (50m), Scenic Drive (100m), Princes Highway, Bomaderry (150m), Princes Highway, Nowra (100m).

A total length of 2,542 linear metres of footpath cycleway was constructed by Council in the 2004/05 financial year.

Maintenance

The maintenance of infrastructure and facilities continued to be a prime focus of the Works and Services Section. The delivery of quality maintenance services provides a challenge as numerous asset types are involved. These assets require a variety of activities to be undertaken to meet customer and asset management plan expectations.

Some examples of the extent of maintenance services which were provided during 2004/2005 are:

Roads and bridges - 56 km of bitumen resealing; 23 km of gravel resheeting; 7 km of 'low cost' and/or 'sacrificial' sealing of gravel roads; 1560 signs replaced or repaired; 444 km of shoulders and/or table drains graded; 21,000 m² of pot holes and/or 'edge breaks' repaired; 6000 person hours collecting litter from roads and footpaths; 5600 km of kerb and gutters swept; maintenance performed on 27 bridges; 823m² of footpaths repaired

Parks – sports field renovations and mowing undertaken to provide high quality surfaces; a high level of presentation maintained in parks and gardens; parks infrastructure repairs and/or replacements undertaken to satisfy risk and customer needs; 117 sets of playground equipment maintained

Buildings – 133 toilet blocks cleaned and maintained; programmed maintenance undertaken on numerous buildings including preschools, libraries, community halls, amenities buildings, fire stations, surf clubs, commercial buildings, basketball stadium and bus shelters.

Waterway and Flood Mitigation Facilities - 45 boat ramps serviced four times per year; repairs undertaken on 12 wharves and jetties; 20 flood mitigation structures repaired or maintained.



Princes Highway, Milton. Reconstruction of sandstone kerbing.

A number of heritage items are located along the Princes Highway in Milton. These include the Courthouse, former Town Hall, Garad House, Minto House and Pickering's Old Store Group.

The sandstone kerb and gutter outside the Courthouse was retained and restored due to its heritage value. This early sandstone street kerb and gutter show the early use and importance of sandstone in the town. Prior to the use of concrete, blocks of local stone were used to create the boundaries of roads. Sandstone was quarried locally for construction. Its use for road construction remains evident in the remnant kerbing and guttering remaining in the town of Milton.



Footpath reconstruction works were undertaken in Kinghorne Street and at the intersection of Kinghorne Street and Worrigee Street. This project was funded by Council to replace existing work which did not comply with Council's policies in terms of providing access for people with a disability. The existing footpath prior to the work being undertaken was very undulating. The work was undertaken to improve the grade and cross fall of the footpath. This involved the construction of ramps, stairs and retaining walls. The footpath was paved in accordance with the development control plan for the Nowra CBD area. Many encouraging comments have been received from footpath users at this location.

Community Operations Group

Recreation & Leisure

- Launch of Water Safety week and series of events and visits to schools to raise awareness of water safety issues
- "Wave" - our octopus mascot, joined the team and participated in a number of community events to promote Shoalhaven Aquatics and Water Safety awareness
- Improvements to sports ground seating safety undertaken at South Nowra Soccer Ground and Ison Park Soccer Field
- Completion of Stage 1 of Council's first Icon Park - White Sands Park in Huskisson, complete with BBQ's and the largest "space net" in the southern hemisphere
- Introduction of a new computerised computer booking system for administering facility bookings (parks / sports grounds / community facilities)
- Installed irrigation at the new West Ulladulla Sporting Complex.

Strategy & Planning

- Mollymook Beach Reserve Plan of Management - adopted by Council in February 2005.
- Access Areas for Dogs Policy - adopted by Council in January 2005.
- Foreshore Reserves Policy - adopted by Council in June 2005.
- A Northern Indoor Multipurpose Sport Stadium Feasibility Study has been undertaken and Council has selected Artie Smith Sporting Complex as the future location for two additional multipurpose indoor sports courts.
- Council has received grant funding from the Department of Lands to commence Plans of Management at Ulladulla Harbour and Greenwell Point.
- Council in May adopted four future Crown Land Trusts to be formed, being:
 - a) The Shoalhaven City Cemetery Reserves Trust
 - b) The Shoalhaven City Foreshore Reserves Trust
 - c) The Shoalhaven City General Reserves Trust
 - d) The Shoalhaven City Showground and Sport Ground Reserves Trust.

Work is proceeding with the Department of Lands to advance this simplification of Shoalhaven's Crown Reserves Trust System.

Library

- Grants - Shoalhaven Libraries were pleased to receive a Special Projects Grant from the State Library of \$36,018. This grant was spent on continued building of the DVD, Video and CD collections, the purchase of moveable noticeboards; the introduction of themed story crates and further promotional activities.
- The Library received approval from Council to change the name from 'Shoalhaven City Library' to "Shoalhaven Libraries".
- New badges with the library logo of the black cockatoos and Council's logos were purchased. In June, attractive black library bags, with the cockatoos in purple were received and are available for sale to the public. A new, colourful library information brochure has also been prepared and is being distributed throughout the Shoalhaven.
- The previous Library Development Grant for indexing the South Coast Register is still being expended as local newspapers are indexed and data based.
- Promotional Activities And Exhibitions - As always many activities and events for children were held during the past year and a few are described here:
 - July 2004 saw two performances by Melbourne based entertainer Paul Jamieson with his show "Let's Bop" which was a huge success with children, parents and library staff.
 - During the July Holidays a special show entitled "Puppetease" was performed by Ross Browning in two sessions - music and performance were energetic and fascinated the children who attended.
- Children's Book Week with the theme "Doorways" was held in August 2004 with library staff again excelling themselves with their inventive programs and competitions. All the libraries were colourfully decorated and the annual Book Banquet was well received.
- The Summer Holiday Reading Program – Reading Rulz – which was supported by the State Library's @ your library initiative was launched on 15th December by the Mayor. Reading Rulz is designed to encourage children to read over the summer holidays and was open to children under 13 years of age – 185 children took part.
- One of the most successful activities held by the library service during the year was "My Favourite Book @ Your Library" held on 29 November to coincide with the ABC's "My Favourite Book" announcement. Around 60 people attended and were entertained by a panel of writers and illustrators consisting of Librarian, Diana Thomas, Suzanne Chick, Bruce Whatley, Cheryl Westernberg, Anne Tambour and Celestin Hitiura Vaite.
- In January 2005, the Nowra Library hosted a fascinating, travelling exhibition from the State Library of New South Wales – "Miles Franklin – Her Brilliant Career". The exhibition consisted of photographs, letters and other documents from the State Library and was a fascinating look at the famous author's life and works.
- During the past year there were a number of book launches both at Nowra and Ulladulla, including Paul Smith's "How to Have an Outstanding Life".
- Terry Beirne's "My Final Journey" and the Illawarra Multicultural Service had two launches of their book "Shoalhaven Voices From Far Away".
- Law Week was celebrated at Nowra with special sessions run by representatives from the Illawarra Legal Aid. Richard Hughes from Nowra spoke about the various issues and complications surrounding Family Law and Margaret Pantall from Wollongong spoke about the pitfalls and problems associated with Wills, Power of Attorney and Guardianship.
- On 8 April 100 teens showed up at Nowra Library for a great night of pizza and music at the annual library Rock Concert. The bands were St Johns Student's Intrinsik; Waiting for Cooper, who had success in last years Music Oz Challenge and Classic Defence. The music was enjoyed by the young people attending and lots of them got up to dance. As always we were supported by Pizza Haven and Shoal Water.
- A CD Selection evening was held for teenagers in May when young people were invited to select CDs for the library's stock from a large range provided by local suppliers.

- Sanctuary Point Library celebrated its tenth birthday in February with birthday treats provided for users of the library and a special colouring in competition held for the children.
- Shoalhaven Seniors have had a number of functions held for them over the year as well. There was the Annual Home Library Service Christmas Party held last December. During Seniors Week free Internet sessions were offered at all branch libraries and at Nowra and Ulladulla, local story teller, Colleen Langan conducted multicultural storytelling sessions. Also during Seniors Week, Robyn Florance conducted a "History Walk and Talk" for seniors. This consisted of a discussion of the history of the Nowra township and then a walk around some of the closer historical buildings
- Record Day. Nowra Branch of Shoalhaven Libraries is always a busy branch, however on the Tuesday after the October long weekend the issues passed all previous records with loans of 2,111 and visits of 1,794. All this happened in one, very busy day.

Arts

- In its first year of operations the Shoalhaven City Arts Centre attracted 22,000 visitors and presented over 50 community exhibitions of art. In the main gallery, Exhibitions by key Australian Artists Max Dupain, Arthur Boyd, Robert Dickerson and Patrick Carroll were presented. The Arts Centre also won the South Coast Tourism Award in its Cultural Tourism Division. Over 100 passionate volunteers have provided major support for the Centre over the year.
- The Shoalhaven Arts Board was a finalist in the New South Wales Cultural Awards for its strategic plan and programs.
- The Arts Board have delivered arts projects including their annual arts grants, sponsorship of the Shoalhaven Youth Orchestra and grant support for the city's small Museums.
- Council has allocated \$400,000 towards Stage 2 of the Arts Centre. Funds will go towards the development of a Multimedia and Music Centre on the first floor of the Centre. The Centre will comprise state of the art sound and video recording studios, pro tools video and audio editing suites, computer training rooms and Radio 2UUU.

Community Services

- On 5 April 2004 the construction of three buildings for a new HACC Centre was commenced. The facility was in full operation by May 2005.
- Nowra Youth Centre opened during the year with staff organising fit out of the facility.
- Council adopted a new Community Plan 2005-2010 during the year. A requirement of the Department of Local Government's Community/Social Planning Guidelines, the new Community Plan followed very extensive consultation with the community and community service providers throughout the City. The Plan identifies and provides strategic responses to issues of concern to older persons, children, people with disabilities and other by target groups.
- Harmony Day - On Monday 21 March, Community Development staff organised a Harmony Day event in Harry Sawkins Park from 10am -12pm. Over 400 students from 3 local Primary schools walked from their school to attend the multicultural event. Harmony Day provides our community an opportunity to reflect on our success as a multicultural society, re-commit ourselves to respect and understanding between people of all backgrounds and to say no to racism. The entertainment included a welcome to the country and a song from local Aboriginal Elder, Aunty Elaine Sturgess. There were also performances by Philipino dancers, Persian dancers and African drumming.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.1 TRANSPORT - to actively encourage and plan an efficient, integrated transport system.			
Strategy: 4.1.1 Develop and implement an integrated transport strategy for the City.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
6. TRANSPORT DEVELOPMENT OFFICER			
<p>Coordinate the implementation of actions from the Shoalhaven Integrated Transport Strategy.</p> <p><i>Access & Equity Action Areas: A.1</i></p> <p><i>Community Plan Objectives: A39.</i></p>	<p>Implementation of Immediate and short term actions from the Strategy.</p>	<p>CO & PLNG</p>	<p>Nowra Transport and Community Access Guide developed. Supported the summer bus service Meeting held with Shoalhaven Transport Working Party and Regional Coordinator-Illawarra to discuss implementation and future of Shoalhaven Working Party.</p>
7. TRAFFIC FLOW FROM NORTH NOWRA TO BOMADERRY & NOWRA			

Develop Strategies for Traffic Facility Capital Works	Strategies reported to Council by end of December Quarter	CS	<p>Preliminary traffic modelling analysis has identified the need for Council to protect all available options for an efficient road connection between North Nowra and Bomaderry.</p> <p>With respect of the available options current worsening traffic conditions means strong Benefit / Cost returns for all road link proposals examined.</p> <p>Concept route development and cost estimates have been prepared for a range of routes being examined.</p> <p>Further detailed assessment of these routes can be expected in conjunction with the Nowra Bomaderry Structure Plan transport modelling process.</p>
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			Mr Costa indicated that following technical justification for the road, he is prepared to support Council to identify a feasible route through the Regional Park as part of the development assessment process.
8. SHOALHAVEN BICYCLE STRATEGY REVIEW			
<p>Partnership a review of the Shoalhaven Bicycle Strategy to determine a new priority listing for implementation.</p> <p><i>Access & Equity Action Areas: B.2</i> <i>Community Plan Objectives: B4.</i></p>	Exhibit review of the Bicycle Strategy and complete review by December 2004.	CS	<p>Delays were experienced with consultant and more time than expected was required for agreement to draft capital strategies with Council. Draft PAMP now expected early September 2005. Draft Cycleway and Footpath Strategies adopted for exhibition. Adoption of Draft PAMP expected by end of 2005.</p>

10. PEDESTRIAN SAFETY			
Take measures to improve pedestrian safety. <i>Access & Equity Action Areas: A.6.</i> <i>Community Plan Objectives: A2</i>	Prepare capital works strategies from PAMP for: Pedestrian crossings; Cycleways; Footpaths; Cycle Racks; Pedestrian Improvements. All Strategies reported to Council by the end of September Quarter.	CS	PAMP programs and strategies reported to Council for adoption for public exhibition.
11. ARTERIAL ROAD HIERARCHY			
Review arterial roads as identified by SEPP11 for Shoalhaven City	Determine functional road hierarchy for Shoalhaven City and establish a revised set of arterial roads as defined by SEPP11. Compile by end of June quarter.	CS	Work on this project has been suspended temporarily to allow advancement of the Nowra/Bomaderry Structure Plan process.
12. TRAFFIC IMPACT GUIDELINES			
Prepare draft DCP - guidelines for traffic generating development.	Establish working party to determine appropriate traffic impact guidelines for Shoalhaven City and draft DCP completed by end June quarter.	CS	Work on this project has been suspended temporarily to allow advancement of the Nowra / Bomaderry Structure Plan process.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.3 Prepare and implement a strategic plan for the cultural development of the City.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. ARTS BOARD STRATEGIC PLAN</i>			
<p>To continue to develop and deliver the Arts Board Strategic Plan</p> <p><i>Access & Equity Action Areas: A.4.</i></p>	<p>Deliver arts projects and programs.</p>	<p>CO</p>	<p>* The Shoalhaven City Arts Centre was awarded Winner of the South Coast Tourism Awards 2005 in the Cultural Tourism Sector.</p> <p>* The Arts Centre has seen over 25,000 visitors in its first year of operation. Visitors are constantly impressed with the quality and professionalism of service and the design.</p> <p>* Over 30 exhibitions have been presented at the Arts Centre including works by Major Australian Artists Robert Dickerson, Patrick Carrol, Jan Senbergs and Arthur Boyd.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
3. CULTURAL HARMONY			
<p>SCC to support appropriate activities to promote cultural harmony within the city.</p> <p><i>Access & Equity Action Areas: I.2</i></p> <p><i>Community Plan Objectives: I9.</i></p>	<p>Develop and support activities to promote cultural harmony.</p>	<p>CO</p>	<p>Shoalhaven City Council brought the community together for Harmony Day, 21 March, 2005.</p> <p>Council's Community Development Officers organised the event in partnership with the Multicultural Committee.</p> <p>Mayor Greg Watson officially opened the event, reminding the crowd the 21 March is the International Day for the elimination of discrimination.</p> <p>A local Aboriginal Elder, Aunty Elaine Sturgess gave a Welcome to Country, which was followed by performances by Pilipino dancers, Persian dancers and children's songs of peace and African drumming.</p> <p>Over 400 students from years 4 to 6 from local Primary schools walked from their school to attend the event.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. ARTS FACILITIES			
To further develop Arts Facilities throughout the City	Support current Arts facilities needs.	CO	<p>* Planning, budget development and grant proposals have been delivered for the second stage of the Arts Centre in Berry Street Nowra; the Multi Media and Music School.</p> <p>Selected partner WCET and Council are now preparing the final aspect of the grant for \$400,000 for refit and furnish stage.</p> <p>* Several maintenance aspects and furnishing items have been added to the Arts Centre including sound system, external lighting, painting of galleries, furniture for the Meeting room and refrigerators for catering.</p>
	Continue investigation into future Arts facilities needs.	CO	<p>* A preliminary discussion paper and draft Business Plan have been researched and developed by the Arts Development Manager to support the planning of the proposed Shoalhaven Multi Purpose Cultural and Convention Centre in Nowra. Many meetings and discussions have been attended in the planning, selection of Concept Developers and Principal Architect.</p>

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.4 Regularly review, amend and implement the Community Plan objectives to reflect the current community aspirations and priorities.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. COMMUNITY INFORMATION			
Facilitate community access to information and knowledge of local community services. <i>Access & Equity Action Areas: A.3.</i>	Continue to update and distribute Community Service Directories informalities for specific target groups (eg aged, disabled, children and youth).	CO	* The Community Information Directory is continually updated online. Individual directories for various community services are produced - eg. Youth, Aged and Younger Disabled, Children, etc.
5. COMMUNITY INFORMATION DIRECTORY			
Continue to maintain and update the Community Information Directory on-line and in hard copy. <i>Access & Equity Action Areas: A.3</i> <i>Community Plan Objectives: A44.</i>	Up to date information of services available to the community within the Shoalhaven with hard copy Directory updated on an annual basis. The Online Directory is continually updated throughout the year. The Library is responsible for updating the Community Directory	CO	* The Online Community Information Directory is updated on a continual basis. New groups are sourced and added to the database. An annual hard copy is produced for sale. Shoalhaven Libraries are responsible for the production of the Directory.
9. BAY & BASIN COMMUNITY RESOURCE CENTRE			
SCC to support the Bay & Basin Community Resource Centre to obtain suitable facilities to accommodate outreach service providers. <i>Access & Equity Action Areas: A.4</i> <i>Community Plan Objectives: A48, A49.</i>	Enhanced service provision for the Bay & Basin through investigation of suitable premises.	CO	* Youth Development Officer supported the Bay & Basin Youth Development and CDO worker in finding alternative venues to run Drop-In programs. The Erowal Bay Hall was offered to the service and rejected.
15. CHILDCARE			
Maintain an adequate range of childcare in Shoalhaven. <i>Access & Equity Action Areas: B.3.</i>	Maintain Family Day Care services.	CO	Council continued to operate Family Day Care Schemes at Nowra and Ulladulla, providing day care support for around 390 children.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Provide assistance to community based childcare.	CO	<p>* Council continued to provide and maintain community facilities in which community based childcare operated from.</p> <p>* Distribution of information continued throughout the year to community based child care.</p>
16. CHILD DEVELOPMENT UNIT			
<p>SCC to investigate the need for a Child Development Unit combining previous childcare proposals in an integrated specialised centre.</p> <p><i>Access & Equity Action Areas: B.3</i> <i>Community Plan Objectives: B9.</i></p>	Improved access to specialised children's services.	CO	<p>* Investigations continued throughout the year on a suitable site for the Child Development Unit.</p> <p>* Meetings held with representatives of Noah's Ark to further progress the development of the Unit, focussing on the pre-school site at Shoalhaven Street, Nowra.</p>
	Proposal defined and prioritised.	CO	Meeting held with interested parties on the future of the Child Development Unit and possible locations and co-location of services in the unit.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
17. EDUCATION RE CHILD ABUSE			
<p>SCC to coordinate and support the Purple Ribbon project to raise awareness of child abuse and neglect.</p> <p><i>Access & Equity Action Areas: B.3</i> <i>Community Plan Objectives: B14.</i></p>	<p>Support Agencies involved in child abuse ie Purple Ribbon</p>	<p>CO</p>	<p>In 2004/05, Shoalhaven City Council was again proud to support Purple Ribbon month, which aims to break the silence surrounding child abuse, raise the communities awareness of the issues around child abuse and raise funds to support victims.</p> <p>The purple ribbon team includes representatives from Family Support, Illawarra Area Health Service, Department of Community Services, ASCA - Adult survivors of child abuse, the Berry - Gerringong Rotary Club and other individuals.</p> <p>This year the purple ribbon team raised over \$3,800 from the charity ball and fund raising, some of this went to projects including a holiday program for at risk children, workshops for victims of child abuse and information page in a children's magazine.</p>
23. YOUTH NEEDS & SAFE VENUES			
<p>SCC to further consult with young people to identify appropriate facilities and "safe venues" to meet the needs of young people, including those who do not participate in traditional sporting/recreational activities.</p> <p><i>Access & Equity Action Areas: C.5</i> <i>Community Plan Objectives: C9.</i> <i>Youth Services Strategic Plan Objective.</i></p>	<p>Consultations undertaken on more appropriate provision for the leisure and entertainment needs of young people.</p>	<p>CO</p>	<p>* SCC has been involved in an incredibly diverse range of activities for young people over the past year. With the establishment of the new Nowra Youth Centre (Youth Central) SCC has found itself supporting more and more youth activities. This has shown to the community that SCC staff and Council are really very supportive of our future leaders. The positive response from the community for the work SCC has been doing with youth is overwhelming.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>Thus we see that the Nowra Youth Centre has been successful in gaining funding for a number of projects and workers since opening in September 2004. Young people in the Shoalhaven have never had such a range of activities to attend and embrace. From theatre to sport, music festivals, art exhibitions, bush tucker educational workers, to skate board and surf competitions from Ulladulla through to Kangaroo Valley. SCC has been involved in almost every youth event happening over the past year. With the development of the Ulladulla Youth Centre and the development of the transport service at the Nowra Youth Centre the Youth Sector is moving ahead in addressing all issues raised in the Community Plan and the two youth needs assessments. SCC has also been a partner in the Integrated Youth Plan which will identify in which towns young people need more support. SCC has also been a very close partner with Shoalhaven Youth Music Promotions, which continues to support youth music events in the Shoalhaven.</p> <p>* SCC has funded and supported many projects this year for young people these include:</p> <ul style="list-style-type: none"> - Arts exhibitions at the City Arts building - Arts Classes at the Nowra Youth Centre - Theatre - Surf board lessons - Three Youth Music festivals

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<ul style="list-style-type: none"> - NAIDOC week - Illawarra Regional Youth Conference - National Youth day - Safety week - Five Skate Board Competitions - Skate Board lessons - Development of a Transport film - Transport Forums - Kangaroo Valley Youth Music forum - Bay and Basin Skate Board competition - Nowra RTA boxes - Bus shelter murals - Toilet and community murals - Support for a diverse range of young people with various religious or sexual differences to mainstream community - Cultural education.
26. MEETING YOUTH NEEDS IN OUTLYING AREAS			
<p>SCC Youth Community Development Officer to continue to work with village communities and youth outreach workers in northern and southern Shoalhaven to identify appropriate programs and strategies which they can assist in providing to meet the needs of young people in these communities.</p> <p>Access & Equity Action Areas: C.5. Community Plan Objectives: C14.</p>	<p>More access to programs in isolated areas.</p>	CO	<p>* SCC has been heavily involved in providing activities and support for young people isolated by transport in the various villages of the Shoalhaven. A new bus has been purchased through the Nowra Youth Centre to provide transport to and from youth activities. Outreach programs will be happening in the Ulladulla and Culburra areas again due to funding applications being successful. However an Outreach worker is still required for the Bay and Basin and Nowra Youth Services.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>* Skate competitions, mural programs, music gigs and general arts programs have been implemented in most villages of the Shoalhaven. Wherever young people have requested support this year SCC has developed through partnership with Youth Centres a program to provide that support, with ongoing contact to develop further programs.</p>
	Increased outreach of activities/programs to isolated communities.	CO	<p>* SCC has been heavily involved in providing activities and support for young people isolated by transport in the various villages of the Shoalhaven. A new bus has been purchased through the Nowra Youth centre to provide transport to and from youth activities. Outreach programs will be happening in the Ulladulla and Culburra areas again due to funding applications being successful. However an Outreach worker is still required for the Bay and Basin and Nowra Youth Services.</p> <p>* Skate competitions, mural programs, music gigs and general arts programs have been implemented in most villages of the Shoalhaven. Wherever young people have requested support this year SCC has developed through partnership with Youth Centres a program to provide that support, with ongoing contact to develop further programs.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
33. COMMUNITY SELF HELP			
<p>SCC to advocate for and promote community self help in meeting the identified needs and short falls in:</p> <p>Day care centres and other options to enhance socialisation for the frail aged; Nursing home beds, hostel beds, residential care packages, dementia specific beds and low care places and residential respite, especially as population is ageing; Neighbourhood aid and other volunteer programs for older people who have no family within the region: Co-ordination in service providers and carers of and for people with dementia.</p> <p><i>Access & Equity Action Areas: D.4, E.6.</i> <i>Community Plan Objectives: D16, E12.</i></p>	Improved care for older people and people with disabilities. .	CO	<p>Council continued to provide advice to the Federal Government and provided letters of support to Aged Care services with the view of attracting increased care packages to the Shoalhaven.</p> <p>Council also continued support for Home and Community Care Services, people with dementia, people with disabilities through the Home and Community Care Forum, Access Advisory Committee and the Beautiful Soul Program.</p>
	Recognition and raising of needs in priorities of relevant government agencies.	CO	<p>* Council continued to provide advice to the Federal Government and provided letters of support to Aged Care services with the view of attracting increased care packages to the Shoalhaven.</p> <p>* Council also continued support for Home and Community Care Services, people with dementia, people with disabilities through the Home and Community Care Forum, Access Advisory Committee and the Beautiful Soul Program.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
38. ABORIGINAL CULTURE			
<p>SCC to continue to incorporate appropriate Aboriginal culture in future streetscape and community arts projects, street and park names, and tourist information in consultation with the Aboriginal Advisory Committee.</p> <p><i>Access & Equity Action Areas: G.4</i> <i>Community Plan Objectives: G2.</i></p>	<p>Increased recognition of Aboriginal culture in the Shoalhaven and identification of on-going opportunities.</p>	PLNG	<p>Aboriginal Culture is continuing to be recognised and considered for future planning projects.</p>
44. RECONCILIATION ACTIVITIES			
<p>SCC to support appropriate reconciliation activities.</p> <p><i>Access & Equity Action Areas: G.3</i> <i>Community Plan Objectives: G15.</i></p>	<p>Develop, support and implement reconciliation activities.</p>	CO	<p>Aboriginal CDO worked with various groups through the year on events that promoted reconciliation including the Debutante Ball, Harmony Day, published Community Aboriginal Resources Brochure.</p>
45. OPPORTUNITIES FOR INDIGENOUS YOUNG PEOPLE			
<p>SCC to support initiatives to provide opportunities for indigenous young people.</p> <p><i>Access & Equity Action Areas: G.3</i> <i>Community Plan Objectives: G14.</i></p>	<p>Develop and support initiatives to provide opportunities for indigenous young people.</p>	CO	<p>Nowra Youth Centre provides activities and initiatives for programs for Indigenous Young people on a constant basis. Contacted Shoalhaven and Nowra High Schools for dates to undertake LOTIE (Linking Opportunities Through Indigenous Education) with them. Visited Nowra High School to discuss issues facing Koori students within the area.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
46. PARENTING PROGRAMS			
<p>SCC to support parenting information and programs.</p> <p><i>Access & Equity Action Areas: H.2</i></p> <p><i>Community Plan Objectives: H6.</i></p>	<p>Develop and support parenting information and programs.</p>	CO	<p>Families First has continued to "roll out" in the Shoalhaven, with the Universal Home visiting services to all families with new babies, Supported Playgroups starting up in Bomaderry, Huskisson and Sussex Inlet, the Volunteer Home visiting service where (trained)volunteers provide social support for families in need, family support workers and various other projects including the "Behaviour Support Network" a list of Parenting courses and services on the Noahs Ark website and the "Families connect" project in East Nowra. The network continues to identify areas of need for families with children aged 0-8 years and develop programs to meet these needs.</p>

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.5 Provide the community with extensive, accurate and accessible educational, recreational and cultural resources.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. LIBRARY SERVICE			
Provision of a Library service that is accessible, innovative and relevant to the community served. <i>Access & Equity Action Areas: A.4.</i>	Customer satisfaction with library service Percentage of information requests filled on day requested; Issues per annum; Visits per annum; Use of library technology.	CO	* 85% of information requests for the year were filled on the day requested. * Issues for the year totalled 629,951. * Visits for the year were 408,475. * Use of library technology for the year totalled 27,574.
	Effectiveness of Library service Issues per capita; Visits per capita; Average number of issues per volume; In-house Library resources – number used per quarter; % of stock less than 5 years old; % of stock discarded.	CO	* Issues per capita = 6.9. * Visits per capita = 4.5. * Average Issues per volume = 5.16. * In-House use of library resources = 266,300. * % stock less than 5 years old = 46% * % of stock discarded = 5.05%
	Efficiency of Library Service Expenditure per capita; Expenditure per issue; Acquisitions per annum.	CO	* Expenditure per capita = \$23.60. * Expenditure per issues = \$3.928. * Acquisitions per annum - Shoalhaven = 15494, Shoalhaven, Eurobodalla, Kiama = 22,640

