

Kempsey Shire Council

ANNUAL REPORT

for the year ended 30 June 2010

"Focusing on our community"



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Audited financial reports

A copy of Council's Audited financial reports s428(2)(a)

The full version of Council's Audited financial reports can be found at <http://www.kempsey.nsw.gov.au/pdfs10/FinStatements0910.pdf>.



Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Qualified Audit Opinion

In our opinion, except for the effects on the financial statements of the matter referred to in the paragraph below titled Basis for Qualified Auditor's Opinion:

- (a) Council's accounting records have been kept in accordance with the requirements of the Local Government Act, 1993, Chapter 13, Part 3, Division 2;
- (b) The Council's financial statements:
 - i. Have been prepared in accordance with the requirements of that Division;
 - ii. Are consistent with the Council's accounting records;
 - iii. Present fairly, in all material respects, the Council's financial position as at 30 June 2010, the results of its operations and cash flows for the year then ended; and
 - iv. Are in accordance with applicable Accounting Standards, Interpretations and other mandatory professional reporting requirements in Australia.
- (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 statements that we have become aware of in the course of the audit.

This opinion must be read in conjunction with the rest of our audit report.

Basis for Qualified Auditor's Opinion

Council has advised at Note 1(j) to the financial statements that the revaluation of its roads, bridges, footpaths and drainage assets to fair value has not occurred this financial year and will be performed in the 2011 financial year. While the financial statements are in compliance with Australian Accounting Standards, they do not comply with the departmental requirements which specified that the revaluation of those designated assets to fair value take place in the 2010 financial year.

Accordingly this element of the financial statements does not comply with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) Update 18 which form part of the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2.

Dated at Lismore this 29th day of October 2010.

THOMAS NOBLE & RUSSELL
CHARTERED ACCOUNTANTS


G W DWYER (Partner)
Registered Company Auditor

Kempsey Shire Council

General Purpose Financial Statements for the financial year ended 30 June 2010

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the Local Government Act 1993 (as amended)

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

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

To the best of our knowledge and belief, these Financial Statements:

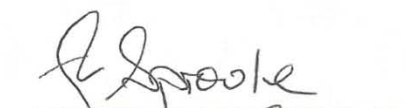
- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 12 October 2010.



John Howell
MAYOR



~~XXXXXXXXXX~~ J.A. SPRULE
COUNCILLOR



David Rawlings
GENERAL MANAGER



Tony Curtin
RESPONSIBLE ACCOUNTING OFFICER



Thomas Noble & Russell
Accountants | Auditors | Business Advisers

**KEMPSEY SHIRE COUNCIL
GENERAL PURPOSE FINANCIAL STATEMENTS
INDEPENDENT AUDIT REPORT**

Report on the Financial Statements

We have audited the accompanying general purpose financial statements of Kempsey Shire Council (the Council), which comprises the balance sheet as at 30 June 2010, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the statement by Councillors' and Management.

Council's Responsibility for the Financial Statements

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

Our audit responsibility does not extend to the original budget information included in the income statement, statement of cash flows, note 2(a), note 16 budget variation explanations and note 17 forecast information, and accordingly, we do not express an opinion on such. In addition, our audit did not include an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Financial strategies adopted by council in the 2009/10 Management Plan.

- An application for a special rate variation of 8% in addition to the rate pegging increase, the variation was to be used for the maintenance of Councils road network.
- A general fund budget deficit of \$142,277 utilising part of its accumulated surplus (working funds)
- To continue to increase revenue gained from Council's business activities
- Utilising of loan funds and the management of the debt service ratio

Special Rate Variation

Council's application for a special variation was unsuccessful resulting in a reduction in the proposed roads maintenance budget.

General Fund Budget Result

Council's General Fund has returned a favourable result with a surplus of \$207, 002 for the 2009-10 year, an improvement of \$349,502 on the expected deficit shown by the adopted budget. This increases Council's working funds balance to \$1,146,473. The improved result is attributed to an increase in investment income, increased revenue from waste fees and saleyard operations coupled with savings in salaries, insurance costs and loan repayments.

Revenue from Council's Business Activities

Revenue from Councils Caravan Parks, Saleyards and Airport operations grew to \$2,851,930 an increase of 20.62% on the previous year. This has continued the ten year trend of increased revenue from these activities.

Management of Debt Service Ratio

Council's consolidated debt service ratio was forecast to increase to 18.7% as at the 30 June 2010, the actual result is 17.64%. The improved result reflects the reduction in new borrowings in line with cash flow requirements for Councils capital works program.

Explanations of the key financial reports and outcomes for the 2009/10

Audit Report

Council's 2009-10 Financial Statements have been audited by Thomas Noble & Russell Chartered Accountants.

The Audit Report for 2009-10 is qualified; the qualification relates to the Councils non-compliance in revaluing roads, bridges, footpaths and drainage assets to fair value by the 30 June 2010. Council proposes to revalue these assets in the 2010/11 year.

Financial Statements

The financial statements are prepared by Council to provide information in relation to Council's financial performance and position.

The financial statements are prepared on a consolidated basis incorporating the General, Water, Sewer and Domestic Waste Management Funds. The statements are made up of four key financial reports and explanatory notes supporting the reports. The key reports are:

Income Statement
Balance Sheet
Statement of Change in Equity
Cash Flow Statement

Income Statement

The Income Statement measures Council's financial performance over the year and shows whether or not Council has earned sufficient revenues to support its activities during the year, and whether or not it has created surpluses to fund additional or replacement assets to service community needs.

The Income Statement shows where Council's money comes from (revenue) and how that revenue is consumed (expenses) in providing the ordinary activities and services of the Council.

If the Income Statement is in a loss situation, this means that Council is not earning sufficient revenue to cover the costs of its consumption of cash and other assets in providing community amenity and services. A continued trend of loss results will mean that Council is unable to maintain and renew its assets (predominantly infrastructure assets such as roads, bridges, drainage, parks, buildings, etc) and therefore is unable to continue to provide its existing level of service to the community.

Kempsey Shire Council's Income Statement

The Income Statement reveals a net operational deficit for the year of \$0.839 million as compared to a deficit of \$1.615 million in the previous year. The statement also shows an operating deficit before capital grants and contributions of \$7,628,000 in the 2009/10 year. This deficit indicates the shortfall in funding for asset maintenance and renewal within the year.

Total income was \$53,665 million with 42.08% of income being generated from rates and annual charges. Operating expenses totalled \$54,504 million comprising in part employee costs of \$17,514 million and material and contract expenses of \$17,026 million and depreciation of \$13,635 million.

The major factors contributing to the deficit in the 2009-10 year is the increase in material and contract expense associated with projects carried forward from the 2008/09 year including flood restoration works.

Balance Sheet

The Balance Sheet discloses Council's net accumulated financial worth at the end of the financial year. It shows the "value" of assets that Council holds as well as liabilities or claims against these assets.

The assets and liabilities are expressed as current or non-current.

Assets and liabilities expected to be settled within the following twelve month period are classified as current.

In general, Council's most significant assets are Infrastructure, Property, Plant and Equipment. This asset category includes all of Council's infrastructure assets (such as roads, bridges, drainage, water and sewerage networks), playing fields, parks and buildings are detailed in Note 9 in the financial statements.

Kempsey Shire Council's Balance Sheet as at 30 June 2010 is highlighted by the following:

Current Assets and Current Liabilities

Current assets total \$39,344 million whilst the current liabilities total \$16, 266 million. The ratio of current assets to current liabilities of 2.42:1 indicates Council's excellent liquidity position.

Cash Assets

Council's cash assets which comprise cash and investments decreased from \$39,287 million as at 30 June 2009 to \$33,613 million as at 30 June 2010. The decline reflects Council's expenditure on major capital projects, in particular those at South West Rocks undertaken in the Water and Sewer funds during the year.

Note 6(c) of the Financial Statements provides a breakdown of the cash position and reveals that Council's unrestricted cash (a primary component of Council's working fund balance) was \$3,127 million as at 30 June 2010.

Council's accumulated operational surplus (commonly referred to as it's working funds) provide Council with the capacity to respond to opportunities or react to unforeseen commitments that may arise. These funds by nature are convertible to cash in the short term and comprise current assets including unrestricted cash and investments, debtors and stock on hand less current liabilities, principally current creditors.

Working Funds balances at 30 June 2010 are:

General	\$1,146,473*
Water	\$ 416,713
Sewer	\$ 721,159

****Balance adjusted to discount the prepayment of Council's 2010-11 Financial Assistance Grant instalment of \$1,279,798.***

Council's General Fund internally restricted cash has increased to \$9,239 million. Council's internally restricted cash represents money set aside by Council in reserves to fund the cost of future works and or to meet financial obligation's including employee leave entitlements.

Funding of Council's Employee Leave Entitlements Reserve (ELE) increased by \$122,000 to \$869,000 as at 30 June 2010. This represents 12.35% of the total liability of \$7,034

million. Council's 2010/11 budget provides for a net transfer to the Council's ELE reserve of \$402,000, increasing the reserve balance to 18% of the liability. This supports Council's long term strategy to increase the ELE reserve balance to 20% of the assessed liability.

In addition to the General Fund other reserve balances were: Water Fund \$3,209 million and Sewer Fund \$3,371 million, Domestic Waste Management reserve and Tourist Parks reserve, which form part of the General Fund were \$730,000 and \$256,000 respectively.

Infrastructure, Property Plant and Equipment

Council's fixed assets were valued at \$633,637 million as at 30 June 2010. During 2009-10 Council, in accordance with the accounting code, indexed the values of its Water and Sewer infrastructure assets, which resulted in an increase in the value of these assets by \$9,529 million this year.

Council is required to revalue its roads, bridges, footpaths, drainage, community land and land improvements assets in the 2010/11 year.

