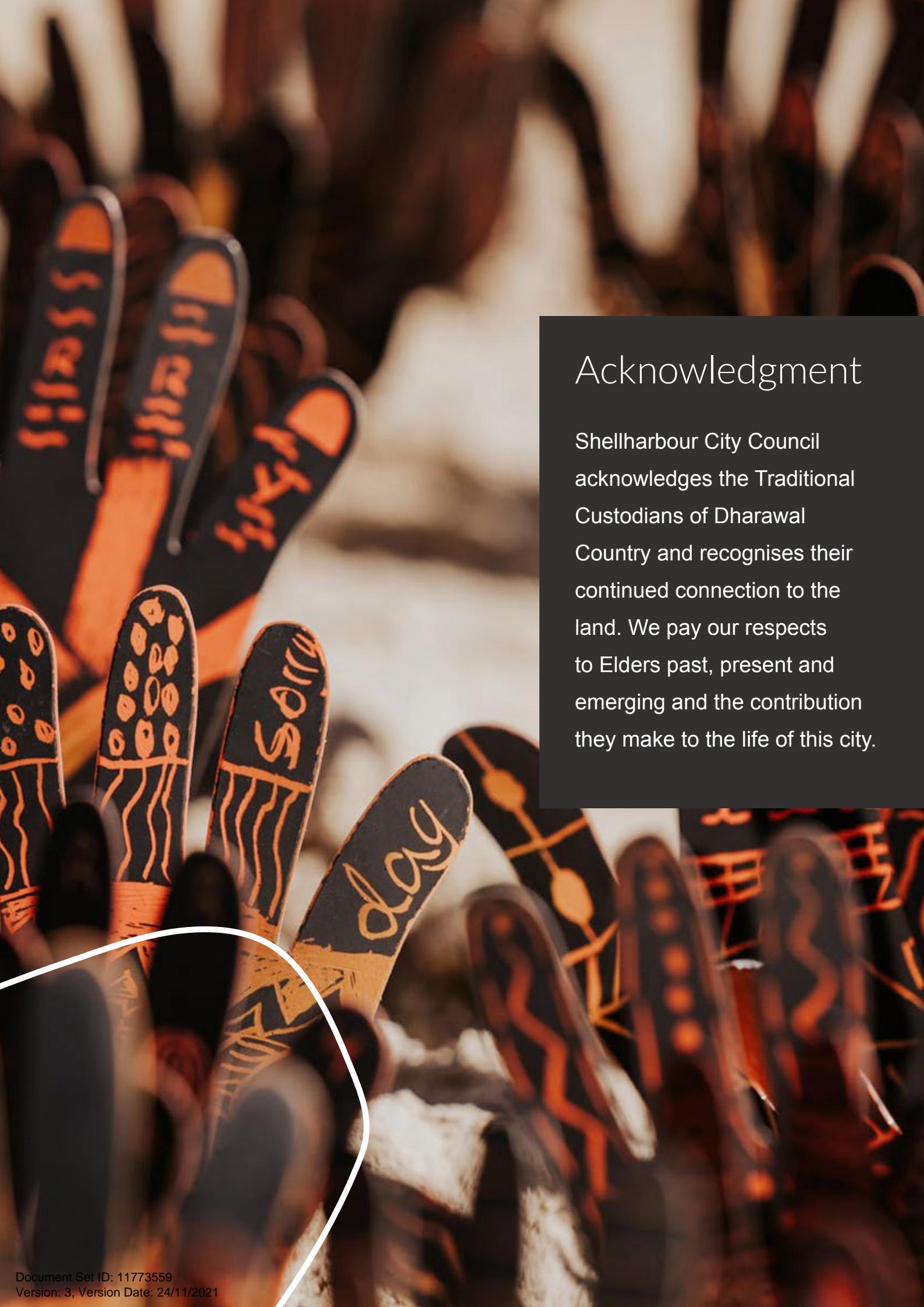




ANNUAL REPORT 2020 / 2021



Acknowledgment

Shellharbour City Council acknowledges the Traditional Custodians of Dharawal Country and recognises their continued connection to the land. We pay our respects to Elders past, present and emerging and the contribution they make to the life of this city.

Contents

About this report	4	STATUTORY REPORTING	80
Chief Executive Officer's message	5	Companion Animals Act	81
		Swimming Pool Inspections	83
		Carers Recognition	83
WHO WE ARE			
Our Local Government Area	6	Disability Inclusion	84
Our place, Our people	7	Financial Assistance	85
Our Council	10	Written off Rates and Charges	89
Our Organisation	11	Planning Agreements	90
Our Employees	12	Environmental Upgrade Agreement	90
Our Values and Vision	13	Fisheries Management	90
Our 4C's	14	Stormwater Management Services	91
		Special Rate Variation Expenditure	92
		Assets acquired by Council	
YEAR IN REVIEW			
Events	16	during 2020/21	93
Community Engagement	18	Contracts Awarded	96
Awards & Recognition	19	Condition of Public Works	98
Key Financial Results	20	Equal Employment Opportunity	
Key Performance Results	21	Management Plan	99
		Councillor Costs	100
OUR ACHIEVEMENTS	22	Overseas Visits	100
Community	23	Senior Staff Remuneration	101
Environment	40	External Bodies, Companies	
Economy	58	and Partnerships	101
Leadership	67	Summary of Legal Proceedings	102
		Obligations under the Government	103
		Information (Public Access)	
		Act 2009 (GIPA Act)	
		Public Interest Disclosures (PID)	109