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. LIBRARY STRATEGY			
<p>Review the status of improvement plans for Council libraries.</p> <p><i>Access & Equity Action Areas: A.4</i></p> <p><i>Community Plan Objectives: A45.</i></p>	<p>Annual review and progressive implementation of the Library Strategic Plan.</p>	CO	<p>* The 2001 Strategic Plan has been reviewed and will be updated in the new financial year. Plans for new branches are in S94 Plan. A full library review of services is to take place in the new financial year.</p>
	<p>Improved library facilities</p>		<p>* In the Library Meeting room the projector screen has been permanently attached to the meeting room wall.</p> <p>* An additional moveable centre cupboard installed in circulation desk.</p> <p>* New noticeboard for community announcements erected at Milton Library.</p> <p>* A water heater has been installed in the kitchenette in the foyer of Nowra Library for OH&S reasons.</p> <p>* New noticeboards have been erected at Ulladulla Library to allow slight expansion of children's and youth area.</p> <p>* Air conditioning has been installed at the Ulladulla Library & Visitors Centre.</p> <p>* A new Perspex welcome sign has been installed on the circulation desk at Nowra.</p> <p>* Pop out shelf signs and recommended reading signs have been installed at Sanctuary Point Library.</p> <p>* Ulladulla - new vinyl has been installed to replace worn carpet in front of the circulation desk.</p> <p>* Additional lighting has been installed over the Large Print and Talking Book areas of the Nowra Branch.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>* Enhanced lighting has also been installed in the foyer of Nowra Branch Library.</p> <p>* A new bench has been installed in the Local Studies section of Nowra Library to allow additional space and to allow the books to be shelved in Dewey order.</p> <p>* Air conditioning ducts at Ulladulla have been painted.</p> <p>* At Sanctuary Point the Librarian has introduced new Reader's Advisory book marks and book lists to assist parents with issues faced by children.</p>
	Works program developed to enhance access and facilities in library buildings.	CO	* Access and Equity Plan for the libraries is being worked through.
3. LIBRARY SERVICES TO OUTLYING AREAS			
<p>Investigate the improvement of library services to remote areas and small towns and villages.</p> <p><i>Access & Equity Action Areas: A.4</i></p> <p><i>Community Plan Objectives: A46.</i></p>	Investigations undertaken into improved access to library services and facilities for residents in small towns and remote communities.	CO	<p>* Residents in outlying areas have access to the library resources through the WebOPAC and through the Mobile Library which visits small towns, villages and schools throughout the Shoalhaven on a fortnightly basis.</p> <p>* Telephone, fax and email reference services are also available.</p> <p>* Some databases are also available to the public from home and can be accessed using a password which is supplied by the library</p> <p>* Reservations can also be made via telephone, email, fax or online</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. CHILDREN - LIBRARIES			
<p>SCC to continue and where possible enhance children's libraries as a section in all library branches.</p> <p><i>Access & Equity Action Areas: B.3</i></p> <p><i>Community Plan Objectives: B12.</i></p>	<p>Enhanced library services for children.</p>	<p>CO</p>	<p>* Colourful new bean bags were placed in the Children's Picture Book section of the library at Nowra.</p> <p>* Activities for the year (apart from the craft and story mornings and the regular weekly sessions for primary school children held at Sanctuary Point) included:</p> <ul style="list-style-type: none"> - Performances by Paul Jamieson "Let's Bop" and Ross Browning "Puppetease" which entranced the 300 or so children who enjoyed both sessions - Knitting and crochet and sewing workshops - Board games days in the various holidays - Belly dancing workshops - Special storytimes were held to celebrate Christmas, Easter, Mother's Day , etc. <p>* Premier's Reading challenge is promoted in all branches, with list of challenge books available and the books themselves tagged with a special symbol.</p> <p>* Summer Reading Program - Reading Rulz - was launched in December and the presentations were held in January 2005. A total of around 185 children throughout Shoalhaven took part in their program and read many hundreds of books between them.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
			<p>* Paul Stafford, a children's writer visited Shoalhaven in May at the invitation of the library and library staff spent the three days of his visit taking Paul to the various schools in the Shoalhaven. Paul's visit was very important as his appeal is to boys particularly.</p>
	Numbers attending story time sessions.	CO	<p>* During the year a total of 2,392 children attended the various storytimes and activities held throughout the Shoalhaven Libraries.</p>
	Children's book week activities.	CO	<p>* Children's Book Week was celebrated from 23 to 28 August with the theme "Doorways", with the libraries decorated in a delightful manner as always.</p> <p>* Over 300 children attended the author Jeni Mawter's sessions at Nowra.</p> <p>* Around 450 children, parents & carers attended the three book banquets held in the School of Arts Annexe. Library staff again excelled themselves with their performance of "Millie, Jack and the Dancing Cat".</p> <p>* The annual presentations were held on Friday 27 August with around 50 children attending. Presentations were made by Deputy Mayor, John Anderson, with representatives from even sponsors, Angus & Robertson, Dymocks and Holiday Haven.</p>
	Continued acceptable level of resources acquired to meet Children's needs.	CO	<p>* During the year a total of 32% of all new items transferred to circulation were suitable for children. These resources included book and non book materials (CDs, Talking Books, games, puzzles).</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
5. YOUTH – LIBRARIES			
<p>Continue to provide accessible and relevant information to assist with lifestyle, education and recreation.</p> <p><i>Access & Equity Action Areas: C.4.</i></p>	Enhanced library services for Youth.	CO	<p>* The Youth area in the Nowra Library has been rearranged to allow additional space for young people. The additions of colourful round floor cushions for relaxing and reading on have helped improve the area.</p> <p>* HSC materials continue to be very important and they have been enhanced with additional materials during the year and are now housed adjacent to the youth area for ease of access.</p> <p>* At the beginning of the school year the library help sessions on resources for HSC student and homework help sessions to encourage young people to use the library and to ask for assistance when needed.</p> <p>* Around 20 young people attended the library in May for a CD selection night which was very successful.</p>
	Continued acceptable level of resources acquired to meet youth needs.	CO	<p>* During the year the total percentage of new items transferred to circulation suitable for young people was 17.5%.</p> <p>* Homework and HSC assistance and materials are available for young people as are all other library materials.</p>
	Youth Week activities.	CO	<p>* Youth Week was celebrated at the Library in April with the Annual Rock Concert. Three local bands participated- <i>Intrinsik, Waiting for Cooper and Defence</i>. The 100 or so teens attending the night thoroughly enjoyed the music and the dancing. The Library once again received great support from Pizza Haven and from Shoal Water.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
6. OLDER PEOPLE - LIBRARIES			
<p>To maintain the provision of services to the older members of the community (Talking Books, Large print materials, Adaptive technologies and Home Library Services).</p> <p><i>Access & Equity Action Areas: D.3.</i></p>	Continued acceptable levels of those resources required by the older persons.	CO	<p>* During the year the total % of new materials transferred to circulation suitable for older members of the library was 20%.</p> <p>* During Seniors Week three sessions of multicultural storytelling were held - two at Nowra and one at Ulladulla. A "History walk and talk with seniors" was also held and free Internet training was conducted at Nowra, Ulladulla and Sanctuary Point.</p> <p>* The Library Manager presented talks on library services to the National Seniors Group in Bomaderry in the second quarter and to the Combined Pensioners in Quarter 4.</p>
	Use of Home Library Services.	CO	<p>* During the year there were 847 requests for Home Library Service making a total of 21,938.</p> <p>* Home Library Service Loans outside the Nowra/Bomaderry/Terrara area are delivered by the Mobile Library and those inside this area are delivered by Library staff on Fridays.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
7. ENHANCED ACCESS TO LIBRARY SERVICES			
<p>Continue to develop methods to allow easier access to library services and materials.</p> <p><i>Access & Equity Action Areas: D.3, E.4, I.2</i></p> <p><i>Community Plan Objectives: D18, E15, I8</i></p>	<p>Have Ezi Walkers and other aids available for use within the library service.</p>	CO	<p>* Nowra Library has physical aids such as Ezi Walkers, baskets, etc. available for use in the library.</p> <p>* Nowra also has a special large computer screen, with enhanced script, special programs and mouse.</p> <p>* All branches within Shoalhaven Libraries have disabled access as well.</p>
	<p>Provision of suitable resources (such as Talking Books, Large Print Materials, Adaptive technologies).</p>	CO	<p>* During the year the total % of new items transferred to circulation suitable for the use of special library members was 19%.</p> <p>* During the year the Library Manager spoke to a number of groups about the library services suitable for people with special needs. These included the Pain Group in Bomaderry and the Arthritis Group in Nowra.</p>
	<p>Supply any resource within the library service required by Home Library members.</p>	CO	<p>* Home Library Service users have access to the full range of library materials and can make request via phone, email, fax or online if they have a home PC.</p> <p>* They can also use selected databases with passwords supplied by the library, thus expanding their access to information and recreation.</p>
8. BOOKS IN OTHER LANGUAGES			
<p>Respond to requests from the ethnic community for access to materials in other languages held by the State Library of NSW (SLNSW).</p> <p><i>Access & Equity Action Areas: I.1.</i></p>	<p>Numbers of requests for books in other languages from the SLNSW.</p>	CO	<p>* During the year there were 35 requests for boxes of books in other languages obtained from the State Library of NSW.</p>

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.6 Investigate options for Crown Reserve amalgamations through the Open Space Plan.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. RECREATION PLANNING			
Proposal to Crown for Crown Reserve Trust Amalgamations by end fourth quarter.	Proposal submitted for Crown consideration by end June quarter.	CO	<p>Council resolved at a meeting in May 2005 to amalgamate all Council managed reserves into the following four Reserve Trusts:</p> <ul style="list-style-type: none"> - Cemetery - Foreshore - General - Showground and Sportsground. <p>* Discussions have commenced with the Crown to commence creating the above Trusts.</p>

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.7 Undertake Open Space Plan to determine adequacy of current supply of open space.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. RECREATION PLANNING</i>			
Open Space Plan completed by end of third quarter.	Open Space Plan presented to Council for consideration by end June Quarter.	CO	* Council at its meeting of May 2005 resolved to call for expressions from consultant services. Project anticipated to commence in August 2005.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.8 Investigate provision of new sporting fields in Planning Area 1.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. RECREATION PLANNING</i>			
Undertake Area 1 investigation and survey and proceed with design proposal for playing fields in the Nowra area by end of second quarter.	Land acquisition presents quality sporting field development opportunity.	CO	* Tenders have been received and are being assessed for appointment of consultant services to develop a Master Plan for new sporting fields in Planning Area 1.

Principal Activity: 4		IMPROVING COMMUNITY FACILITIES AND SERVICES	
Objective: 4.2		LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.	
Strategy: 4.2.9		Engage consultants to work with the sporting community to investigate the feasibility of an Indoor Sports Complex in the northern Shoalhaven.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. RECREATION PLANNING</i>			
Feasibility Study completed by end fourth quarter.	Proposed locations for new facilities identified and estimates prepared by end June quarter.	CO	* Progress report presented to the Shoalhaven Sports Board in June. Awaiting direction from Council.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.2 LIFESTYLE - to foster a diversity of educational, cultural, social and leisure activities to enrich the lifestyle of residents and visitors.			
Strategy: 4.2.10 Prepare Plan of Management to guide future use of Berry Showground.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
7. RECREATION PLANNING			
Plan of Management completed by end fourth quarter	Proposed locations for new facilities identified and estimates prepared by end June quarter.	CO	Background research/consultation continues. A draft plan is anticipated to be presented to Council in December 2005.

Principal Activity: 4		IMPROVING COMMUNITY FACILITIES AND SERVICES	
Objective: 4.3		HEALTH AND PUBLIC SAFETY - to promote and develop effective and equitable services, especially in the areas of health and safety to improve the quality of life for all residents.	
Strategy: 4.3.1		Develop and provide programs and services to improve the health and amenity of the community.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. IMMUNISATION SERVICE</i>			
Provide an effective and efficient immunisation service and promote childhood immunisation in conjunction with State and Federal Health agencies. <i>Access & Equity Action Areas: A.6.</i>	Maintain immunisation rate of 18mth old children above 75% through both promotion and service provision. (Immunisation rates as reported from National database for Shoalhaven compared to State average).	DES	Council's Immunisation Clinics have been held every month in the last year. Immunisation rates for Shoalhaven children are consistently within 2% of state averages.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.3 HEALTH AND PUBLIC SAFETY - to promote and develop effective and equitable services, especially in the areas of health and safety to improve the quality of life for all residents.			
Strategy: 4.3.2 Prepare and implement a strategy for public safety.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
7. SAFE DESIGN IN DEVELOPMENTS & PUBLIC SPACES			
<p>SCC to encourage the Safer Communities Action Team to investigate the development of guidelines for safe design in existing and new development and public spaces.</p> <p><i>Access & Equity Action Areas: A.5</i> <i>Community Plan Objectives: A51.</i></p>	<p>Implement the Crime Prevention Through Environmental Design DCP by end of December quarter.</p>	PLNG	<p>The draft Crime Prevention Through Environmental Design guidelines are prepared and have been revised as a policy. This task has been deferred to allow higher priority tasks to be completed.</p>
14. COMMUNITY SAFETY PLAN			
<p>SCC to support the implementation of the Community Safety Plan.</p> <p><i>Access & Equity Action Areas: A.6</i> <i>Community Plan Objectives: A54.</i></p>	<p>Progressively implement the plan within funding availability.</p>	CO	<p>The following activities were held which relate to the implementation of the community safety plan, youth concert, harmony day event, transport forum, supported application by YWCA to Attorney General's Department for funding to prevent alcohol & violence abuse.</p>
16. IMPLEMENT A CURRENT STRATEGIC PLAN FOR SAFER ROAD USE			
<p>Maintain road safety strategic priorities and "black spots" current by crash analysis and other research; apply measures for safer road use, including addressing speed, alcohol or other drugs, restraints and helmets, young drivers and vulnerable road users.</p>	<p>Planning identifies current relevant problems, priorities, measures and partnerships; remedial programs address significant road risk factors with RTA, Police and other community agencies; Reporting keeps partners and community informed.</p>	CS	<p>SKYDS young driver program delivered to students and parents. Plans for further programs identifying dates, funds and resources. Meeting held with RTA to discuss Milton Traffic Study. Safety Around Schools strategies developed, negotiations undertaken re RTA co-funding; negotiation and development of content for local media series "Road Code".</p>

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.4 COMMUNITY INFRASTRUCTURE (FACILITIES) - to establish and manage assets to meet community needs.			
Strategy: 4.4.1 Assess the need and priority for the provision, replacement and maintenance of assets.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. ASSET MANAGEMENT PLANS			
Complete the preparation of Asset Management Plans for Civil Infrastructure & Recreation Facilities. <i>Community Plan Objectives: D17, E13.</i>	All plans completed. Funding needs analysis completed. Corporated Works Priority Review Completed.	CS	Asset Management Plans have been completed for the main activities except Parks (Active and Passive). Review of Holiday Haven asset condition shows that condition is good and not of concern and that maintenance funding requirements are determined by business needs rather than asset condition.
3. CORPORATE LONG TERM WORKS PROGRAM			
Coordinate the development of a long term works program and system to integrate the individual asset management plans, section 94 commitments, etc. <i>Access & Equity Action Areas: A.2</i> <i>Community Plan Objectives: A43.</i>	10 Year Corporate Capital Works Program finalised by end of December Quarter	CS	The draft 10 Year CWP is being reviewed by all Groups now that the 2005/08 CWP has been adopted. It is intended to hold a Councillor briefing on priorities once the review of the draft 10 Year CWP has been finalized.
10. MULTI FUNCTION CENTRE – ULLADULLA			
Provide a multi purpose community support centre for the Ulladulla region. <i>Access & Equity Action Areas: A.4</i> <i>Community Plan Objectives: A18.</i>	Construct the Ulladulla Multi Purpose Centre	CS	Original approved project taken to final concept design stage following extensive community and user consultation. Alternative options developed at Council's request and presented in detail to Councillor briefings. Project delivery transferred to Community and Operations Group following Council resolution. Community and Operations Group fully briefed on the project and have been provided with ongoing strategic comment.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
22. IMPROVED COMMUNITY FACILITIES			
In conjunction with user groups develop "Improvement and Enhancement Strategy" for Public Buildings. <i>Access & Equity Action Areas: A.4</i>	Reported to Council for adopting by end of December Quarter.	CS	Report adopted at November 2004 meeting of Council.
23. VINCENTIA MULTI- PURPOSE DISTRICT CENTRE & LIBRARY			
SCC to continue to plan as a longer term initiative, for the development of a multipurpose district centre and library in Vincentia. <i>Access & Equity Action Areas: A.4</i> <i>Community Plan Objectives: A57.</i>	Improved access to community services for whole community of Area 3 through Development of a district centre & library in Vincentia.	CO	* Work continued through the quarters on the development of the District Centre and Library in Vincentia.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.4 COMMUNITY INFRASTRUCTURE (FACILITIES) - to establish and manage assets to meet community needs.			
Strategy: 4.4.2 Develop service standards for the management of Council assets.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. OPEN SPACE MAINTENANCE SERVICE AGREEMENT</i>			
Increase the effectiveness of the Open Space Service Agreement through improved performance monitoring.	Results of performance monitoring reported to Council quarterly. Service Agreements to be reviewed and finalised with the Internal and External Service Provider by end of July.	CO	* Quarterly reporting to Council undertaken. * Service Agreement between City Services and Community and Operations Group reviewed and new Open Space Maintenance Agreement (OSMA) prepared with consultation and input from all parties.
<i>3. BENCHMARKING SERVICES</i>			
Continue Council's Benchmarking program.	Benchmarking exercise undertaken for major road maintenance activities.	CS	Data has been collated from other LGAs and RTA. Activities of higher than average cost will be investigated.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.4 COMMUNITY INFRASTRUCTURE (FACILITIES) - to establish and manage assets to meet community needs.			
Strategy: 4.4.4 Implement Annual Capital and Maintenance Works Programs.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. COORDINATE MAINTENANCE WORKS PROGRAMS			
<p>Coordinate and monitor the implementation of the following maintenance works programs with internal and external service providers:</p> <p>Roads:</p> <p>Roads; Bridges; Cycleways; Footpaths; Kerb & Guttering; Car parking ; Streetscapes</p> <p>Parks, Gardens & Sporting Facilities</p> <p>Waterways - Coastal, stormwater/drainage, floodplain, waterways, estuaries</p> <p>Public Conveniences</p> <p>Public Buildings.</p>	<p>Maintenance Programs prepared to maximise the levels of service within defined budget targets.</p>	CS	<p>Early development of major 'programmed maintenance' programs completed and adopted by Council early 2005/06.</p>
	<p>Programmed major maintenance items completed.</p>	CS	<p>All programs completed except for seal to Springbank Road.</p>

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
3. IMPLEMENTATION OF CAPITAL AND MAINTENANCE WORKS PROGRAMS			
Implement capital and maintenance works programs in accordance with Service Agreements.	Completion of capital works programs within budget, time and quality targets. Progress statements to show: Funds spent vs funds allocated (in dollars and as a %); No of projects completed, in progress, not started; A list of larger projects completed and in progress	CS	<p>Capital works programs were substantially completed within set timeframes by Council's In house Asset Construction Unit as detailed below. Budget and quality targets were met. Annual expenditure on capital works by the Asset Construction Unit in 2004/05 was as follows:</p> <p>Carparks \$170,314</p> <p>Drainage \$515,459</p> <p>K&G \$452,726</p> <p>Pedestrian Amenities \$336,840</p> <p>Roads \$3,230,633</p> <p>Traffic Facilities \$71,114</p> <p>Waterways \$29,277</p> <p>Contracts \$642,577</p> <p>Total Expenditure: \$5,448,940</p> <p>Total value of works in progress by the Unit at 30th June 2005 is: \$2,420,492</p>
	Reviews show that capital works programs are meeting performance target.	CS	Approximately 75% of programmed capital works projects were completed during the year. Some works were to be delayed due to wet weather (in the 4th Quarter).
	Maintenance programs to be delivered in accordance with Service Agreement requirements. Progress statement to show: Funds spent vs Funds Allocated (in dollars and as a %) for routine activities in each Service Agreement; For each Scheduled Maintenance Property to meet the strategic needs of Council	CS	High compliance rates were achieved for most service agreement requirements.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
	Reviews show that maintenance works programs are meeting performance targets.	CS	Performance targets were generally met across all maintenance programs. A very small number of programmed jobs were deferred for 2005/06.

Principal Activity: 4 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Objective: 4.5 IMPROVING COMMUNITY FACILITIES AND SERVICES			
Strategy: 4.5.1 Assess the need and priority for the provision, replacement and maintenance of assets.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. CORPORATE LONG TERM WORKS PROGRAM</i>			
To ensure that Council's property portfolio is managed through appropriate acquisitions and disposals to provide for the current and longer term strategic needs of the Shoalhaven City	Complete and prioritise a list of proposed strategic land acquisitions and disposals by December 2004 and maintain thereafter. Review the strategic property acquisition and disposal list on an annual basis. Progressively acquire or dispose of Council property.	CS	A list of proposed strategic land acquisitions and disposals have been completed and submitted to Property Steering Committee. Commercial and residential land surplus to Council's strategic planning needs are being marketed.

Principal Activities 5: Providing Essential Water & Sewerage Services – Shoalhaven Water

Scope of the Activity

The provision of Water and Wastewater Services has been driven by the community's desire to have a healthy lifestyle, a high living standard, and minimise impact on the environment.

Shoalhaven Water's Water and Wastewater operations are classified as Category 1 Businesses under the NSW Government Policy on the Application of the National Competition Policy to local government. As a result, Shoalhaven Water has been "annexed" from Council's normal activities to allow compliance with the policy as follows:

- Act as a corporatised trading enterprise
- Separate the trading enterprise and have its accounting and other operations structured in such a way as to provide a distinct reporting framework
- Function under the same regulatory restrictions and requirements as any private sector business operating in the same field.

Shoalhaven Water is responsible for the provision, operation and maintenance of all reticulated water supply and sewerage services within the City. This includes:

- Forward planning
- Financial Management
- Water meter reading and billing
- Pumpout service
- Water Resource and water cycle planning
- Development assessment and scheme augmentation
- Capital works
- Operations
- Maintenance

The water supply system consisted of four major storage dams, four water treatment plants, 40 service reservoirs, 26 pumping stations and 1,575 km of mains with a current written down value of \$151 million. The system is administered and operated by a team of professional and trained operational staff. There are currently 45,061 assessments and the two major industrial customers are the Shoalhaven Paper Mill and Shoalhaven Starches. The Shoalhaven River is the principal water source whilst the Porters Creek tributary of the Clyde River provides a significant proportion of the water for the area between Lake Conjola and Lake Tabourie. The annual operating revenue is \$17 million.

There are ten separate sewerage systems comprising ten treatment plants, 201 pumping stations and 970 km of sewer mains having a current written down value of \$169 million serving an existing 38,521 properties. The annual operations revenue is \$29 million.

Strategic Issues

The population growth is a major factor in providing and augmenting appropriate facilities. The increase in drinking water and wastewater standards are also a significant factor in major upgradings of facilities.

There is a need to ensure the operation and upgrading/augmentation is undertaken to meet the water supply demands for the next 30 years, and is achieved in an environmentally, financial and socially responsible manner, and in accordance with ESD principles.

Due to the long-term potential demand exceeding water supply, there is a need to influence a moderation of consumer demands by using customer education programs and cost reflective pricing policies.

The State Government, through its water reform process, has introduced major legislative changes which impact on the operation of Shoalhaven Water. These changes range from water pricing to resource security. The NSW Ministry of Energy and Utilities, under the Water Management Act, recently advised Council that Shoalhaven has received a water entitlement of 85 megalitres per year for the Kangaroo

Valley water supply.

Council is currently awaiting its water entitlement for the Shoalhaven River. The Ministry of Energy and Utilities also advised Council that, for environmental purposes, extraction of water from the Shoalhaven River at Burrier is allowed so long as the river maintains a downstream flow of at least 90 megalitres per day. No additional water will be allocated in future years for industry growth.

Highlights for 2004/05

Milton/Ulladulla Sewerage Scheme Upgrade

A \$22m upgrade to the Milton/Ulladulla Sewerage Scheme was 90% completed in the year. The upgrade included the construction of a new treatment plant, a new transfer pumping station (both the City's largest) connecting pipelines and an extension of the ocean release pipe 350m offshore. The scheme will be commissioned early 2005/06 and will bypass the old treatment plant before decommissioning.

The upgraded system will provide improved water quality, capacity for future growth in the area and provide reclaimed water for re-use opportunities. The upgrade will also enable the connection of Tabourie Lake to the sewerage system.

Berry Sewerage Scheme Upgrade

An upgrade to the Berry Sewerage Scheme was 70% completed in the year and comprises the construction of a new sewerage treatment plant and transfer pumping station. The \$7m scheme will be completed in 2005/06 and provide improved water quality, capacity for future growth and additional re-use opportunities for reclaimed water.

Drought Management

The significant drought experienced all over Australia affected the water resource to the City with Level 1 water restrictions imposed for a 2 ½ month period. Frequent coastal rains over summer and autumn provided water resources to meet a reduced demand from this rainfall and the community's general water conservation awareness.

To encourage water conservation a rebate scheme was provided for existing water customers who install a rainwater tank on their property and/or connect to a toilet or washing machine.

Operational Achievements

Approximately 52 kilometres of sewer mains located at Culburra Beach, Greenwell Point, Orient Point and Nowra were inspected by CCTV to determine defective pipes for insitu relining.

A bulk storage ferric chloride facility was installed at Bomaderry STP for use in mitigating and controlling septicity in sewer mains.



Ferric chloride tank, bund and safety wash at Bomaderry STP

The "Permaline" sewer main relining system has been successfully employed to reline deep sewers in the Greenwell Point area to prevent saline groundwater intrusion into the sewer mains.

Biosolids production and re-use has achieved over 3,800 tonnes this year, being successfully re-used on farmland in the Numbaa area.



Surface spreading of bio-solids by contractor

Farmers in the Terara area made good use of reclaimed water during the dry period of 2004/2005 with over 1,200 megalitres being utilised for farm irrigation.

To improve the disinfection residual throughout the City's water distribution system, a number of chlorine booster stations are being installed. Installation and commissioning of chlorine boosters at Berry, Shoalhaven Heads, Nowra Hill and Berrara are completed.

In conjunction with New South Wales Fisheries, Shoalhaven Water has again been involved with the native fish stocking of Flatrock and Danjera Dams. 8,000 Australian Bass fingerlings were released this year.



Australian Bass fingerlings being released

Water and Wastewater pricing formulated to move towards Best Practice Pricing Guidelines

Development Servicing Plans and Section 64 Plans 90% complete including public exhibition and comment

Kangaroo Valley Sewerage Development Plan almost completed, including extensive public consultation

Introduction of a water conservation brochure sent out with quarterly water usage accounts

Work completed to call tenders for the development of an Integrated Water Cycle Management

Finalise Survey, design and acquisition of the Croobyar Road/Corks Lane sewer reticulation

Operation and maintenance of water supply and sewerage schemes to appropriate standards and levels of service.

Principal Activity: 5		PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER	
Objective:	5.1	Responsibly manage the Council's finances, resources and regulatory functions	
Strategy:	5.1.1	Implement sound financial management strategies to meet Cityplan objectives.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. FINANCIAL PLAN			
Maintain a 20-year financial plan to ensure rate impacts are stabilised and managed.	Report to Council regarding Projected Average Residential Bills by April 2005.	SW	The 2005/2006 Management Plan included a revision of the 20 year Financial Plan
2. HEADWORKS CONTRIBUTION PLAN			
Complete Section 64 Headworks Contributions Plan in accordance with Department of Energy, Utilities and Sustainability Guidelines and IPART recommendations.	Complete Development Servicing and Contributions Plan. Report to Council on appropriate Section 64 Charges by August 2004.	SW	Development Servicing Plan 90% complete
3. RESOURCE REUSE			
Continue to manage and explore the beneficial re-use of reclaimed water and biosolids.	Ensure effective operation of re-use projects such as REMS, the Bomaderry tea tree plantation and biosolids strategy.	SW	Re-use projects at Ulladulla, Sussex Inlet and REMS Stage 2 being implemented.
4. MAXIMISE GRANT FUNDING OPPORTUNITIES			
Investigate on subsidy/grant funding for water, wastewater and reclaimed water management.	Make timely application and report to Council on grants/subsidies applications and approvals.	SW	Priority funding provided for proposed Conjola, Tabourie Lake and Kangaroo Valley Sewerage Schemes
5. ACCESS TO WATER / WASTE WATER			
Equitable access to water and wastewater services at an affordable cost. <i>Access & Equity Action Areas: A.2.</i>	Pricing of services on a Citywide basis, where appropriate.	SW	City wide availability and usage charges adopted for 2004/2005

Principal Activity: 5 PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER			
Objective: 5.1 Responsibly manage the Council's finances, resources and regulatory functions			
Strategy: 5.1.2 Develop a positive organisational culture focussed on using resources wisely, achieving quality customer service and seeking continuous improvement.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. CUSTOMER SERVICE			
Meet published “Levels of Customer Service”.	Report quarterly on achievement and take appropriate action where gaps are identified.	SW	LOS have generally been achieved
2. CUSTOMER SURVEY			
Seek feedback from customers regarding satisfaction and desires.	Undertake customer survey by June 2005.	SW	A survey of Shoalhaven Water customers was undertaken in various forms during 2005. The results from the methods of survey covering the services provided was reported to Council in April 2005.

Principal Activity: 5 PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER			
Objective: 5.1 Responsibly manage the Council's finances, resources and regulatory functions			
Strategy: 5.1.3 Develop sound business plans for each of Council's commercial operations which offer value for money to customers and good returns for Council.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. STRATEGIC BUSINESS PLAN</i>			
Develop and action a yearly Strategic Business Plan for the management of the Water and Wastewater Schemes.	Plan completed by end of June quarter.	SW	Strategic Business Plan for 2005/2006 completed

Principal Activity: 5		PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER	
Objective: 5.2		Stimulate employment, economic competitiveness and promote a positive business environment.	
Strategy: 5.2.1		Actively encourage sustainable employment generation and help strive for a stronger and more diversified economic base for the Shoalhaven.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. COMMERCIAL OPPORTUNITIES</i>			
Explore and trial commercial opportunities relating to water and wastewater, with particular emphasis on the encouragement of effluent re-use, and areas of non-core activities using Southern Water Services.	Report progress to Shoalhaven Water Operations and Strategic Review Committee.	SW	The commercial focus of the Tea Tree Plantation and mobile phone tower management has proved successful

Principal Activity: 5 PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER			
Objective: 5.3 Promote and develop effective and equitable services, especially in the areas of health and safety to improve the quality of life for all residents.			
Strategy: 5.3.1 Develop and provide programs and services to improve the health and amenity of the community.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. LONG TERM WATER SUPPLIES			
Secure long-term water resource for Shoalhaven Water Supply Scheme.	Complete negotiation agreement with Sydney Catchment Authority and Department of Energy, Utilities and Sustainability.	SW	Dialogue undertaken with Ministers and State agencies. Brochure circulated to Shoalhaven residents to keep informed of issues
2. DROUGHT ACTION PLAN			
Operate the water supply scheme in accordance with the Drought Management Plan.	Report to Council as required regarding activation of the Drought Management Plan.	SW	Drought Management Plan activated for water restrictions for 3 months during the year
3. DEMAND MANAGEMENT STRATEGY			
Implement Actions in Demand Management Strategy.	Reduce average residential yearly water consumption from 300 Kl/annum to 225 Kl/annum by the year 2004. Report on progress towards target.	SW	Average residential consumption 226 Kl/annum
	Undertake and report on “Waterwise” activities.	SW	Range of 'Waterwise' actions undertaken
4. WATER TREATMENT			
To treat raw water to meet NHMRC (National Health & Medical Research Council) drinking water standards for all major town areas.	Report on test results to Shoalhaven Water Operations and Strategic Review Committee.	SW	Microbiological 98.3 E-Coli 98.55 Total Coliform Chemical 98.4 Health 97.05 Aesthetic

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
5. WATER PRESSURE			
95% of all pressure and flow to consumers exceeds: - pressure head of 15 metres - minimum flow rate of 8 litres per minute.	Quarterly report.	SW	Water pressure meets Customer Levels of Service
7. DEVELOPMENT PLAN (Sussex Inlet Area)			
Seek funding subsidy for Sussex Inlet Reclaimed Water Management Scheme.	Report to Council on progress.	SW	Financial Subsidy not available for the next 3 years
8. DEVELOPMENT PLAN (Currarong)			
Seek financial subsidy for designs of Currarong Sewerage Scheme.	Complete design by end of June 2004.	SW	Currarong Sewerage Scheme detailed design commenced
9. DEVELOPMENT PLAN (Kangaroo Valley)			
Complete option report and Environmental Assessment for Kangaroo Valley Sewerage Scheme.	Complete option report by June 04 and Environmental Assessment by June 05.	SW	Options report near completion
10. WASTEWATER			
To operate, maintain and improve performance of wastewater schemes in a cost effective manner.	Aim to achieve operating cost towards State median for similar authorities Operating cost of \$150/assessment Target of less than 35 chokes/100km.	SW	Operating Costs \$141.25 per assessment (Excluding REMS, depreciation and sanitary services) Chokes per 100KM sewer main - 7.0

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
11. WATER			
To operate/maintain and improve the performance of the water supply system in a cost-effective manner.	Achieve operating costs below State median for similar authorities Target of less than \$20/assessment for energy costs Operating costs below \$105/assessment.	SW	Energy costs \$14.93 per assessment Operating costs \$90.48 per assessment
12. REGISTER OF DIALYSIS PATIENTS			
Ensure water is provided for kidney dialysis patients. <i>Access & Equity Action Areas: E.2.</i>	Maintain a register of kidney dialysis patients and their addresses.	SW	The register of dialysis patients was updated to ensure the level of accuracy was maintained. Dialysis customers will be levied 50% of the usage charge in 2005/2006 to provide support against the level of consumption required for home dialysis. Usage greater than 450KL will be maintained in order to provide greater assistance if applicable
13. WATER WISE ADVICE			
Provide advice to customers on ways to use water wisely to reduce household bills. <i>Access & Equity Action Areas: A.3.</i>	Access to brochures.	SW	Brochures also issued with water usage accounts
	Conducting water audits.	SW	Self water audit kits available, also brochures issued to customers with water usage accounts
	Media promotions.	SW	Promotions in local papers and selected publications. Also brochures sent with water usage accounts
14. CONCEPT & DESIGN (Conjola Regional Sewerage Scheme)			
Commence construction of the Conjola Regional Sewerage Scheme.	Report on construction progress.	SW	Subsidy funding made available and construction contracts tendered

Principal Activity: 5 PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER			
Objective: 5.4 Establish and manage community assets (eg roads, drains, parks).			
Strategy: 5.4.1 Assess the need and priority for the provision, replacement and maintenance of assets.			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
2. PIPELINE / RESERVOIR NOWRA HILL, BEWONG			
Finalise construction of pipeline from Nowra Hill to Bewong and Bewong Reservoir.	Report to Council regarding finalisation.	SW	Construction complete
3. MILTON / ULLADULLA SEWERAGE SCHEME			
Construct new Sewage Treatment Plant and pump station at Ulladulla.	Progress report on construction of new sewage treatment plant and pump station.	SW	Construction 90% complete
4. BERRY SEWERAGE SCHEME			
Construction for the augmentation and upgrade of Berry sewerage scheme.	Complete construction for the augmentation and upgrade by June 2005.	SW	Construction 60% complete
6. REMS (RECLAIMED WATER MANAGEMENT SYSTEM)			
Maintain monitoring program and consolidate operations.	Provide Annual Report on progress to Shoalhaven Water Operations and Strategic Review Committee.	SW	Annual Report adopted and distributed
10. MAINTENANCE PROGRAMS			
Achieve annual maintenance programs for water and wastewater schemes.	Report progress to the Shoalhaven Water Operations & Strategic Review Committee each quarter.	SW	Water: Programmed maintenance - 92% on schedule Wastewater: Programmed maintenance - 89% on schedule

Principal Activity: 5 PROVIDING ESSENTIAL WATER & SEWERAGE SERVICES – SHOALHAVEN WATER			
Objective: 5.5 To Operate Shoalhaven Water in an environmentally responsible/sustainable manner for the betterment of present and future generations. To ensure a high quality of life and health to our community			
Strategy: 5.5.1 Ensure that Council meets and embraces its ESD obligations under the Local Govt Act			
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
Biodiversity - Undertake a review of environmental factors for all relevant activities	Number of REF's per quarter	SW	REFs prepared for relevant activities
2. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
Ecological Integrity - Re-use biosolids for agricultural purposes	Tonnes of biosolids reused per quarter	SW	3800 tonnes of biosolids re-used for agricultural purposes and 1,500ML of reclaimed water re-used
3. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
Economic Viability - Use media campaigns to promote the efficient use of water	Use media campaigns to promote the efficient use of water	SW	Media campaigns for water restrictions, conservation and rainwater tank rebates undertaken
4. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
Social Integrity - Undertake a survey of customer satisfaction and desires	Survey results	SW	Customer Survey completed for effluent (pumpout) customers
5. ECOLOGICALLY SUSTAINABLE DEVELOPMENT			
Natural Capital - Influence consumer water demands by using customer education programs and cost reflective pricing policies	Average water consumption per household	SW	Water usage charge adopted to meet Best Practice Management Guidelines

Principal Activity 6: Operating Holiday Haven Tourist Parks

Scope of the Activity

Holiday Haven Tourist Parks is Council's major commercial operation providing 12 tourist parks within Shoalhaven City. Like Shoalhaven Water, it is classified as a Category 1 Business, as required by the Local Government Act.