Note 9a provides details of Council assets and discloses that Council expended \$23,345 million on new and replacement assets, the major additions include \$4.6 million replacing four timber bridges, \$5 million in water infrastructure and \$5.6 million in sewerage infrastructure. Depreciation charges representing the consumption of assets during 2009-10 totalled \$13,635 million.

The total value of asset disposals totalled \$1,968 million.

Interest Bearing Liabilities - Loans

Council's net loan liability increased by \$3,360 million to \$50,864 million as at 30 June 2010. A summary of loans by fund is set out in the table below.

Summary of Loans by Fund Type			
<i>Fund</i>	<i>New Borrowings</i>	<i>Repayments</i>	<i>Balance</i>
General Fund	\$4,863,500	\$2,307,326	\$17,808 million
Water Fund	\$2,500,000	\$1,001,135	\$15,865 million
Sewer Fund		\$695,154	\$17,191 million
Total	\$7,363,500	\$4,003,615	\$50,864 million

Council current three year budget provides for significant loan borrowing to funds infrastructure renewal within the Water and Sewer Funds. New borrowings within the General Fund are not proposed with savings in repayments being channelled into infrastructure maintenance and renewal.

Statement of Changes in Equity

The Statement of Changes in Equity summarises the change in Council's net worth. Council's net worth can only change as a result of:

- A 'profit' or 'loss' as recorded in the income statement; or
- An increase in the value of non-current assets resulting from a revaluation of those assets.

Kempsey Shire Council's Statement of Change in Equity Statement shows an increase in net worth of \$8,690 million comprising:
Income Statement deficit (\$839 million)
Asset Revaluation \$9,529 million

Cash Flow Statement

The Cash Flow Statement summarises Council's cash receipts and payments for the financial year together with Council's cash position.

It differs from the Income Statement in that it:

- Excludes non-cash expenses such as depreciation.
- Excludes the accruals taken into account in the Income Statement.
- Includes payments or receipts in relation to capital items.
- Includes any 'financing' activities such as loan funds received and paid.

The Cash Flow Statement has three sections:

Cash Flows from Operating Activities –

Summarises all of the income and expenses in relation to Council's ongoing service delivery. It is essential that Council has a cash surplus to ensure that it can maintain its day-to-day operations as well as provide funds for community assets.

Cash Flows from Investing Activities –

Refers to payments for purchases and receipts for sales of property, plant and equipment and investments as well as any receipts for interest earned on investments.

Cash Flows from Financing Activities –

Sets out all activities from 'Financing' which may include receipts and repayment of loans.

Kempsey Shire Council's Cash Flow Statement reveals that cash assets (cash and short term investments) decreased by \$5,674 million to \$33,613 million as at 30 June 2010. This decline reflects Council's investment in capital projects undertaken in 2009/10.

In addition to operating activities, which contributed net cash of \$12,612 million were the proceeds from the sale of assets \$1,827 million and new loan borrowings of \$7,364 million. Cash outflows were used to purchase and construct assets \$23,345 million, \$0,128 million for deferred debtor advances and repay loans \$4,004 million.

Performance Measurements

Note 13 to the financial statements provide details of Council's performance measures:

Unrestricted Current Ratio

Assesses the adequacy of the General Fund liquidity position and therefore its ability to satisfy obligations in the following year.

Kempsey Shire Council's ratio is 2.18, meaning that Council has \$2.18 in liquid assets for every \$1.00 of current liabilities and illustrates Council's sound short-term financial position.

Debt Service Ratio

- assesses the degree to which revenues are committed to the repayment of debt. There is no benchmark for the debt service ratio. Kempsey Shire Council's ratio is 17.64%. A breakdown of the ratio by fund is set out below:

General Fund	12.54%
(3.32% is attributed to self funding loans provided for Tourist Parks and the Environmental Levy Program with the balance of 9.22% attributed to other general purpose services).	
Water Fund	26.49%
Sewer Fund	27.63%

Council is embarking on a major capital works program within the Water and Sewer Funds over the next ten years requiring the raising of substantial loan funds which will result in an increase in the debt service ratio.

Rates and Annual Charges Coverage Ratio

Measures the degree of dependence upon revenues from rates and annual charges and assesses the security of Council's income.

Kempsey's ratio is 42.08% which is comparable with the NSW Local Government Rate. The State average for the 2008/09 year was 47.2%.

Rates and Annual Charges Outstanding Percentage

- assesses the effectiveness of Council's revenue collection. There is no benchmark for the level of outstanding rates and charges; however a ratio of lower than 5% is preferred. Kempsey Shire Council's percentage is 4.62%. Council continues to focus on the recovery of overdue accounts and it is pleasing to note the percentage declined by 0.13% in 2009-10.

Building and Infrastructure Renewal Ratio

Assesses Council's expenditure on the renewal of assets compared with the consumption (depreciation) of assets, the ratio should exceed 100%.

Kempsey Shire Council's ratio of 115.55% is due largely to Council's significant investment in replacing four bridges under the Timber Bridge Replacement Program in the 2009/10 year.

Local Government as a whole recognises the current shortfall and backlog in the renewal of community infrastructure. Council estimates that \$115 million is required to be invested in order to renew assets to a satisfactory standard.

Conclusion

The 2009-10 Financial Statements provide testimony to Council's resolve in improving its revenue gained from Council's business activities, increase the level of funding for the Employee Leave Entitlement reserve balances and reducing the level of outstanding rates and charges.

Council's Statement high light the challenge faced by Council, in particular:

The necessity to increase the level of spending on asset maintenance and renewal in order to continue the delivery of quality services to the community. The need to increase revenue in order to address this issue will be a focal point of the community consultation process to be undertaken in the 2010/11 year.

Balancing the communities' expectation in service delivery utilising loan funds and the repayment of the debt obligations.

Amount of rates and charges written off during the year cl 132

A summary of rates and charges written off during the year 2009/10 is shown below

Pensioner Rates	\$1,311,731.20
Postponed Rates Section 585 Local Government Act	\$6,202.97
	<hr/>
	\$1,317,934.17

Council's Performance in relation to the 2009-10 Management Plan

*Comparison of actual performance against projected performance of its principal activities measured in accordance with the management plan
Includes statement of reasons for any difference (check consistent with management plan – Module 1) s428(2)(b)*

PERFORMANCE INDICATOR – Sustainable Environment	LEVEL ACHIEVED
Review of Rural Residential Land Release Strategy is substantially commenced by December 2009	Completed. Council endorsed strategy forwarded to DoP 27 November 2009.
The Kempsey Strategic Direction is completed by June 2010	Recommended for deferral pending organisational restructure and revised community engagement strategy.
A review of the Kempsey Town Centre Masterplan is completed by December 2009	Completed. Endorsed by Council in November 2009.
The Action Plan of the Kempsey ESD Strategy is monitored and reported to Council on a bi-annual basis	Reported to Council in February 2010. Second report expected in September 2010
The Local Heritage Program is promoted and allocations made to assist in the maintenance of heritage items	Funds have been allocated to 5 heritage listed properties for ongoing maintenance. Promotion of heritage is ongoing.
A review of the Economic Development Strategy for Kempsey Shire will be completed by June 2010	This will be completed once the new organisational structure is in place, as the change to the structure will impact on the strategic plan.
An average of 40 physical contacts will be made with businesses each month	Average 46.6 per month
The feasibility of establishing a heavy vehicle parking facility has been determined by December 2009	EOIs received \$59K to \$65K to be prioritised with other recommended actions under the Bypass strategy.
A development plan for the Airport is prepared, costed and a cost/benefit analysis provided	EOIs to operate the Airport have been received and are being evaluated.
Quantity of material diverted from landfill (tonnes)	10442 tonnes
Quantity of recyclable material as a percentage of total material going to landfill	35.2%
Volume of recycled water used at South West Rocks	Nil <u>(RWP) Recycled Water Plant's</u> validation period with NSW Health now exceeds the financial year and no volume will be permitted to be used, however production has occurred through commissioning from early May.
Volume of reclaimed water used	48516KI

Performance Indicator – Community Engagement	LEVEL ACHIEVED
65 inspections of onsite sewerage management systems will be conducted each month	Average 46.7 per month. 560 for 2009-10. The OSMS Officer has been preparing documentation for the new system that was adopted by Council in 2010/11 budget.
All food shops will be audited at least once per annum in accordance with the NSW Food Authority agreement	100% inspections undertaken
The 2009-2014 Community Plan adopted by Council by November 2009	Community Delivery Plan adopted November 2009
Number of registered library borrowers as a percentage of resident population	45.71%
Number of youth programs implemented	12
Number of strategies implemented from the Action on Ageing Strategy	1
Number of community groups assisted through contributions and subsidies for social, educational and cultural programs	63
Number of events/exhibitions held at the Macleay Valley Community Art Gallery	11
Number of visitors to the Macleay Valley Community Art Gallery	7160
Agreed Level of Service and Maintenance schedules developed for Council's Parks and Reserves by 30 June 2010	Draft Service level and maintenance schedules developed and are currently being reviewed.
94% of sewerage effluent analyses will comply	94.56%
98% of potable water quality analyses will comply	98.7%
PERFORMANCE INDICATOR - Infrastructure	LEVEL ACHIEVED
Upgrading program for saleyards is completed by 30 June 2010	Was not progressed as funds were loan funds
Capital works program completed on time and to approved budgets	Were not progressed as funds were loan funds
Complete Asset Management Plans by 31 March 2010	
Number of project plans developed for major capital projects	5 project plans were developed
Review the action plans for the implementation of Matty's Flat Plan of Management by 31 December 2009	The NSW Minister of Lands approved the Plan of Management.
Review the action plan for the implementation of Horseshoe Bay Plan of Management by 31 December 2009	A draft plan of management has been prepared and is awaiting funding.
The annual action plan developed to address and rectify infiltration into sewer mains by 30 June 2010	Not completed due to loss of staff. Anticipated for work to occur in August.