ANNEXURE A - Audited Financial Statements

ANNEXURE B - End of Term Report 2017-2021

About this report

This annual report provides an overview of Shellharbour City Council's operational and financial performance during the period 1 July 2020 to 30 June 2021. In particular, this report focuses on Council's work and achievements in implementing the strategies detailed in our four year *Delivery Program 2018-2022*. These strategies and actions are developed by Council in response to the expectations of the community (resulting from extensive community engagement) expressed as objectives in our ten year *Community Strategic Plan (CSP) 2018-2028*. These objectives are summarised into four focus areas reflecting the priorities of the local community – Community, Environment, Economy and Leadership. In summary, the strategies are how Council will achieve what the community needs and wants.

This report also contains statutory reporting as prescribed by the Local Government Act 1993 and Local Government (General) Regulation 2005 as well as other legislation for which Council is required to report annually. The statutory reporting includes audited financial reports providing details of Council's financial performance for the year.

More information about our Integrated Planning and Reporting framework including current as well as past plans and reports, is available on Council's website www.shellharbour.nsw.gov.au/council/news-and-publications





Chief Executive Officer's message

The 2020/21 Annual Report highlights Shellharbour City Council's achievements and continued delivery of new and renewed assets, infrastructure and services, while ensuring the financial sustainability of the Council.

I am proud of the way Shellharbour City has responded to the COVID-19 pandemic. Together, we have been showing patience and resilience.

Council's indoor staff continued providing the same services to our community and customers, albeit delivered in a different way, while our outdoor workforce kept our recreation spaces and infrastructure safe and well maintained. Our aim was to continue to deliver benefits for the Community and our Customers and I'm very pleased with the extent to which we have managed to achieve just that.

The 2020/21 financial result saw Council achieve all nine of the Office of Local Government's performance indicators. These excellent results once again demonstrate that Council's financial strategies and long-term plans are sound. Despite the challenges presented by COVID-19, Council achieved a strong net operating result again in 2020/21. A surplus of operational funds can be used to provide services to the community in line with Council's ten-year long-term financial plan. This financial year concluded with another COVID-19 lockdown creating financial challenges for our residential and business communities. Council responded by providing a new financial relief package which included the deferral and waiving of rents for several Council tenants during the lockdown period, and the waiving of interest charges on outstanding rates until 31 December 2021.

Council provided innovative COVID-safe programs to support residents, local business and the creative community. Oak Flats Library received a major refurbishment including a new mural, while the 'Library at Home' initiative continued to provide online programs and services. Council's 'PosARTivity Project' streamed art projects and performances. Mural festivals and public art projects resulted in 14 new murals in various locations around the city, including the new Shellharbour City Airport passenger terminal. Council also commissioned two new sculptures as part of the Illawarra Art Trail, bringing the total number to eight.

It was a stellar year for the delivery of capital works, with more than 100 capital projects and a final expenditure of 30.12M, a 2% improvement on the previous year. A final renewal expenditure of \$13.9M was also achieved, which meets Council's requirement of 100% offsetting our annual infrastructure depreciation. Significant capital projects included the new Shellharbour Airport passenger terminal and runway upgrades, renewed and upgraded play equipment in Flinders, Albion Park and Albion Park Rails and new shared path links Veronica Street Warilla, Albion Oval, Wattle Road Shellharbour, Darcy Dunster Reserve/Princes Highway and Ski Way Park.

Other major works included the leachate treatment plant at the Dunmore Recycling & Waste Disposal Depot, renewal and reconfiguration of the Mary Street Shellharbour car park, construction of a mini golf facility and building extension at The Links Shell Cove, and the renewal of Reddall Reserve Boat Ramp. Council also made modifications to Blackbutt Dam and Harrison Park Pond to improve safety and water quality and built public amenities at Albion Park Showground, Captain Cook Park, Barrack Heights Sportsfield and Rotary Park.