The aim of Holiday Haven is to provide a wide range of quality accommodation, caravan and camping services for its clients, whilst ensuring that Council's tourist parks remain at the forefront of industry standards.

Strategic issues

Council is the largest tourist park operator in NSW. The business is well managed and produces facilities, related amenities and a sound revenue stream for Council. For Council to maintain and enhance this situation it needs to ensure that Holiday Haven:

- Continues to operate efficiently and effectively to maintain and enhance business performance.
- Keeps abreast of and capitalises on emerging industry trends and opportunities.
- Investigates and implements an improved range and quality of facilities and services.
- Preserves and enhances the parks' built and natural environment.
- Produces a substantial profit for expenditure on Shoalhaven's large Crown parks and reserves portfolio.

Proposed Responses - The effective operation of this commercial enterprise will involve:

Appropriate reinvestment into capital assets on the parks to:

- a) sustain the current level of park quality
 - b) enhance facilities on offer to patrons, particularly, in the areas of park layout and park facilities generally, with emphasis on recreation
 - c) ensure that the new quality on-site accommodation investment program generates a sound return on investment.
- To adopt a pricing strategy which reflects market prices but provides an appropriate commercial return to Council, while recognising Council's community support obligations and maintaining the customer perception of value for money at all of the parks.
 - Continue effective contract management of Council's tourist parks with emphasis on a reasonable return for the parties involved.
 - Intelligent and effective marketing of the operation, particularly in major market areas and particular market segments.
 - Shoalhaven Heads Tourist Park wins the South Coast Regional Tourism Awards 2003 'Best Caravan and Camping Park' Award.

Highlights for 2004/05

- Cabin Program - Loan funds allocated in the 2004/2005 financial year enabled the installation of cabins at Lake Tabourie, Ulladulla Headland and Crookhaven Heads Tourist Parks. Additionally, special access cabins were installed at Bendalong Point and Currarong Beachside Tourist Parks. One cabin at Crookhaven Heads Tourist Park and Lake Tabourie Tourist Park were manufactured locally by TAFE building section students.
- Amenities - Two major projects for the year were the complete renovation of amenity blocks at Lake Conjola Entrance Tourist Park and Currarong Beachside Tourist Park. The block at Lake Conjola was completed prior to the summer holiday season while the Currarong block commenced after Easter and will be completed early in the 2005/2006 financial year.
- Facilities were upgraded at Kangaroo Valley, Shoalhaven Heads and Bendalong Point Tourist Parks.
- Site Works - Completion of park surveys for all tourist parks within the group including the preparation of electronic plans made available to Council's plan register. These plans now form the basis of the planning requirements for the business plans and future plans of management for each park.
- Reticulation of gas lines was completed in all tourist parks except for Kangaroo Valley and Swan Lake Tourist Village. The works entailed the removal of gas bottles from all remote locations and centralising tanker fill points to reduce OH&S and public risk exposure.
- New powered camping sites were established at Crookhaven Heads, Lake Tabourie and sites were upgraded at Lake Conjola Entrance and Burrill Lake Tourist Parks. The works undertaken provide graded, turfed sites with the attraction of full amenities for caravan or camping clients.
- New computer equipment was provided to all properties during the year in addition to an upgraded telephone system incorporating the latest answering and call handling facilities.
- Security system upgrades continue to be undertaken with works being completed at Crookhaven Heads, Currarong Beachside, Lake Tabourie and Swan Lake Tourist Parks.
- Energy Conservation - Continuing program providing for the installation and upgrade of hot water systems has seen installation of solar assisted, low energy usage units at Bendalong Point, Burrill Lake, Lake Conjola Entrance, Currarong Beachside, Swan Lake, Lake Tabourie and Ulladulla Headland Tourist Parks.
- Recreational Facilities - Capital expenditure continued to be applied to the provision of upgraded barbecue and picnic facilities at all twelve Holiday Haven Tourist Park locations. Typically these facilities consist of stainless steel automatic barbecues and small shelters providing washing up facilities. These facilities were constructed by Holiday Haven's outdoor workforce.

Principal Activity: 6		OPERATING HOLIDAY HAVEN TOURIST PARKS	
Objective: 6.1		SUCCESSFUL COMMERCIAL OPERATIONS - to successfully manage Council's commercial operations in an open and competitive manner.	
Strategy: 6.1.1		Develop a sound business plan for Holiday Haven Tourist Parks which offers value for money to customers and good returns for Council.	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
1. BUSINESS STRATEGY			
Develop a separate business strategy covering the activities of the Holiday Haven Tourist Parks.	Refine / develop business strategies for implementation in the next financial year.	CO	* Draft business plan submitted and reviewed. Individual Park plans await the dedication of resources. Current year planning results in better than expected performances on most properties.
2. OPERATING TARGETS			
Meet established targets for growth, profitability and rate of return.	Target growth in trading profit for Holiday Haven Tourist Parks at 6% per year.	CO	* 5.99% revenue growth achieved.
	Target 65% cash flow profit.	CO	* Cash flow profit exceeded target - 66% achieved.
	Target 17% return on new accommodation investments for Holiday Haven.	CO	* Cabin occupancy throughout the Group maintains the return on investment target.
3. SAFE ADVENTURE PLAYGROUNDS			
Establish a range of dynamic, challenging, adventurous and recreational activities in all Holiday Haven Tourist Parks. <i>Access & Equity Action Areas: B.2.</i>	Proportion of allocated funds to be used for equipment. Balance of funds under consideration from Caravan Levy Scheme Committee – to be decided and implemented by end of June quarter.	CO	* Upgrading of playground soft-fall surfaces and shade cloth undertaken at Burrill Lake, Bendalong Point and Crookhaven Heads Tourist Parks. * New playgrounds were constructed at Shoalhaven Heads, Burrill Lake and Huskisson Beach Tourist Parks.

Task	Performance Target & Assessment	Grp. Dir.	Annual Report
4. SPECIAL ACCESS CABINS			
<p>Provide suitably equipped special access cabins at a number of popular sites within the Holiday Haven Group.</p> <p><i>Access & Equity Action Areas: E.2.</i></p>	<p>Review needs annually in the Cabin Strategy and list special access cabins with the relevant industry classification bodies.</p>	CO	<p>* Two additional special access cabins were placed in this financial year.</p>
5. ACHIEVE QUALITY CUSTOMER SERVICE			
<p>Implement contract arrangements & training for management & staff to ensure delivery of high levels of customer service.</p>	<p>Monitor customer feedback & implement timely responses to client suggestions, comments & complaints.</p>	CO	<p>* A combination of external customer training courses and a reliance on the park management teams to treat park issues at the park has resulted in a better focus on client response and responsibility.</p>

Principal Activity: 6		OPERATING HOLIDAY HAVEN TOURIST PARKS	
Objective: 6.1		SUCCESSFUL COMMERCIAL OPERATIONS - to successfully manage Council's commercial operations in an open and competitive manner.	
Strategy: 6.1.2		Develop a Marketing Plan incorporating existing and potential markets	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. MARKETING PLAN</i>			
Review existing client sources and implement adjusted strategy to cater for changing consumer markets.	Achieve industry standard exposure on promotion and marketing.	CO	* Ongoing review of both the customer base and the changing market have given rise to some adjustments to the overall marketing program. The assessment of the program will continue.

Principal Activity: 6		OPERATING HOLIDAY HAVEN TOURIST PARKS	
Objective: 6.1		SUCCESSFUL COMMERCIAL OPERATIONS - to successfully manage Council's commercial operations in an open and competitive manner.	
Strategy: 6.1.3		Provide industry standard visitor facilities in all Holiday Haven Tourist Parks	
Task	Performance Target & Assessment	Grp. Dir.	Annual Report
<i>1. UPGRADED AMENITIES</i>			
Institute a program of upgrading of amenity facilities in Tourist Parks complying with industry standards, client expectations and availability of funds.	Renovation or replacement of existing amenity facilities.	CO	* Two amenities buildings were fully renovated this year at Lake Conjola and Currarong Beachside as well as the addition of a special access facility at Shoalhaven Heads.

Legal Proceedings

Section 428 (2) (e)

During 2004/2005 Council was involved in the following legal proceedings:

Note: Some costs were paid or received by Council in previous financial years and where appropriate these have been shown.

Matter	Court	Costs Paid	Costs Received	Status
Brooke Wood - Unauthorised Development	Nowra Local Court	\$2052.60	\$165.00 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$8,000 + \$63 Court costs
John Rebbeck – Unauthorised Development	Nowra Local Court	\$1300.97	\$165.00 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$900 + \$63 Court costs
Ger & Susan Knopt – Unauthorised Development	Nowra Local Court	\$2345.86	\$330.00 (awarded to Council)	Case decided in Council's favour. Defendants convicted and fined \$4000 + \$126 Court costs
Matthew Hastie – Unauthorised Development	Nowra Local Court	\$1376.32	\$165.00 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$1500 + \$63 Court costs
Foxrun Building Services Pty Ltd – Fail to pay clean up notice fee	Nowra Local Court	\$660.00	Settled out of court	Defendant agreed to pay \$320 for POEO admin fee & \$660 in legal costs
Rachel Arnott – Unauthorised Development	Nowra Local Court	\$916.85	\$165.00 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$5,000 + \$63 Court costs
Adam Spinner – Unauthorised Development	Nowra Local Court	\$3269.15	\$2000 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$5000 + \$63 Court costs
Andrew Wheatley – Unauthorised Development	Nowra Local Court	\$861.74	\$165.00 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$2000 + \$63 Court costs
Justin Hemmes – Unauthorised Development	Nowra Local Court	\$7588.68	\$6600 (awarded to Council)	Case decided in Council's favour. Defendant issued with Section 10 (guilty but no conviction recorded) \$63 Court costs

Matter	Court	Costs Paid	Costs Received	Status
Robert Dix – Permit land to be used as a waste facility	Nowra Local Court	\$2897.30 \$3712.50	\$4500 (awarded to Council)	Case decided in Council's favour. Defendant convicted & fined \$2000 + \$63 court costs
Eric Gorrell – Unauthorised Development	Nowra Local Court	\$553.30 \$1436.82 \$3063.58 \$554.40	\$3000 (awarded to Council)	Case decided in Council's favour. Defendant convicted & fined \$5000 + \$63 Court Costs. Ordered to submit a rehabilitation plan to restore property. A \$500 daily penalty will be imposed if plan not complied with.
Archie Diakos – Unauthorised Development	Nowra Local Court	\$1161.60 \$220.00	\$330 (awarded to Council)	Case decided in Council's favour. Defendant convicted & fined \$18000 + \$63 Court costs. Ordered to submit a rehabilitation plan to restore property. A daily penalty will be imposed if plan not complied with.
Leslie & Anne Cornish – Unauthorised Development	Nowra Local Court	\$3347.01	N/A	Matter did not proceed
Druce DP Pty Ltd – Unauthorised Development	Nowra Local Court	\$735.08	N/A	Matter did not proceed
Eagle Homes – fail to comply with clean up notice	Nowra Local Court	\$659.89	\$550 (awarded to Council)	Case decided in Council's favour. Defendant convicted and fined \$750 + \$63 Court costs.
Harrison – Challenge Unauthorised Dwelling	Land & Environment Court	\$7983.91	Not determined	Case not yet decided
W & L Christopher – Tamper with water meter/restrictor	Nowra Local Court	\$400	Nil	Case decided in Council's favour in 2003. Defendant fined \$226. No arrangements made or payments received. Follow up action with State Debt Recovery continuing
C Williams – Unauthorised standpipe uses	Nowra Local Court	\$945.29	\$710.50	Case decided in Council's favour in 2004. Defendant fined \$710.50 and nil outstanding.
Blom – Tamper with meter and fittings	Nowra Local Court	\$1267.64	\$828	Case decided in Council's favour in 2004. Defendant fined \$828 and nil outstanding.
G Kolek – Possession of illegal water meter	Nowra Local Court		\$891	Case decided in Council's favour in 2004. Defendant fined \$891 and nil outstanding.
Land Acquisition – National Parks & Wildlife – Pacific City	Land & Environment Court	\$33,163.95	Nil	Proceedings to date completed
Trevor Perry – Litter from vehicle	Nowra Local Court	\$573.76	\$573.76	Case decided in Council's favour. Defendant fined \$200

Matter	Court	Costs Paid	Costs Received	Status
Druce/Henry Kendall – Class 5 Prosecution – Breach of POEO Act	Land & Environment Court	(\$36,616 paid 03-04) \$14,563.68	\$40,000 in costs and \$30,000 fine	Offence proven - costs awarded and fine imposed.
Punnett – Deemed refusal	Land & Environment Court	\$64,261.72		Class 1 Appeal Upheld. Amended Development Consent issued by Court July 2005
Stanton – Unauthorised Development	Land & Environment Court	(\$10,620 paid 03-04) \$7041.60		Court ordered Stanton to vacate the illegal dwelling within 3 months and the dwelling to be demolished within 6 months. Site reviewed February 05 occupation of illegal dwelling still active. Matter reported to Council who deferred any further action subject to a further report on rezoning investigation.
Tovedale – Unauthorised development	Land & Environment	\$32,397.00		Appeal upheld with costs. Council to make offer re costs.
Featurewood Homes – Non compliance with DA conditions	Land & Environment Court	\$10608.00		Appeal upheld
McSwiney – Non compliance with DA conditions	Land & Environment Court	\$3,386.52	\$2,400	Class 4 proceedings completed. Applicant has completed construction works
Stevens & Farrell Management Services – Non compliance with Conditions of Consent	Land & Environment Court	(\$1832.82 paid 03-04) \$2540.89	\$3,800	Works completed
Cowman & Stoddart – Class 1 Refusal of DA	Land & Environment Court	\$1,861.64		Call over date yet to be set
Pavlakakis – Claim against Council not providing car parking	Land & Environment Court & Supreme Court	(\$33,551.55 paid 03-04) \$197,529.00		Found in Council's favour – currently seeking order for costs
Hayes – Class 1 Appeal against Council – Refusal of Chosen Roof Colour	Land & Environment Court	\$3,326.40		Appeal dismissed
Bishop & Hitchcock – Class 1 Appeal Against Refusal of DA	Land & Environment Court	\$31,408.50 paid 03-04) \$2546.50		Appeal Upheld
Cassisi – Unauthorised Development	Land & Environment Court	\$1,439.68		Continuing
Palmquist – Court Elect Parking	Nowra Local Court	\$440	N/A	Matter withdrawn
Guscott – Court Elect Parking	Nowra Local Court	\$550	\$165	Court costs of \$165 awarded to Council
Cooper – Court Elect Deposit Litter	Nowra Local Court	\$165	N/A	Matter withdrawn and dismissed
Petty & Condie Prosecution Tree Removal	Nowra Local Court	\$2163	\$3226	Case decided in Council's favour. Defendants fined \$3226

Fees, Expenses & Facilities Provided to Elected Members

Section 428(2) (f)

The following fees were expended during the year 2004/2005:

Mayoral Fees	\$28,215
Councillor Fees	\$168,025 (\$12,925 each Councillor)

The total cost associated with Council expenses and facilities such as travel, allowances, expenses, computer, mobile phones, secretarial support, facsimile and other costs associated with Council and committee meetings for 2004//2005 was **\$213,433.90**.

Council's policy in relation to the payment of expenses and the provision of facilities:

Councillors may claim payment for expenses incurred or to be incurred in relation to discharging the functions of civic office.

The payment of expenses and the provision of facilities to the Mayor, Deputy Mayor and Councillors is in accordance with the Local Government Act, 1993 (Section 252).

Business within the Shoalhaven City Council Area

Councillors may claim distance allowance and reasonable transport and sustenance costs in respect of any legitimate business conducted within the City of Shoalhaven on behalf of the Council subject to completion of claim forms to be provided by the General Manager.

a) Private Vehicle

If travelling is by private vehicle, the rate applicable shall be in accordance with the relevant Local Government Awards as applicable at the time of travel.

b) Public Transport

Councillors travelling by taxi, car rental or other means of public transport shall be reimbursed for actual expenses incurred.

c) Sustenance

Reasonable costs incurred for sustenance will be met by Council or actual costs reimbursed.

Legitimate Business

"Legitimate Business" includes, but without being limited to, attendance at the following:

- all Council meetings;

- civic functions, receptions and official openings;
- Council appointed Committees, Boards and Working Parties/Groups or the like;
- other functions by invitation in capacity as Mayor or Councillor;
- inspections, briefings or the like;
- meetings of Principal Consultative Bodies (PCB's)
- responding to rate payer's enquiries or requests.

Business Outside the Shoalhaven City Council Area

Council shall meet reasonable out of pocket expenses incurred by Councillors in attending Council business outside the City area authorised by Council resolution or under the delegated authority of the General Manager where the business is within Australia.

Claims for such expenses may include:

a) Private Vehicle

If travelling is by private vehicle, the rate applicable shall be in accordance with the relevant Local Government Awards as applicable at the time of travel.

b) Public Transport

Councillors travelling by taxi, car rental or other means of public transport shall be reimbursed for actual expenses incurred.

c) Airfares

Where appropriate Council shall meet the costs of airfares. The General Manager shall be authorised to determine under what circumstances travel by air is appropriate.

d) Accommodation & Sustenance

Council shall meet reasonable accommodation and sustenance costs.

e) Other Expenses

Other expenses such as parking fees and tolls deemed by the General Manager to be reasonable in attending to the business of the Council shall be met by Council.

Mayoral Vehicle

The Mayor may provide a vehicle of appropriate standard for use on Mayoral duties or alternatively Council shall provide and maintain a vehicle of appropriate standard for use by the Mayor to carry out the role, responsibilities and duties of the Mayor.

Insurance

Councillors shall receive the benefit of insurance cover for –

- Personal Accident, including travel
- Public Liability
- Professional Indemnity
- Councillor Liability

Communication Expenses

Where it is deemed mutually convenient, Council shall provide or support access to Council's central computing facilities for each Councillor. The technology used for connection will be

dependent on the location and availability. However "high speed" technology solutions will be provided wherever practicable.

Councillors will be provided with a maximum of two lines, or alternatively broadband or ISDN, to their nominated residence for Council usage.

In addition, Council will provide –

- Mobile phone and car kit
- Facsimile machine (if requested)
- Personal Computer (PC) or notebook computer
- Printer
- Personal Digital Assistant (PDA)

Council will meet the following costs:

- Connection and rental charges;
- Call costs up to a maximum of \$3,000 per annum for each Councillor. Call costs are to include the phone in the Councillors' Room. (This limit does not apply to call costs for the Mayor)

Additional equipment requirements to meet special needs of any Councillor through disability shall be provided by Council.

Councillors will have access to photocopiers in Administration buildings during normal opening hours for Council business.

All private usage of equipment (e.g., telephone and mobile phone) shall be reimbursed to Council.

Secretarial Assistance

The General Manager shall be authorised to provide reasonable secretarial support for each Councillor by way of providing stationery, photocopying, postage and stenographic support.

Secretarial support and stationery supplies shall only be used for Council business, in accordance with this Policy and Council's Code of Conduct.

Partners Accompanying Councillors

Partners of the Councillors may accompany them on Council business trips subject to all expenses incurred in relation to the partners' presence being paid for by the relevant Councillor.

Legal Advice

Councillors shall be entitled to legal advice, subject to the concurrence of the General Manager, on Council related personal matters.

Legal advice includes seeking opinion on personal pecuniary interest matters as approved by the General Manager.

In the event of any enquiry, investigation or hearing by any of the following –

- Independent Commission Against Corruption
- Office of the Ombudsman
- Department of Local Government and Co-operatives
- Police Service
- Director of Public Prosecutions

- Local Government Pecuniary Interest Tribunal into the conduct of a Councillor;

or where legal proceedings being taken against a Councillor arising out of or in connection with the Councillor's performance of his or her civic duties or exercise of his or her functions as a Councillor, Council shall reimburse such Councillor, after the conclusion of the enquiry, investigation, hearing or proceeding, on a solicitor/client basis, PROVIDED –

- a) the amount of such reimbursement shall be reduced by the amount of any moneys that may be or are recouped by the Councillor on any basis; and
- b) the enquiry, investigation, hearing or proceeding results in a finding favourable to the Councillor, despite an identification of a minor technical breach.



Ulladulla Breakwall Footpath & Steps

Senior Staff Remuneration Package

Section 428(2) (g)

Local Govt. (General) Regulation 2005 – Sect 217 Clause (1) (b)

Shoalhaven City Council as outlined in this report is a multi-purpose Council administering traditional local government activities such as road works, recreational facilities, planning, development approvals, health and community services, libraries as well as other major activities such as the provision of water and sewerage services, tourism and industrial development. The total assets of the City under administration is around \$1billion dollars which would place the City, in asset value terms, among the top 10% of organizations within Australia.

Council's expenditure (including depreciation) is around \$150 million dollars per annum which includes a number of commercial activities together with the range of activities indicated earlier. Council employs over 700 staff on a permanent basis as well as casual/temporary staff as required, consultants and contractors.

The total amount of money payable for salary, fringe benefits, vehicle and other on-costs for Council's senior staff including the General Manager and six (6) Group Directors is summarised as follows:

General Manager	\$208,398.00
City Services Group Director	\$158,750.00
Shoalhaven Water Group Director	\$153,550.00
Development & Environmental Services Group Director	\$140,000.00
Community Operations Group Director	\$140,000.00
Finance & Corporate Services Group Director	\$135,000.00
Planning Group Director	\$135,000.00
TOTAL	\$1,070,698.00

Council administers approximately 99 Acts of Parliament and associated regulations and needs professional staff that have a wide ranging appreciation of the legal requirements associated with a complex government instrumentality. Council's activities link strongly to other Government agencies, particularly at the State level, which requires sensitive handling where State Government change the political emphasis from time to time.

Major Contracts Awarded

Section 428(2) (h)

Company	Project	Amount \$
TPE	Woolamia Industrial Estate	\$1,250,000.00
RMP Pty Ltd	Repainting water mains	\$186,848.00
Southern Asphalters	Spray Sealing of pavements within Shoalhaven	\$1,200,000.00
Salvage & Stabilised Pavements of Australia	Insitu Stabilisation of pavements within Shoalhaven	\$150,000.00
CSR, Readymix, Pioneer Constructions	Supply & Delivery of Ready Mixed Concrete	\$300,000.00
Boral Asphalt, Southern Asphalters	Supply & laying of Asphaltic Concrete within Shoalhaven	\$500,000.00
Cleary Bros	Supply & Delivery of Cover Aggregate for sprayed bituminous	\$440,000.00
Aqua Assets	CCTV Inspection & Cleaning of gravity sewers	\$197,549.98
Ablock Builders	Construction of new bridge over Meadow Creek	\$187,303.00
RSPCA	West Nowra Pound Management & Operation	\$155,000.00
Parker Contractors	Ulladulla Leisure Centre Roof Installation	\$218,651.00
Bridgeworks	Bridge replacement Monkey Mountain Rd, Termeil	\$225,000.00
Southern Cross Contractors	Woolamia Industrial Estate, stage 8 Subdivision	\$847,281.00
South East Powerlines & Electrical	Flinders Industrial Estate stage 8 Electrical Supply	\$291,000.00
Batmac Constructions	Ulladulla Multi Purpose Centre, St Vincent St Ulladulla	\$1,139,019.50
K & J Lynch	Terara Levee Restoration works south bank of River	\$430,883.00
GHD	Primary Consultant Multi Purpose Cultural Centre	\$1,076,000.00

Bush Fire Hazard Reduction Programs

Section 428(2) (i1)

Council completed all of the bush fire mitigation activities it is responsible for under the Shoalhaven District Bush Fire Risk Management Plan. Council similarly participated in all Shoalhaven Bush Fire Management Committee meetings and activities to ensure Council is integrated with the activities of all agencies working towards achieving the Bush Fire Risk Management Plan objectives.

230 inspections were undertaken in response to complaints received by the Shoalhaven District RFS. Of this number, 46 related to Council land with 4 sites requiring vegetation management works that have subsequently been completed. Sixteen s66 notices were issued by the RFS on behalf of Council requiring specific bushfire hazard reduction works be undertaken.

Council's Mitigation works focussed on Asset Protection Zones (APZs) originally established or re-established following the 2000-2001 Hylands fire. Having satisfied the requirements of the amended legislation in respect to APZs Council is now concentrating on refinements and maintenance in cooperation with NSW Rural Fire Service (RFS) staff. The RFS now have overarching responsibilities for complaint investigation and subsequent direction of Council to undertake specific works when necessary.

Council maintains a Bushfire Hazard Reduction Maintenance Schedule of ninety individual locations which are inspected twice annually and the necessary maintenance carried out. Council's operational activities in respect to fire mitigation consist largely of mechanical clearing and maintenance of previously cleared areas. All bushfire mitigation activities are certified using the Bushfire Environmental Assessment Code (BEAC) and the NSW Rural Fire Service Bushfire Risk Information Management System (BRIMS). BRIMS is the state-wide database developed by the NSW Rural Fire Service whereby all bushfire mitigation activities are reported and monitored.

Council continues to participate in a number of working groups established by the Shoalhaven Bushfire Management Committee including the Asset Protection Zone working group and the Fire Trails working group.

Cleared and mulched Asset Protection Zone at Wrights Beach, St Georges Basin



Cultural Diversity

Section 428(2) (j)

The following programs were undertaken during 2004/2005 to promote services and access to services for people with diverse cultural and linguistic backgrounds:

Council partly funds a Community Development Officer to assess the needs of Shoalhaven's multicultural community and develop programs to address their identified needs. During the year the following programs were undertaken:

- Ongoing support for Shoalhaven Multicultural Committee
- Information dissemination
 - (Multicultural Directory printed, sponsored and distributed by SCC)
- Co-ordinated and promoted Harmony Day events in partnership with multicultural group members and local primary schools to raise awareness of our cultural diversity and "*say no to racism*"
- Distributed Local Ethnic Affairs Party Statement



Floating Pontoon – Maria Avenue Burrill Lake

Works Carried Out on Private Land

Section 428(2) (k)

There were no resolutions made under Section 67 of the Local Government Act concerning works carried out on private land.



Terrara Levee Restoration Project

Contributions/Donations

Section 428(2) (I)

During 2004/2005, Council made grants (pursuant to Section 356 LGA) totalling **\$425,558.99** to local organizations, community groups and individuals.

Beneficiary	Amount \$
Accord Shoalhaven Community Choir	800.00
Animal Welfare League	1,000.00
Arts Shoalhaven Inc	3,000.00
Australian Aerial Patrol	10,000.00
Bay & Basin Bush Potters	300.00
Bay & Basin Music Club Inc	400.00
Berry & District Garden Club	60.00
Berry Historical Museum	2,000.00
Berry RSL Club	825.13
Berry Small Towns Alliance Inc	400.00
Berry Sports Complex Management Committee	8,000.00
Berry Tennis Club	1,000.00
Bomaderry & District Senior Citizens Club	400.00
Bomaderry High School	100.00
Bomaderry Oval Management Committee	1,500.00
Brown J	200.00
Bryce J	456.45
Budgong Community Group	400.00
Bundanon Trust	1,500.00
Burrier Progress Association	400.00
Callala Bay Progress Association	400.00
Callala Beach Progress Association	400.00
Callala Community Centre	1,820.00
Callala Sports Complex Committee	4,500.00
Cambewarra Pony Club	1,117.84
Cambewarra Residents & Ratepayers Association	400.00
Cambewarra School of Arts Association	646.26
Camellias Shoalhaven	60.00
Camilleri G	500.00
Community Technology Centre Sussex Inlet	6,240.00
Community Technology Centre Ulladulla	3,120.00
Country Womens Association of NSW (Berry Branch)	963.36
Country Womens Association of NSW (Ulladulla Branch)	726.48
Culburra and District Community Health Service	911.01
Culburra Senior Citizens Association	200.00
Curarong Progress Association	400.00
Curarong Progress Association	1,167.57
Doidge M	1,250.00
Douglass K J	120.00
Escape Artfest Inc	1,600.00
Esdaile H	700.00
Farr E	2,000.00
Fellowship of Australian Writers (Shoalhaven Branch)	1,000.00
Forland C	250.00
Friends of Tomerong Church	3,150.00
Frogs Holla Sport Oval Management Committee	2,000.00
Get to the Point Programme (Greenwell Point)	400.00
Hazel/David Berry Park Management Committee	22,000.00
Hewat D	1,400.00
Huskisson Public School	50.00
Illawarra Academy of Sport	7,000.00

Beneficiary	Amount \$
Illawarra Migrant Resource Centre	300.00
Indigenous English School (UNSW)	500.00
Interchange Shoalhaven	3,500.00
Johnson D & Garland D	1,200.00
Kangaroo Valley Tennis Club	4,016.36
Kangaroo Valley Museum	3,750.00
Kiola Bawley Point Management Committee	2,500.00
Lake Conjola & Districts Progress Association	400.00
Lake Conjola Bowling Club	463.64
Lgov NSW	500.00
Lighthouse Oval Management Committee	3,000.00
Lions Club of Jervis Bay	2,260.00
Lions Club of Milton Ulladulla	769.31
Lions Club of Sussex Inlet & District	1,000.00
Lions Club of Sussex Inlet & District	2,100.00
Local Government Association of NSW	618.00
Local Government Week Prize	100.00
Lyons E	2,000.00
Mannahouse Ministry Centre	300.00
Manyana Board Riders Club	300.00
Manyana District Citizens Association	400.00
McGhee R & J	1,500.00
Milton Follies Inc	1,000.00
Milton Life Drawing Group	400.00
Milton Showground Management Committee	21,000.00
Milton Sporting Complex	19,000.00
Milton Ulladulla Chamber of Tourism and Commerce	2,000.00
Milton Ulladulla Resource Centre	6,000.00
Mollymook Bridge Club	718.63
Mollymook Oval Management Committee	6,000.00
Mollymook Surf Life Saving Club	6,000.00
Murramarang Progress Association	400.00
Narrawallee Residents & Ratepayers Association	400.00
Native Animal Network Association	5,700.00
Nowra Motor Cycle Club	1,231.12
Nowra Anglican College	100.00
Nowra Christian Community School	100.00
Nowra High School	100.00
Nowra Public School	1,200.00
Nowra Rifle Club	1,233.43
Nowra Show Society	686.36
Orient Point Progress Association	400.00
Osborne Park Management Committee	7,000.00
Paterson H & P	1,000.00
Pyree Literary Institute	485.55
Raised Voices Inc	600.00
Royal Volunteer Coastal Patrol	5,111.31
RSPCA Nowra Branch	1,000.00
Shoalhaven North Visitors Association	2,500.00
Sanctuary Point Oval Management Committee	6,000.00
Shoalhaven Advance Industries Inc	240.00
Shoalhaven Anglican School	100.00
Shoalhaven Art Society	2,000.00
Shoalhaven City SES Unit	30,750.00
Shoalhaven Clay Target Club	461.42
Shoalhaven Community Transport	8,000.00
Shoalhaven Eisteddfod Nowra	5,000.00
Shoalhaven Heads Chamber of Commerce & Tourism	1,695.00
Shoalhaven Heads Community Forum	400.00
Shoalhaven Heads Sports Club (Vic Zealand Oval) Management Committee	11,000.00

Beneficiary	Amount \$
Shoalhaven Heads Surf Life Saving Club	4,000.00
Shoalhaven High School	100.00
Shoalhaven Museum Trail Group	5,000.00
Shoalhaven Photographic Club	400.00
Shoalhaven Pistol Club	634.87
Shoalhaven Youth Orchestra	3,500.00
South Coast Aboriginal Cultural Centre	3,086.82
Southern Shoalhaven SES Unit	18,000.00
Spero M	250.00
St Georges Basin Community Forum	400.00
St Johns High School	100.00
St Mary's Star of the Sea School	200.00
St Vincent de Paul Society	962.42
Sussex Inlet & District Surf Life Saving Club	2,000.00
Sussex Inlet 50th Annual Family Fishing Carnival	10,000.00
Sussex Inlet Chamber of Commerce	10,000.00
Sussex Inlet Community Forum	400.00
Sussex Inlet RSL Sub-Branch	917.10
Swanhaven Progress Association	1,500.00
Tabourie Lake Ratepayers & Residents Association	400.00
Tabourie Museum Association	5,000.00
TAFE NSW Illawarra Institute	2,000.00
Thompson Street Management Committee	22,000.00
Tomerong Community Forum	400.00
Tomerong School of Arts	1,416.18
Ulladulla & Districts Community Resource Centre	4,500.00
Ulladulla Blessing of the Fleet	5,000.00
Ulladulla Ex-Servicemen's Fishing Club	225.00
Ulladulla High School	100.00
Ulladulla Italian Committee Inc	500.00
Ulladulla Pistol Club	396.38
Ulladulla Pottery Group	400.00
University of Wollongong	6,000.00
Upper Kangaroo Valley Community Hall	456.00
Vincentia High School	100.00
Vincentia Residents & Ratepayers Association	400.00
Wandandian Progress Association	517.26
Wandandian Recreation Reserve Management Committee	1,800.00
West Street Oval Management Committee	2,000.00
West Street Sports and Social Club	2,500.00
Westpac Lifesaver Helicopter Service	10,000.00
Worrigee Equestrian Common Management Committee	3,500.00
Young Achievement Australia	2,272.73
Yulunga Reserve Management Committee	4,500.00
Total	\$425,558.99

Human Resource Activities

Section 428(2) (m)

Functions of the Section

- Human Resources encompasses a broad range of responsibilities which impact on Council's ability to operate efficiently and effectively, having regard to employment law, best practice, workplace relations, remuneration management, Occupational Health & Safety, Human Resources initiatives including corporate training and development for employees and the business needs of Council. In accordance with the Local Government (State) Award, Council supports a consultative process with staff through the forum of a Consultative Committee.
- Human Resources aims to enhance business partnerships with each Group of Council to enable it to continue to provide strategic advice and professional assistance ensuring the attainment of business goals and objectives. Human Resources continue to use the internal communication strategy implemented in 2001/2002 as a mechanism for dissemination of Human Resources advice.
- Human Resources aims to maximise the potential of Council's people through shared goals, consultation and participation in the decision making processes, and working in an environment free from all forms of discrimination as is best practice and required by relevant State and Federal Legislation.
- Human Resources endeavours to see that organisational people activities are carried out within a clear and concise framework of policies, procedures and service standards helping to achieve the goal of best practice. The human resources policies and procedures are continually subject to review in consultation with relevant stakeholders and through the Consultative Committee as required by the Award.