Review of road network presented to Council for adoption by December 2009	This project has been delayed. It is 70% complete and will be deferred to 2010-11.
Fleet utilisation	91.76%
PERFORMANCE INDICATOR – Relationship with Others	LEVEL ACHIEVED
Number of State / National forums attended	10
Number of deputations / meetings attended	18
Number of MIDGOC Executive meetings attended	7
Number of Regional Meetings attended	7
PERFORMANCE INDICATOR – Corporate Management	LEVEL ACHIEVED
Number of KPI targets achieved	70%
Number of Service Standard targets achieved	80%
Statutory obligations completed within timeframes	100%
Number of community and Council meetings attended by Councillors	225
Number of focus groups established and meetings held	3
Number of compliments received by Council from the community	173
Number of pages prepared and distributed via community newsletters	20
Departmental succession plans are revised by 31 December 2009	N/A
The average number of days approved positions are vacant is less than 60 days	49.88%
Number of workplace and site inspections carried out in accordance with Council's OH & S Management Plan	45, excluding individual worksites.
Percentage of staff lost time injuries is less than 19 per million man hours worked	14.76%
Percentage of construction works completed within budget	100%

State of the Environment Report

Report as to the state of the environment in the area (see separate checklist for specifics) s428(2)(c) cl 218-226

The 2009/10 Supplementary SoE Report is currently being prepared as an ancillary to the 2008/09 Comprehensive SoE Report for the Kempsey Shire LGA in accordance with the requirements of the Local Government Act (1993). The reporting period is from 1 July 2009 to 30 June 2010.

The aim of the SoE Report is to provide an update on Kempsey Shire's progress towards sustainability and the trends in environmental indicators of the core environmental sectors; the land, water, atmosphere (encompassing noise), biodiversity, human settlements (encompassing waste) and Aboriginal and non-Aboriginal heritage. The report will provide a "snapshot" of the present day environment in Kempsey Shire, provide a comparison with that of previous years and identify any new environmental pressures since the previous report.

As this year's Report was a Supplementary Report the structure will remain fundamentally the same as the previous comprehensive SoE Report. It is organised into the following Chapters:

- Chapter 1 – Towards Sustainability
- Chapter 2 – Land
- Chapter 3 – Water
- Chapter 4 – Atmosphere
- Chapter 5 – Biodiversity
- Chapter 6 – Human Settlements
- Chapter 7 – Aboriginal and Non-Aboriginal Heritage
- Chapter 8 – Council's Environmental Performance

All areas required by legislation were incorporated into Chapters 1 to 7 while Chapter 8 was included to identify areas for environmental improvement within Council's own operations. Each chapter addresses the State, Pressure, Response as required by NSW legislation and also offers comments on future directions. The Full Report will be made available on Council's website www.kempsey.nsw.gov.au at the beginning of December 2010.

Environmental Levy

Council pursuant to section 508(2) of the Local Government Act 1993 received a variation to its general purpose income (7.7%) for a ten year period commencing from 1 July 2008 to enable identified environmental works to be undertaken.

The following expenditures in respect works identified under the Environmental Levy were undertaken during the 2009/10 year:

Program	Amount
Environmental Works & Studies	
<u>Revenue Expenditure</u>	
Korogora Creek Estuary Process Study	\$3,920.00
Gills Creek Rehabilitation Project	\$1,035.75
Macleay Floodplain Project	\$3,333.08
Macleay River Mgt Plan	\$20,000.00
Boyers Lane	\$3,312.31
Korogora Creek EMP	\$10,000.00
Saltwater	\$8,000.00
Koala Plan	\$7,927.00
ESD	\$1,027.08
Stormwater Management	\$30,760.50
Beachwatch	\$28,000.00
Korogora Creek - Sth Bank	\$1,211.37
Environmental Monitoring	\$23,309.51
Saleyards - Environmental Works	\$3,362.48
Loan Repayments	\$333,607.19
<u>Loan Expenditure</u>	
Flood Mitigation	\$13,158.14
Total Expenditure	\$491,964.41

Environmental Levy Reserve

A summary of income and expenditure for the year ended 30 June 2010 is as follows:

Environmental Reserve cash balance 30	
June 2009	\$462,477.85
Environmental Reserve loan balance 30	
June 2009	\$52,188.91
Environmental Levy Income 2009/10	\$489,000.00
Expenditure 2009/10:	\$145,199.08
Works & Studies (Reserve Funded)	\$145,199.08
Loan Repayments	\$333,607.19
Loan Expenditure	\$13,158.14
Balance 30 June 2009:	

Environmental Reserve Cash Assets	\$472,671.31
Environmental Reserve Loan Funds	\$34,506.77

Public Works

Report on condition of public works (including public buildings, public roads and water, sewerage and drainage works) (check consistent with asset management plan and capital works program – Module 3) s428(2)(d)

Public works report includes estimate of amount of money required to bring the works up to a satisfactory standard s428(2)(d)(i)

Public works report includes estimate of annual expense of maintaining the works at that standard s428(2)(d)(ii)

Asset Category	Carrying Amount (WDV)	Asset Condition	Estimated cost to bring up to a satisfactory condition standard	Required Annual Maintenance	Current Annual Maintenance
Buildings					
Aerodrome, Caravan Parks, Saleyards	8,169	F	2,553	143	9
Amenities/Toilets	7,637	F	4,123	153	113
Fire & Emergency	2,199	F	809	40	10
Community Buildings	5,638	F	2,065	130	115
Council Offices & Depot	5,906	F	3,045	130	114
Rental Properties	302	F	500	20	1
	29,851	F	13,095	616	362
Public Roads					
Sealed Roads	57,791	F	18,610	4,889	3,916
Unsealed Roads	2,231	F	12,470	3,470	3,348
Kerb and Gutter	6,238	F	3,250	240	89
Footways/Ancillary	3,625	F	1,220	577	215
Culverts	2,028	F	570	36	10
Bridges	17,090	F	2,250	368	294
Non Depreciable Earth Works	66,204	F	-	-	-
	155,207	F	38,370	9,580	7,872
Water					
Infrastructure	230,358	F	16,588	4,490	1,404
Sewerage					
Infrastructure	117,007	F	31,200	2,719	1,158
Drainage Works					
Drainage Infrastructure	11,569	F	7,611	348	174
Flood Mitigation Works	40,085	F	8,784	1,081	268
	51,654	F	16,395	1,429	442
TOTAL - ALL ASSETS	584,077	F	115,648	#####	11,238

# Asset Condition "Key"								
P	Poor - Asset is nearing the end of its useful life and requires major maintenance							
F	Fair - Asset condition is acceptable for usage, the asset is aged or basic in so far as current community expectations are concerned.							
G	Good - Asset is meeting current community expectations and require only scheduled maintenance.							

<i>Condition of Public Work Assets</i>								
	2009/10	2008/09	2007/08	2006/07	2005/06	2004/05	2003/04	2002/03
Written Down Value of Public Work Assets	584,077	567,706	557,108	497,040	360,487	354,556	350,393	345,994
Cost to Bring to Satisfactory - Transport Assets	38,370	38,370	14,996	13,594	14,766	13,989	16,087	15,144
Cost to Bring to Satisfactory - Other Public Work Assets	77,278	70,829	45,754	44,197	28,745	27,480	27,104	27,567

Public works report includes council's program of maintenance for that year s428(2)(d)(iii)

Open Space and Recreation have enjoyed a stable year in regard to staff turnover. We have had one Tradesperson move on and have yet to fill that and two new Team Leader positions in the Open Space and Facilities group. Several utility vehicles and trailers have been replaced and two new trailers have been purchased to move our larger mowers around in a safer and more efficient manner.

Trees and Gardens

Trees were supplied to schools for National Tree Day. Tree risk assessment and reaction time to address tree concerns has continued to improve. Mistletoe was removed from many street trees in Gladstone and Smithtown. Tree guards were made and installed at Memorial Ave SWRs. Street tree pruning and lifting program continued over the cooler months. Removal of trees and vegetation to create firebreaks was undertaken at Straight St Hat Head and Gladstone Street Arakoon. Extensive vegetation reduction was undertaken along residential fence lines at Leith St Reserve West Kempsey, and Queen St Reserve South Kempsey. Gardens at the Airport were made safe and tidied up following a fire.

Garden bed renovations included the Depot, Forth Street, various car park garden beds, Crescent Head CBD, Civic Centre garden beds on Harold Walker Ave, Library Courtyard, middle Courtyard and Tozer St, in front of RSL, around York Lane toilet block, and the pedestrian access onto Traffic Bridge from CBD side.

Medians were maintained and/or new plants planted at Gabriel Avenue, Smith Street, Belgrave Street, and Marsh Street.

Sporting Fields

Improvements on Sporting fields included:

Kemp St Fields completion of the new training field with the installation of goal posts and line marking, upgrade of floodlighting commenced on Kemp 1 & 2

Eden Street Fields upgrade meter box and floodlights, installed new portable soccer goal posts, cricket wickets resized and refurbished

Verge St Grandstand replaced thirty vandalised seats and pressure cleaned

Services Club Park had a new competition standard double long jump pit built

SWRs Oval floodlighting repairs and top dressed with 130 cubic metres of soil, erected additional fencing, installed two pairs of netball goalposts, tree planting, improved security of amenity/canteen block

Willawarrin Sporting Fields relocated playground in preparation for new amenity block, new amenity block completed, a \$175,000 project

Frederickton Sporting Fields thinned casuarinas on eastern boundary and installed open surface drain to improve field drainage, filled low spots, upgraded access road.

Smithtown Oval floodlighting repairs, ground repairs, the new amenity block was completed slightly under the \$110,000 budget

Baker Drive Fields installed additional fencing to prevent vehicular access and damage to fields

South Kempsey Oval tree work

Gladstone Sporting Fields installed best practice signs at pedestrian access points in new fence

Stuarts Point Oval (Joey Donovan) Skatepark installed as part of RLCIP, amenity block and canteen security upgraded

Kempsey Skate park in Belgrave Street was upgraded partially with grant funds.

Pressure cleaned various amenity blocks, aerated, topdressed and fertilised selected fields.

Playgrounds

Improvements to playgrounds included the removal of the old playground at James Carney Crescent West Kempsey and replacement with a new playground, new swing sets to meet Australian Standards installed at Horseshoe Bay Reserve, Gladstone and Smithtown. Complete soft fall replacement at Riverside Park and a new playground at Jerseyville Rotary Park. Regrettably the burnt out edging of the new playground at James Carney and the Nestle Park Smithtown playground required extensive replacements.

Parks and Picnic Areas

In parks new covered picnic settings were purchased for installation next financial year at Yakka Watson Reserve Smithtown, Nestle Park Smithtown and Bloomfield Reserve at South Kempsey. Riverside Park Kempsey had footpaths pressure cleaned several times to remove flood silt, some footpaths were also replaced and extended to provide improved disability access into the BBQ shelter and toilet block. Dead trees were removed from the riverbank. Gladstone Riverside Park amenity block was cleaned and painted inside and out. Bellbrook CWA Park fencing was repaired. New fencing and chain gate was installed at Jerseyville Rotary Park to prevent unauthorised access, fencing was erected around the fig tree and the area mulched to improve longevity of the tree.

Norfolk Pines were trimmed to improve sight lines for the Coastal Patrol at HSBR.

New signs were erected at Apex Park South Kempsey and Flanagan Park West Kempsey. Picnic tables were relocated at Blackbird Flat from Temagog. The retaining wall at Temagog Reserve was replaced and stormwater pipes replaced to feed into a water tank. Environmental works were undertaken at Gill Creek South Kempsey including clearing weeds, green waste and rubbish. Boyters Lane, Jerseyville and Smithtown riverbank rehabilitation areas were sprayed for weeds. Kempsey riverbank areas were sprayed for weeds.

The 'Natures Wonderland' entrance sign garden on southern approach was replaced after it was destroyed by RTA machinery. Some plants were later stolen.

Cemeteries

In Cemeteries maintenance schedules for all cemeteries included work done leading up to Easter, ANZAC Day, Mothers Day, Remembrance Day and Christmas Day to ensure all cemeteries were in a neat and tidy condition.

Challenges

Preparing for the Bypass and ensuring that Kempsey is a desirable destination will be the greatest challenge for Council in general over the next few years and our efforts in Open Spaces and Facilities will have this goal 'front of mind'.

Legal Costs incurred by Council

Summary of the amounts incurred by the council in relation to legal proceedings and a summary of the state of progress of each legal proceeding and result s428(2)(e)

Particulars	Finalised	Expenses	Receipts
Public liability claim – injury in fall on sea breakwall. Council was second defendant. Verdict for council with each party to pay own costs. Claim to proceed against first defendant only.	Yes	\$ 9,105.00	
Coroner's inquest into backyard pool drownings in New South Wales. Council represented at inquest.	Yes	\$ 13,930.01	
Court hearing – infringement notice for pollution of water way. Verdict for council with costs.	Yes	\$ 660.00	\$ 660.00
Court hearing – infringement notice for unregistered dogs. Verdict for council with costs.	Yes	\$ 1,650.00	\$ 1,650.00
Unauthorised use of land for gravel processing.	No	\$ 4,875.00	
Unauthorised land clearing.	No	\$ 6,393.87	
Legal advices and opinions		\$ 36,791.64	
Recovery of unpaid rates with costs recovered from ratepayers and debtors		\$ 75,749.07	\$ 60,909.91

Councillor Fees and Expenses

Total amount of money spent on Mayoral and councillor fees s428(2)(f)

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

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

Council provides the Mayor with a vehicle and mobile phone if required. Each Councillor is provided with a fax, a telephone answering machine and computer facilities.

Telephone expenses are also paid to each Councillor and Councillors are provided with a corporate wardrobe.

Each Councillor receives an allowance within a range set by the Local Government Remuneration Tribunal. The Mayor receives a Mayoral Allowance within a range set by the Local Government Remuneration Tribunal.

Annual fees payable to the Mayor and Councillors are set annually by the council prior to 30th June. The fee must be within the range for a category three council as determined by the Local Government Remuneration Tribunal. The total Mayoral and councillor fees paid in the 2009-2010 year were:

Mayor	\$ 33,840
Councillors (9)	\$ 139,500

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

s428(2)(f)

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

<http://www.kempsey.nsw.gov.au/pdfspolicy/Council/CPOL-64%20PAYMENT%20OF%20EXPENSES%20AND%20PROVISION%20OF%20FACILITIES%20TO%20THE%20MAYOR%20AND%20COUNCILLORS.pdf>

Councillors expenses and provision of facilities

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

The Mayor is provided with a vehicle and a mobile telephone, if required, for council business use. For the 2009-2010 year the Mayor elected not to have a vehicle or mobile phone provided.

All Councillors are provided with a laptop computer, internet connection, a printer and facsimile for use on council business. A corporate wardrobe is provided for Councillors and meals are provided on council meeting days when required. A councillor's interview room is provided at the Civic Centre. Councillors are reimbursed for travel when using their private vehicles, at a per kilometre rate adopted as part of the policy.

Details of overseas visits by Councillors, council staff or other persons representing council

s428(2)(r) cl 217(1)(a)

There were no overseas visits by Councillors, Council staff or other persons representing Council.

Total amount of money expended during that year on the provision of councillor facilities and the payment of councillor expenses, including separate details of the total cost of s428(2)(f) cl 217(1)(a1):

Expense	Cost
Mayors travelling expenses	\$ 5,678.12
Mayors telephone, internet and facsimile expenses	\$ 2,171.47
Councillors travelling expenses	\$ 13,187.70
Telephone calls made by Councillors 217(1)(a1)(ii) Including telephone calls, internet and facsimile expenses	\$ 10,237.21
Laptop computer expenses	Nil
Attendance of Councillors at conferences and seminars 217(1)(a1)(iii)	\$ 19,118.79
Interstate visits by Councillors, including transport, accommodation and other out of pocket travelling expenses 217(1)(a1)(v)	\$ 2,008.30
Meals and refreshments for council & committee meetings	\$ 6,806.30
Training of Councillors and provision of skill development 217(1)(a1)(iv)	\$ 4,670.09
Councillors corporate wardrobe	Nil
Overseas visits by Councillors, including transport, accommodation and other out of pocket travelling expenses 217(1)(a1)(vi)	Nil
Expenses of any spouse, partner or other person who accompanied a councillor 217(1)(a1)(vii)	Nil
Expenses involved in the provision of care for a child or an immediate family member of a councillor 217(1)(a1)(viii)	Nil
Provision of dedicated office equipment allocated to Councillors 217(1)(a1)(i)	\$1000.00

Senior Staff

Statement of the number of senior staff employed by the council during the year s428(2)(g)

Consistent with Section 332 of the Local Government Act 1993, Council designates the Senior Staff positions within Council. The General Manager is the only designated Senior Staff member within Council's structure.

The total remuneration package for the General Manager in the reporting year was \$190,000.00

Statement of the total remuneration comprised in remuneration packages of each senior staff member employed during year. s428(2)(g) cl 217(1)(b)

Includes for each such member, total of the following:

Total value of salary component of package cl 217(1)(b)(i)

\$159,413.00

Total amount of any bonus payments, performance or other payments that do not form part of salary component cl 217(1)(b)(ii)

NIL

Total employer's contribution to superannuation (salary sacrifice or employers contribution) cl 217(1)(b)(iii)
23,187.00

Total value non-cash benefits cl 217(1)(b)(iv)
\$7400.00

Total fringe benefits tax for non-cash benefits cl 217(1)(b)(v)
\$2,924.00

Details of contracts awarded for amounts greater than \$150,000.

s428(2)(h)

The following is a list of contracts awarded by the Council during the 2009-10 year other than employment contracts or contracts less than \$150,000:

Tender File Number	Name of Contractor	Nature of Goods and Services Supplied	Total Amount Payable under the Contract (excl GST)
603	FJ's Protective Coatings	Epoxy re-coating of steel reservoir at South West Rocks	\$ 400,000
375	K C Cooper and Sons	Bridge components for Turners Flat Bridge	\$ 300,000
E2009-013	Nirosoft Australia Pty Ltd	Containerised water treatment unit for Bellbrook	\$ 173,900
T2009-004	Arogen Pty Ltd	Under boring services at Aldavilla, Frederickton and Kempsey	\$ 1,569,292
264	TRUenergy	Electricity supply for street lighting and 13 contestable sites for a three year period	\$ 836,266

A report on bush fire hazard reduction activities *s428(2)(i1)*

The Kempsey Rural Fire Service has continued to supply a service to the community and Kempsey Shire Council in line with the Service Level Agreement; this was achieved by participating in fire suppression and mitigation, community engagement and public advice in relation to hazard reduction and development applications.

The community engagement team completed 41 activities across Kempsey Shire throughout the year. Brigades attended the Kempsey Agricultural Show, a day in the vines, participated in the state-wide open day and held various static displays encouraging fire safety awareness. Members of the community engagement team also attended conferences and training both locally and regionally to increase their skills and knowledge in the field of community education.

In the 2009/2010 year staff received and actioned 19 hazard complaints across the Kempsey Shire and received and gave advice or bushfire safety authority to 58 development applications.

Volunteer Rural Fire Service brigades assisted with a total of 7 hazard reduction burns encompassing an area of approximately 80 ha and volunteers issued 440 permits during last year's bushfire danger period. Overall the agencies compiling the Lower North Coast Bushfire Management Committee conducted approximately 5000 hectares of hazard reduction burning across all tenures within Kempsey and Nambucca Shires.