Harmony Day – Harry Sawkins Park



Activities to Implement EEO Management Plan

Section 428(2) (n)

Review of Equal Opportunity Management Plan

Human Resources distributed the EEO Survey to all staff in September 2003. The Survey reviewed employee perceptions of EEO at Council and provided employee evaluation of Council's policies and practices in regards to EEO.

A report of the results from the survey and recommendations were presented to the Group Directors and the Consultative Committee.

The outcomes – result of the survey have been posted on the Intranet for all staff to view.

Human Resources have prepared a revised EEO Management Plan incorporating the recommendations arising from the survey, including the development of a Preventing Harassment and Bullying Policy and Grievance Handling Procedure. Human Resources have also accompanied the implementation of the policies with a 1 hour training session for all staff on preventing harassment and bullying.

Aboriginal Employment Strategy

National Indigenous Cadetship Program (NICP)

The last incumbent of the NICP indigenous cadetship graduated, after completing summer school, in early 2005 and has gone onto a 12 month fixed term position in City Services. Council had no applications to fill the vacancy for this year, despite providing information to all Shoalhaven school careers advisors and the Department of Education. Council is showcasing the cadetship at the August Shoalhaven Careers Expo and is producing promotional material to encourage applications for the end of this year. Council has also expanded the cadetship to indigenous students living outside the Shoalhaven, although preference is given to local students.

Designated Positions

In June 2005 Council was able to fill the permanently designated position of Aboriginal Library Assistant.

Disability Access Plan

Disability awareness strategies have been investigated and contracts continue with external organisations with a view of identifying positions, which can be filled by people with disabilities. Disability awareness training is incorporated in the Corporate Induction Program. Council actively encourages and participates in employment programs for people with a disability, and have had a number of placements within the Groups of Council.

Children and Young Persons

Council's Child Protection Policy continues to apply ensuring Council meets its obligations under various children and young persons requirements. The policy is being reviewed including assessment by the NSW Ombudsman to ensure legislative compliance. The Child Protection Policy content is addressed in the Corporate Induction Program.

External Bodies Exercising Council Functions

Section 428(2) (o)

During 2004/2005 there were no external organizations to which Council has given any delegation.



Gambling Awareness

Companies in Which Council Held Controlling Interest

Section 428(2) (p)

During 2004/2005 Shoalhaven City Council held a controlling interest in "Southern Water Services Pty Limited". This company has been established by council to develop its commercial interests in recognition of the National Competition Policy and to operate on a commercially viable basis.



Aunty Sal & Alan Baptist

Partnerships, Co-operatives and Joint Ventures

Section 428(2) (q)

The South Coast Co-Operative Library Service is a co-operative that includes the three local government areas of Shoalhaven, Eurobodalla and Kiama. Eurobodalla had Kiama outsource their purchasing and processing of all book and non book materials to Shoalhaven. The Co-Operative Library Manager (also the Shoalhaven Library Manager) sets budget estimates for each of the partner's book and non book resources, applies for combined grants etc. Shoalhaven own and maintain the hardware and software for the library computer system – Libero. All nine branches throughout the Co-Operative are online and also have access to the catalogue through the WebOpac. Branches are: Nowra (headquarters), Ulladulla, Sanctuary Point, Milton, Batemans Bay, Moruya, Narooma, Kiama and Gerringong. Shoalhaven also operates a Mobile Library Service.

Shoalhaven City Council is a key and pivotal member of the *South Coast Regional Tourism Organisation Inc.*

The South Coast Regional Tourism Organisation covers that part of the South Coast of New South Wales comprising the Local Government areas of Shoalhaven City, Eurobodalla Shire and Bega Valley Shire and Jervis Bay Territory. It is recognised by Tourism New South Wales as the peak Tourism body on the South Coast

Its' vision is to improve the yield from Tourism and its contribution to the future development of the South Coast of New South Wales in economic, social, cultural and environmental terms.

Its' mission is to promote the position the South Coast of New South Wales both for visitation and development of Tourism infrastructure as the most popular coastal tourist destination area in the State of New South Wales.

As such the three Local Government bodies of Shoalhaven City, Eurobodalla Shire and Bega Valley Shire have come together to fund the South Coast Regional Tourism Organisation Inc. The South Coast Regional Tourism Organisation Inc. then in turn has attracted grant funds from the NSW Government and has a membership base from which it also receives funding.

During 2005/2006 the South Coast Regional Tourism Organisation Inc, the three Local Government tourist organisations, private industry and with the assistance of Tourism New South Wales, will implement the following programs, which will significantly contribute to the achievement of the goals of lifting Tourism to the three Local Government Areas, Jervis Bay Territory and the South Coast in general.

Main marketing Programs – Integrated Program	491,000
Regional TV	145,000
International	6,000
Administration, and Insurances	40,000
Product Development - South Coast Tourism Awards	45,000
Sydney Melbourne Coastal Drive and Coastal Explorer	13,000
Web Site Development	5,000
Photo Shoot	30,000
Visitor Information Centres – staff development	5,000
Consumer Shows	109,000
Brochures and Industry	180,000
Total	\$1,129,000

Rates and Charges Written Off

Section 428(2) (r)

The following is a summary of rates and charges written off during the period July 2004 to June 2005:

Abandoned	\$11,765.50
Postponed Abandoned	\$12,632.98
Pensioner Rebates	\$4,383,299.33
Total Amount	\$4,407,697.70

Abandoned rates and charges are determined under various sections of the Local Government Act 1993 which include:

- a) Section 564(2) of the Local Government Act 1993, which states Council may abandon interest charges on ratepayers who make periodical payments of their rates and charges to Council.
- b) Section 567 of the Local Government Act 1993, which enables Council to abandon interest on rate accounts whereby in Council's opinion, the person is unable to pay the accrued interest "for reasons beyond the person's control" or payment of the accrued interest would cause the person hardship.
- c) Section 595 of the Local Government Act 1993 requires Council to write off postponed rates and charges which have accrued for more than five years.
- d) Section 583 of the Local Government Act 1993 requires Council to write off rates, charges and interest for an eligible pensioner who is entitled to a pensioner rebate.

Note: The Local Government (General) Regulation 2005 – Section 217 does not require the details of Rates & Charges Written Off and this will not be shown in the future.

Overseas Visits Funded by Council

Local Government (General) Regulation 2005 – Sect 217 Clause (1) (a)

During 2004/2005 Council incurred a total cost of **\$11,202.72** in respect to overseas travel.

Date	Venue	Purpose	Delegates
Oct – Nov 2004	City of Fuzhou, China	To attend International Friendship Cities Conference	<ul style="list-style-type: none"> • Cllr Anderson • Director Community & Operations • Economic Development Officer
TOTAL EXPENSES INCURRED = \$8,613.72			
5-8 June 2005	Wisconsin USA	To attend and present a paper on Risk Management at the PRIMA Conference	<ul style="list-style-type: none"> • Insurance & Risk Management Unit Manager
CONTRIBUTION BY COUNCIL TOWARDS REGISTRATION & OUT OF POCKET EXPENSES = \$2,000			
16-17 June 2005	Auckland New Zealand	To inspect a Liebherr dozer	<ul style="list-style-type: none"> • Waste Operator Supervisor • Motor Mechanic
TOTAL EXPENSES INCURRED = \$589			

Activities for Children

Local Government (General) Regulation 2005 – Sect 217 Clause (1) (c)

- Council partly funds a Children's Development Officer to assess the needs of children within the City and develop programs to address these needs.
- Council provides a mini van for the transportation of children using after school care.
- Council sponsors Family Day Care Schemes in Nowra and Ulladulla, caring for a total of 534 children, permanent and casual care.
- Council provides buildings for the running of children's activities and services including long day care, vocational care, occasional care and preschools. Council supports a mobile preschool to service outlying villages with a preschool.
- Council partly funds, with the Department of Sport and Recreation, several vocation centres for the Havenlee School.
- Council supports the Purple Ribbon Project community partnership project raising awareness against child abuse.
- Council supports Early Childhood support groups, Shoalhaven Early Childhood Association, and a Community Based Early Childhood Service, Early Intervention Services for Special Needs and Children's Services Working Together – Illawarra / Shoalhaven.



Access and Equity of Services to All

Local Government (General) Regulation 2005 – Sect 217 – Clause (1) (d) (i)

Introduction

Shoalhaven City Council is committed to developing a Community Plan every 5 years to assist Council to take into account the needs of its community and provide or advocate for appropriate and accessible services and facilities for the benefit of its community. Council will then consider the Community Plan when formulating its management plans for each year.

Community Plan 2005

Council's Community Plan 2005 – 2010 was developed in consultation with the community from late 2004 to early 2005 and has identified the needs of the following target groups:

- General Community
- Children
- Young People
- Women
- Older people
- People with disabilities
- Aboriginal people
- People from culturally and linguistically diverse backgrounds

These identified needs have formed the basis for the Access and Equity activities covered in this Management Plan.

A copy of the current Community Plan is available for perusal at Council's Administration Building.

Shoalhaven Profile

Shoalhaven is a large geographical area of 4,660 sq km with 49 villages and towns widely spread throughout the area. The population is approximately 92,000 although during the main holiday periods the number of residents and visitors total well over 320,000.

Shoalhaven has a higher than State and Illawarra average proportion of children, older residents and aboriginal people.

A high proportion of people are not in the workforce. Public transport is limited, which impacts on both residents and visitors.

Definition of Access & Equity Activity

An Access and Equity Activity is defined as one which assists Council to:

- Promote fairness in the distribution of resources, particularly for those most in need.
- Recognise and promote people's rights and improve the accountability of decision makers.
- Ensure that people have fairer access to the economic resources and services essential to meeting their basic needs and improving their quality of life.
- Give people better opportunities for genuine participation and consultation about decisions affecting their lives

Identified Access & Equity Activities

The following summary table shows the significant identified Access & Equity Activities proposed for the period of this Management Plan. They have been derived from the annual review of the Community Plan 2005, the Shoalhaven Youth Services Strategic Plan and from Council's general operations.

Greater detail for each item in the summary table is provided in Part C of this Plan and cross-references to the relevant tasks are provided. Some tasks are relevant to several of the target groups and because of NSW Local Government reporting requirements; these are stated in each of those categories. The summary table is structured under the various target group headings together with sub-headings of Action Areas, such as Transport, Infrastructure, Information/Communication, etc.

Target Groups:

- | | |
|---------------------------|---|
| • Group A | - General Community |
| • Specific Target Group B | - Children (those aged 0-11 years) |
| • Specific Target Group C | - Young People (those aged 12-24 years) |
| • Specific Target Group D | - Older People (those aged 55 years & over) |
| • Specific Target Group E | - People with Disabilities (including HIV/AIDS) |
| • Specific Target Group F | - Women |
| • Specific Target Group G | - Aboriginal & Torres Strait Islander People |
| • Specific Target Group H | - Families |
| • Specific Target Group I | - People with Culturally and Linguistically Diverse Backgrounds |
| • Specific Target Group J | - Unemployed People |

Group A – General Community

- Continued planning of the development of the Ulladulla Multi Purpose Centre.
- Continued consultation with the community on Council's next Community Plan.
- Continued publication of Council's Community Information Directories and brochures and activity booklets.
- Implemented 'Living Futures' Shoalhaven Community Safety Plan.
- Free Internet training sessions offered to the community and well supported.
- Mollymook Beach Reserve Plan of Management – Adopted by Council February 2005.
- Access Areas for Dogs Policy – Adopted by Council in January 2005.
- Foreshore Reserves Policy – Adopted by Council in June 2005.
- Northern Indoor Multi Purpose Sport Stadium Feasibility Study has identified Artie Smith Sporting Complex as a future location for two additional Multi Purpose Indoor Courts.
- Council has received funding from DIPNR to enable the preparation of a Settlement Strategy for the Sussex Inlet and its surrounds. This strategy will consider future residential and rural residential growth opportunities and is being prepared in consultation with the community.
- Council received funding under the State Government's Planning Reform program to prepare a City Wide Growth Management Strategy. The funding of \$150,000 was used to initially engage a consultant to prepare an issues paper relating to settlement and conservation.
- Planning Group completed a major review of the Active Recreation component of the Contribution (Section 94) Plan. Also started was the major review of the Roads component for the planning areas in the City with Area 1 being completed.

Group B – Children

- Work continued on the development of the Integrated Childcare Facility.
- Supported Children's Services throughout the city with the dissemination of information and support training.
- Supported the Purpose Ribbon Campaign against child abuse with the distribution of over 25,000 ribbons throughout the city culminating with the Purple Ribbon Ball.
- The provision of facilities for women, families and youth is considered in the assessment and determination of development applications for major commercial developments.
- Continued activities for children offered throughout the libraries of the Shoalhaven.
- Supported homework help at libraries
- Celebrations for children held – Children's Book Week, Simultaneous Story times.

Group C – Young People

- Facilitation of the new Ulladulla Youth Centre
- Completion of the Nowra Youth Centre
- Organised and co-ordinated a Youth Arts Exhibition involving all high schools in the Shoalhaven.
- Organised Youth Week 2005.
- Maintained a Youth Bus.
- Support Nowra Ulladulla Youth Centre Management Committees.
- Representation of the YAPA Board for Management – YAPA Training in the Shoalhaven.
- Lobby for Outreach work in the Shoalhaven villages.
- Support of Ulladulla, Bay & Basin and Nowra youth workers.
- Organised inter-Council events ie., Illawarra Youth Conference.
- Addressed crime and vandalism issues in consultation with the community.
- Youth Week Concert held in Nowra Library
- The draft review of the Housing Strategy has neared completion which is investigating housing affordability and the factors influencing affordability.

Group D – Older People

- Supported computer training sessions of both Sussex Inlet & Ulladulla Technology Centres.
- Organised and conducted Seniors Week 2005.
- Completed HACC Centre.
- Free training sessions offered for seniors in all branch libraries during Seniors Week, Adult Learner's Week.
- The draft review of the Housing Strategy has neared completion which is investigating housing affordability and the factors influencing affordability.

Group E – People with Disabilities

- Roll of beach matting ordered to trial on local beaches to allow disabled access to the waters edge.
- Organised Disability Day events.
- User groups such as, The Disability Trust Group, Encore Breast Cancer Recovery Group and Milton Ulladulla Physiotherapy Group use the Ulladulla Leisure Centre.
- The draft review of the Housing Strategy has neared completion which is investigating housing affordability and the factors influencing affordability.

Group F - Women

- Organise a week of events with other services to celebrate International Women's Day.
- The provision of facilities for women, families and youth is considered in the assessment and determination of development applications for major commercial developments.

Group G – Aboriginal & Torres Strait Islander People

- Continued production of the SKIN magazine which provides information to the Aboriginal and Torres Strait Islander people.
- Council provides mail out services and in kind support to local Aboriginal services providers.

Group H - Families

- Involved in the "Families First" Program in the Shoalhaven which included funding for the Nowra Family Support Service for "Hard to Reach Families" and a number of services to support families and children in the area.

Group I – People with Culturally and Linguistically Diverse Backgrounds

- Organised a Harmony Day event for local primary school children which included multicultural entertainment.
- Continued to support multicultural entertainment.
- Continued to support multicultural committee and social group.
- Helped Italian Social welfare group set up a new group in Nowra.

Group Dir. = Group Director Responsible for Action/Co-ordination; **GM** General Manager; **GMIT** General Manager/ Information Technology; **GMHR** General Manager/Human Resources; **CS** City Services; **PLNG** Planning Group; **FC** Finance & Corporate Services; **CO** Community & Operations; **DES** Development & Environmental Services; **SW** Shoalhaven Water

SW Shindhaven Water

Group A – General Community				
Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy/Task No:
A.1 Action Area: TRANSPORT				
A39	Transport Development Officer	CO	98	4.1.1.6
A.2 Action Area: INFRASTRUCTURE				
A2	Pedestrian Safety	CS	100	4.1.1.10
A43	Corporate Long Term Works Program	GM	128	4.4.1.3
-	Access To Water / Waste Water	SW	139	5.1.1.5
A.3 Action Area: INFORMATION/COMMUNICATION				
A8	Citywide Community Liaison	GM	19	1.2.1.2
-	Principal Consultative Bodies Advice on Capital Works Programs	CS	19	1.2.1.6
-	Community Consultation	FC	23	1.2.3.1
-	Electronic Access to Council Information	FC	33	1.3.2.15
A10	Information Technology & Telecommunications Infrastructure (Including 24 Hour Service Access For Information)	GMIT	34	1.3.2.19
A14	Cultural Awareness	GMHR	35	1.3.2.24
-	Corporate Policies	FC	46	1.3.3.24
A7	Marketing Communication (External) Strategy	GM	51	1.5.1.1
-	Local Emergency Management	CS	73	2.3.1.6
-	Community Information	CO	104	4.2.4.4
A44	Community Information Directory	CO	104	4.2.4.5
-	Water Wise Advice	SW	145	5.3.1.13
A.4 Action Area: COMMUNITY FACILITIES & SERVICES				
A19	Section 94 Contributions Plan Review	PLNG	26	1.3.1.6
-	Donations	FC	27	1.3.1.9
A26	Review Charges To Community Service Organisations	CO	27	1.3.1.11
-	Equal Employment Opportunity Management Plan In Council	GMHR	34	1.3.2.22

Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy/Task No:
-	Bushcare Groups	CS	69	2.2.2.4
-	Shoalhaven Rural Fire Service Strategic Plan	CS	72	2.3.1.2
-	Arts Board Strategic Plan	CO	139	4.2.3.1
A48 & A49	Bay & Basin Community Resource Centre	CO	104	4.2.4.9
-	Library Service	CO	113	4.2.5.1
A45	Library Strategy	CO	114	4.2.5.2
A46	Library Services To Outlying Areas	CO	115	4.2.5.3
A18	Multi Function Centre – Ulladulla	CS	128	4.4.1.10
-	Improved Community Facilities	CS	129	4.4.1.22
A57	Vincentia Multi-Purpose District Centre & Library	CO	129	4.4.1.23
A.5 Action Area: STRATEGIC PLANNING				
-	Strategic Companion Animals Management Plan	FC	44	1.3.3.18
A32	Settlement Strategy	PLNG	59	2.1.1.2
A32	Growth Management Strategy (Citywide Structure Plan)	PLNG	60	2.1.1.3
A31	Nowra CBD Strategy Review	PLNG	61	2.1.1.10
A50	Facilities For Women, Families & Youth In Major Commercial Developments	DES	63	2.1.1.17
-	NSW Planning Reform Processes	PLNG	65	2.1.1.25
A51	Safe Design In Developments & Public Spaces	PLNG	127	4.3.2.7
A.6 Action Area: HEALTH				
-	Occupational Health & Safety	GMHR	44	1.3.3.19
A2	Pedestrian Safety	CS	100	4.1.1.10
-	Immunisation Service	DES	126	4.3.1.1
A54	Community Safety Plan	CO	127	4.3.2.14

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Specific Target Group B – Children (those aged 0–11 years)				
Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy/Task No:
B.2 Action Area: INFRASTRUCTURE				
B4	Shoalhaven Bicycle Strategy Review	CS	99	4.1.1.8
-	Safe Adventure Playgrounds	CO	150	6.1.1.3
B.3 Action Area: COMMUNITY FACILITIES & SERVICES				
B10	Facilities For Women, Families & Youth In Major Commercial Developments	DES	63	2.1.1.17
-	Childcare	CO	104	4.2.4.15
B9	Child Development Unit	CO	105	4.2.4.16
B12	Children – Libraries	CO	116	4.2.5.4



Harmony Day – Harry Sawkins Park

Group Dir. = Group Director Responsible for Action/Co-ordination; **GM** General Manager; **GMIT** General Manager/ Information Technology; **GMHR** General Manager/Human Resources; **CS** City Services; **PLNG** Planning Group; **FC** Finance & Corporate Services; **CO** Community & Operations; **DES** Development & Environmental Services; **SW** Shoalhaven Water

Specific Target Group C – Young People (those aged 12–24 years)

Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy / Task No:
C.4 Action Area: COMMUNITY FACILITIES & SERVICES				
-	Youth – libraries	CO	118	4.2.5.5
C.5 Action Area: YOUNG PEOPLE				
C18	Housing Strategy	PLNG	61	2.1.1.11
C9	Youth needs & safe venues	CO	106	4.2.4.23
C14	Meeting youth needs in outlying areas	CO	108	4.2.4.26



Harmony Day – Harry Sawkins Park

Group Dir. = Group Director Responsible for Action/Co-ordination; **GM** General Manager; **GMIT** General Manager/ Information Technology; **GMHR** General Manager/Human Resources; **CS** City Services; **PLNG** Planning Group; **FC** Finance & Corporate Services; **CO** Community & Operations; **DES** Development & Environmental Services; **SW** Shoalhaven Water

Specific Target Group D – Older People (those aged 55 years & over)

Comm Plan Obj No.	Task Heading:	Grp Dir.	For	more detail refer to:
			Page No:	Strategy / Task No:
D.3 Action Area: COMMUNITY FACILITIES & SERVICES				
-	Rebate on rates	SW	27	1.3.1.10
-	Older people - libraries	CO	119	4.2.5.6
D18	Enhanced access to library services	CO	120	4.2.5.7
D.4 Action Area: HEALTH				
D16	Community Self Help	CO	110	4.2.4.33
D.6 Action Area: STRATEGIC PLANNING				
D13	Housing strategy	PLNG	61	2.1.1.11



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Specific Target Group E – People with Disabilities (including HIV/AIDS)				
Comm Plan Obj No	Task Heading:	Grp Dir.	For more detail refer to:	
			Page No:	Strategy / Task No:
E.2 Action Area: INFRASTRUCTURE				
-	Register of dialysis patients	SW	145	5.3.1.12
-	Special access cabins	CO	151	6.1.1.4
E.4 Action Area: COMMUNITY FACILITIES & SERVICES				
E15	Enhanced access to library services	CO	120	4.2.5.7
E.5 Action Area: STRATEGIC PLANNING				
E11	Housing Strategy	PLNG	61	2.1.1.11
E.6 Action Area: HEALTH				
E12	Community self help	CO	110	4.2.4.33



Disabled Car Parking - Mollymook

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Specific Target Group F – Women

Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy / Task No:
Comm Plan Obj No				
F.3	Action Area: INFORMATION/COMMUNICATION			
F11	Housing Strategy	PLNG	61	2.1.1.11
F.4	Action Area: COMMUNITY FACILITIES & SERVICES			
F9	Facilities for women, families & youth in major commercial developments	DES	63	2.1.1.17



Colleen Langan Storytelling at Berry Show

Group Dir. = Group Director Responsible for Action/Co-ordination; **GM** General Manager; **GMIT** General Manager/ Information Technology; **GMHR** General Manager/Human Resources; **CS** City Services; **PLNG** Planning Group; **FC** Finance & Corporate Services; **CO** Community & Operations; **DES** Development & Environmental Services; **SW** Shoalhaven Water

Specific Target Group G – Aboriginal & Torres Strait Islander People

Council has adopted a Charter for the People of the Shoalhaven which includes the following relevant items relating to Council's activities for this group:

- To ensure the right of all our community to enjoy equal rights and be treated with equal respect, regardless of colour, race, gender, ethnicity, creed or religion.
- The Council recognises the valuable contribution to the Shoalhaven region made by indigenous Australians and looks forward to a future of mutual respect and harmony.
- We accept our responsibility to develop an awareness and appreciation of indigenous Australians' history and society in our community and to protect, and preserve the environment and significant sacred sites.
- Shoalhaven City Council promotes access and equity in service provision for all members of the community.

Comm Plan Obj No	Task Heading:	Grp Dir.	For	more detail refer to:
			Page No:	Strategy / Task No:
G.2 Action Area: INFORMATION/ COMMUNICATION				
G4	Networking – koori	CO	19	1.2.1.11
G5	Cultural awareness	GMHR	35	1.3.2.24
-	Cultural sites	PLNG	63	2.1.1.18
G.3 Action Area: COMMUNITY FACILITIES & SERVICES				
-	Aboriginal business skills	GMHR	81	3.1.1.10
G11	Employment Programs for the unemployed	GMHR	79	3.1.1.4
G15	Reconciliation activities	CO	111	4.2.4.44
G14	Opportunities for indigenous young people	CO	111	4.2.4.45
G.4 Action Area: INFRASTRUCTURE				
G2	Aboriginal culture	PLNG	111	4.2.4.38



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Specific Target Group H – Families

Comm Plan Obj No	Task Heading:	Grp Dir.	For more detail refer to:	
			Page No:	Strategy / Task No:
H.2	Action Area: COMMUNITY FACILITIES & SERVICES			
H8	Housing Strategy	PLNG	61	2.1.1.11
H7	Facilities for Women, Families and Youth in Major Commercial Developments	DES	63	2.1.1.17
H6	Parenting programs	CO	112	4.2.4.46



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Specific Target Group I – People with Culturally and Linguistically Diverse Backgrounds

Council has adopted a Charter for the People of the Shoalhaven which includes the following relevant items relating to Council's activities for this group:

- To ensure the right of all our community to enjoy equal rights and be treated with equal respect, regardless of colour, race, gender, ethnicity, creed or religion.
- The Council recognises the valuable contribution made to the Shoalhaven by ethnic Australians and wishes to maintain the Shoalhaven as a culturally diverse, tolerant and open society
- We accept our responsibility to develop an awareness and appreciation of the contribution of the ethnic communities to the economic, social and cultural development of the Shoalhaven
- Shoalhaven City Council promotes access and equity in service provision for all members of the community.

Task Heading:		Grp Dir.	For more detail refer to:	
			Page No:	Strategy / Task No:
Comm Plan Obj No				
I.1 Action Area: INFORMATION/COMMUNICATION				
I1	Ethnic Affairs policy statement	CO	20	1.2.1.14
-	Cultural awareness	GMHR	35	1.3.2.24
-	Books in other languages	CO	120	4.2.5.8
I.2 Action Area: COMMUNITY FACILITIES & SERVICES				
I9	Cultural harmony	CO	102	4.2.3.3
I8	Enhanced access to library services	CO	120	4.2.5.7

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Specific Target Group J – Unemployed People

Comm Plan Obj No	Task Heading:	Grp Dir.	For	more detail refer to:
			Page No:	Strategy / Task No:
J.1	Action Area: INFORMATION/COMMUNICATION			
-	Access to services and information	CO	81	3.1.1.13
J.2	Action Area: COMMUNITY FACILITIES & SERVICES			
-	Economic promotion	CS	79	3.1.1.2
-	Employment programs for the unemployed	GMHR	79	3.1.1.4



Greenwell Point

National Competition Policy:

Categorisation of Council's Business

Local Government (General) Regulation 2005 – Sect 217

Clause (1) (d) (ii)

List of Category 1 Businesses

Shoalhaven Water

- Supply and distribution of water services
- Construction and maintenance of water supply infrastructure

Shoalhaven Sewer

- Supply and distribution of waste water services
- Construction and maintenance of waste water supply infrastructure

Holiday Haven Tourist Parks

- Operation of cabin, on-site and camping facilities

Shoalhaven Mechanical Services

- Provision of services involving mechanical repairs and servicing, fitting and machining, welding and fabrication.

Clause (1) (d) (iii)

List of Category 2 Businesses

Shoalhaven Memorial Gardens

- Operation and maintenance of cemeteries and crematorium and provision of related services.

Electrical Technology Services

- Provision of professional and technical electrical services

Clause (1) (d) (iv)**Revenue and Expenses – Category 1**

	Revenues \$'000	Expenses \$'000	Assets \$'000
Shoalhaven Water	15,654	13,118	188,146
Shoalhaven Sewer	23,781	17,220	240,185
Holiday Haven	12,777	8,707	34,721
Shoalhaven Mechanical Services	2,967	3,367	(75)

Clause (1) (d) (v)**Progress Implementing Competitive Neutrality**

Council has adopted the principle of competitive neutrality to its business units as part of the national competition policy, which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government Policy statement on the 'Application of National Competition Policy to Local Government'.

Clause (1) (d) (vi)**Competitive Neutrality – Pricing Requirements**

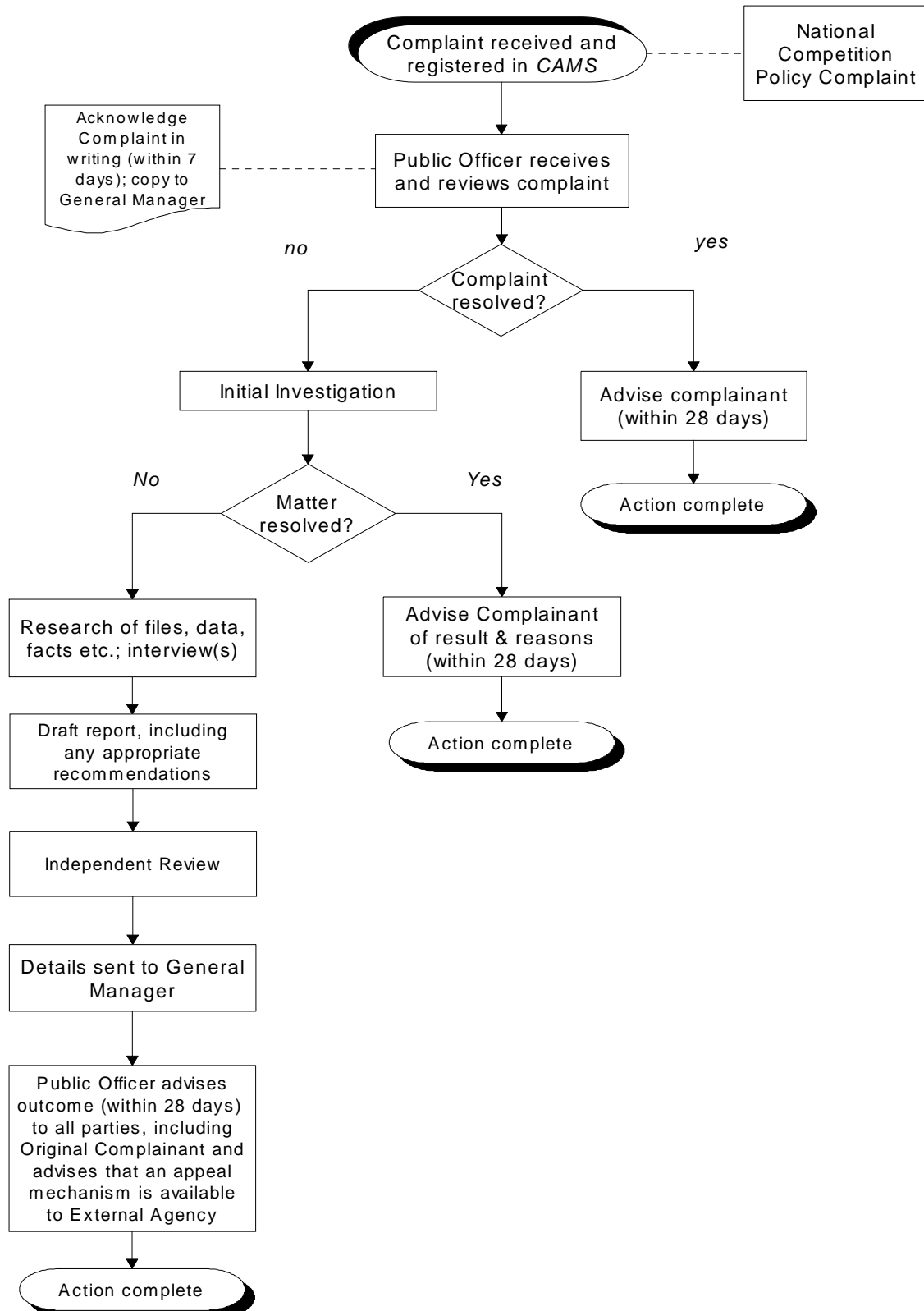
Competitive neutrality pricing requirements have been applied to each Category 1 Business using the "Pricing of Costing for Council Business – A Guide to Competitive Neutrality" issued by the Department of Local Government in July 1997.