Local brigades attended 270 incidents across the Kempsey Shire from 01/07/2009 to 30/06/2010. Within that, 270 incidents local brigades attended 31 Motor Vehicle Accidents/car fires, 3 Hazmats, 25 False Alarms and 6 Structural Fires.

Training was carried out for brigades as per the training program with all targets being met. Problems are being encountered with a decline in the number of instructors and assessors at a local level.

Without the dedication of the volunteers and the assistance given by Kempsey Shire Council to provide plant and equipment as required, the 2009/2010 season would have been significantly worse.

Details of programs to promote services and access for people with diverse cultural and linguistic backgrounds consistent with principles of multiculturalism (check consistent with social and community plan and management plan – Module 4) *s428(2)(j)*

During 2009-10 progress was made in this area by:

- Encouraging Australian citizenship to all residents which resulted in 24 people becoming Australian citizens in 2009/10. Council will continue to promote Australian citizenship to all residents.
- Continuing to provide resources for people from culturally and linguistically diverse backgrounds in the Library.

Details of activities to develop and promote services and programs that provide for the needs of children (check consistent with social and community plan – Module 4) *s428(2)(r) cl 217(1)(c)*

During 2009-10 progress was made in this area by:

- Continuing to provide in-kind support for children's services in Kempsey Shire.
- Continuing to provide lifesavers on nominated beaches during school holiday periods.
- Continuing to promote and maintain safe play equipment and environments by undertaking regular safety checks in Council parks.
- Negotiating with Housing to auspice the South Kempsey Community House and supporting the large number of services that are associated with this including a weekly play group for pre-schoolers and a healthy eating program for primary aged children.
- Continuing to provide holiday programs and activities for children at the Shire library and its branches.

Report on the council's performance in relation to access and equity activities to meet residents' needs outlined in council's management plan (check consistent with social and community plan – Module 4)

s428(2)(r) cl 217(1)(d)(i)

Children (aged 0 -11 years)

During 2009-10 progress was made in this area by:

- Continuing to provide in-kind support for children's services in Kempsey Shire.
- Continuing to provide lifesavers on nominated beaches during school holiday periods.
- Continuing to promote and maintain safe play equipment and environments by undertaking regular safety checks in Council parks.
- Negotiating with Housing to auspice the South Kempsey Community House and supporting the large number of services that are associated with this including a weekly play group for pre-schoolers and a healthy eating program for primary aged children.
- Continuing to provide holiday programs and activities for children at the Shire library and its branches.

Young People (aged 12-24 years)

During 2009-10 progress was made in this area by:

- Development and ongoing support for the 'Youth Moves' page, featured twice a month in the local newspaper.
- Facilitating and supporting the Youth Advisory Council.
- Funding and assisting in the coordination of the Youth Week Activities, in particular 'Amp Ur Shire' a one day festival including skate competitions, music performances, information stalls and workshops.
- Assisting the Chamber of Commerce in hosting the Father Chris Riley and Youth Off the Streets Forum.
- Coordination of the Youth Network meetings
- Association and assistance provided to the PCYC
- Waste into Art Competition and exhibition held, involving many schools across the shire.
- Continuing to promote the Youth Access Centre for the use of Youth based organisations and programs. Including health services including Tim Tams (a young mothers group).
- Development of a Youth Access Card. This card provides information to youth on services available for them within the shire.
- Launching the Macleay Active Youth Movement in partnership with NSW Sport and Recreation and Youth Advisory Council.

Women

During 2009-10 progress was made in this area by:

- Promoting equal employment opportunity initiatives in the work place.
- Shire library hosted an International Woman's Day celebrations showcasing local women's talents including music and dance performances.
- Attendance at the Domestic Violence Monitoring Committee meetings to discuss the strategies to address domestic violence within our community.

People from Culturally and Linguistically Diverse Backgrounds

During 2009-10 progress was made in this area by:

- Continuing to promote Australian Citizenship to all residents
- Continuing to provide resources for people from culturally and linguistically diverse backgrounds in the Library.

People with Disabilities including those with HIV/AIDS

During 2009-10 progress was made in this area by:

- Auspicing Home and Community Care services such as Neighbour Aid, Community Options Program that assist younger people with a disability and their carers.
- Providing safe pedestrian access and seating facilities and promotion of disabled access in new buildings and public spaces.
- Continuing to provide infrastructure for people with disabilities.

Older People

During 2009-10 progress was made in this area by:

- Continuing to operate residential accommodation in Kempsey and South West Rocks for people on the aged or disability pensions.
- Providing financial support for Seniors Week activities in the Shire.
- Continuing to provide aged care services through Macleay Community Care Options.

- Implementing a dementia support grant called 'Talkin' Shop' to assist the business community, through education, with ways to better communicate with customers who may have memory loss or dementia.
- Hosting an information day at South West Rocks on services available to older people in that area.

Aboriginal and Torres Strait Islander People

During 2009-10 progress was made in this area by:

- Continuing to support activities to celebrate NAIDOC and Reconciliation Week.
- Actively involved in the organisation of Kempsey TAFE Deadly Days.
- Council representation on the Dunghutti Aboriginal Justice Group.
- Completion on the Burrunbatayi (Dreamtime) Reconciliation Project at the East Kempsey Cemetery.
- Coordination of a Heritage Grant to liaise with the Aboriginal community and order family history plaques to be placed on the Burrunbatayi Memorial at East Kempsey.
- Assisted Forest Works in holding a meeting to engage Aboriginal people to work within the forest/wood industry.

Men

- The Stuarts Point Men's Shed group were assisted by Council in their efforts to identify a suitable building/location in which to base their activities.

All of the above target groups were benefited by the hosting of Kempsey's first volunteers expo at the Kempsey Showground. The expo highlighted community organisations that assist people in the community and how people can volunteer their time.

Community Safety

During 2009-10 progress was made in this area by:

- Implementing crime prevention and community safety initiatives such as Lock your Car, Report It Don't Ignore It, Graffiti Kits and a truancy program.
- Council provided assistance to the Macleay Valley Liquor Accord by securing grant funds from the RTA for an alternative transport scheme for patrons of Kempsey licensed premises. For the 2009-10 year 4482 patrons utilised the service.
- Attending Chamber of Commerce and other community group meetings to discuss community safety concerns and possible strategies.

Summary of resolutions made under section 67 concerning work carried out on private land. *s428(2)(k)*

Council fixes its rates to be charged for the carrying out of works on private land in conjunction with the adoption of the Management Plan. The rates for the year 2009-2010 were:

1 Sporting bodies – works on council reserves

Wages: actual cost plus current on cost

Stores and Materials: actual cost + 5%

Plant Hire: internal hourly hire rate as per Fleet Business Plan

2 Sporting bodies – for work on private lands

Actual cost as in (3) below. Where charge of less than actual cost is proposed, a resolution of Council is required in accordance with section 67(2)(b) of the Local Government Act 1993.

3 All other private works

As per Fleet Business Plan external hire rates.

During 2009-2010 there were no works carried out requiring a resolution of the Council in accordance with section 67(2)(b).

Statement of external bodies that exercised functions delegated by council *s428(2)(o)*

External Body	Function
Kempsey Living Legend Festival & Country Music Fair	Organise Country Music Festival & Promote Country Music
Kempsey District Silver Band	Provide a Town Band
Kempsey Singers Inc - Bandbox Theatre Committee	Care control and management of Bandbox Theatre
Macleay River Historical Society	Management of Museum
Kempsey Eisteddfod Society	Organise Kempsey Eisteddfod
Kempsey Community Gallery Committee	Management of Kempsey Community Gallery at Gladstone
Bellbrook Hall Committee Crescent Head Hall Committee Millbank Hall Committee Stuarts Point Community Hall Committee Sherwood Hall Committee SWR School of Arts and Community Hall Committee Gladstone Youth & Community Hall Committee Smithtown Hall Committee Willawarrin Hall Committee Frederickton Hall Committee	Management of Public Halls
Melville High Sports & Entertainment Centre	Management of Sporting Facilities
Gladstone Tennis Club Hat Head Tennis Club South Kempsey Tennis Club Stuarts Point & District Tennis Club Willawarrin Tennis Club Kempsey Tennis Club Bellbrook Tennis Club	Management of Tennis Courts
Hat Head Community Dune Care	Management of Dune Care Program

List of category 1 business activities. *s428(2)(r) cl 217(1)(d)(ii)*

Summary of progress of council in implementing principles of competitive neutrality cl17(1)(d)(v)

List of category 2 business activities cl 217(1)(d)(iii)

In April 1995, the Council of Australian Governments ratified the National Competition Policy. The Policy is aimed at:

- increasing consumer and business choice,
- reducing production and transportation costs in an effort to lower prices for goods and services, and
- creating an overall business environment in which to improve Australia's international competitiveness.

The Policy also applies the Trade Practices Act to State and Local Government business activities.

Council is implementing the principles of competitive neutrality. All businesses have been categorised as '1' or '2' and business plans have been developed for Water, Waste Water, Caravan Parks and Fleet.

1. Category 1 Businesses
(\$2,000,000 And Above)

Kempsey Shire Council classifies Water and Waste Water (Sewerage) business activities as Category 1 Business Units. The tables on the following 2 pages present a statement of expenses, revenues and assets in relation to each of these business activities as at 30 June 2009.

2. Category 2 Businesses
(Less Than \$2,000,000)

Kempsey Shire Council has classified Waste Services, Kempsey Saleyards, Caravan Parks and Private Works as Category 2 businesses.

Statement as to whether competitive neutrality pricing requirements have or have not been applied to each Category 1 business activity cl 217(1)(d)(vi)

Revenue from Councils Caravan Parks, Saleyards and Airport operations grew to \$2,851,930 an increase of 20.62% on the previous year. This has continued the ten year trend of increased revenue from these activities.

Statement of expenses, revenues and assets for each activity cl217(1)(d)(iv)

Income Statement of Council's Water Supply Business Activity				
for the financial year ended 30 June 2010				
	Actual	Actual	Actual	Actual
	2010	2009	2008	2007
	\$ '000	\$ '000	\$ '000	\$ '000
Income from continuing operations				
Access charges	3497	3,617	3,441	3,280
User charges	3814	3,065	2,835	2,768
Fees	0	-	123	117
Interest	82	168	111	8
Grants and contributions provided for non capital purposes	142	200	158	175
Profit from the sale of assets	0	-	126	82
Other income	120	102	35	31
Total income from continuing operations	7655	7,152	6,829	6,461
Expenses from				

continuing operations				
Employee benefits and on-costs	1,127	1,297	1,203	848
Borrowing costs	989	1,002	800	737
Materials and contracts	2,035	1,604	1,227	1,370
Depreciation and impairment	4,094	4,347	3,949	1,338
Water purchase charges	-	-	-	-
Loss on sale of assets	198	473	-	-
Calculated taxation equivalents	12	12	8	8
Debt guarantee fee (if applicable)	79	72	72	54
Other expenses	1,582	1,461	1,409	1,329
Total expenses from continuing operations	10,116	10,268	8,668	5,684
Surplus (deficit) from Continuing Operations before capital amounts	(2,461)	(3,116)	(1,839)	777
Grants and contributions provided for capital purposes	771	335	113	251
Surplus (deficit) from Continuing Operations after capital amounts	(1,069)	(2,781)	(1,726)	1,028
Surplus (deficit) from Discontinued Operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(1,690)	(2,781)	(1,726)	1,028
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	(233)
SURPLUS (DEFICIT) AFTER TAX	(1,690)	(2,781)	(1,726)	795
plus Opening Retained Profits	69,624	72,321	73,975	72,893
plus/less: Prior Period				

Adjustments	-	-	-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	12	12	8	8
- Debt guarantee fees	79	72	72	54
- Corporate taxation equivalent	-	-	-	233
less:				
- Tax Equivalent Dividend paid	-	-	(8)	(8)
- Surplus dividend paid	-	-	-	-
Closing Retained Profits	68,025	69,624	72,321	73,975
Return on Capital %	-0.6%	-0.9%	-0.5%	0.7%
Subsidy from Council	n/a	7,751	6,570	3,805
Calculation of dividend payable:				
Surplus (deficit) after tax	(1,690)	(2,781)	(1,726)	795
less: Capital grants and contributions (excluding developer contributions)	(771)	(335)	(113)	(251)
Surplus for dividend calculation purposes	-	-	-	544
Potential Dividend calculated from surplus	-	-	-	272

Income Statement of Council's Sewerage Business Activity				
for the financial year ended 30 June 2010				
	Actual 2010 \$ '000	Actual 2009 \$ '000	Actual 2008 \$ '000	Actual 2007 \$ '000
Income from continuing operations				
Access charges	5,675	5,429	5,188	4,788
User charges	520	421	435	437
Liquid Trade Waste Charges	173	160	145	160
Fees	-		19	-
Interest	221	189	159	-
Grants and contributions provided for non capital purposes	107	104	104	103
Profit from the sale of assets	-		-	-
Other income	48	51	23	50
Total income from continuing operations	6,744	6,354	6,073	5,538
Expenses from continuing operations				
Employee benefits and on-costs	1,078	1,251	882	916
Borrowing costs	1,139	671	429	281
Materials and contracts	1,897	1,468	1,654	1,440
Depreciation and impairment	2,196	2,504	2,338	1,186
Loss on sale of assets	-	23	-	-
Calculated taxation equivalents	27	22	12	12
Debt guarantee fee (if applicable)	86	89	45	28
Other expenses	1,299	1,196	1,161	1,083

Total expenses from continuing operations	7,722	7,224	6,521	4,946
Surplus (deficit) from Continuing Operations before capital amounts	(978)	(870)	(448)	592
Grants and contributions provided for capital purposes	317	249	210	167
Surplus (deficit) from Continuing Operations after capital amounts	(661)	(621)	(238)	759
Surplus (deficit) from discontinued operations	-	-	-	-
Surplus (deficit) from ALL Operations before tax	(661)	(621)	(238)	759
less: Corporate Taxation Equivalent (30%) [based on result before capital]	-	-	-	(178)
SURPLUS (DEFICIT) AFTER TAX	(661)	(621)	(238)	581
plus Opening Retained Profits	58,891	59,401	59,594	58,807
plus/less: Prior Period Adjustments			-	-
plus Adjustments for amounts unpaid:				
- Taxation equivalent payments	27	22	12	12
- Debt guarantee fees	86	89	45	28
- Corporate taxation equivalent	-	-	-	178
less:				
- Tax Equivalent Dividend paid			(12)	(12)
- Surplus dividend paid			-	-
Closing Retained Profits	58,343	58,891	59,401	59,594
Return on Capital %	0.1%	-0.2%	0.0%	0.9%
Subsidy from Council	n/a	3,023	2,629	1,590
Calculation of dividend payable:				
Surplus (deficit) after tax	(661)	(621)	(238)	581
less: Capital grants and contributions (excluding developer contributions)	(317)	(249)	(210)	(167)
Surplus for dividend calculation purposes	-	-	-	414
Potential Dividend calculated from surplus	-	-	-	207

Balance Sheet of Council's Water Supply Business Activity

as at 30 June 2010

	Actual	Actual
	2010	2009
	\$ '000	\$ '000
ASSETS		
Current Assets		
Cash and cash equivalents	5,216	6,427
Investments	-	-
Receivables	1,194	1,080
Inventories	-	-
Other	-	-
Non-current assets classified as held for sale	-	-
Total Current Assets	6,410	7,507
Non-Current Assets		
Investments	-	-
Receivables	-	-
Inventories	-	-
Infrastructure, property, plant and equipment	233,051	225,518
Investments accounted for using equity method	-	-
Investment property	-	-
Other	-	-
Total non-Current Assets	233,051	225,518
TOTAL ASSETS	239,461	233,025
LIABILITIES		
Current Liabilities		
Payables	122	122
Interest bearing liabilities	1,125	1,075
Provisions	-	-
Total Current Liabilities	1,247	1,197
Non-Current Liabilities		
Payables	-	-
Interest bearing liabilities	14,740	13,291
Provisions	-	-
Total Non-Current Liabilities	14,740	13,291
TOTAL LIABILITIES	15,987	14,488
NET ASSETS	223,474	218,537
EQUITY		
Retained earnings	68,025	69,624
Revaluation reserves	155,449	148,913
Council equity interest	223,474	218,537
Minority equity interest	-	-
TOTAL EQUITY	223,474	218,537

Comparison of performance with projected performance and statement of reasons for difference for each activity cl 217(1)(d)(viii)

Comparison of Performance				
Category 1 - Business Activities				
This note sets out the details of material variations between the budget and the actual results for the Income Statement				
for category 1 business activities. Materially favourable (F) and unfavourable (U) variances represent amounts of generally				
10% or more of the budgeted amount.				
<u>2009/10</u>				
	Water		Sewer	
	\$,000		\$,000	
	Budget	Actual	Budget	Actual
Operating Revenues	7,254	7,655	6,449	6,744
Operating Expenses	6,883	10,116	6,400	7,722
Surplus from Continuing Operations before Capital Amounts	371	-2,461	49	-978
Plus: Grants & Contributions provided for Capital Purposes	175	771		317
Surplus from all activities after Tax	546	-1,690	49	-661
Plus: Adjustments for Imputation Taxes Unpaid	14	91	14	113
Net Operating Result	560	-1,599	63	-548
<u>Water Fund</u>				
Operating Income				

Revenue is over budget by \$401K (F). The significant variations include increased revenue from Water Sales 748K (F) a follow on effect with the pricing structure transition similarly with the under budget result for Access Charges 361K (U)

Operating Expenses

Operating Expenses are over budget by \$3,233K (U). The significant variations include, increased depreciation expenses of \$2,819K (U) following the indexation of water infrastructure for "fair value", loss on disposal of assets \$198K (U) attributed to the write off of obsolete infrastructure, taxation equivalents are over budget by \$77K (U) being the debt guarantee expenses. A decrease in interest paid on loans \$212(F) a decrease in demand management expenditure \$187(F).

Grants & Contributions provided for Capital Purposes

Revenue from grants is over budget by \$596(F) the major factor contributing to this is the Bellbrook Water Supply Grant \$505K (F)

Sewer

Operating Expenses

Operating expenses were over budget by \$1,322K (U). The significant variations include increased taxation equivalents over budget by \$99K (U) being the debt guarantee expenses, an increased depreciation expense \$896K (U) arising following the indexation of the sewer infrastructure and \$122K(U) in smoke detection costs and \$134K (u) in disability allowances back pay.

Grants & Contributions provided for Capital Purposes

Grants and contributions are over budget by \$317K (F). Section 64 contributions income was over budget by \$281K (F)

Statement regarding the establishment of a complaints handling mechanism for competitive neutrality complaints. cl 217(1)(d)(vii)

Members of the public can make complaints by contacting Council personally, by telephone, faxing or emailing Council or by writing to the General Manager.

Council strives to provide its services efficiently and effectively to minimise any causes for complaints. Kempsey Shire Council recognises that any complaints received provide the organisation with an opportunity to identify and resolve issues of concern raised by members of the community. If a complaint is received procedures are in place to ensure that the complaint is managed so that a proper outcome is achieved within a minimum of time.

Council has developed a comprehensive computerised complaints handling mechanism which is utilised by all staff who deal with complaints.

The system, known as CARE (Customer Action Request and Enquiry), is a fully integrated software package which enables organisations to register, maintain, report, job cost and file customer requests and complaints.

The initial request/complaint is made, a work order is created and forwarded to the relevant officer who undertakes the required work. A reporting system can assess actual performance against key performance indicators.