National Competition Policy: Competitive Neutrality Complaints Handling Mechanism

Local Government (General) Regulation 2005 – Sect 217

Clause (1) (d) vii & (ix)

Council has received no complaints that it has determined to be competitive neutrality complaints during the 2004/05 financial year.



Freedom of Information Act 1989

FOI Statistical Report

Practice Note 7 (Section 68 FOI Act)

The following statistics are published as required by the Freedom of Information (General) Regulation 1995 pursuant to Section 68(6) of the Freedom of Information (FOI) Act 1989. Included is a comparison of statistics from the previous reporting period.

Applications	Current Reporting Period July 2004 – June 2005	Previous Reporting Period July 2003 – June 2004
Personal applications received	28	8
Other applications received	21	23
Total Received	49	31

Granted in full	33	20
Granted in part – information exempt under Section 25 (1) (a)	9	4
Refused	3	2
Transferred	-	-
Withdrawn	3	3
Application determined – Documents not held by Council Section 28 (1) (b)	1	2

Applications requiring formal consultation	32	23
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Amendment of Personal Records:	-	1 (withdrawn)
Agreed	-	-
Refused	-	-

FoI Fees Received	\$3,102.50	\$2,227.50
Assessed Costs	\$8,305.00	\$4,897.00
Discounts Allowed:	-	-
Financial Hardship	2	2
Public Interest	1	1
Non-profit organization	1	1

****The FoI Act does not provide for full recovery of costs incurred in the processing of applications.***

Applications Completed in:		
0-21 days	14	12
22-35 days	15	13
Over 35 days	17	3

Applications Processed within:		
0-10 hours	41	23
11-20 hours	5	5
21-40 hours	-	-

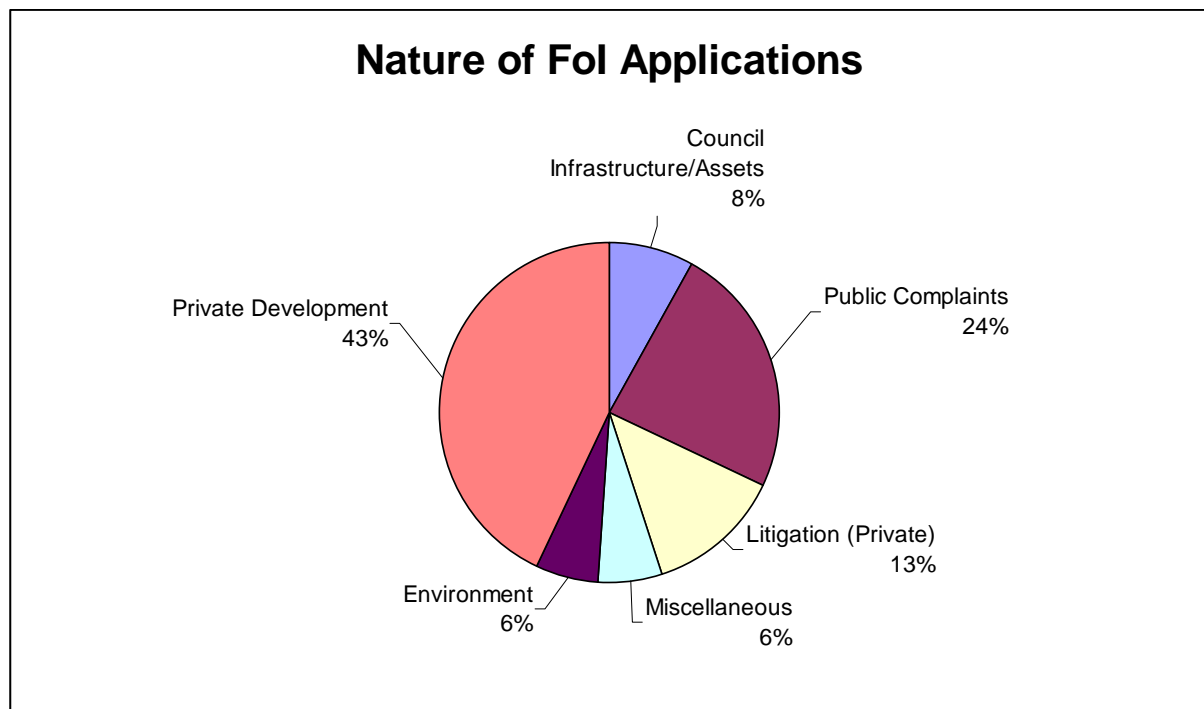
There was a significant increase in the number of applications received from individuals seeking information about their own personal affairs in the current reporting year. This rise is reflected in the assessed costs which, due to the fee structure of the *Freedom of Information Act, 1989* as it relates to 'personal applications', has increased markedly over previous years.

Notwithstanding the above, there was no significant change in the nature of applications with the majority concerning development and environmental issues.

Four applications for internal review were received and in each case Council's original decision was upheld. The applicants did not exercise their right to external review (Ombudsman and/or Administrative Decisions Tribunal).

Council again received a significant number of applications for documents under the provisions of Section 12(6) of the *Local Government Act, 1993* with two hundred & twenty four (224) applications being determined.

In addition to the above, Council deals with many information requests on an informal basis having regard to privacy principles and the consultation considerations of the FoI Act.



Privacy and Personal Information Protection Act (PPIPA) 1998

(Section 33(3) of the PPIPA)

The Privacy and Personal Information Protection Act, 1998 (PPIPA) provides for the protection of personal information and for the protection of the privacy of individuals generally. The Health Records & Information Privacy Act, 2002 (HRIPA) provides similar protection in respect of a person's health information. Council's Privacy Management Plan (PMP) sets out those policies and procedures which apply to the handling of personal and health information and includes details of Council's internal review (privacy complaint) process. The PMP is available in booklet form or electronically from Council's internet site.

Modifications and departures from these Acts are made through the introduction of various codes of practice, public interest direction exemptions and regulations. Staff are notified of all relevant changes as they occur. Training and briefing sessions are held periodically for staff and councillors with particular focus on staff working in areas such as rating, planning and counter services. A privacy component is also included in Council's Staff Induction Program.

Privacy information and guidelines are available to staff and councillors on Council's intranet website, with information also being disseminated through staff circulars, memorandums, e-mail messages and handouts. Privacy notifications are developed as required and distributed to relevant staff for use in the collection of personal information and engagement of contractors.

Council's internal review procedures are detailed in the PMP and the Privacy Officer is responsible for the conduct of reviews. No applications for internal review were received in this reporting period.

Statement of Environment Supplement Report (see separate document)

Section 428(2) (c)

Annual Statement of Account and Auditors Report

APPENDIX A

SHOALHAVEN CITY COUNCIL

General Purpose Financial Reports for the year ended 30th June 2005

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COUNCIL OF THE CITY OF SHOALHAVEN
GENERAL PURPOSE FINANCIAL REPORTS
for the year ending 30 June 2005

STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO SECTION 413 (2)(C) OF THE LOCAL GOVERNMENT ACT 1993
(as amended)

The attached General Purpose Financial Reports have been prepared in accordance with:

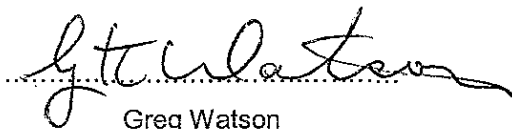
- The Local Government Act 1993 (as amended) and the Regulations made thereunder
- The Australian Accounting Standards and professional pronouncements
- The Local Government Code of Accounting Practice and Financial Reporting
- The Local Government Asset Accounting Manual.

To the best of our knowledge and belief, these Reports

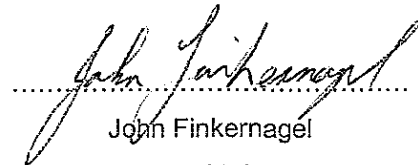
- Present fairly the Council's operating result and financial position for the year, and
- Accord with Council's accounting and other records

We are not aware of any matter that would render the reports false or misleading in any way.


Signed in accordance with a resolution of Council made on 20 September 2005



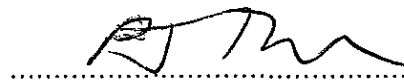
Greg Watson
MAYOR



John Finkernagel
COUNCILLOR



Russ Pigg
GENERAL MANAGER



Peter Dun
RESPONSIBLE ACCOUNTING OFFICER

SHOALHAVEN CITY COUNCIL

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 30th June 2005

Budget 2005 \$'000		Notes	Actual 2005 \$'000	Actual 2004 \$'000
	EXPENSES FROM ORDINARY ACTIVITIES			
42,021	Employee Costs	3	42,673	39,571
31,138	Materials & Contracts		32,441	28,638
3,294	Borrowing Costs	3	2,383	3,409
21,817	Depreciation & Amortisation	3	23,289	21,709
13,104	Other Operating Expenses	3	14,704	13,390
<u>111,374</u>	Total Expenses from Ordinary Activities		<u>115,490</u>	<u>106,717</u>
	REVENUES FROM ORDINARY ACTIVITIES			
65,849	Rates & Annual Charges	4	66,602	66,935
34,391	User Charges & Fees	4	34,244	33,412
3,765	Interest Received	4	5,142	4,554
16,118	Grants & Contributions - Operating	4	17,615	17,913
1,014	Other Operating Revenues	4	1,744	2,175
-	Profit from Disposal of Assets	5	4,304	5,702
<u>121,137</u>	Total Revenues from Ordinary Activities		<u>129,651</u>	<u>130,691</u>
9,763	SURPLUS FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS		14,161	23,974
16,692	Grants & Contributions - Capital	4	26,795	14,906
<u>26,455</u>	TOTAL CHANGES IN EQUITY		<u>\$ 40,956</u>	<u>\$ 38,880</u>

This Statement is to be read in conjunction with the attached Notes.

SHOALHAVEN CITY COUNCIL
STATEMENT OF FINANCIAL POSITION
as at 30 June 2005

	Notes	Actual 2005 \$'000	Actual 2004 \$'000
CURRENT ASSETS			
Cash Assets	6	46,134	34,831
Receivables	7	7,477	8,297
Inventories	8	1,621	2,760
Other	8	90	256
TOTAL CURRENT ASSETS		<u>55,322</u>	<u>46,144</u>
NON-CURRENT ASSETS			
Cash Assets	6	19,191	33,320
Investments	6	26,906	14,889
Receivables	7	3,671	3,365
Inventories	8	5,241	6,316
Property, Plant & Equipment	9	1,114,181	1,083,949
TOTAL NON-CURRENT ASSETS		<u>1,169,190</u>	<u>1,141,839</u>
TOTAL ASSETS		<u>1,224,512</u>	<u>1,187,983</u>
CURRENT LIABILITIES			
Payables	10	15,315	21,356
Borrowings	10	7,368	9,816
Provisions	10	4,114	4,202
TOTAL CURRENT LIABILITIES		<u>26,797</u>	<u>35,374</u>
NON-CURRENT LIABILITIES			
Borrowings	10	42,469	40,693
Provisions	10	24,320	21,946
TOTAL NON CURRENT LIABILITIES		<u>66,789</u>	<u>62,639</u>
TOTAL LIABILITIES		<u>93,586</u>	<u>98,013</u>
NET ASSETS		<u>\$ 1,130,926</u>	<u>1,089,970</u>
EQUITY			
Accumulated Surplus		<u>1,130,926</u>	<u>1,089,970</u>
TOTAL EQUITY		<u>\$ 1,130,926</u>	<u>1,089,970</u>

This Statement is to be read in conjunction with the attached Notes

SHOALHAVEN CITY COUNCIL

STATEMENT OF CHANGES IN EQUITY for the year ended 30th June 2005

	2005 \$'000	2004 \$'000
ACCUMULATED SURPLUS		
Balance at beginning of the reporting period	1,089,970	1,051,090
Changes in equity recognised in the Statement of Financial Performance	40,956	38,880
Balance at end of the reporting period	1,130,926	1,089,970

SHOALHAVEN CITY COUNCIL

STATEMENT OF CASH FLOWS

for the year ended 30th June 2005

Budget 2005 \$'000		Notes	Actual 2005 \$'000	Actual 2004 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
	<u>Receipts</u>			
67,849	Rates & Annual Charges		66,651	67,226
34,391	User Charges & Fees		36,771	34,905
3,765	Interest Received		5,074	4,350
30,810	Grants & Contributions		35,597	32,818
1,014	Other operating receipts		8,594	9,424
	<u>Payments</u>			
(42,021)	Employee Costs		(40,532)	(38,805)
(31,138)	Materials & Contracts		(41,572)	(27,964)
(3,294)	Interest Paid		(2,462)	(3,563)
(13,104)	Other operating payments		(20,501)	(20,246)
48,272	Net Cash provided by (or used in) Operating Activities	11	47,620	58,145
CASH FLOWS FROM INVESTING ACTIVITIES				
	<u>Receipts</u>			
3,923	Proceeds from sale of Property, Plant & Equipment		5,936	8,089
4,014	Proceeds from sale of Real Estate for resale	5	2,523	2,746
-	Proceeds from sale of Investment Securities		2,991	1,971
-	Repayments from Deferred Debtors		54	55
	<u>Payments</u>			
(57,186)	Purchase of Property, Plant & Equipment		(44,295)	(53,414)
(5,404)	Purchase of Real Estate for resale		(1,932)	(1,916)
-	Purchase of Investment Securities		(15,008)	-
-	Loans to Deferred Debtors		(43)	(67)
(54,653)	Net Cash provided by (or used in) Investing Activities		(49,774)	(42,536)
CASH FLOWS FROM FINANCING ACTIVITIES				
	<u>Receipts</u>			
15,847	Proceeds from Borrowings & Advances		9,130	6,243
	<u>Payments</u>			
(9,756)	Repayments of Borrowings & Advances		(9,802)	(11,101)
6,091	Net Cash provided by (or used in) Financing Activities		(672)	(4,858)
(290)	Net Increase (Decrease) in cash held		(2,826)	10,751
68,151	Cash Assets at beginning of reporting period	11	68,151	57,400
67,861	Cash Assets at end of reporting period	11	65,325	68,151

This Statement is to be read in conjunction with the attached Notes

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

1. The Local Government Reporting Entity

The City of Shoalhaven has its principal business office at the City Administrative Centre, Bridge Road, Nowra NSW 2541. Shoalhaven City Council is empowered by the New South Wales Local Government Act (LGA) 1993 and its Charter is specified in Section 8 of the Act.

A description of the nature of the Council's operation and its principal activities are provided in Note 2(b).

The General Purpose Financial Report incorporates the assets and liabilities of all entities controlled by Council (the parent entity) and the results of all controlled entities for the financial period ended being the 30th June 2005. They include the consolidated fund and other entities through which the Council controls resources to carry on its functions. In the process of reporting on the local government as a single unit, all transactions and balances between activities (for example, loans and transfers) have been eliminated.

1.1 The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund. The consolidated fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- Shoalhaven City Council General Purpose Operations
- Shoalhaven City Council Water Supply Fund
- Shoalhaven City Council Sewerage Fund
- Shoalhaven City Council Domestic Waste Management Fund
- Southern Water Services

The General Purpose Financial Report does not include the amounts attributable to management committees, as they are not considered to be material according to AAS 5 "Materiality".

1.2 The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to these monies. Trust monies and property subject to Council's control have been included in these reports.

Trust monies and property held by Council but subject to the control of Council, have been excluded from these reports. A separate statement of monies held in the Trust Fund is available for inspection at the Council Office by any person free of charge.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

2. Basis of Accounting

2.1 Compliance

This general purpose financial report has been prepared in accordance with applicable Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act and Regulations, the Local Government Code of Accounting Practice and Financial Reporting and the Local Government Asset Accounting Manual.

2.2 Basis

The financial report has been prepared on the accrual basis of accounting and, except where specifically indicated in these Notes, in accordance with the historical cost convention.

The accounting policies adopted for the reporting period are consistent with those of the previous reporting period except where otherwise indicated.

Nothing contained within this report may be taken to be an admission of any liability to any person under any circumstance.

2.3 Impacts of adopting Australian equivalents to IFRS

The Australian Accounting Standards Board (AASB) is adopting International Financial Reporting Standards (IFRS) for application to reporting periods beginning on or after 1 January 2005. The AASB has issued Australian equivalents to IFRS, and the Urgent Issues Group has issued interpretations corresponding to IASB interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee. These Australian equivalents to IFRS are referred to hereafter as AIFRS. The adoption of AIFRS will be first reflected in the Council's financial statements for the year ending 30 June 2006.

Entities complying with AIFRS for the first time will be required to restate their comparative financial statements to amounts reflecting the application of AIFRS to that comparative period. Most adjustments required on transition to AIFRS will be made, retrospectively, against opening retained earnings as at 1 July 2004.

The transition to IFRS is being managed on an industry-wide basis. A National Local Government working party has been established, and the NSW Department of Local Government in conjunction with the Local Government Accounting Advisory Group will identify significant changes affecting the industry.

The known or reliably estimable impacts on the financial report for the year ended 30 June 2005 had it been prepared using AIFRS are set out below. The expected financial effects of adopting AIFRS are shown for each line item in the statement of financial performance and statements of financial position, with descriptions of the differences. No material impacts are expected in relation to the statements of cash flows.

Although the adjustments disclosed in this note are based on management's best knowledge of expected standards and interpretations, and current facts and circumstances, these may change. For example, amended or additional standards or interpretations may be issued by the AASB and the IASB. Therefore, until the Council prepares its first full AIFRS financial statement, the possibility cannot be excluded that the accompanying disclosures may have to be adjusted.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

Impact on the Statement of Financial Performance - 30 June 2005

	Notes	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs		42,673		42,673
Materials & Contracts		32,441		32,441
Borrowing Costs		2,383		2,383
Depreciation & Amortisation	c	23,289	95	23,384
Other Operating Expenses	c	14,704	328	15,032
Total Expenses from Ordinary Activities		115,490	423	115,913
REVENUES FROM ORDINARY ACTIVITIES				
Rates & Annual Charges		66,602		66,602
User Charges & Fees		34,244		34,244
Interest Received		5,142		5,142
Grants & Contributions - Operating		17,615		17,615
Other Operating Revenues	b	1,744	1,201	2,945
Profit from Disposal of Assets		4,304		4,304
Total Revenues from Ordinary Activities		129,651	1,201	130,852
SURPLUS FROM ORDINARY ACTIVITIES BEFORE CAPITAL AMOUNTS		14,161	778	14,939
Grants & Contributions - Capital		26,795		26,795
SURPLUS FROM ALL ACTIVITIES		40,956	778	41,734

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

Impact on the Statement of Financial Position - 30 June 2005

	Notes	Existing GAAP \$'000	Effect of Change \$'000	AIFRS \$'000
CURRENT ASSETS				
Cash Assets		46,134		46,134
Receivables		7,477		7,477
Inventories		1,621		1,621
Other		90		90
TOTAL CURRENT ASSETS		<u>55,322</u>	<u>-</u>	<u>55,322</u>
NON-CURRENT ASSETS				
Cash Assets		19,191		19,191
Investments		26,906		26,906
Receivables		3,671		3,671
Inventories		5,241		5,241
Other	b	-	4,053	4,053
Property, Plant & Equipment		1,114,181	4,017	1,118,198
TOTAL NON-CURRENT ASSETS		<u>1,169,190</u>	<u>8,070</u>	<u>1,177,260</u>
TOTAL ASSETS		<u>1,224,512</u>	<u>8,070</u>	<u>1,232,582</u>
CURRENT LIABILITIES				
Payables		15,315		15,315
Borrowings		7,368		7,368
Provisions		4,114		4,114
TOTAL CURRENT LIABILITIES		<u>26,797</u>	<u>-</u>	<u>26,797</u>
NON-CURRENT LIABILITIES				
Borrowings		42,469		42,469
Provisions		24,320	6,767	31,087
TOTAL NON CURRENT LIABILITIES		<u>66,789</u>	<u>6,767</u>	<u>73,556</u>
TOTAL LIABILITIES		<u>93,586</u>	<u>6,767</u>	<u>100,353</u>
NET ASSETS		<u>1,130,926</u>	<u>1,303</u>	<u>1,132,229</u>
EQUITY				
Accumulated Surplus	b,c	1,130,926	1,303	1,132,229
TOTAL EQUITY		<u>1,130,926</u>	<u>1,303</u>	<u>1,132,229</u>

Notes explaining the impacts on the statements of financial performance and statements of financial position

(a) Investment properties

Under the AASB 140 *Investment Property*, if investment properties are measured at fair value, gains or losses arising from changes in fair value are recognised in the Statement of Financial Performance. If the cost model of measurement is chosen the fair value of the investment property must be disclosed in the notes to the financial statements.

Council measures its investment properties using the cost model. The carrying value of investment properties as at 30 June 2005 is \$1,549K. If the policy required by AASB 140 had been applied during the year ended 30 June 2005, the fair value for investment properties would have been disclosed as being \$4,337K.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

(b) Retirement benefit obligations

Council is the sponsor of a defined benefit superannuation fund. Under existing Australian GAAP, a liability or asset in respect of defined benefit superannuation does not need to be recognised in the provision for employee benefits. Under AASB 119 *Employee Benefits*, a liability or asset in respect of defined benefit superannuation is recognised and measured as the difference between the present value of employees' accrued benefits at the reporting date and the net market value of the superannuation fund's assets at that date.

If AASB 119 had been applied during the year ended 30 June 2005, non-current assets and other revenue would both have been increased by \$1,201K being the increase in Council's share of the actuarial surplus calculated in the fund. Opening non-current assets and accumulated surplus would increase by \$2,852K.

(c) Restoration and Decommissioning Costs

Under the AASB 116 *Property, Plant & Equipment* the initial measurement of an asset is to include decommissioning and site restoration costs when the obligation to decommission/restore qualifies as a liability under the AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

The restoration costs of Council waste disposal depots would be recognised if these standards had applied during the year ended 30 June 2005. The opening balance for non-current assets for Property, Plant and Equipment and liabilities (provision for restoration costs) would increase by \$6,439K. Depreciation expense for the year ended 30 June 2005 would increase by \$95K and notional interest expense would increase by \$328K. The opening provision for depreciation would increase by \$2,327 and the opening accumulated surplus would decrease by \$2,327 representing depreciation for the years that the assets have been in use.

(d) Impairment of Assets

Under the AASB 136 *Impairment of Assets* Council is required to ensure that its assets (excluding inventories, employee benefits, financial assets within the scope of AASB 139, investment property measured at fair value and non-current assets held for sale which are covered by other standards) be carried at no more than their recoverable amount. Council is required, at the reporting date, to assess the recoverable amount of an asset and compare it with the asset's carrying amount whenever there is an indication that the asset may be impaired.

As Council is a not for profit entity and the majority of assets held by Council are not held to generate net cash inflows, the recoverable amount for those assets is determined to be the depreciated replacement cost of the asset. Council does however possess some assets where the future economic benefits of the asset are primarily dependent on the asset's ability to generate net cash inflows. The cash generating assets held by Council are:

- Holiday Haven Tourist Parks
- Investment Properties

At the 30 June 2005 there was no indication that an impairment loss may have occurred for these cash generating assets and therefore a formal estimate of the recoverable amount would not have been required.

3. Rates

The rating period and reporting period for the Council coincide and, accordingly, all rates levied for the year are recognised as revenues. Uncollected rates are recognised as receivables after providing for amounts due from unknown owners and postponed rates in accordance with the requirements of the Local Government Act 1993.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

4. Grants, Contributions and Donations

4.1 General

Grants, contributions and donations (in cash or in kind) are recognised as revenues when the council obtains control over the assets comprising the contributions. Control over granted assets is normally obtained upon their receipt. Where notification has been received that a grant has been secured and Council acts in reliance of that notification, control is deemed at that time.

Contributions not received over which the Council has control are recognised as receivables.

Where grants, contributions and donations are recognised as revenues during the reporting period on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are disclosed in the notes as restricted assets.

Also disclosed is the amount of grants and contributions recognised as revenues in a previous reporting period which were obtained in respect of the council's operations for the current reporting period.

4.2 Contributions under Section 94 of the Environmental Planning and Assessment (EPA) Act 1991

The Council has obligations to provide facilities from contributions required from developers under the provisions of s94 of the EPA Act 1991. These contributions may be expended only for the purposes for which the contributions were required, but the Council may, within each area of benefit, apply contributions according to the priorities established in the relevant contributions plans and accompanying works schedules.

Contribution plans adopted by Council are available for public inspection.

5. Cash Assets and Investment Securities

Investments in Bank Bills, Promissory Notes and Term Deposits are recognised at cost. Interest revenues are recognised as they accrue. Bills of exchange which have been purchased at a discount to face value are recognised at cost; the discount brought to account during the reporting period is accounted for as interest received. Managed Funds are valued at market value in accordance with advice issued by each fund; changes in market value are recognised as interest received.

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition. Where cash and investments held are subject to restrictions and Council's management plan for the ensuing reporting period does not provide for the discharge of those restrictions, the amounts have been classified as non-current.

6. Receivables

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the Local Government Act 1993 (as amended) and the Regulations and Determinations made thereunder.

Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate provision made for amounts the receipt of which is considered doubtful.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

7. Inventories

7.1 Stores

Inventories held in respect of stores have been valued by using the weighted moving average cost method, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

7.2 Real Estate Assets held for Resale

Real Estate Assets held for development and resale have been classified as Inventory in accordance with Australian Accounting Standard AAS 2 and are valued at the lower of cost or net realisable value. Cost includes the costs of acquisition, development, borrowing and other costs incurred on financing of that acquisition and up to the time of sale. The amount by which cost exceeds the net realisable value has been recognised as an expense.

Revenues arising from the sale of property are recognised in the statement of financial performance when settlement is completed.

8. Property, Plant & Equipment

8.1 Transitional Provisions

Infrastructure assets (which were expensed prior to 1 January 1993) have been capitalised in the accounts on a "staged" basis since June 1995 in accordance with the transitional provisions in Australian Accounting Standard AAS 27. All assets, apart from land under roads (the transitional provisions applicable to land under roads have now extended pursuant to AASB 1045, released in October 2002, until 31 December 2006), have now been brought to account.

All non-current assets purchased or constructed are capitalised as soon as the asset is held "ready for use".

8.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. Examples of capitalisation thresholds applied during the year under review are provided in Note 9 (c).

8.3 Valuation

The "recoverable amount test" of paragraph 30 of AAS 10 "Recoverable Amount of Non Current Assts" does not apply to the Council except in relation to recognised trading operations.

At 1 July 2000 upon the commencement of Australian Accounting Standard AAS 38 "Revaluation of Non-Current Assets", Council elected pursuant to paragraph 10.4(a) of the standard to revert to the deemed cost basis for all classes of assets previously carried at revalued amounts. Further details are provided at Note 9 (c).

Plant, equipment and similar assets are carried at historical cost less accumulated depreciation.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

8.4 Depreciation of Non-Current Assets

All assets recognised are systematically depreciated over their useful lives in a manner that reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are provided in Note 9 (c). Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and care should be used in interpreting financial information based on these estimates.

8.5 Borrowing Costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with Australian Accounting Standard AAS 34 "Borrowing Costs". The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 4.

9. Payables

9.1 Goods and Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the date of invoice. No interest is payable on these amounts.

9.2 Payments Received in Advance & Deposits

Amounts received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

10. Borrowings

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

11. Employee Benefits

Employee benefits are accrued on a pro-rata basis for annual leave, sick leave and long service leave in respect of services provided by employees up to the reporting date. Such accruals are assessed as at each reporting date, having regard to current and future rates of pay and other factors including experience of employee departures and their periods of service, and calculated in accordance with AASB 1028 and the Local Government Code of Accounting Practice and Financial Reporting nominal value present value estimate. The amounts provided have been apportioned between current and non-current, the current provision being the entitlement estimated to be payable in the next twelve months.

The superannuation expense for the year is the amount of the contribution the Council makes to the various statutory superannuation plans that provide benefits to its employees. These payments fully discharge Council's liability for post-retirement employee benefits.

As at balance date a number of council staff were making contributions to a defined superannuation scheme referred to as the Local Government Superannuation Retirement and Defined Benefit Scheme. A defined benefit scheme may generally be described as one where the amount of benefits payable are, in part, defined by a members final salary. The value of accrued benefits in respect of all defined benefits plans in which Council participates has been determined on the basis of the present value of expected payments which arise from its membership in the superannuation scheme at the date of actuarial review. The actuarial review was performed as at

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

30 June 2005. The estimated assets and liabilities as at 30 June 2005 of Council in relation to the *Local Government Superannuation Retirement and Defined Benefit Scheme* is as follows:

Employer Liability	\$28,814K
Employer Assets	<u>\$32,866K</u>
Surplus	<u>\$ 4,052K</u>

12. Financial Instruments

Council complies with Australian Accounting Standard AAS 33 "Presentation & Disclosure of Financial Instruments"; the disclosures required by that Standard are made in Note 6 (Cash Assets and Investment Securities), Note 7 (Receivables), and Note 15 (Financial Instruments).

13. Construction Contracts

Construction works undertaken by Council for third parties (principally the Roads & Traffic Authority for works on national and state highways) are generally on an agency basis where the third party reimburses Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no profit component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as "payments received in advance".

14. Joint Ventures and Associated Entities

Council does not participate in any joint ventures.

15. Leases

Lease arrangements have been accounted for in accordance with Australian Accounting Standard AAS 17 "Accounting for Leases".

16. Self-Generating and Regenerating Assets

All material Self-Generating and Regenerating Assets owned by the Council are held for the principal purposes of one or more of aesthetics, heritage, ecology, the environment or recreation, and accordingly Australian Accounting Standard AAS 35 "Self-Generating and Regenerating Assets" does not apply.

17. GST Implications

In accordance with UIG Abstract 31 "Accounting for the Goods & Services Tax"

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

18. Budget Information

The Statement of Financial Performance, Statement of Cash Flows and Note 2 provide budget information of revenues and expenditures by type and for each of the major activities of the Council. Budget figures presented are those approved by Council at the beginning of the financial year and do not include Council approved variations throughout the year. Short explanations of the most significant variations in the Statement of Financial Performance are given in Note 16, and further information of the nature and amount of all variations is available from the Council office upon request.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

19. Rounding

In accordance with the Local Government Code of Accounting Practice and Financial Reporting all amounts shown in the Financial Statements are in Australian currency and have been rounded to the nearest thousand dollars.