To complement this system, Council has adopted a Complaints Policy, developed a procedure for use by staff to assist them when dealing with complaints and produced a brochure which outlines the procedure for people wishing to make a complaint, give a compliment or make a suggestion to Council.

The policy related to complaints handling is available at <http://www.kempsey.nsw.gov.au/pdfspolicy/Council/CPOL-74%20COMPLAINTS%20AND%20COMPLIMENTS%20POLICY%20-%20COUNCIL%20ACTIVITIES.pdf>

Comparison of actual stormwater management services with projected stormwater management services as proposed in management plan. cl 217(1)(e)

Includes:

Statement of reasons for any difference cl 217(1)(e)

In the 2009-10 financial year, the toll of older water supply and sewerage infrastructure combined with 2009 flood impacted infrastructure continued the previous year's direct impacts upon Council's water and sewerage customers. 'Reduce your water consumption' was again requested from customers south of the Macleay River, when the one remaining water main failed. Thankfully, a window of 5 days available water enabled repairs to be undertaken.

Shorter minor customer impacts occurred, where rerouting of supplies and services were possible. In many areas, reduced water services or odour impacts occurred on a semi-regular basis. These impacts extended to Council's contract customers and those not directly connected to Council's systems, when Council's septic recieval system was inoperable for several months. This meant the septic waste haulage contractors and the Shire's rural residents experienced delays and/or higher costs for on-site wastewater disposal.

Flood recovery

In 2009, there were 4 natural disaster declared floods; February, April, May and November. The flood recovery process has been steady and hindered by re-damaged

infrastructure in subsequent floods whilst awaiting safe windows of time and the availability of specialist contractors to complete repairs.

Apart from the damage inflicted, the floods have meant a deterioration of raw water quality for Council's water supplies. The Macleay River has been left very susceptible to dirty water events from even the smaller river freshes, as the disturbed sediments have not settled and are being easily remobilised. The Willawarrin and Kempsey/Lower Macleay water supplies are being particularly impacted, leading to higher operational costs, higher maintenance costs and at times a reduced quality of the water delivered.

Water has had to be trucked into Willawarrin frequently since the flood events of 2009 and this frequency has necessitated a review of the treatment processes available at this supply, identifying the need to augment the system to ensure appropriate water quality can be delivered to the Willawarrin customers.

The Kempsey/Lower Macleay water supply has had to be carefully managed given the highly nutrified water being drawn from the borefield. At times, this has meant limiting the filling of the Steuart McIntyre Dam to prevent algae blooms.

The recovery of the West Kempsey Sewage Treatment Plant will continue through 2010 and 2011. Initial recovery up until September 2009 to regain the major treatment components was successful. However during the latter part of 2009 and in 2010, the treatment components to polish the water before it is returned the environment have struggled to recover. This has lead to semi-regular odour issues from this site. Major work to address these concerns commenced in February 2010 and will continue into 2011. Council is grateful for the impacted customers patience as this work to recover from the floods continues.

The flood recovery also took its toll on Council's water staff. Many of these people worked considerable hours to reinstate the infrastructure behind the scenes. Customers have been mostly unaware of their crucial work and how close complete failure of some infrastructure became. In August and September 2009 the culmination of these hours and the flu season took its toll, with only skeleton staff remaining available. Council thanks its water staff for their dedication to their customers during the flood recovery of the water and sewerage infrastructure, those customers being their own neighbours, friends and families.

Assets

As the flood recovery has taken precedence, only the major already commenced projects were continued and many of these experienced delays due to continued wet weather and sodden ground. Many of the projects planned to commence were postponed. Examples of these projects are the West Kempsey Sewage Treatment Plant replacement, \$0.5m of sewer main and manhole renewals, \$6m Lower Macleay water main renewals.

Several major projects were able to be progressed during the year. These included the \$12m South West Rocks Sewage Treatment Plant augmentation, where the civil construction works were completed and the treatment facilities neared commissioning. The \$10m South West Rocks Water Recycling Plant and the \$0.7m Bellbrook Water Treatment Plant also progressed to commissioning stage. Underboring contracts to establish water mains without open trenching commenced at Raymond's Lane Frederickton and Belgrave Falls.

Efficiency Productivity projects and Environmental Management

Sometimes, when we are in real need of a better solution, diversity offers a serious option. This was the case on two particular projects this year, where despite the considerable redirection to reinstate flood damage, several key achievements in efficiency and environmental management were realised.

As part of the West Kempsey Sewage Treatment Plant recovery, the opportunity for assistance by a specialist contractor arose. With the contractors assistance commencement of a reuse trial for treatment by-products commenced. The by-product or 'biosolid' was trialled as a soil conditioner and fertiliser alternative on a nearby farm, being transported and tilled into several hectares of paddocks and then seeded. Whilst the results of the trial will be assessed over coming months as the crop matures, this trial has been assessed so far as achieving considerable efficiency gains for Council. The trial has also achieved environmental improvements as the biosolids are no longer a waste product delivered to Council's landfill.

At Stuarts Point, there was a need to provide a simple yet effective solution to assist waste handling at the water treatment plant. Modification of readily available equipment used in agriculture enabled improved efficiencies. A silo style clarifier was designed with the assistance of the manufacturer. Procurement of the clarifier was achieved and it is due to arrive and be installed early in the 2010-11 year.

Statement on activities relating to enforcing and ensuring compliance with the Companion Animals Act and Regulation, including information on: *cl 217(1)(f)*

Amount of funding spent relating to companion animal management and activities

Council spent \$21,330 on direct Companion Animal Management and Activities including the operation and maintenance of the pound, together with the employment of two (2) rangers, whose major responsibility is companion animal issues , and associated management costs.

Companion animal community education programs carried out

Council's rangers have been involved undertaking early morning patrols at local parks and reserves with the intent of educating dog owners of their responsibilities in having pets on leads and under effective control and the need to pick up after their animals. Registration checks were also carried out.

Strategies council has in place to promote and assist the de-sexing of dogs and cats

NIL

Strategies in place to comply with the requirement under section 64

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

Off leash areas provided in the council area

Council has leash free areas in most of its towns and villages the designated areas are provided in councils off leash brochure. The need for a new leash free area within the Kempsey township was identified, through consultation a new leash free area has been set aside at Riverside Park which is signposted and is well utilized by the community.

Detailed financial information on the use of Companion Animals Fund money for management and control of companion animals in the area.

Council spent \$16,170 of Companion Animal Fund money for management and control of companion animals in this area.

Lodgement of data relating to dog attacks with the Division

There have been 23 dog attacks in the shire.

Statement of activities to implement EEO management plan *s428(2)(n)*

Council continued its ongoing focus on fostering a culture that values and responds to the diversity of its staff and community.

The aim is to achieve representation of EEO groups in our workforce that is equitable with their representation in the general community.

Recruitment Statistics

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

Number of positions available	36
Number of positions filled	21
Number of applications received	816
Number of positions where females applied	23
Number of positions where females were successful	10

Employment of Women

Council employed 80 full time equivalent staff (FTE) women during the 2009-10 year, taking the level of women in the workplace to 31.1%.

Employment of people with Disabilities

Council employed one new staff member during the 2009-10 year with a disability, taking the level of people with a disability within Council to 1.5%.

Employment of people of Aboriginal and Torres Strait Islander Descent

Council employed three new people of Aboriginal and Torres Strait Islander Descent, taking the level of indigenous employment within Council to 4.8%.

Employment of people from Non English Speaking Backgrounds (NESB)

Council employed one new person from a non English speaking background, taking the level of people from NESB within Council to 1.1%.

Flexibility for Work and Family Arrangements

Staff are informed of the opportunities for flexible working arrangements, with some staff taking up the opportunities of part time work on return from maternity leave. During the 2009-10 years 3 employees accessed paid maternity leave, 6 employees accessed supporting parents leave and 4 employees returned to their positions from maternity leave either in a full time or part time capacity.

Statement of all companies in which council held a controlling interest *s428(2)(p)*

Nil

Statement of partnerships, co-operatives or other joint ventures including public-private partnerships to which council was a party *s428(2)(q)*

Nil

Report on special variation expenditure if required to do so by the instrument made by the Minister. s508(2) s508A

An application for a special rate variation of 8% in addition to the rate pegging increase, the variation was to be used for the maintenance of Councils road network was adopted in the 2009-10 Management Plan.

Council's application for a special variation was unsuccessful resulting in a reduction in the proposed roads maintenance budget.

Information included on Freedom of Information activity s68 cl 10

The Freedom of Information Act provides the public with a legal right to ask for access to documentation and information held by the Council. In the spirit of open government Council will whenever possible allow access to documents without a formal FOI application being required. A formal application will generally be required if documents contain information on other persons.

In the 2009-2010 year Council received 10 FOI applications, a decrease from 11 applications in the previous year. Council received one application for an internal review of its FOI determinations in the 2009-2010 year.

The following schedule sets out the statistical information on FOI applications received for the 2009-2010 year. The information is provided in the format shown in accordance with the requirements of the NSW Premier's Department Freedom of Information guidelines.

SECTION A – NEW FOI APPLICATIONS

How many FOI applications were received, discontinued or completed?	NUMBER OF FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
A1 New	2	1	9	9	11	10
A2 Brought forward	1	0	1	0	2	0
A3 Total to be processed	3	1	10	9	13	10
A4 Completed	3	1	9	9	12	10
A5 Discontinued	0	0	1	0	1	0
A6 Total processed	3	1	10	9	13	10
A7 Unfinished (carried forward)	0	0	0	0	0	0

SECTION B – DISCONTINUED APPLICATIONS

Why were FOI applications discontinued?	NUMBER OF <u>DISCONTINUED</u> FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
B1 Request transferred out to another agency (s.20)	0	0	0	0	0	0
B2 Applicant withdrew request	0	0	1	0	1	0
B3 Applicant failed to pay advance deposit (s.22)	0	0	0	0	0	0
B4 Applicant failed to amend a request that would have been an unreasonable diversion of resources to complete	0	0	0	0	0	0
B5 Total discontinued	0	0	1	0	1	0

Note: If request discontinued for more than one reason, select the reason first occurring in the above table. The figures in B5 should correspond to those in A5.

SECTION C – COMPLETED APPLICATIONS

What happened to completed FOI applications?	NUMBER OF <u>COMPLETED</u> FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
C1 Granted or otherwise available in full	0	1	4	4	4	5
C2 Granted or otherwise available in part	2	0	1	0	3	0
C3 Refused	1	0	4	5	5	5
C4 No documents held	0	0	0	0	0	0
C5 Total completed	3	1	9	9	12	10

Note: A request is granted or otherwise available in full if all documents requested are either provided to the applicant (or the applicant's medical practitioner) or are otherwise publicly available. The figures in C5 should correspond to those in A4.

SECTION D – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN FULL

How were the documents made available to the applicant?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN FULL)					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
All documents requested were: D1 Provided to the applicant	0	1	3	3	3	4
D2 Provided to the applicant's medical Practitioner	0	0	0	0	0	0
D3 Available for inspection	0	0	1	1	1	1
D4 Available for purchase	0	0	0	0	0	0
D5 Library material	0	0	0	0	0	0
D6 Subject to deferred access	0	0	0	0	0	0
D7 Available by a combination of any of the reasons listed in D1 – D6 above	0	0	0	0	0	0
D8 Total granted or otherwise available in full	0	1	4	4	4	5

Note: The figures in D8 should correspond to those in C1.

SECTION E – APPLICATIONS GRANTED OR OTHERWISE AVAILABLE IN PART

How were the documents made available to the applicant?	NUMBER OF FOI APPLICATIONS (GRANTED OR OTHERWISE AVAILABLE IN PART)					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
Documents made available were: E1 Provided to the applicant	2	0	1	0	3	0
E2 Provided to the applicant's medical Practitioner	0	0	0	0	0	0
E3 Available for inspection	0	0	0	0	0	0
E4 Available for purchase	0	0	0	0	0	0
E5 Library material	0	0	0	0	0	0
E6 Subject to deferred access	0	0	0	0	0	0
E7 Available by a combination of any of the reasons listed in E1 – E6 above	0	0	0	0	0	0
E8 Total granted or otherwise available in part	2	0	1	0	3	0

Note: The figures in E8 should correspond to those in C2.

SECTION F – REFUSED FOI APPLICATIONS

Why was access to the documents refused?	NUMBER OF <u>REFUSED</u> FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
F1 Exempt	1	0	2	2	3	2
F2 Deemed refused	0	0	2	3	2	3
F3 Total refused	1	0	4	5	5	5

Note: The figures in F3 should correspond with those in C3.

SECTION G – EXEMPT DOCUMENTS

Why were the documents classified as exempt?	NUMBER OF FOI APPLICATIONS (REFUSED OR ACCESS GRANTED OR OTHERWISE AVAILABLE IN PART ONLY)					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
Restricted documents: G1 Cabinet documents (Clause 1)	0	0	0	0	0	0
G2 Executive Council documents (Clause 2)	0	0	0	0	0	0
G3 Documents affecting law enforcement and public safety (Clause 4)	0	0	0	0	0	0
G4 Documents affecting counter terrorism measures (Clause 4A)	0	0	0	0	0	0
Documents requiring consultation: G5 Documents affecting intergovernmental relations (Clause 5)	0	0	0	0	0	0
G6 Documents affecting personal affairs (Clause 6)	1	0	1	0	2	0
G7 Documents affecting business affairs (Clause 7)	0	0	1	1	1	1
G8 Documents affecting the conduct of research (Clause 8)	0	0	0	0	0	0
Documents otherwise exempt: G9 Schedule 2 exempt agency	0	0	0	0	0	0
G10 Documents containing information confidential to Olympic Committees (Clause 22)	0	0	0	0	0	0
G11 Documents relating to threatened species, Aboriginal objects or Aboriginal places	0	0	0	0	0	0

(Clause 23)						
G12 Documents relating to threatened species conservation (Clause 24)	0	0	0	0	0	0
G13 Plans of management containing information of Aboriginal significance (Clause 25)	0	0	0	0	0	0

G14 Private documents in public library collections (Clause 19)	0	0	0	0	0	0
G15 Documents relating to judicial functions (Clause 11)	0	0	0	0	0	0
G16 Documents subject to contempt (Clause 17)	0	0	0	0	0	0
G17 Documents arising out of companies and securities legislation (Clause 18)	0	0	0	0	0	0
G18 Exempt documents under interstate FOI Legislation (Clause 21)	0	0	0	0	0	0
G19 Documents subject to legal professional privilege (Clause 10)	1	0	0	0	1	0
G20 Documents containing confidential material (Clause 13)	1	0	1	1	2	1
G21 Documents subject to secrecy provisions (Clause 12)	0	0	0	0	0	0
G22 Documents affecting the economy of the State (Clause 14)	0	0	0	0	0	0
G23 Documents affecting financial or property Interests of the State or an agency (Clause 15)	0	0	0	0	0	0
G24 Documents concerning operations of agencies (Clause 16)	0	0	0	0	0	0
G25 Internal working documents (Clause 9)	0	0	0	0	0	0
G26 Other exemptions (e.g. Clauses 20, 22A and 26)	0	0	0	0	0	0
G27 Total applications including exempt documents	3	0	3	2	6	2

Note: Where more than one exemption applies to a request select the exemption category first occurring in the above table. The figures in G27 should correspond to the sum of the figures in C2 and F1.

SECTION H – MINISTERIAL CERTIFICATES (S.59)

Nil

SECTION I – FORMAL CONSULTATIONS

How many formal consultations were conducted?	NUMBER	
	2008-09	2009-10
I1 Number of applications requiring formal consultation	0	2
I2 Number of persons formally consulted	0	2

Note: Include all formal offers to consult issued irrespective of whether a response was received.

SECTION J – AMENDMENT OF PERSONAL RECORDS

Nil

SECTION K – NOTATION OF PERSONAL RECORDS

Nil

SECTION L – FEES AND COSTS

What fees were assessed and received for FOI applications processed (excluding applications transferred out)?	ASSESSED COSTS		FEES RECEIVED	
	2008-09	2009-10	2008-09	2009-10
L1 All completed applications	\$1200	\$1000	\$690	\$245

SECTION M – FEE DISCOUNTS

How many fee waivers or discounts were allowed and why?	NUMBER OF FOI APPLICATIONS (WHERE FEES WERE WAIVED OR DISCOUNTED)					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
M1 Processing fees waived in full	0	0	0	0	0	0
M2 Public interest discounts	0	0	0	0	0	0
M3 Financial hardship discounts – pensioner or child	1	1	2	1	3	2
M4 Financial hardship discounts – non profit organisation	0	0	1	0	1	0
M5 Total	1	1	3	1	4	2

SECTION N – FEE REFUNDS

Nil

SECTION O – DAYS TAKEN TO COMPLETE REQUEST

How long did it take to process completed applications? (Note: calendar days)	NUMBER OF <u>COMPLETED</u> FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
O1 0-21 days – statutory determination period	2	1	4	5	6	6
O2 22-35 days – extended statutory determination period for consultation or retrieval of archived records (S.59B)	1	0	2	1	3	1
O3 Over 21 days – deemed refusal where no extended determination period applies	0	0	3	3	3	3
O4 Over 35 days – deemed refusal where extended determination period applies	0	0	0	0	0	0
O5 Total	3	1	9	9	12	10

Note: Figures in O5 should correspond to figures in A4.

SECTION P – PROCESSING TIME: HOURS

How long did it take to process completed applications?	NUMBER OF <u>COMPLETED</u> FOI APPLICATIONS					
	PERSONAL		OTHER		TOTAL	
	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10
P1 0-10 hours	3	1	8	9	11	10
P2 11-20 hours	0	0	1	0	1	0
P3 21-40 hours	0	0	0	0	0	0
P4 Over 40 hours	0	0	0	0	0	0
P5 Total	3	1	9	9	12	10

Note: Figures in P5 should correspond to figures in A4.

SECTION Q – NUMBER OF REVIEWS

How many reviews were finalised?	NUMBER OF COMPLETED REVIEWS	
	2008-09	2009-10
Q1 Internal reviews	0	1
Q2 Ombudsman reviews	0	0
Q3 ADT reviews	0	0

SECTION R – RESULTS OF INTERNAL REVIEWS

What were the results of internal reviews finalised?

GROUNDS ON WHICH THE INTERNAL REVIEW WAS REQUESTED	NUMBER OF INTERNAL REVIEWS					
	PERSONAL		OTHER		TOTAL	
	Original Agency Decision Upheld	Original Agency Decision Varied	Original Agency Decision Upheld	Original Agency Decision Varied	Original Agency Decision Upheld	Original Agency Decision Varied
R1 Access refused	0	0	1	0	1	0
R2 Access deferred	0	0	0	0	0	0
R3 Exempt matter deleted from documents	0	0	0	0	0	0
R4 Unreasonable charges	0	0	0	0	0	0
R5 Failure to consult with third parties	0	0	0	0	0	0
R6 Third parties views disregarded	0	0	0	0	0	0
R7 Amendment of personal records refused	0	0	0	0	0	0
R8 Total	0	0	1	0	1	0

Statement of action taken by the council in complying with the requirements of the PPIP Act (check consistent with privacy management plan) ^{s33}

http://www.kempsey.nsw.gov.au/pdfs/ksc_privmgmntplan_july2005.pdf

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

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

nil

Particulars of compliance with and effect of planning agreements in force during the year. ^{s93G(5)}

Nil