20. Self Insurance

Council has determined to self-insure for various risks including public liability. A provision for workers compensation has been made to recognise outstanding claims the amount of which is detailed in Note 10. Council also maintains cash and investments to meet expected future claims the amount of which is identified in Note 6.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 2 (a) - FUNCTIONS

REVENUES, EXPENSES AND ASSETS HAVE BEEN DIRECTLY ATTRIBUTED TO THE FOLLOWING FUNCTIONS & ACTIVITIES													
	REVENUES			EXPENSES			OPERATING RESULT			GRANTS INCLUDED IN REVENUES		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)	
	ORIGINAL BUDGET 2005 \$'000	ACTUAL 2005 \$'000	ACTUAL 2004 \$'000	ORIGINAL BUDGET 2005 \$'000	ACTUAL 2005 \$'000	ACTUAL 2004 \$'000	ORIGINAL BUDGET 2005 \$'000	ACTUAL 2005 \$'000	ACTUAL 2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000
GOVERNANCE	12	12	-	882	880	815	(871)	(868)	(815)	-	-	101	101
ADMINISTRATION	601	1,170	1,435	5,370	5,597	5,582	(4,771)	(4,426)	(4,145)	641	698	50,891	48,186
CITY SERVICES	6,363	8,053	9,170	26,707	27,280	23,917	(20,344)	(19,227)	(14,747)	6,217	5,895	602,516	592,862
COMMUNITY & OPERATIONS	5,474	6,259	5,997	13,242	15,241	13,439	(7,768)	(8,982)	(7,441)	1,624	1,856	76,594	83,618
CORPORATE BUSINESS UNITS	657	366	151	10,752	6,611	5,768	(10,095)	(6,245)	(5,617)	-	-	14,952	13,525
DEVELOPMENT & ENVIRONMENTAL SERVICES	3,209	3,441	3,612	4,865	5,262	4,887	(1,655)	(1,822)	(1,276)	74	200	296	233
FINANCE & CORPORATE SERVICES	3,167	6,819	6,534	10,151	14,107	13,291	(6,983)	(7,288)	(6,757)	10	-	1,451	1,174
HOLIDAY HAVEN TOURIST PARKS	12,113	12,188	11,492	6,148	6,393	6,179	5,965	5,795	5,313	20	-	34,721	30,890
PLANNING SERVICES	368	365	683	2,111	2,133	1,715	(1,743)	(1,768)	(1,033)	20	257	313	316
WASTE MANAGEMENT	12,245	11,858	11,384	9,565	9,401	8,416	2,680	2,457	2,968	319	603	14,346	12,059
WATER SUPPLY & SERVICES	15,201	22,316	19,518	12,213	11,677	11,273	2,988	10,639	8,245	4,711	559	188,146	184,572
WASTE WATER SERVICES	33,556	35,027	27,399	9,368	10,908	11,435	24,189	24,119	15,963	8,480	2,400	240,185	220,447
TOTALS - FUNCTIONS	92,966	107,874	97,375	111,374	115,490	106,717	(18,408)	(7,616)	(9,342)	22,116	12,468	1,224,512	1,187,983
GENERAL PURPOSE REVENUES	44,863	48,572	48,221				44,863	48,572	48,221	10,276	10,104		
TOTALS	137,829	156,446	145,596	111,374	115,490	106,717	26,455	40,956	38,879	32,392	22,572	1,224,512	1,187,983

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

Note 2 (b) - COMPONENTS OF FUNCTIONS

The activities relating to Council functions are as follows:

Governance

Costs relating to Council's role as a component of democratic government, including elections, meetings and associated activities, area representation, and public disclosure and compliance, together with related administration costs.

Administration

Costs not otherwise attributed to functions.

City Services

Road and bridge construction and maintenance, drainage works (incl. kerb and gutter), traffic facilities, streetscapes, car parks, coastal and flood plain management, emergency services (bushfire, state emergencies), land management (noxious weeds, fire hazards, technical support, development of property strategy, management of property portfolio, land subdivision and development, land tenure and conveyancing, land register and plans of management, survey plans and mapping.

Community & Operations

Cemeteries & crematoriums, aquatic management, parks and reserves, sport and recreation, public halls, community centres, cultural services, welfare, aged, youth, child care and Aboriginal services, public libraries.

Corporate Business Units

Mechanical services, fleet management, supply (purchasing and warehousing) electrical services and administration building management.

Development & Environmental Services

Development, subdivision and building control, public health and amenity, environmental protection and management, community health.

Finance & Corporate Services

Corporate strategy, finance, insurances, corporate services (records and printing) rangers.

Holiday Haven Tourist Parks

Tourist and caravan/camping parks management

Planning Services

Town planning.

Waste Management

Domestic waste collection, trade waste collection, waste disposal (landfill, transfer stations), waste minimisation (recycling).

Water Supply & Services

Water resources (dams, reservoir), water reticulation (mains), water development control.

Waste Water Services

Waste water collection, waste water treatment management.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 3 - EXPENSES FROM ORDINARY ACTIVITIES

EMPLOYEE COSTS	2005 \$'000	2004 \$'000
Salaries and Wages	31,612	30,642
Travelling	41	35
Employee Leave Entitlements	8,636	7,467
Superannuation	2,222	2,000
Workers' Compensation Insurance	742	713
Fringe Benefits Tax	214	134
Payroll Tax	536	466
Training Costs (excluding Salaries)	658	511
Other	46	38
Less: Capitalised and distributed costs	(2,034)	(2,435)
Total Operating Employee Costs	42,673	39,571
Total Number of Employees	703	685
<i>(Full time equivalent at end of reporting period)</i>		
BORROWING COSTS		
Interest on Loans	2,942	3,382
Interest on Advances	106	98
Gross Interest Charges	3,048	3,480
Less: Borrowing Costs capitalised	(665)	(71)
Total Interest Charges	2,383	3,409
DEPRECIATION & AMORTISATION		
Plant and Equipment	3,668	3,136
Office Equipment	1,033	1,007
Furniture & Fittings	117	113
Land Improvements	843	648
Buildings	1,484	1,337
Other Structures	1,598	1,330
- roads, bridges & footpaths	5,455	5,301
- stormwater drainage	1,359	1,351
- water supply network not elsewhere included	3,331	3,224
- sewerage network not elsewhere included	4,105	4,044
Other assets		
- library books	296	218
Total Depreciation & Amortisation	23,289	21,709

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 3 - EXPENSES FROM ORDINARY ACTIVITIES (cont)

	2005 \$'000	2004 \$'000
OTHER OPERATING EXPENSES		
Advertising, Postage and Stationery	2,242	1,716
Auditor's Remuneration		
- Audit Services	78	67
- Other Services	2	2
Bad and Doubtful Debts	(14)	(16)
Donations & Contributions to Local & Regional Bodies	1,025	1,003
Election Expenses	-	77
Insurances	2,217	2,276
Legal Expenses		
- Planning & Development	333	293
- Other Legal Expenses	372	194
Light, Power & Heating	2,365	2,309
Mayoral Allowance	28	27
Members' Fees & Allowances	168	154
Members' Expenses	107	78
Operating Lease Rentals - cancellable	77	91
Fuel	1,696	1,399
Bank Charges	350	324
Payments to other levels of Government	628	569
Street Lighting	1,036	1,017
Computer Software, Equipment & Maintenance	609	444
Telephone & Communications	651	691
Other	734	675
Total Other Operating Expenses	14,704	13,390

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 4 - REVENUES FROM ORDINARY ACTIVITIES

RATES & ANNUAL CHARGES	2005	2004
	\$'000	\$'000
<u>Ordinary Rates</u>		
Residential	27,339	25,985
Farmland	1,347	1,298
Business	3,158	3,059
	<u>31,844</u>	<u>30,342</u>
<u>Special Rates</u>		
Town Improvement	8	8
Bushfire Levy	619	591
	<u>627</u>	<u>599</u>
<u>Annual Charges</u>		
Domestic Waste Management	7,739	7,210
Water Supply	5,516	8,620
Sewerage Services	20,688	19,847
Other Waste Management	188	317
	<u>34,131</u>	<u>35,994</u>
Total Rates & Annual Charges	<u>66,602</u>	<u>66,935</u>
 USER CHARGES & FEES		
<u>User Charges</u>		
Water Supply	6,668	5,672
Sewerage Services	1,199	1,256
Other Waste Management	3,171	3,090
	<u>11,038</u>	<u>10,018</u>
<u>Fees</u>		
Planning & Building	3,562	3,479
Private Works	1,649	2,885
Motor Vehicle Use	543	533
Cemeteries	817	809
Swimming/Aquatic Centre	2,509	2,146
Health Licence Fees	110	103
Rent & Hire of Council Property	887	613
Caravan and Tourist Park Fees	12,065	11,387
Other	1,064	1,439
	<u>23,206</u>	<u>23,394</u>
Total User Charges & Fees	<u>34,244</u>	<u>33,412</u>
 INVESTMENT REVENUES		
Interest on overdue rates & charges	374	385
Interest on investments attributable to		
Section 94 Contributions	893	636
Water & Sewerage Contributions	60	27
Water Supplies	1,274	776
Sewerage Services	466	526
Other External Restrictions	1,077	774
Other Investments	1,006	1,424
Other Investment Revenues	(8)	6
Total Interest Received	<u>5,142</u>	<u>4,554</u>

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 4 - REVENUES FROM ORDINARY ACTIVITIES (cont)

	OPERATING		CAPITAL	
	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000
OTHER OPERATING REVENUES				
Self Insurance Provision Adjustment		-		400
Fines		590		477
Insurance Claims		557		816
Legal Fees Recovery		164		116
Discount Received		14		12
Other		419		354
Total Other Operating Revenues		1,744		2,175
GRANTS				
General Purpose (Untied)				
Financial Assistance	9,120	9,006	-	-
Pensioner Rates Subsidies (General)	1,104	1,104	-	-
Specific Purpose				
Pensioner Rates Subsidies				
Water Supplies	497	497	-	-
Sewerage Services	448	448	-	-
Domestic Waste Management	363	365	-	-
Water Supplies	30	-	4,171	57
Sewerage Services	-	-	8,020	1,924
Community Centres	-	-	65	139
Roads & Bridges	1,732	1,936	2,112	2,603
Environmental Protection	890	422	137	62
Heritage & Cultural Services	16	7	-	80
Community Care Services	1,550	2,025	-	6
Bushfire & Emergency Services	948	332	224	302
Other	588	784	377	473
Total Grants & Subsidies	17,286	16,926	15,106	5,646
CONTRIBUTIONS & DONATIONS				
Developer Contributions				
Active Recreation	-	-	1,207	1,122
Roadworks	-	-	528	435
Drainage	-	-	16	31
Bush Fire	-	-	105	41
Parking	-	-	75	(2)
Open Space	-	-	236	228
Community Facilities	-	-	570	526
Other	-	-	97	85
Aquatic Facilities	-	-	48	279
Water Supplies	-	-	3,293	2,376
Sewerage Services	-	-	2,926	2,317
Land	-	-	2,378	1,310
Bushfire & Emergency Services	-	831	12	113
Kerb & Gutter and Footpaths	-	-	127	166
Other	329	156	71	233
Total Contributions & Donations	329	987	11,689	9,260
TOTAL GRANTS & CONTRIBUTIONS	17,615	17,913	26,795	14,906

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 5 - GAIN OR LOSS ON DISPOSAL OF ASSETS

	2005 \$'000	2004 \$'000
DISPOSAL OF PROPERTY		
Proceeds from disposal	2,858	5,031
Less: Carrying amount of assets sold	<u>70</u>	<u>926</u>
Gain (Loss) on disposal	<u>2,788</u>	<u>4,105</u>
DISPOSAL OF PLANT & EQUIPMENT		
Proceeds from disposal	3,078	3,058
Less: Carrying amount of assets sold	<u>3,656</u>	<u>3,346</u>
Gain (Loss) on disposal	<u>(578)</u>	<u>(288)</u>
DISPOSAL OF REAL ESTATE DEVELOPMENT ASSETS		
Proceeds from disposal	2,523	2,746
Less: Carrying amount of assets sold	<u>429</u>	<u>861</u>
Gain (Loss) on disposal	<u>2,094</u>	<u>1,885</u>
TOTAL GAIN (LOSS) ON DISPOSAL OF ASSETS	<u>4,304</u>	<u>5,702</u>

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 6 (a) - CASH ASSETS AND INVESTMENT SECURITIES

	2005 \$'000		2004 \$'000	
	Current	Non-Current	Current	Non-Current
CASH ASSETS				
Cash on Hand and at Bank	2,702	-	6,792	-
Short term Deposits & Bills, etc	43,432	19,191	28,039	33,320
Total Cash Assets	46,134	19,191	34,831	33,320
INVESTMENT SECURITIES				
Term Deposits	-	12,774	-	14,873
NCDs, FRNs	-	11,753	-	-
Managed Funds	-	2,363	-	-
Other	-	16	-	16
Total Investment Securities	-	26,906	-	14,889
TOTAL CASH ASSETS & INVESTMENT SECURITIES	46,134	46,097	34,831	48,209

RESTRICTED CASH AND INVESTMENTS

Ref	2005 \$'000		2004 \$'000	
	Current	Non-Current	Current	Non-Current
EXTERNAL RESTRICTIONS				
Included in liabilities				
Unexpended Loans	1,120	-	3,189	-
Self Insurance Claims	597	2,322	808	1,759
	1,717	2,322	3,997	1,759
Other				
Developer Contributions 17	1,426	15,223	-	14,479
Unexpended Grants 14	1,487	-	2,690	-
Water Supply funds	-	22,198	1,119	17,527
Sewerage funds	9,291	3,673	5,020	10,129
Domestic Waste Management	-	2,665	-	1,969
	12,204	43,759	8,829	44,104
Total External Restrictions	13,921	46,081	12,826	45,863
Total Internal Restrictions	23,805		11,143	
TOTAL UNRESTRICTED A	8,408	16	10,862	2,346
TOTAL CASH ASSETS & INVESTMENT SECURITIES	46,134	46,097	34,831	48,209

A: As at 30 June 2005 Council had not restricted funds allocated to works that had commenced prior to, but were not completed by, balance date. These works are funded by existing restricted cash and investments plus general revenue (unrestricted cash and investments). Existing restrictions are included in either external or internal restrictions however the general revenue component is included in unrestricted cash. For 2005 the amount of unrestricted cash required to fund uncompleted works as at 30 June was \$5,196K (\$4,586K 2004).

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 6 (b) - CASH ASSETS & INVESTMENT SECURITIES (cont)

DETAILS OF MOVEMENTS & UTILISATION OF RESTRICTED CASH ASSETS & INVESTMENT SECURITIES

Notes	Opening Balance 30 June 2004	Movements		Closing Balance 30 June 2005	Proposed Utilisation of Restriction		
		Transfers To Restriction	Transfers From Restriction		Less than 1 Year	Between 1 and 5 years	Greater than 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
External Restrictions							
Developer Contributions	14,479	9,239	7,069	16,649	1,426	15,223	-
Unexpended Grants	2,690	15,394	16,597	1,487	1,487	-	-
Water Supply funds	18,646	19,665	16,113	22,198	-	22,198	-
Sewerage funds	15,149	40,902	43,087	12,964	9,291	3,673	-
Domestic Waste Management	1,969	696	-	2,665	-	2,665	-
Total External Restrictions	52,933	85,896	82,866	55,963	12,204	43,759	-

External Restrictions arise pursuant to section 409(3) of the Local Government Act, the Local Government (Financial Management) Regulation 1999 and other applicable legislation. Further information relating to Developer Contributions is provided in Note 17 and Unexpended Grants in Note 14. Amounts raised by special rates (eg. Water & Sewer) or for Domestic Waste Management may only be used for those purposes.

Internal Restrictions							
Employee Leave Entitlements	4,704	999	61	5,642	5,642	-	-
Construction of Buildings	393	-	-	393	393	-	-
Replacement - Plant & Vehicles	545	-	545	-	-	-	-
Sporting Facilities	144	26	35	135	135	-	-
Strategic Projects	4,081	9,852	1,152	12,781	12,781	-	-
Gasworks Decontamination	344	69	12	401	401	-	-
Land Development Reserve	932	4,398	4,183	1,147	1,147	-	-
Emergency Management Centre	-	338	32	306	306	-	-
Section 94 Matching Funds	-	3,000	-	3,000	3,000	-	-
Total Internal Restrictions	11,143	18,682	6,020	23,805	23,805	-	-

Internal Restrictions arise pursuant to resolutions of Council to set aside reserves of cash resources either relating to liabilities recognised in these reports or to fund future expenditure for the stated purpose. Such reserves are not permitted to exceed the amounts of cash assets and cash investments not otherwise restricted.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 7 - RECEIVABLES

	2005 \$'000		2004 \$'000	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
Rates & Annual Charges	1,769	2,402	2,136	2,129
Interest & Extra Charges	278	963	269	927
User Charges & Fees	2,145	-	2,961	-
Accrued Interest Revenues	515	-	447	-
Deferred Debtors	38	306	46	309
Other levels of Government	2,507	-	1,496	-
Accrued Revenues Other	372	-	1,106	-
Other	21	-	21	-
Total	7,645	3,671	8,482	3,365
Less: Provision for Doubtful Debts				
Rates & Annual Charges	151	-	151	-
User Charges & Fees	17	-	34	-
Total Receivables	7,477	3,671	8,297	3,365

RESTRICTED RECEIVABLES

Water Supply	1,700	-	1,335	-
Sewerage Services	2,363	-	2,554	-
Domestic Waste Management	1,325	-	1,097	-
Total Restrictions	5,388	-	4,986	-
Unrestricted Receivables	2,089	3,671	3,311	3,365
Total Receivables	7,477	3,671	8,297	3,365

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 30th June 2005

Note 7 cont'd - RECEIVABLES

1. Rates and Annual Charges

Rates are secured by underlying properties. Interest is charged on overdue rates at 9.0%. Rates are due for payment on 31st August, 30th November, 28th February and 31st May. Overdue rates are those not paid within 1 day of the due date. The amount of the overdue rates and annual charges upon which interest is charged is \$4,666K (2004 \$5,193K). A provision for doubtful debts in respect of the class of debtor has been provided in an amount of \$151K.

2. User charges and fees

User charges and fees are unsecured. The credit risk for this class of debtor is 100% of the carrying value. A provision for doubtful debts in respect of the class of debtor has already been provided in an amount of \$17K.

3. Other levels of government

3.1 Government Grants & Subsidies

Government grants and subsidies have been guaranteed subject to the terms and conditions of the relevant agreement.

3.2 Goods & Services Tax

The Commonwealth Government guarantees the Goods and Services Tax refund outstanding at 30 June 2005. The amount due to Council at 30 June 2005 is \$870K

4. Deferred Debtors

Deferred Debtors relate to loans made to organisations external to Council for the provision of community facilities eg, buildings, sports facilities. In some cases the debt is secured by the facility constructed.

5. Accrued Revenue - Interest

Accrued interest on investments amounts to \$515K. Investments are comprised of term deposits, bills of exchange, floating rate notes and managed funds. The weighted average interest rate for investments that are held at 30 June 2005 is 5.87% (2004 5.66%).

Bills of exchange are generally subject to credit risk in the event of default by the acceptor. However ensuring that the banks have accepted the bills has mitigated the risk.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 8 - INVENTORIES & OTHER ASSETS

	2005 \$'000		2004 \$'000	
	<u>Current</u>	<u>Non-Current</u>	<u>Current</u>	<u>Non-Current</u>
INVENTORIES				
Stores & Materials	1,621	-	1,567	-
Real Estate Developments	-	5,241	1,193	6,316
Total Inventories	<u>1,621</u>	<u>5,241</u>	<u>2,760</u>	<u>6,316</u>

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

OTHER ASSETS

Prepayments	90	-	256	-
Total Other Assets	<u>90</u>	<u>-</u>	<u>256</u>	<u>-</u>

Real Estate Developments

(Valued at the lower of cost and net realisable value)

Industrial & Commercial	-	5,241	1,193	6,316
Total Real Estate for Resale	<u>-</u>	<u>5,241</u>	<u>1,193</u>	<u>6,316</u>

Represented by:

Development Costs	-	4,085	223	4,639
Borrowing Costs	-	-	-	11
Other Properties - Book Value	-	1,156	970	1,666
Total Real Estate for Resale	<u>-</u>	<u>5,241</u>	<u>1,193</u>	<u>6,316</u>

RESTRICTIONS EXIST IN RESPECT OF THE FOLLOWING:

Other Assets

Water Supplies	-	-	134	-
Sewerage Services	-	-	475	-
	<u>-</u>	<u>-</u>	<u>609</u>	<u>-</u>

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 9 (a) - PROPERTY, PLANT & EQUIPMENT

	2004 \$'000			CARRYING AMOUNT MOVEMENTS DURING YEAR \$'000				2005 \$'000		
	AT COST	ACCUM DEPN	CARRYING AMOUNT	Asset Purchases	Asset Disposals	Depreciation		AT COST	ACCUM DEPN	CARRYING AMOUNT
Plant & Equipment	44,230	16,211	28,019	8,065	(3,656)	(3,668)		46,872	18,112	28,760
Office Equipment	10,846	6,789	4,057	1,003	-	(1,033)		11,849	7,822	4,027
Furniture & Fittings	1,485	871	614	26	-	(117)		1,511	988	523
Land										
- Council owned (freehold)	73,675	-	73,675	4,020	(70)	-		77,625	-	77,625
- Council controlled	5,658	-	5,658	-	-	-		5,658	-	5,658
Land Improvements - depreciable	22,019	3,098	18,921	2,332	-	(843)		24,351	3,941	20,410
Buildings	86,903	20,092	66,811	2,355	-	(1,484)		89,258	21,576	67,682
Other Structures	45,978	19,463	26,515	2,267	-	(1,598)		48,245	21,061	27,184
Infrastructure										
- Roads, bridges, footpaths	494,197	105,904	388,293	8,503	-	(5,455)		502,700	111,359	391,341
- Bulk earthworks (non-deprec.)	84,590	-	84,590	-	-	-		84,590	-	84,590
- Stormwater drainage	56,043	21,197	34,846	322	-	(1,359)		56,365	22,556	33,809
- Water Supply Network	234,667	77,707	156,960	2,468	-	(3,331)		237,135	81,038	156,097
- Sewerage Network	269,498	75,152	194,346	25,569	-	(4,105)		295,067	79,257	215,810
Other Assets										
- Library Books	3,806	3,162	644	317	-	(296)		4,123	3,458	665
Totals	1,433,595	349,646	1,083,949	57,247	(3,726)	(23,289)		1,485,349	371,168	1,114,181

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 9 (b) - RESTRICTED PROPERTY, PLANT & EQUIPMENT

	2005 \$'000			2004 \$'000		
	AT COST	ACCUM DEPN	CARRYING AMOUNT	AT COST	ACCUM DEPN	CARRYING AMOUNT
Water Supply						
Plant & Equipment	4,403	1,779	2,624	3,792	1,764	2,028
Office Equipment	1,326	681	645	1,262	546	716
Furniture & Fittings	79	64	15	74	51	23
Land						
- Council owned (freehold)	2,824	-	2,824	2,237	-	2,237
Buildings	1,439	-	1,439	1,439	-	1,439
Other Structures	175	49	126	124	26	98
Water Supply Infrastructure	237,135	81,038	156,097	234,660	77,707	156,953
Total Water Supply	247,381	83,611	163,770	243,588	80,094	163,494
Sewerage Services						
Plant & Equipment	3,693	1,470	2,223	3,447	1,201	2,246
Office Equipment	831	345	486	604	209	395
Furniture & Fittings	67	16	51	62	14	48
Land						
- Council owned (freehold)	4,551	-	4,551	3,599	-	3,599
Buildings	1,423	229	1,194	1,423	164	1,259
Other Structures	94	2	92	39	-	39
Sewerage Infrastructure	295,067	79,257	215,810	269,208	75,152	194,056
Total Sewerage Services	305,726	81,319	224,407	278,382	76,740	201,642
Domestic Waste Management						
Plant & Equipment	1,555	274	1,281	2,040	438	1,602
Office Equipment	162	125	37	150	117	33
Furniture & Fittings	18	5	13	15	3	12
Land						
- Council owned (freehold)	1,254	-	1,254	1,246	-	1,246
Land Improvements - depreciable	5,828	287	5,541	4,667	211	4,456
Buildings	2,881	1,611	1,270	2,805	1,558	1,247
Other Structures	1,006	46	960	434	37	397
Total Domestic Waste	12,704	2,348	10,356	11,357	2,364	8,993
TOTAL RESTRICTIONS	565,811	167,278	398,533	533,327	159,198	374,129

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS For the year ending 30 June 2005

Note 9 (c) - PROPERTY, PLANT & EQUIPMENT (cont)

Valuation of Assets

At 1 July 2000 upon the commencement of Australian Accounting Standard AAS 38 "Revaluation of Non-Current Assets", Council elected pursuant to paragraph 10.4(a) of the standard to revert to the deemed cost basis for all classes of assets previously carried at revalued amounts.

Plant & Equipment, Office Equipment, Furniture & Fittings, Leased Plant & Equipment

Assets acquired after 1 January 1993 are recorded at cost. Assets acquired prior to that date are recorded at deemed cost, being the carrying value of those assets as 31 December 1992.

Major depreciation periods are:

Office Equipment	10 years
Office Furniture	10 years
Vehicles & Road-making Equip	2 years
Earthmoving and Heavy Equipment	6 years
Other Plant & Equipment	10 years

Asset capitalisation thresholds include:

Office Furniture & Equipment	>\$1,000
Other Plant & Equipment	>\$2,000

Land - Council owned and Council controlled

Land classified by Council as operational land in accordance with Part 2 of Chapter 6 of the Local Government Act 1993, and buildings thereon, were valued by independent valuation in the reporting period ended 30 June 1995. Pursuant to Council's election, these amounts are disclosed at deemed cost.

Land not classified by Council as operational land was valued by Council officers at municipal site value during the reporting period ended 30 June 1995. Pursuant to Council's election, these amounts are disclosed at deemed cost.

All land acquired after 1 July 1995 is recorded at cost. No capitalisation threshold is applied to the acquisition of land or interests in land.

Current Valuation – A valuation of all Council land, operational and non-operational, was undertaken on a municipal site value basis by the NSW Valuer General as at 30 June 2003 and totalled \$1,039,764K. The valuation has not been brought to account as Council has continued to adopt the cost basis for recording this asset class.

Buildings

Buildings were valued by independent valuation during the reporting period ended 30 June 1996 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost. Major depreciation periods are:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 9 – Property, Plant & Equipment (cont)

Small Buildings (eg, toilet blocks)	50 years
Large Buildings	100 years

Asset capitalisation thresholds include:

New construction/extensions	Capitalise
Renovations	>\$2,000

Current Valuation – An independent valuation of buildings, based on replacement with new value, was undertaken by International Valuation Consultants as at 30 June 2003. The valuation of Council's buildings was \$114,653K. The valuation has not been brought to account as Council has continued to adopt the cost basis.

Land Improvements, Other Structures and Infrastructure

Land improvements and other structures were valued during the reporting period ended 30 June 1996 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost. Major depreciation periods are:

Bus Shelters	20 years
Sporting Facilities (eg tennis courts)	10 years
Other Structures	50 years

Asset capitalisation thresholds include:

Other Structures	>\$2,000
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Water and sewer infrastructure was valued by Council officers at written down current replacement cost during the reporting period ended 30 June 1995 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost. Major depreciation periods are:

Water and Sewer infrastructure	20 to 100 years
--------------------------------	-----------------

Augmentation works constructed subject to PWD schemes are recorded as follows:

- Where the scheme has not been commissioned, works are recorded at cost (including borrowing costs).
- Where the scheme has been commissioned but the final cost to Council has not been determined, the scheme has been recorded as a single asset and depreciated from the date of commissioning. The depreciation period has been selected, depending on the nature of the scheme, having regard to the depreciation period applicable to its major components.
- Where the final cost to Council has been determined the depreciation period has been selected from the depreciation periods shown above with regard to the nature of the scheme.

Asset capitalisation thresholds include:

Water and Sewer infrastructure	>\$2,000
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Transportation assets were valued by Council officers at written down current replacement cost during the reporting period ended 30 June 1996 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost. Major depreciation periods are:

Roads Structure	100 years
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Asset capitalisation thresholds include:

Road construction & reconstruction	Capitalise
Reseal/resheet/major repairs	>\$2,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 9 – Property, Plant & Equipment (cont)

Stormwater drainage infrastructure was valued by Council officers as at 30 June 1997 at written down current replacement cost, based on actual costs incurred during the reporting period ended 30 June 1997 and pursuant to Council's election are disclosed at deemed cost. All acquisitions made after the respective dates of valuation are recorded at cost. Major depreciation periods are:

Stormwater Drainage	33 to 100 years
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Asset capitalisation thresholds include:

Stormwater Drainage	>\$5,000
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All other assets

Assets acquired after 1 January 1993 are recorded at cost. Assets acquired prior to that date are recorded at deemed cost, being the carrying value of those assets at 31 December 1992.

Major depreciation periods are:

Library Books	5 years
---------------	---------

Restricted Assets

Restrictions exist in relation to the following assets, which must be applied for the purposes for which special rates and other charges enabling their purchase were raised.

	2005 \$'000	2004 \$'000
Water Supplies	163,770	163,494
Sewerage Services	224,407	201,642
Domestic Waste Management	10,356	8,993
Total	398,533	374,129

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 10 (a) - LIABILITIES

	2005 \$'000		2004 \$'000	
	Current	Non-Current	Current	Non-Current
PAYABLES				
Goods & Services	9,662	-	13,253	-
Payments received in advance	408	-	22	-
Accrued Expenses	1,153	-	1,037	-
Other Levels of Government	2,721	-	5,391	-
Deposits, Retentions & Bonds	1,286	-	1,568	-
Other	85	-	85	-
Total Creditors	15,315	-	21,356	-
INTEREST BEARING LIABILITIES				
Loans	6,833	40,178	9,322	38,576
Government Advances	478	1,989	423	1,812
Ratepayer Advances	57	302	71	305
Total Borrowings	7,368	42,469	9,816	40,693
<i>All interest bearing liabilities are secured over the future revenues of the Council.</i>				
PROVISIONS				
Annual Leave	2,314	1,422	2,260	1,132
Sick Leave	745	12,065	444	11,052
Long Service Leave	458	8,511	690	8,003
Workers Compensation Self Insurance	597	2,322	808	1,759
Total Provisions	4,114	24,320	4,202	21,946
AGGREGATE LIABILITY ARISING FROM EMPLOYEE BENEFITS	3,517	21,998	3,394	20,187
LIABILITIES relating to RESTRICTED ASSETS				
<u>Domestic Waste Management</u>				
Payables	788	-	680	-
Interest Bearing Liabilities	306	2,629	601	2,935
Subtotal	1,094	2,629	1,281	2,935
<u>Water Supplies</u>				
Payables	754	-	4,838	-
Interest Bearing Liabilities	383	3,970	998	4,353
Subtotal	1,137	3,970	5,836	4,353
<u>Sewerage Services</u>				
Payables	4,681	-	5,041	-
Interest Bearing Liabilities	2,104	15,964	2,889	12,373
Subtotal	6,785	15,964	7,930	12,373
TOTAL	9,016	22,563	15,047	19,661

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 10 (b) - DESCRIPTION AND MOVEMENT IN PROVISIONS

Provision is made in respect of the estimated self insurance claims for workers' compensation based on an independent actuarial assessment. The amount of \$597K is expected to be settled within the next twelve months and is shown as current in Note 10.

Class of Provision	2004 Opening Balance \$'000	2005			2005 Closing Balance \$'000
		Increases to Provision \$'000	Reduction to Provision		
			Payments \$'000	Re-measurement \$'000	
Self Insurance	2,567	352	-	-	2,919
	2,567	352	-	-	2,919

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 11 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2005 \$'000	2004 \$'000
Total Cash Assets (Note 6)	65,325	68,151
Balances per Statement of Cash Flows	65,325	68,151

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Change in Net Assets resulting from Operations	40,956	38,880
Add: Depreciation and Amortisation	23,289	21,709
Increase in employee leave entitlements	1,934	892
Increase in other provisions	352	-
Decrease in receivables	686	448
Decrease in inventories	-	905
Increase in creditors	-	3,233
Increase in accrued expenses payable	116	-
	67,333	66,067
Less: Decrease in provision for doubtful debts	17	16
Increase in inventories	54	-
Decrease in creditors	3,205	-
Decrease in accrued expenses payable	-	223
Decrease in other payables	2,952	-
Gain on Sale of Assets	4,304	5,702
Non-cash Capital Grants and Contributions	9,181	1,981
Net Cash provided by (or used in) operations	47,620	58,145

	2005 \$'000	2004 \$'000
(c) Non-Cash Financing and Investing Activities		
Acquisition of assets by means of:		
- PWD Construction	6,803	1,981
- Other	2,378	-
	9,181	1,981

(d) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank Overdrafts		
Total Facilities	400	400
Corporate Credit Cards	64	64

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Interest rates on overdrafts are variable while the rates for loans are fixed for the period of the loan.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 12 - COMMITMENTS FOR EXPENDITURE

	2005 \$'000	2004 \$'000
(a) Capital Commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Land	-	94
Buildings	661	497
Other Structures	4,150	2,553
Plant & Equipment	372	564
	<u>5,183</u>	<u>3,708</u>
These expenditures are payable:		
Not later than one year	<u>5,183</u>	<u>3,708</u>
	<u>5,183</u>	<u>3,708</u>

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 13 - STATEMENT OF PERFORMANCE MEASUREMENT

		2005	2004	2003	2002
	<u>Amounts</u>	<u>Indicators</u>			
Current Ratio					
<u>Current Assets</u>	\$55,322	2.06:1	1.3:1	1.67:1	1.44:1
Current Liabilities	\$26,797				
Unrestricted Current Ratio					
<u>Unrestricted Current Assets*</u>	\$36,013	2.03:1	1.36:1	1.42:1	1.48:1
Current Liabilities not relating to Restricted Assets	\$17,781				
* as defined in the Code					
Debt Service Ratio					
<u>Net Debt Service Cost</u>	\$12,850	10.5%	11.8%	14.9%	15.6%
Operating Revenue	\$122,260				
* as defined in the Code					
Rate & Annual Charges					
Coverage Ratio					
<u>Rates & Annual Charges Revenues</u>	\$66,602	42.6%	46.0%	48.1%	47.6%
Total Revenues	\$156,446				
Rates & Annual Charges					
Outstanding Percentage					
<u>Rates & Annual Charges Outstanding</u>	\$5,261	7.3%	7.3%	7.8%	8.8%
Rates & Annual Charges Collectible	\$72,287				

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 14 - CONDITIONS OVER GRANTS & CONTRIBUTIONS

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, are as follows:

	2005 \$'000		2004 \$'000	
	<u>Grants</u>	<u>Contrib</u>	<u>Grants</u>	<u>Contrib</u>
Unexpended at the close of the previous reporting period	2,690	14,479	2,747	12,443
Less: expended during the current period from revenues recognised in previous reporting periods	2,021	2,485	2,930	5,759
Plus: amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions	818	4,655	2,873	7,795
Unexpended at the close of this reporting period and held as restricted assets	<u>1,487</u>	<u>16,649</u>	<u>2,690</u>	<u>14,479</u>
Net increase (decrease) in restricted assets in the current reporting period.	<u>(1,203)</u>	<u>2,170</u>	<u>(57)</u>	<u>2,036</u>

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 15 - FINANCIAL INSTRUMENTS

Interest Rate Risk Exposures

2005	Floating Interest Rate '000	Fixed interest maturing in ≤ 1 year '000	> 1 year ≥ 5 years '000	> 5 years '000	Non- interest bearing '000	Total '000
Financial Assets						
Cash Assets	2,702	62,623	-	-	-	65,325
Investment Securities	-	23,397	3,493	-	16	26,906
Receivables						
Rates & Annual Charges	-	1,896	3,365	-	-	5,261
User Charges & Fees	-	-	-	-	2,128	2,128
Deferred Debtors	-	1	3	-	340	344
Other levels of Govt.	-	-	-	-	2,507	2,507
Other	-	-	-	-	21	21
Total	2,702	87,917	6,861	-	5,012	102,492

<i>Weighted Average Interest Rate</i>	0.00%	5.94%	7.39%	
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Financial Liabilities

Payables						
Goods & Services	-	-	-	-	9,662	9,662
Payments in advance	-	-	-	-	408	408
Other Levels of Govt.	-	-	-	-	2,721	2,721
Deposits, Retentions, Bonds	-	-	-	-	1,286	1,286
Other	-	-	-	-	85	85
Interest Bearing Liabilities	-	7,368	22,285	20,184	-	49,837
Total	-	7,368	22,285	20,184	14,162	63,999

<i>Weighted Average Interest Rate</i>	0.00%	6.76%	6.16%	6.24%
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2004

Financial Assets

Cash Assets	6,792	61,359	-	-	-	68,151
Investment Securities	-	12,645	2,228	-	16	14,889
Receivables						
Rates & Annual Charges	-	2,220	3,056	-	-	5,276
User Charges & Fees	-	-	-	-	2,961	2,961
Deferred Debtors	-	46	309	-	-	355
Other levels of Govt.	-	-	-	-	1,496	1,496
Other	-	-	-	-	21	21
Total	6,792	76,270	5,593	-	4,494	93,149

<i>Weighted Average Interest Rate</i>	0.00%	5.75%	7.75%	0.00%
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Financial Liabilities

Payables

Goods & Services	-	-	-	-	13,253	13,253
Payments in advance	-	-	-	-	22	22
Other Levels of Govt.	-	-	-	-	5,391	5,391
Deposits, Retentions, Bonds	-	-	-	-	1,568	1,568
Other	-	-	-	-	85	85
Interest Bearing Liabilities	-	9,816	25,532	15,161	-	50,509
Total	-	9,816	25,532	15,161	20,319	70,828

<i>Weighted Average Interest Rate</i>	0.00%	7.77%	6.33%	6.37%
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SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 15 (CONT) - RECONCILIATION OF FINANCIAL ASSETS & LIABILITIES

	2005 \$'000	2004 \$'000
<u>Credit Risk Exposures</u>		
Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any provision for doubtful debts. Except as detailed in Note 7 in relation to individual classes of financial assets, exposure is concentrated within the Council's boundaries within the State of New South Wales, and there is no material exposure to any individual debtor.		
<u>Reconciliation of Financial Assets & Liabilities</u>		
Net financial assets from previous page		
Financial Assets	102,492	93,149
Financial Liabilities	63,999	70,828
	<u>38,493</u>	<u>22,321</u>
Non-financial assets and liabilities		
Accrued Revenues	887	1,553
Inventories	6,862	9,076
Property, Plant & Equipment	1,114,181	1,083,949
Other Assets	90	256
Accrued Expenses	(1,153)	(1,037)
Provisions	(28,434)	(26,148)
	<u>1,092,433</u>	<u>1,067,649</u>
Net Assets per Statement of Financial Position	<u>1,130,926</u>	<u>1,089,970</u>

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. With the exception of investments, there is no recognised market for the financial assets of the Council.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

Note 16 - SIGNIFICANT VARIATIONS FROM ORIGINAL BUDGET

Council's original budget comprised part of the Management Plan adopted by Council on 29 June 2004. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity and by decisions made by the Council.

This Note sets out the principal variations between the original Budget and Actual results for the Statement of Financial Performance. Material favourable (F) and unfavourable (U) variances represent amounts 10% or more of the budgeted amount.

1 EXPENSES FROM ORDINARY ACTIVITIES

1.1 Borrowing Costs

New Council borrowings are all for specific projects, and in accordance with Australian Accounting Standard AAS 34 "Borrowing Costs" interest costs are capitalised until each project is held ready for use, after which time interest costs are charged to expense. Delays in commissioning projects can result in material variations from originally budgeted amounts. Borrowing costs were under budget by \$911K (F) (28%). This is due to borrowing costs of \$665K being capitalised for projects not yet completed. Also the budget included borrowing costs of \$109K for internal loans that were eliminated on consolidation.

1.2 Other Operating Expenses

Other operating expenses increased by \$1,600K (U) (12%). The variation to budget is a result of an increase in the cost of advertising, fuel and legal expenses.

2 REVENUES FROM ORDINARY ACTIVITIES

2.1 Interest Received

The amount of interest received was over budget by \$1,377K (F) (37%). This result is largely attributed to an increase in the amount held by Council in cash and investments.

2.2 Other Operating Revenues

Other operating revenues were over budget by \$730K (F) (72%). This increase was substantially due to insurance claim receipts of \$557K.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2005

Note 16 - Significant Variations from Original Budget (cont)

3 GRANTS & CONTRIBUTIONS – CAPITAL

Capital grants and contributions received were over budget by \$10,103K (F) (61%). In many instances, the actual amount of grants received depends on decisions made by State and Federal governments after the original Budget was adopted. In particular, major variations occurred in grants received for the following purposes:

Roads & Bridges \$376K

Water & Sewer Augmentation Schemes \$1,576K

Significant variations were experienced in relation to developer contributions as a result of changes in the level of economic activity. Additional developer contributions of \$4,938K and land contributions of \$2,378K were received.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30th June 2005

Note 17 - STATEMENT OF CONTRIBUTION PLANS

SUMMARY OF CONTRIBUTIONS

PURPOSE	OPENING BALANCE \$'000	CONTRIBUTIONS RECEIVED DURING YEAR		INTEREST EARNED DURING YEAR \$'000	EXPENDED DURING YEAR \$'000	EXPENDED IN ADVANCE \$'000	HELD AS RESTRICTED ASSET \$'000	WORKS PROVIDED TO DATE \$'000
		CASH \$'000	NON-CASH \$'000					
Drainage	196	16	-	12	11	-	213	184
Roads	2,921	528	-	196	319	89	3,326	6,698
Parking	420	74	-	28	10	-	512	991
Open Space	1,479	236	-	95	295	-	1,515	778
Community facilities	3,423	569	-	230	144	480	4,078	2,355
Other	4,524	1,410	-	332	190	-	6,076	4,295
Subtotal S94 under plans	12,963	2,833	-	893	969	569	15,720	15,301
Sec 64 Contributions	1,516	5,452	-	60	6,099	-	929	28,239
Total Contributions	14,479	8,285	-	953	7,068	569	16,649	43,540

Note: The above summary of contribution plans represents the total of Council's individual contribution plans. Individual plan details are shown below. Funds expended in advance relate to plan projects but have been provided for from Council funds and are not shown as expended during the year until the corresponding contribution is received during the reporting period.

CONTRIBUTION PLAN 1

PURPOSE	OPENING BALANCE \$'000	CONTRIBUTIONS RECEIVED DURING YEAR		INTEREST EARNED DURING YEAR \$'000	EXPENDED DURING YEAR \$'000	EXPENDED IN ADVANCE \$'000	HELD AS RESTRICTED ASSET \$'000	WORKS PROVIDED TO DATE \$'000
		CASH \$'000	NON-CASH \$'000					
Drainage	196	16	-	12	11	-	213	184
Roads	2,921	528	-	196	319	89	3,326	6,698
Parking	420	74	-	28	10	-	512	991
Open Space	1,479	236	-	95	295	-	1,515	778
Community facilities	3,423	569	-	230	144	480	4,078	2,355
Other	4,524	1,410	-	332	190	-	6,076	4,295
Total	12,963	2,833	-	893	969	569	15,720	15,301

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2005

Note 18 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

HIH INSURANCE

Up to 16 March 2001 Council had the following insurance coverage insured or re-insured with a member of the HIH Insurance group of companies:

- Workers Compensation – Excess Loss – over \$450K

At the reporting date Council is not aware of any claims exceeding the excess.

INDEPENDENT AUDIT REPORT TO SHOALHAVEN CITY COUNCIL
General Purpose Financial Report
Year ended 30 June 2005

Scope

The financial report and Councillors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of changes in equity, statement of cash flows, accompanying notes to the financial statements, and the councillors' certificate for Shoalhaven City Council, for the year ended 30 June 2005. The financial statements include the consolidated accounts of the economic entity comprising the Council and the entities it controlled at the year's end or from time to time during the year.

The Council is responsible for the preparation and true and fair presentation of the financial report in accordance with the *Local Government Act 1993*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach

We conducted an independent audit in order to express an opinion to Council. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Local Government Act, 1993*, including compliance with Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the Council's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by Council.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Opinion

In our opinion:

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2; and
- (b) the Council's general purpose financial report:
 - (i) has been prepared in accordance with the requirements of this Division;
 - (ii) is consistent with the Council's accounting records;
 - (iii) presents fairly the Council's financial position and the results of its operations;
 - (iv) is in accordance with Australian accounting standards and other professional reporting requirements.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial reports that we have become aware of in the course of the audit.


MILLINGTON SBS
Chartered Accountants


Carl Millington
Principal

Sydney, 7 October 2005

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INDEPENDENT AUDIT REPORT TO SHOALHAVEN CITY COUNCIL
Conduct of the Audit
Year ended 30 June 2005

Audit Scope

In our audit report prepared in accordance with Section 417(1) of the Act, we directed Council's attention to the fact that the responsibility for the preparation of the financial reports, including adequate disclosure, is that of Council. This includes the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, and the safeguarding of the assets of Council.

Our audit, which was conducted to provide reasonable assurance of detecting material misstatements in the financial statements, accorded with Australian Auditing Standards and statutory requirements, and we:

- evaluated the accounting policies and significant accounting estimates used by the Council in preparing the financial report, and
- examined a sample of the evidence that supports the amounts and other disclosures in the financial report.

An audit does *not* guarantee that every amount and disclosure in the financial report is error free. The terms 'reasonable assurance' and 'material' recognise that an audit does not examine all evidence and transactions. However, the audit procedures used should identify errors or omissions significant enough to adversely affect decisions made by users of the financial report or indicate that the Council had failed in its reporting obligations.

Whilst the main objective of our audit is to express an opinion on the financial statements, and to provide comments on the conduct of the audit, our audit opinion is generally *not* intended to provide assurance:

- about the future viability of the Council,
- that it has carried out its activities effectively, efficiently and economically, or about the effectiveness of its internal controls.

Reporting Obligations

In accordance with Paragraph 13.1.1 of the Code of Accounting Practice and Financial Reporting, and the provisions of Section 415(3) of the Local Government Act, 1993, we provide the following comments arising from our conduct of the audit of Council's books, records, and financial statements for the 2005 year:

1. Financial Performance

Council's operations for the 2005 year resulted in an overall surplus from all activities of \$40.956M (2004 – surplus of \$38.880M). This result was achieved after allowing \$23.289M for depreciation of non-current assets, receiving capital revenues by way of grants and contributions amounting to \$26.795M, and experiencing an increase of 4.95% in revenue from ordinary rates. Annual charges fell slightly as a result of Council adopting industry best practices and placing more emphasis on user charges than access charges for water supply.

The consolidated result for the year ended 30 June 2005 was comprised of the following:

2004 \$'000		2005 \$'000	Budget \$'000
45,683	Surplus before capital amounts and depreciation	37,450	31,580
14,906	Revenue provided for capital purposes	26,795	16,692
60,589	Surplus before depreciation	64,245	48,272
21,709	Depreciation charge for year	23,289	21,817
38,880	Surplus (Deficit) from all activities	40,956	26,455

Significant variations from the original budget are disclosed in detail in Note 16 to the financial statements. This note provides a valuable insight into Council's operations for the year by explaining the major variations from the original budget and reasons for those variations. Favourable variations were experienced in borrowing costs, interest received and capital grants and contributions, whilst other operating expenses were higher than anticipated due to the impact of increased cost of advertising, fuel and legal costs.

2. Financial Position as at 30 June 2005

Net Current Assets

Council's balance of net current assets has increased from \$10.769M in 2004 to \$28.525M at the end of 2005 financial year. This was largely a result of the reduction in current payables, and a shift in the intended utilisation of cash and investments resulting in an increase in the current portion of cash assets.

External Restrictions

The impact of legislative restrictions on Council's net current assets is illustrated in the following analysis:

	2005 \$'000	2004 \$'000
Total Current Assets	55,322	46,144
Less: Externally Restricted Assets	19,309	18,421
<i>Unrestricted Current Assets</i>	36,013	27,723
Total Current Liabilities	26,797	35,375
Less: Liabilities Related to Restricted Assets	9,016	15,047
	17,781	20,328
Unrestricted Net Current Assets	18,232	7,395

This analysis indicates that at 30 June 2005, Council had sufficient net current assets to cover the external restrictions placed on those assets, and provide a satisfactory buffer for reasonable unforeseen costs.

In addition to the legislative (external) restrictions placed on Council's assets, Council has committed funds for specific purposes that further reduce the amount of free working capital available for normal discretionary expenditure.

The impact of these internal restrictions on Council's unrestricted net current assets is illustrated below:

	2005 \$'000	2004 \$'000
Unrestricted Net Current Assets (as above)	18,232	7,395
Less: Internally Restricted Assets (Note 6b)	23,805	11,143
Add: Related Liabilities (Note 10)	3,517	3,394
Free Working Capital	-2,056	-354

The negative free working capital balance indicates that as at 30 June 2005, Council's internal restrictions were not fully funded. However, this does not recognise that the operating budget for the 2006 year includes provision for the payment of the current portion of loan liabilities (\$6.833M) thus reducing the reliance on net current assets on hand as at year end.

Cash and Investment Securities

Council's cash and investment securities totalled \$92.231M at 30 June 2005, compared with \$83.04M the prior year. Of this amount, \$32.229M was not subject to external restrictions, with Council resolving that of that amount, \$23.805M should be restricted for the specific purposes detailed on Note 6(b).

Employee Leave Entitlements

Council's total liability for employee benefits increased by 8.2% on the 2004 balance to a total of \$25.515M. Average leave entitlements per employee (\$36.3K per FTE) have again increased on the previous year (\$34.43K per FTE), primarily as a result of increased pay rates and actual leave taken being less than the amount accrued in the year.

Whilst Council has reserved cash assets representing 22.11% of the total liability to meet future funding requirements, the continual increase in this liability should be monitored.

Reliance on Bank Overdraft

Council's arranged overdraft facility is \$400K, which at balance date remained unused.

3. Performance Indicators and Trends

a. Current Ratio

Council's ratio of 2.06:1 is higher than the prior year, and is within industry guidelines for this ratio.

b. Unrestricted Current Ratio

This indicator has also improved on the previous year, and like the current ratio, indicates an improvement in Council's financial position. The ratio of 2.03:1 is above industry guidelines for this ratio, indicating that Council currently has sufficient unrestricted current assets to meet its current liabilities as and when they fall due.

c. Debt Service Ratio

Council's ratio of 10.5% (2004 – 11.8%) is a continuation of the downward trend illustrated in the past four years, and again demonstrates the beneficial effect of the Council's intentional loan reduction programme.

d. Rates and Annual Charges Coverage Ratio

Council's rates and annual charges revenue represented 42.6% of 2005 total revenue. The ratio is slightly lower than in 2004 and is subject to changes in the composition of Council's sources of revenue, particularly the impact of asset sales and receipt of grants and contributions.

e. Rates and Annual Charges Outstanding Percentage

The amount of rates uncollected at year end expressed as a percentage of the total rates and annual charges collectible was 7.3%. This is a slight improvement on prior years, but is still above industry guidelines of 5%. Council's current policy of not pursuing pensioners for outstanding rates continues to impact on this ratio.

4. Cash Flow Statement

Net Cash Flows for Year

Council's total cash assets decreased by \$2.826M as a result of all activities in the 2005 year. This result was a combination of \$47.62M provided from operating activities, \$49.774M used in investing activities, and \$672K used in financing activities. The cash result for 2005 varies from the original budget due largely to movements in investment securities and lower than anticipated borrowing activities.

5. Legislative Compliance

As a result of our audit we advise that no material deficiencies in the accounting records or financial reports have come to our attention during the conduct of the audit, and that Council's accounting records have been kept accurately and conscientiously and in accordance with requirements of the Local Government Act, 1993, and Regulations.

Council has complied with all statutory reporting requirements relating to Division 2 of Chapter 12 of the Local Government Act, 1993, the Code of Accounting Practice and Financial Reporting (Update 13), and other legislatively prescribed standards.

6. Other Matters

Water and Sewer Dividends

Under the guidelines issued by the Department of Energy, Utilities and Sustainability the tax-equivalent dividend must be paid, whereas the dividend from surplus can only be paid after Council has met the criteria set out in its "Best Practice Management of Water Supply and Sewerage Management Guidelines" issue in May 2004.

For the year ended 30 June 2005, Council's available dividend calculations are as follows:

<i>Fund</i>	<i>Tax Equivalent Dividend</i>	<i>Dividend from Surplus</i>	<i>Total Dividend</i>
Water Supply	34,734	1,392,906	1,427,640
Sewer	81,633	1,139,697	1,221,330
Totals	116,367	2,532,603	2,648,970

Conduct of the audit

During the conduct of our audit, a number of issues arose that required additional explanation and investigation, however, we are able to report that all such issues have been appropriately attended to and there are no matters of audit significance that require mention in this report.

We would like to commend the courteous and professional manner in which Council's staff have acted throughout the conduct of our audit, and their willingness to consider issues that we raised and assist us with our review.

Yours faithfully

Millington SBS

MILLINGTON SBS

Carl Millington

Carl Millington
Principal

Sydney, 7 October 2005

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SHOALHAVEN CITY COUNCIL

Special Purpose Financial Reports

for the year ended 30th June 2005

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COUNCIL OF THE CITY OF SHOALHAVEN
SPECIAL PURPOSE FINANCIAL REPORTS
for the year ending 30 June 2005

STATEMENT BY COUNCILLORS AND MANAGEMENT
MADE PURSUANT TO THE LOCAL GOVERNMENT CODE OF ACCOUNTING PRACTICE
AND FINANCIAL REPORTING

The attached Special Purpose Financial Reports have been prepared in accordance with:

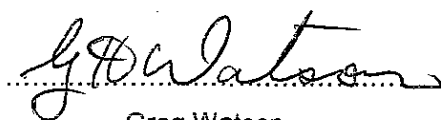
- NSW Government Policy Statement *"Application of National Competition Policy to Local Government"*
- Department of Local Government guidelines *"Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality"*.
- The Department of Energy, Utilities and Sustainability *"Best Practice Management of Water Supply and Sewerage"* guidelines.

To the best of our knowledge and belief, these Reports

- Present fairly the operating result and financial position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records

We are not aware of any matter that would render the reports false or misleading in any way.

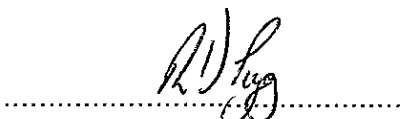
Signed in accordance with a resolution of Council made on 20 September 2005



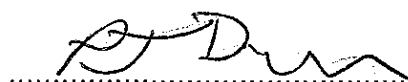
Greg Watson
MAYOR



John Finkernagel
COUNCILLOR



Russ Pigg
GENERAL MANAGER



Peter Dun
RESPONSIBLE ACCOUNTING OFFICER

SHOALHAVEN CITY COUNCIL

STATEMENT OF FINANCIAL PERFORMANCE
WATER SUPPLY BUSINESS ACTIVITY
for the year ended 30th June 2005

2003 '000	2004 '000		Notes	2005 \$'000
EXPENSES FROM ORDINARY ACTIVITIES				
3,540	2,372	Employee Costs		5,137
2,323	1,704	Materials & Contracts		1,742
639	438	Borrowing Costs		306
3,640	3,591	Depreciation & Amortisation		3,691
-	-	Water Purchase Charges		9
2,585	5,059	Other Operating Expenses		2,168
3	-	Loss on Disposal of Assets		30
47	52	NCP Tax Equivalents	1	35
<u>12,777</u>	<u>13,216</u>	TOTAL		<u>13,118</u>
REVENUE FROM ORDINARY ACTIVITIES				
9,002	8,856	Access Charges		5,516
4,833	6,806	User Charges		6,879
955	945	Interest Received		1,311
520	501	Grants & Contributions - Operating		683
1,475	1,212	Other Operating Revenues		1,265
-	30	Gain on Disposal of Assets		-
<u>16,785</u>	<u>18,350</u>	TOTAL		<u>15,654</u>
4,008	5,134	ORDINARY ACTIVITIES RESULT BEFORE CAPITAL AMOUNTS		2,536
2,450	2,449	Grants & Contributions - Capital		7,488
6,458	7,583	SURPLUS BEFORE TAX		10,024
1,202	1,540	Corporate Taxation Equivalent	1	761
<u>5,256</u>	<u>6,043</u>	SURPLUS FOR YEAR		<u>9,263</u>
160,243	166,748	Add: Accumulated Profits brought forward		174,383
47	52	<i>Adjustments for amounts unpaid</i>		
1,202	1,540	NCP Tax Equivalents retained	1	35
-	-	Corporate Tax Equivalent retained	1	761
-	-	Less: Dividends Paid	1	(1,403)
<u>166,748</u>	<u>174,383</u>	ACCUMULATED SURPLUS		<u>183,039</u>
2.94%	3.41%	RATE OF RETURN ON CAPITAL	1	1.74%
N/A	N/A	NOTIONAL SUBSIDY FROM COUNCIL	1	126,837
<i>Calculation of Dividend Payable during next financial year</i>				
5,256	6,043	Surplus after tax		9,263
0	73	Less: Capital grants & contribs from LWUs		4,201
<u>5,256</u>	<u>5,970</u>	Surplus for dividend calculation purposes		<u>5,062</u>
2,628	2,985	Dividend calculated from surplus		2,531

This Statement is to be read in conjunction with the attached Notes.

SHOALHAVEN CITY COUNCIL

**STATEMENT OF FINANCIAL PERFORMANCE
SEWERAGE BUSINESS ACTIVITY
for the year ended 30th June 2005**

2003 '000	2004 '000		Notes	2005 \$'000
		EXPENSES FROM ORDINARY ACTIVITIES		
2,062	3,293	Employee Costs		6,925
3,023	3,392	Materials & Contracts		5,265
873	1,220	Borrowing Costs		300
4,370	4,484	Depreciation & Amortisation		4,648
6,516	5,884	Other Operating Expenses		-
12	-	Loss on Disposal of Assets		-
60	36	NCP Tax Equivalents	1	82
<u>16,916</u>	<u>18,309</u>	TOTAL		<u>17,220</u>
		REVENUE FROM ORDINARY ACTIVITIES		
19,504	19,964	Access Charges		20,121
1,199	2,154	User Charges		679
-	-	Liquid Trade Waste Charges		2
390	575	Interest Received		1,683
466	477	Grants & Contributions - Operating		461
1,400	1,469	Other Operating Revenues		825
-	26	Gain on Disposal of Assets		10
<u>22,959</u>	<u>24,665</u>	TOTAL		<u>23,781</u>
6,043	6,356	ORDINARY ACTIVITIES RESULT BEFORE CAPITAL AMOUNTS		6,561
3,364	4,276	Grants & Contributions - Capital		11,844
9,407	10,632	SURPLUS BEFORE TAX		18,405
1,813	1,907	Corporate Taxation Equivalent	1	1,968
<u>7,594</u>	<u>8,725</u>	SURPLUS FOR YEAR		<u>16,437</u>
180,009	189,476	Add: Accumulated Profits brought forward		200,144
-	-	Adjustments for amounts unpaid		-
60	36	NCP Tax Equivalents retained	1	82
1,813	1,907	Corporate Tax Equivalent retained		1,968
-	-	Less: Dividends Paid	1	(1,195)
<u>189,476</u>	<u>200,144</u>	ACCUMULATED SURPLUS		<u>217,436</u>
3.54%	3.76%	RATE OF RETURN ON CAPITAL	1	3.06%
N/A	N/A	NOTIONAL SUBSIDY FROM COUNCIL	1	N/A
		<i>Calculation of Dividend Payable during next financial year</i>		
7,594	8,725	Surplus after tax		16,437
0	1,959	Less: Capital grants & contribs from LWUs		8,912
<u>7,594</u>	<u>6,766</u>	Surplus for dividend calculation purposes		<u>7,525</u>
3,797	3,383	Dividend calculated from surplus		3,763

This Statement is to be read in conjunction with the attached Notes.

SHOALHAVEN CITY COUNCIL

STATEMENT OF FINANCIAL PERFORMANCE OF BUSINESS ACTIVITIES
for the year ended 30th June 2005

	Other Business Activities							
	Holiday Haven \$'000		Cemeteries \$'000		Mechanical Services \$'000		Electrical Services \$'000	
	2005	2004	2005	2004	2005	2004	2005	2004
EXPENSES FROM ORDINARY ACTIVITIES								
Employee Costs	270	215	403	348	1,688	1,640	1,035	1,044
Materials & Contracts	3,552	3,795	183	167	648	469	410	469
Borrowing Costs	304	541	96	114	-	-	-	-
Depreciation & Amortisation	1,249	1,079	88	81	41	14	-	-
Other Operating Expenses	3,284	3,105	609	627	925	892	333	384
NCP Imputation Payments	48	69	2	4	65	98	26	62
TOTAL	8,707	8,804	1,381	1,341	3,367	3,113	1,804	1,959
REVENUES FROM ORDINARY ACTIVITIES								
User Charges & Fees	12,167	11,489	827	819	213	238	65	95
Other Operating Revenues	610	578	-	1	2,754	2,708	1,731	1,776
TOTAL	12,777	12,067	827	820	2,967	2,946	1,796	1,871
ORDINARY ACTIVITIES RESULT BEFORE CAPITAL AMOUNTS	4,070	3,263	(554)	(521)	(400)	(167)	(8)	(88)
Corporate Taxation Equivalent	1,221	979	-	-	-	-	-	-
SURPLUS (DEFICIT) FOR YEAR	2,849	2,284	(554)	(521)	(400)	(167)	(8)	(88)
Add: Accumulated Profits brought forward	25,106	21,774	484	1,001	(120)	(51)	(6)	20
NCP Imputation Payments retained	1,269	1,048	2	4	65	98	26	62
Less: Dividends Paid	-	-	-	-	-	-	-	-
ACCUMULATED SURPLUS	29,224	25,106	(68)	484	(455)	(120)	12	(6)
RATE OF RETURN ON CAPITAL NOTIONAL SUBSIDY FROM COUNCIL	18.47% N/A	16.66% N/A	NIL 765	NIL 663	NIL 428	NIL 192	NIL 14	NIL 93

This Statement is to be read in conjunction with the attached Notes.

SHOALHAVEN CITY COUNCIL

STATEMENT OF FINANCIAL POSITION WATER SUPPLY BUSINESS ACTIVITY for the year ended 30th June 2005

2004 '000		2005 \$'000
	CURRENT ASSETS	
1,741	Cash Assets	-
1,321	Receivables	1,700
199	Other	-
<u>3,261</u>	TOTAL CURRENT ASSETS	<u>1,700</u>
	NON-CURRENT ASSETS	
17,527	Cash Assets	22,676
287	Receivables	-
163,497	Property, Plant & Equipment	163,770
<u>181,311</u>	TOTAL NON-CURRENT ASSETS	<u>186,446</u>
<u>184,572</u>	TOTAL ASSETS	<u>188,146</u>
	CURRENT LIABILITIES	
4,838	Payables	754
998	Interest bearing liabilities	383
<u>5,836</u>	TOTAL CURRENT LIABILITIES	<u>1,137</u>
	NON-CURRENT LIABILITIES	
4,353	Interest bearing liabilities	3,970
<u>4,353</u>	TOTAL NON CURRENT LIABILITIES	<u>3,970</u>
<u>10,189</u>	TOTAL LIABILITIES	<u>5,107</u>
<u>174,383</u>	NET ASSETS	<u>\$ 183,039</u>
	EQUITY	
174,383	Accumulated Surplus	183,039
<u>174,383</u>	TOTAL EQUITY	<u>\$ 183,039</u>

This Statement is to be read in conjunction with the attached Notes

SHOALHAVEN CITY COUNCIL**STATEMENT OF FINANCIAL POSITION
SEWERAGE BUSINESS ACTIVITY
for the year ended 30th June 2005**

2004 \$'000		2005 \$'000
	CURRENT ASSETS	
5,914	Cash Assets	9,291
2,543	Receivables	2,363
88	Other	-
<u>8,545</u>	TOTAL CURRENT ASSETS	<u>11,654</u>
	NON-CURRENT ASSETS	
10,128	Cash Assets	4,124
131	Receivables	-
201,643	Property, Plant & Equipment	224,407
<u>211,902</u>	TOTAL NON-CURRENT ASSETS	<u>228,531</u>
<u>220,447</u>	TOTAL ASSETS	<u>240,185</u>
	CURRENT LIABILITIES	
5,041	Payables	4,681
2,889	Interest bearing liabilities	2,104
<u>7,930</u>	TOTAL CURRENT LIABILITIES	<u>6,785</u>
	NON-CURRENT LIABILITIES	
12,373	Interest bearing liabilities	15,964
<u>12,373</u>	TOTAL NON CURRENT LIABILITIES	<u>15,964</u>
<u>20,303</u>	TOTAL LIABILITIES	<u>22,749</u>
<u>200,144</u>	NET ASSETS	<u>\$ 217,436</u>
	EQUITY	
200,144	Accumulated Surplus	217,436
<u>200,144</u>	TOTAL EQUITY	<u>\$ 217,436</u>

This Statement is to be read in conjunction with the attached Notes

SHOALHAVEN CITY COUNCIL

STATEMENT OF FINANCIAL POSITION by BUSINESS ACTIVITIES
for the year ended 30th June 2005

	Other Business Activities							
	Holiday Haven \$'000		Cemeteries \$'000		Mechanical Services \$'000		Electrical Services \$'000	
	2005	2004	2005	2004	2005	2004	2005	2004
CURRENT ASSETS								
Cash Assets	10,295	7,473	(2,733)	(1,730)	(464)	(443)	39	(33)
Receivables	750	589	95	116	113	93	33	2
	11,045	8,062	(2,638)	(1,614)	(351)	(350)	72	(31)
TOTAL CURRENT ASSETS								
Property, Plant & Equipment	23,676	22,828	4,023	3,693	276	259	56	50
Other	-	-	-	-	-	-	-	-
	23,676	22,828	4,023	3,693	276	259	56	50
TOTAL NON-CURRENT ASSETS								
	23,676	22,828	4,023	3,693	276	259	56	50
TOTAL ASSETS								
	34,721	30,890	1,385	2,079	(75)	(91)	128	19
CURRENT LIABILITIES								
Payables	660	268	109	45	380	29	116	25
Interest Bearing Liabilities	816	779	303	307	-	-	-	-
	1,476	1,047	412	352	380	29	116	25
TOTAL CURRENT LIABILITIES								
	4,021	4,737	1,041	1,243	-	-	-	-
NON-CURRENT LIABILITIES								
Interest Bearing Liabilities	4,021	4,737	1,041	1,243	-	-	-	-
TOTAL NON CURRENT LIABILITIES								
	4,021	4,737	1,041	1,243	-	-	-	-
NET ASSETS								
	5,497	5,784	1,453	1,595	380	29	116	25
EQUITY								
Accumulated Surplus	29,224	25,106	(68)	484	(455)	(120)	12	(6)
TOTAL EQUITY								
	29,224	25,106	(68)	484	(455)	(120)	12	(6)

This Statement is to be read in conjunction with the attached Notes

SHOALHAVEN CITY COUNCIL

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS for the year ended 30 June 2005

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Report for National Competition Policy reporting purposes follows.

These financial statements are a Special Purpose Financial Report (SPFR) prepared for use by the Council and Department of Local Government. For the purpose of these statements, the Council is not a reporting entity.

This special purpose financial report, unless otherwise stated, has been prepared in accordance with the requirements of applicable Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus Views, the Local Government Act & Regulations, the Local Government Code of Accounting Practice and Financial Reporting, the Local Government Asset Accounting Manual and Guidelines for Best Practice Management of Water Supply and Sewerage.

The statements are also prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

In preparing these statements, each business unit has been viewed as a separate unit, and accordingly transactions between different business units, and between business units and other Council operations, have not been eliminated.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 Government Policy statement on the "*Application of National Competition Policy to Local Government*". The "*Pricing & Costing for Council Business - A Guide to Competitive Neutrality*" issued by the Department of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

Name	Brief Description of Activity
Shoalhaven Water – Water	Water Supply
Shoalhaven Water – Sewer	Sewerage Services
Holiday Haven	Caravan Park Operations
Shoalhaven Mechanical Services	Mechanical Services

Category 2

Name	Brief Description of Activity
Shoalhaven Memorial Gardens	Cemetery and Crematorium Services
Electrical Technology Services	Electrical Services

Monetary Amounts

Amounts shown in these financial statements are in Australian currency and rounded to the nearest one thousand dollars, with the exception of Note 2 (Water Supply Best Practice Management Disclosures) and Note 3 (Sewerage Best Practice Management Disclosures). As required by the Department of Energy & Utilities, the amounts shown in Notes 2 & 3 are shown in whole dollars.

(i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations (General Purpose Financial Report) just like all other costs. However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council nominated business activities and are reflected in the Special Purpose Financial Reports. For the purposes of disclosing comparative information relevant to the private sector equivalent the following taxation equivalents have been applied to all Council nominated business activities (this does not include Council's non-business activities):

	Notional Rate Applied %
Corporate Tax Rate	30%
Land Tax	\$1,600 + 0.6% where land value exceeds \$400,000 and less than \$500,000 \$2,200 + 1.4% where land value exceeds \$500,000
Stamp Duty	\$5 plus \$4 for every \$1,000(or part) over \$16,000 (per loan)
Payroll Tax	6.0% of amount exceeding \$600,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities. The payment of taxation equivalent charges, referred to in the Best Practice Management of Water Supply and Sewerage Guides as a "Dividend for Taxation Equivalent", may be applied for any purpose allowed under the Local Government Act, 1993. Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of tax equivalent charges but the payment must not exceed \$3 per assessment.

Income Tax

An income tax equivalent has been applied on the profits of each business. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level (result from ordinary activities before capital amounts as would be applied by a private sector competitor - that is, it should include a provision equivalent to the corporate income tax rate for the reporting period).

Income Tax is only applied where a positive result from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional, that is, it is payable to the Council as the owner of business operations, it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the General Purpose Financial Report. The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

Local Government Rates & Charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned or exclusively used by the business activity.

Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that Council business activities face "true" commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council is required to determine what the differential borrowing rate would have been between the commercial rate and the Council's borrowing rate for its business activities. It has been determined that there is no differential and therefore no debt guarantee fees are included in the SPFR.

NOTES TO THE SPECIAL PURPOSE FINANCIAL REPORTS
for the year ended 30 June 2005

Note 1 - Significant Accounting Policies (cont)

(ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Statement of Financial Performance by Business Activity.

(iii) Return on Investments (Rate of Return)

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field". Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Statement of Financial Performance by Business Activity.

(iv) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses or to any external entities.

Local Government Water Supply and Sewerage Businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus. The dividend, calculated and approved in accordance with the Best Practice Management Guidelines, must not exceed 50% of this surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2005 multiplied by \$30 (less the payment of tax equivalent charges not exceeding \$3 per assessment).

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a Dividend Payment form, Statement of Compliance, unqualified independent Financial Audit Report and Compliance Audit Report are submitted to the Department of Energy, Utilities and Sustainability.

Adjustment for Assets in Statement of Financial Position

A complete trial balance is not maintained for the following business activities; Holiday Haven, Cemeteries, Mechanical Services and Electrical Services. The accounts that are maintained have been reported accordingly. Total assets is determined by reference to the accumulated surplus/(deficit) brought forward in the Statement of Financial Performance by Business Activity and adjusted accordingly.

SHOALHAVEN CITY COUNCIL

NOTES TO AND FORMING PART OF THE SPECIAL PURPOSE STATEMENTS for the year ended 30th June 2005

Note 3 - BEST PRACTICE MANAGEMENT DISCLOSURES - SEWERAGE

	2005
	\$
<i>Values shown in this Note are expressed in WHOLE DOLLARS</i>	
Calculation and Payment of Tax-Equivalents	
(i) Calculated Tax Equivalents	81,633
(ii) No of assessments multiplied by \$3/assessment	122,133
(iii) Amounts payable for Tax Equivalents (lesser of (i) and (ii))	81,633
(iv) Amounts paid for Tax Equivalents	36,078
Dividend from Surplus	
(i) 50% of Surplus before Dividends	3,762,338
<i>(Calculated in accordance with Best Practice Management for Water Supply and Sewerage guidelines.)</i>	
(ii) No of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	1,139,697
(iii) Cumulative Surplus before Dividends for 3 years to 30 June 2005, less cumulative dividends paid for 2 years to 30 June 2004	35,280,518
(iv) Maximum Dividend from Surplus (least of (i), (ii) and (iii))	1,139,697
(v) Dividend paid from Surplus	1,159,032
Required Outcomes for 4 Criteria	
(i) Completion of Strategic Business Plan (including Financial Plan)	Y
(ii) Pricing with full cost-recovery, without significant cross subsidies (Item 2(a) in Table 1 on page 18 of Best practice guidelines)	Y
Complying charges (a) Residential (Item 2(c) in Table 1)	Y
(b) Non-Residential (Item 2(c) in Table 1)	Y
(C) Trade Wastel (Item 2(d) in Table 1)	Y
DSP with Commercial Developer Charges (Item 2(e) in Table 1)	Y
Liquid Trade Waste Approvals & Policy (by June 2005)(Item 2(e) in Table 1)	Y
(iii) Complete Performance Reporting Form by 31 October each year	Y
(iv) Integrated Water Cycle Management Strategy (by June 2005)	Y

INDEPENDENT AUDIT REPORT TO SHOALHAVEN CITY COUNCIL
Special Purpose Financial Report
Year ended 30 June 2005

Scope

We have audited the attached financial report, being a special purpose financial report, of Shoalhaven City Council for the financial year ended 30 June 2005, comprising the Council Certificate, Statement of Financial Performance by Business Activity, Statement of Financial Position by Business Activity, and accompanying notes to the special purpose financial statements. The financial statements include the accounts of the declared business activities of the Council. The Council is responsible for the financial report and has determined that the accounting policies used and described in Note 1 to the financial reports are appropriate to their needs. We have conducted an independent audit of the financial report in order to express an opinion on it to Council. No opinion is expressed as to whether the accounting policies used, and described in Note 1, are appropriate to the needs of the Council.

The special purpose financial report has been prepared for distribution to the Council and the New South Wales Department of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. We disclaim any assumption of responsibility for any reliance on this audit report or on the financial report to which it relates to any person other than the Council or the New South Wales Department of Local Government, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the accounting policies described in Note 1 to the financial statements. These policies do not require the application of all Accounting Standards and UIG Consensus Views.

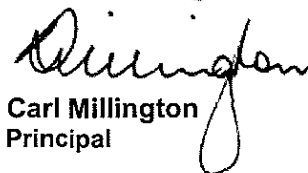
The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the special purpose financial report of Shoalhaven City Council for the year ended 30 June 2005 presents fairly in accordance with the requirements of Australian accounting standards described in Note 1 to the special purpose financial report and the Local Government Code of Accounting Practice and Financial Reporting.

A handwritten signature in black ink, appearing to read "Millington SBS".

MILLINGTON SBS
Chartered Accountants

A handwritten signature in black ink, appearing to read "Carl Millington".

Carl Millington
Principal

Sydney, 7 October 2005

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Sydney NSW 2000

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SHOALHAVEN CITY COUNCIL

Special Schedules

for the year ended 30th June 2005

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SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 1 NET COST OF SERVICES for the year ended 30th June 2005

\$'000

Function or Activity	OPERATING EXPENSES		OPERATING REVENUES		NET COST OF SERVICES	
	Expenses	Group Totals	Revenues - Ord. Activities	Capital Rev. Ord. Activities	Group Totals	Net Cost Group Totals
GOVERNANCE	880		12	-		868
		880			12	868
ADMINISTRATION						
Corporate Support	17,263		2,483	1,314		13,466
Engineering & Works	8,381		848	3		7,530
Other Support Services	-		-	149		(149)
		25,644			4,797	20,847
PUBLIC ORDER & SAFETY						
Statutory Contribution - Fire Service Levy	628		-	-		628
Fire Protection - Other	527		983	137		(593)
Animal Control	397		149	-		248
Beach Control	238		2	-		236
Enforcement of Local Govt Regulations	713		479	-		234
Emergency Services	184		19	200		(35)
Other	83		-	-		83
		2,770			1,969	801
HEALTH						
Administration & Inspection	896		127	-		769
Immunisations	19		18	-		1
Food Control	-		59	-		(59)
Noxious Plants	236		145	-		91
Health Centres	1		8	-		(7)
Other	-		5	3		(8)
		1,152			365	787
COMMUNITY SERVICES & EDUCATION						
Administration	197		4	-		193
Family Day Care	1,302		1,280	7		15
Child Care	39		1	6		32
Youth Services	102		3	-		99
Aged & Disabled	112		29	53		30
Aboriginal Services	118		16	-		102
Other Community Services	65		33	-		32
Education	82		5	-		77
		2,017			1,437	580
HOUSING & COMMUNITY AMENITIES						
Town Planning	2,137		366	97		1,674
Domestic Waste Management	3,809		8,301	-		(4,492)
Other Waste Management	5,647		3,657	(100)		2,090
Street Cleaning	149		-	-		149
Other Sanitation & Garbage	166		-	-		166
Urban Stormwater Drainage	1,312		-	80		1,232
Environmental Protection	3,230		786	138		2,306
Public Cemeteries	736		827	-		(91)
Public Conveniences	651		5	-		646
Other Community Amenities	46		-	-		46
		17,883			14,157	3,726
WATER SUPPLIES	11,677		14,685	7,631		(10,639)
		11,677			22,316	(10,639)
SEWERAGE SERVICES	10,908		23,183	11,844		(24,119)
		10,908			35,027	(24,119)

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 1 - NET COST OF SERVICES (cont)

Function or Activity	OPERATING EXPENSES		OPERATING REVENUES		NET COST OF SERVICES		
	Expenses	Group Totals	Revenues - Ord. Activities	Capital Rev. Ord. Activities	Group Totals	Net Cost	Group Totals
RECREATION & CULTURE							
Public Libraries	1,853		442	6		1,405	
Museums	3		3	-		-	
Community Centres	66		47	476		(457)	
Public Halls	440		109	-		331	
Other Cultural Services	379		114	15		250	
Swimming Pools	4,248		2,520	82		1,646	
Sporting Grounds	1,183		51	1,194		(62)	
Parks & Gardens, Lakes	1,978		51	380		1,547	
Other Sport & Recreation	838		173	130		535	
		10,988			5,793		5,195
MINING, MANUFACTURING & CONSTRUCTION							
Building Control	3,910		3,143	-		767	
Quarries & Pits	14		-	-		14	
		3,924			3,143		781
TRANSPORT & COMMUNICATION							
Urban Roads: Local	5,481		1,347	261		3,873	
Urban Roads: Regional	45		14	1		30	
Sealed Rural Roads: Local	1,684		7	285		1,392	
Sealed Rural Roads: Regional	1,229		241	1,886		(898)	
Unsealed Rural Roads: Local	2,211		1	189		2,021	
Unsealed Rural Roads: Regional	50		-	42		8	
Bridges - Urban Roads: Local	238		-	3		235	
Bridges - Sealed Rural Roads: Local	76		-	10		66	
Bridges - Sealed Rural Roads: Regional	183		-	-		183	
Footpaths	532		13	182		337	
Parking Areas	153		11	82		60	
Bus Shelters & Services	98		10	(70)		158	
Water Transport	607		40	61		506	
RTA Works - State Roads	1		-	10		(9)	
Street Lighting	1,089		69	-		1,020	
Other	1,886		492	8		1,386	
		15,563			5,195		10,368
ECONOMIC AFFAIRS							
Caravan Parks	6,782		12,193	-		(5,411)	
Tourism & Area Promotion	1,322		213	-		1,109	
Industrial Development Promotion	1,639		627	-		1,012	
Real Estate Development	609		51	-		558	
Other Business Undertakings	1,732		579	-		1,153	
		12,084			13,663		(1,579)
TOTALS - FUNCTIONS		115,490			107,874		7,616
General Purpose Revenues			48,572	-		48,572	
					48,572		48,572
SURPLUS (DEFICIT) FROM ALL ACTIVITIES							40,956

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 2 (1) STATEMENT OF LONG TERM DEBT (ALL PURPOSE) for the year ended 30th June 2005

\$'000

Classification of Debt	Principal Outstanding at beginning of year			New Loans Raised	Debt Redemption		Tfrs to Sinking Funds	Interest applicable for year	Principal outstanding at end of year		
	Current	Non-Current	Total		From Revenue	Sinking Funds			Current	Non-Current	Total
LOANS (by source)											
Commonwealth Government	-	100	100	-	-	-	-	6	-	100	100
Financial Institutions	9,244	36,353	45,597	8,435	9,244	-	-	2,795	6,755	38,033	44,788
Other	78	2,123	2,201	-	78	-	-	141	78	2,045	2,123
Total Loans	9,322	38,576	47,898	8,435	9,322	-	-	2,942	6,833	40,178	47,011
OTHER LONG TERM DEBT											
Ratepayers' Advances	71	305	376	40	57	-	-	16	57	302	359
Government Advances	423	1,812	2,235	655	423	-	-	90	478	1,989	2,467
Total Other Long Term Debt	494	2,117	2,611	695	480	-	-	106	535	2,291	2,826
TOTAL LONG TERM DEBT	9,816	40,693	50,509	9,130	9,802	-	-	3,048	7,368	42,469	49,837

This Schedule excludes Internal Loans and refinancing of existing borrowings.

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 2 (2) STATEMENT OF INTERNAL LOANS for the year ended 30th June 2005

\$'000

SUMMARY OF INTERNAL LOANS

Borrower (by purpose)	Amount Originally Raised	Total Repaid During Year Principal & Interest	Principal Outstanding at End of Year
General	3,000	441	-
Totals	3,000	441	-

The above summary of internal loans represents the total of Council's internal loans categorised according to the purpose of the borrower. Details of individual internal loans are set out below.

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Approval	Date Raised	Term (years)	Maturity Date	Rate of Interest	Amount Originally Raised	Paid During Year - Princ and Interest	Principal Outstanding End of Year
General	Water	15/09/1994	10/01/1995	10	10/01/2005	8.00%	2,065	304	-
General	Sewer	15/09/1994	10/01/1995	10	10/01/2005	8.00%	935	138	-
Totals							3,000	441	-

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 3 WATER SUPPLY OPERATIONS (Gross including Internal Transactions) for the year ended 30th June 2005

A. OPERATING TRANSACTIONS	2005	2004
EXPENSES	\$'000	\$'000
1.a. Management - Administration	3,885	3,459
b. - Engineering & Supervision	994	945
2 Operations		
a. - Dams & Weirs - Operation Expenses	39	28
b. - Maintenance Expenses	3	14
c. - Mains - Operation Expenses	696	670
d. -Maintenance Expenses	1,059	749
e. - Reservoirs - Operation Expenses	125	151
f. - Maintenance Expenses	77	82
g. - Pumping Stations - Operation Expenses	85	97
h. - Energy Costs	579	563
i. - Maintenance Expenses	52	45
j. - Treatment - Operation Expenses	624	602
k. - Chemical Costs	445	423
l. - Maintenance Expenses	191	163
m. - Other - Operation Expenses	188	209
n. - Maintenance Expenses	-	15
o. - Purchase of Water	9	46
3.a. Depreciation - System Assets	3,492	3,410
b. - Plant & Equipment	199	181
4.a. Miscellaneous - Interest	306	438
b. - Other	5	-
- NCP Tax & Other Equivalents	35	52
5 Total Expenses	13,088	12,342
REVENUE		
6 Residential Charges		
a. - Access (including rates)	4,873	8,348
b. - User Charges	3,825	2,398
7 Non-Residential Charges		
a. - Access (including rates)	643	508
b. - User Charges	3,054	3,274
8 Extra Charges	-	-
9 Interest	1,311	945
10 Other Revenues	1,264	1,469
11.a. Grants - Acquisition of Assets	4,201	57
b. - Pensioner Rebates	497	497
c. - Other	14	5
12.a. Contributions - Developer Charges	2,922	2,376
b. - Developer Provided Assets	365	-
c. - Other Contributions	173	15
13 Total Revenues	23,142	19,892
14 Gain (Loss) on Disposal of Assets	(30)	33
15 OPERATING RESULT	10,024	7,583
15a. Operating Result before Grants for Acquisition of Assets	5,823	7,525

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 3 - WATER SUPPLY OPERATIONS (cont)

	2005 \$'000	2004 \$'000
B. CAPITAL TRANSACTIONS		
<u>Non - Operating Expenditure</u>		
16 Acquisition of Fixed Assets		
a. - Subsidised Scheme	-	6,215
b. - Other New System Assets	1,508	1,219
c. - Renewals	595	1,084
d. - Plant & Equipment	753	962
17 Repayment of Debt		
a. - Loans	998	1,854
18 Transfers to Sinking Funds	-	-
19 Total Non-Operating Expenditure	3,854	11,334
<u>Non-Operating Funds Employed</u>		
20 Proceeds from Disposal of Assets	390	298
21 Borrowings Utilised	-	-
22 Transfers from Sinking Funds	-	-
23 Total Non-Operating Funds Employed	390	298
C. RATES & CHARGES		
24 Number of Assessments		
a. - Residential (occupied)	40,648	
b. - Residential (unoccupied)	3,653	
c. - Non-Residential (occupied)	3,103	
d. - Non -Residential (unoccupied)	184	
25 Number of ETs for which Developer Charges were	1,188 ET	
26 Total Amount of Pensioner Rebates	497 \$'000	
D. BEST PRACTICE ANNUAL CHARGES & DEVELOPER CHARGES		
27 Annual Charges		
a Does Council have best-practice water supply annual charges and usage charges?	<input type="checkbox"/> Yes	
If Yes, go to 28a.		
If No, has Council removed land value from access charges (i.e. rates)	<input type="checkbox"/> 0	
b Cross subsidy from residential customers using less than allowance		-
c Cross subsidy to non-residential customers		-
d Cross subsidy to large connections in unmetered supplies		-
28 Developer Charges		
a Has Council completed a water supply Development Servicing Plan?	<input type="checkbox"/> Yes	
b Total cross-subsidy in water supply developer charges for 2002/03		-
29 TOTAL OF CROSS SUBSIDIES		-

Councils which have not yet implemented best practice water supply pricing should disclose cross subsidies in items 27b, 27c and 27d above. However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 4 WATER SUPPLY - NET ASSETS COMMITTED (Gross including Internal Transactions) for the year ended 30th June 2005

	<u>Current</u> \$'000	<u>Non-Current</u> \$'000	<u>Total</u> \$'000
<u>ASSETS</u>			
27 Cash and Investments			
a. - Developer Charges	-	478	478
b. - Specific Purpose Grants	-	-	-
c. - Accrued Leave	-	-	-
d. - Unexpended Loans	-	-	-
e. - Sinking Funds	-	-	-
f. - Other	-	22,198	22,198
28 Receivables			
a. - Specific Purpose Grants	-	-	-
b. - Rates & Availability Charges	457	-	457
c. - Other	1,243	-	1,243
29 Inventories	-	-	-
30 Property, Plant & Equipment			
a. - System Assets		156,097	156,097
b. - Plant & Equipment		7,673	7,673
31 Other	-	-	-
32 Total Assets	<u>1,700</u>	<u>186,446</u>	<u>188,146</u>
<u>LIABILITIES</u>			
33 Bank Overdraft	-	-	-
34 Creditors	754	-	754
35 Borrowings			
a. - Loans	383	3,970	4,353
36 Provisions	-	-	-
37 Total Liabilities	<u>1,137</u>	<u>3,970</u>	<u>5,107</u>
38 NET ASSETS COMMITTED	<u>563</u>	<u>182,476</u>	<u>183,039</u>
<u>EQUITY</u>			
39 Accumulated Surplus			183,039
40 Asset Revaluation Reserve			-
41 Total Equity			<u>183,039</u>
42 Current Replacement Cost of System Assets			237,135
43 Accumulated Current Cost Depreciation of System Assets			<u>81,038</u>
44 Written Down Current Cost of System Assets			<u>156,097</u>

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 5 SEWERAGE SERVICE OPERATIONS (Gross including Internal Transactions) for the year ended 30th June 2005

<u>A. OPERATING TRANSACTIONS</u>	2005	2004
<u>EXPENSES</u>	\$'000	\$'000
1.a. Management - Administration	3,996	3,600
b. - Engineering & Supervision	994	944
2 Operations & Maintenance Expenses		
a. -Mains - Operation Expenses	1,016	834
b. -Maintenance Expenses	129	368
c. - Pumping Stations - Operation Expenses	1,185	1,077
d. - Energy Costs	197	256
e. - Maintenance Expenses	476	433
f. - Treatment - Operation Expenses	1,891	1,593
g. - Chemical Costs	171	178
h. - Energy Costs	272	280
i. - Effluent Management	75	76
j. - Biosolids Management	341	405
k. - Maintenance Expenses	323	335
l. - Other - Operation Expenses	1,124	1,186
m. - Maintenance Expenses	-	22
3.a. Depreciation - System Assets	4,372	4,218
b. - Plant & Equipment	275	267
4.a. Miscellaneous - Interest	300	1,220
b. - Other	1	7
- NCP Tax & Other Equivalents	82	36
5 Total Expenses	17,220	17,335
<u>REVENUE</u>		
6 Residential Charges (including rates)	18,810	18,500
7 Non-Residential Charges		
a. Access (including rates)	1,311	887
b. User Charges	679	797
8 Trade Waste Charges		
a. Access (including rates)	1	4
b. User Charges	2	3
9 Extra Charges	1,168	1,079
10 Interest	515	575
11 Other Revenues	825	1,342
12.a. Grants - Acquisition of Assets	8,020	1,924
b. - Pensioner Rebates	448	448
c. - Other	13	28
13.a. Contributions - Developer Charges	2,530	2,317
b. - Developer Provided Assets	1,293	-
c. - Other Contributions	-	35
14 Total Revenues	35,615	27,939
15 Gain (Loss) on Disposal of Assets	10	28
16 OPERATING RESULT	18,405	10,632
16.a. Operating Result before Grants for Acquisition of Assets	10,385	8,708

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 5 - SEWERAGE SERVICE OPERATIONS (cont)

	2005 \$'000	2004 \$'000
B. CAPITAL TRANSACTIONS		
<u>Non - Operating Expenditure</u>		
17 Acquisition of Fixed Assets		
a. - Subsidised Scheme	22,470	5,720
b. - Other New System Assets	1,660	2,377
c. - Renewals	1,037	1,875
d. - Plant & Equipment	680	717
18 Repayment of Debt		
a. - Loans	2,889	3,417
19 Transfers to Sinking Funds	-	-
20 Total Non-Operating Expenditure	28,736	14,106
<u>Non-Operating Funds Employed</u>		
21 Proceeds of Disposal of Assets	156	118
22 Borrowings Utilised		
a. - Loans	5,695	-
23 Transfers from Sinking Funds	-	-
24 Total Non-Operating Funds Employed	5,851	118
C. RATES AND CHARGES		
25 Number of Assessments		
a. - Residential (occupied)	35,406	
b. - Residential (unoccupied)	2,834	
c. - Non-Residential (occupied)	2,411	
d. - Non-Residential (unoccupied)	60	
26 Number of ETs for which Developer Charges were	1,115 ET	
27 Total Amount of Pensioner Rebates	448 \$'000	
D. BEST PRACTICE ANNUAL CHARGES & DEVELOPER CHARGES		
28 Annual Charges		
Does Council have best-practice sewerage annual charges, usage charges and trade waste fees and charges?	<input type="text" value="Yes"/>	
If Yes, go to 29a.		
If No, has Council removed land value from access charges (i.e. rates)	<input type="text" value="0"/>	
b Cross subsidy to non-residential customers		-
c Cross subsidy to trade waste dischargers		-
29 Developer Charges		
a Has Council completed a sewerage Development Servicing Plan?	<input type="text" value="Yes"/>	
b Total cross-subsidy in sewerage developer charges for 2002/03		-
30 TOTAL OF CROSS SUBSIDIES		-

Councils which have not yet implemented best practice sewerage pricing and trade waste pricing should disclose cross subsidies in items 28b and 28c above. However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid trade waste pricing and is phasing in such pricing over a period of 3 years.

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 6 SEWERAGE SERVICES - NET ASSETS COMMITTED

(Gross including Internal Transactions)

for the year ended 30th June 2005

	<u>Current</u> \$'000	<u>Non-Current</u> \$'000	<u>Total</u> \$'000
<u>ASSETS</u>			
28 Cash and Investments			
a. - Developer Charges	-	451	451
b. - Specific Purpose Grants	-	-	-
c. - Accrued Leave	-	-	-
d. - Unexpended Loans	-	-	-
e. - Sinking Funds	-	-	-
f. - Other	9,291	3,673	12,964
29 Receivables			
a. - Specific Purpose Grants	-	-	-
b. - Rates & Availability Charges	1,527	-	1,527
c. - Other	836	-	836
30 Inventories	-	-	-
31 Property, Plant & Equipment			
a. - System Assets		215,810	215,810
b. - Plant & Equipment		8,597	8,597
32 Other	-	-	-
33 Total Assets	<u>11,654</u>	<u>228,531</u>	<u>240,185</u>
<u>LIABILITIES</u>			
34 Bank Overdraft	-	-	-
35 Creditors	4,681	-	4,681
36 Borrowings			
a. - Loans	2,104	15,964	18,068
37 Provisions	-	-	-
38 Total Liabilities	<u>6,785</u>	<u>15,964</u>	<u>22,749</u>
39 NET ASSETS COMMITTED	<u>4,869</u>	<u>212,567</u>	<u>217,436</u>
<u>EQUITY</u>			
40 Accumulated Surplus			217,436
41 Asset Revaluation Reserve			-
42 Total Equity			<u>217,436</u>
43 Current Replacement Cost of System Assets			295,067
44 Accumulated Current Cost Depreciation of System Assets			<u>79,257</u>
45 Written Down Current Cost of System Assets			<u>215,810</u>

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 7 CONDITION OF PUBLIC WORKS as at 30 June 2005

Asset Class	Asset Category	Depreciation Rate (%)	Depreciation Expense	Cost	Accumulated Depreciation	Carrying Value	Asset Condition (see Notes attached)	Estimated Cost to bring to a Satisfactory Standard	Required Annual Maintenance Expense	Current Annual Maintenance Expense
	<i>References</i>	<i>Note 9</i>	<i>Note 3</i>		<i>Note 9</i>		<i>Local Govt. Act 1993, Section 428 (2d)</i>			
Public Buildings & Other Structures	Administration Buildings	1-5%	277	14,841	3,241	11,600	1	-	419	419
	Works Depot	2-5%	171	7,716	3,321	4,395	1	-	294	294
	Halls/Community/Cultural Buildings	1-2%	279	19,499	7,095	12,404	2	1,345	294	319
	Sports Grounds, Facilities & Parks	2-10%	911	21,036	13,017	8,019	2	4,121	2,796	2,924
	Commercial & Industrial Properties	1-2%	70	5,673	745	4,928	2	735	153	61
	Bus Shelters	5%	23	419	212	207	2	320	106	75
	Animal Control	2%	4	216	74	142	2	30	30	24
	Cemeteries/Crematorium	1-10%	70	3,621	612	3,009	1	-	100	163
	Swimming Pools/Leisure Centres	1-10%	297	21,616	2,785	18,831	2	702	327	251
	Tourist/Caravan Parks	2-10%	481	15,693	3,762	11,931	1	-	600	542
	Libraries	2-10%	21	2,128	277	1,851	1	-	22	22
	Waste Depots	2%	55	3,374	1,611	1,763	2	21	8	5
	Wharves/Jetties/Boat Ramps	2%	154	5,436	1,977	3,459	2	3,148	115	125
	Fire Control & Emergency Services	2%	144	7,678	1,365	6,313	2	303	37	33
	Amenities/Toilets	2%	120	5,826	2,434	3,392	2	1,548	647	811
	Communication Facilities	2%	5	275	109	166	1	-	16	13
Public	Subtotal		3,082	135,047	42,637	92,410		12,273	5,964	6,081
	Roads	1%	3,713	465,366	80,461	384,905	2	16,849	9,850	8,569
	Bridges	1%	326	27,646	6,371	21,275	2	5,357	275	260
	Footpaths	1-2%	516	26,279	8,018	18,261	2	384	187	212
	Kerb & Gutter	1-4%	842	60,542	14,235	46,307	2	1,508	288	374
	Carparks	1%	58	7,457	2,274	5,183	2	1,213	173	141
	Subtotal		5,455	587,290	111,359	475,931		25,311	10,773	9,556

This Schedule is to be read in conjunction with the explanatory notes following.

SHOALHAVEN CITY COUNCIL
SPECIAL SCHEDULE NO 7 - CONDITION OF PUBLIC WORKS (cont)
as at 30 June 2005

Asset Class	Asset Category	Depreciation Rate (%)	Depreciation Expense	Cost	Accumulated Depreciation	Carrying Value	Asset Condition (see Notes attached)	Estimated Cost to bring to a Satisfactory Standard	Required Annual Maintenance Expense	Current Annual Maintenance Expense
	<i>References</i>	<i>Note 9</i>	<i>Note 3</i>		<i>Note 9</i>		<i>Local Govt. Act 1993, Section 428 (2d)</i>			
Water	Infrastructure Including: - Treatment Plants - Dams and Reservoirs - Pumping Stations - Pipelines/Mains	1-2%	3,331	237,135	81,038	156,097	1	0	2,300	2,376
	Subtotal		3,331	237,135	81,038	156,097		0	2,300	2,376
Sewerage	Infrastructure Including: - Treatment Plants - Pumping Stations - Pipelines/Mains	1-2%	4,105	295,067	79,257	215,810	1	0	1,800	1,922
	Subtotal		4,105	295,067	79,257	215,810		0	1,800	1,922
Drainage Works	Infrastructure Including: - Stormwater Drainage Pits - Stormwater Drainage Pipes	1%	1,359	56,365	22,556	33,809	2	4,180	730	549
	Subtotal		1,359	56,365	22,556	33,809		4,180	730	549
Total Classes - All Assets			17,332	1,310,904	336,847	974,057		41,764	21,567	20,484

This Schedule is to be read in conjunction with the explanatory notes following.

SHOALHAVEN CITY COUNCIL

SPECIAL SCHEDULE NO 7 - CONDITION OF PUBLIC WORKS (cont) as at 30 June 2005

"SATISFACTORY" CONDITION OF PUBLIC ASSETS

In assessing the condition of Public Assets Council has had regard to the condition, function and location of each asset, based on the original design standard. Changes in standards or proposed or potential enhancements to the existing asset have been ignored Code p A702). Assets within each Asset Category have been assessed on an overall basis, recognising that an average standard of "satisfactory" may be achieved even though certain assets may be above or below that standard on an individual basis.

Council recognises that the standard that it considers to be "satisfactory" may be different from that adopted by other Councils.

The information contained in this Schedule comprises accounting estimates formulated in accordance with the NSW Code of Accounting Practice and Financial Reporting. Nothing contained within this Schedule may be taken to be an admission of any liability to any person.

ASSET CONDITION

The following condition codes have been used in this Schedule.

- 1** Good/Satisfactory - asset considered to be in a good condition able to meet current levels of service. Some, but minimal, work may be required.
- 2** Work Required - asset considered to require work to be in a condition to satisfactorily meet current levels of service.