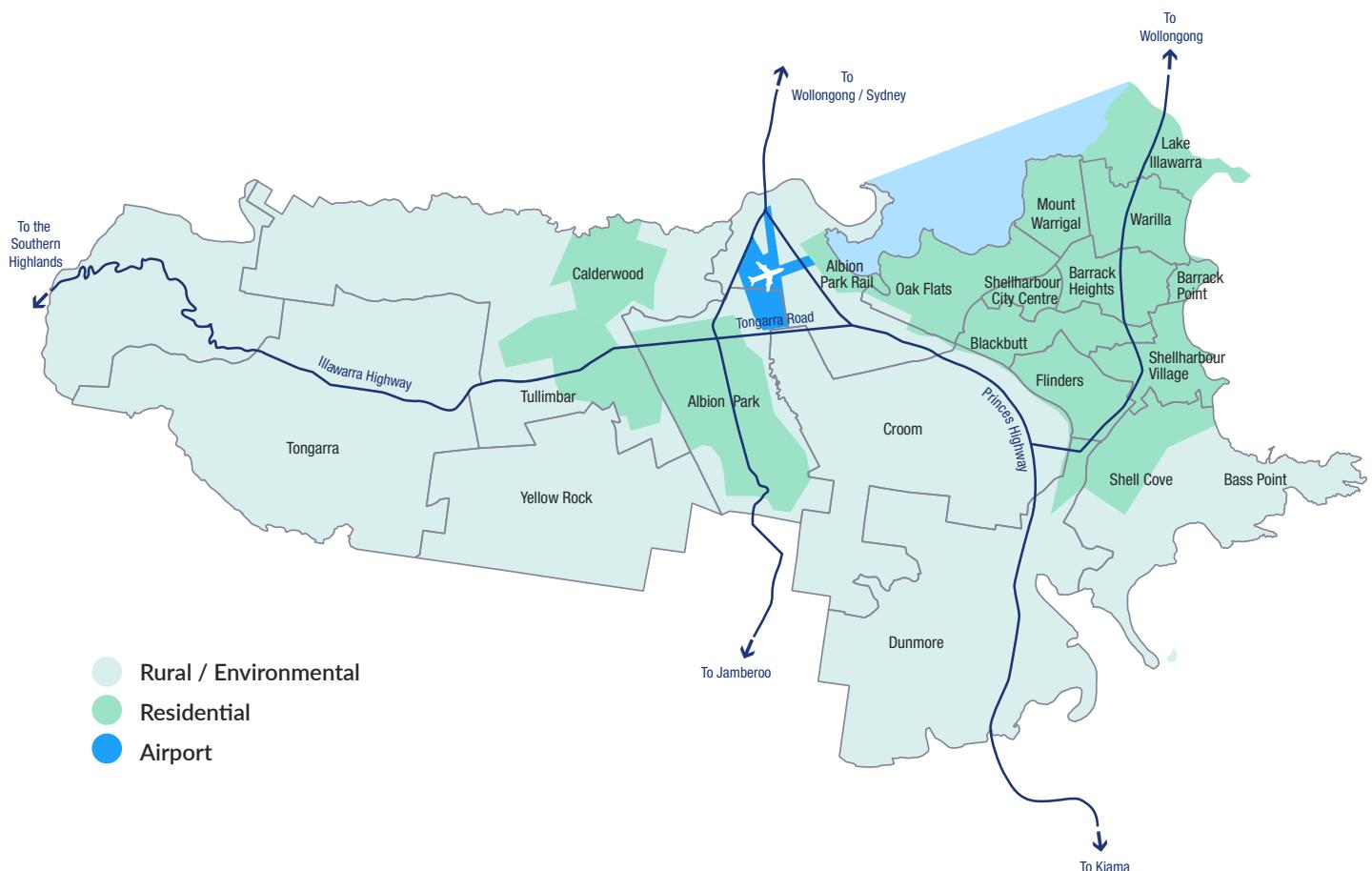
The Waterfront Shell Cove Project marked a major milestone with the opening of the Shell Cove Harbour to the Tasman Sea. The first boats are expected to enter the marina before the end of 2021, with the public able to access the promenade and restaurant precinct. Another significant project supporting Council's tourism and economic strategy was a \$20.35M upgrade to the passenger and commercial offerings at Shellharbour Airport. This included completion of a world class regional passenger terminal and upgrades to runways and car parking. Construction of an aviation business park is underway. Further supporting tourism is the continued development of the Shellharbour Beachside Holiday Park, with the installation of new cabins and NRMA branding to grow visitation to the city.

Shellharbour City Council is well positioned to continue its delivery of important infrastructure and services to the community. I thank the Community, the Councillors, our Customers and Council staff for their support and look forward to the opportunities next year will bring.

Carey McIntyre
Chief Executive Officer
Shellharbour City Council

Who we are

Our Local Government Area



Who we are Our place, Our people

Shellharbour City is an expanding urban area with significant rural areas and some industrial and commercial land uses. The City encompasses a total land area of about 147 square kilometres, including beaches, rivers, National and State parks and other significant parklands. The original inhabitants of the Shellharbour area are the Wodi Wodi tribe of the Thurawal Aboriginal people. The main urban centres are Shellharbour City Centre, Shellharbour Village, Albion Park, Warilla and Oak Flats. Most of the rural areas are in the south and west, with rural land used mainly for dairy farming and grazing.

During the 1990s, growth took place particularly in the eastern areas of the City, around the suburbs of Warilla, Mount Warrigal, Barrack Point and Barrack Heights, however, within the last ten years, growth has been greatest in the new release areas of Calderwood, Tullimbar and Shell Cove.

It is expected that population changes in the future will be influenced by two key factors. The older established suburbs such as Warilla and Oak Flats will undergo a new cycle of population growth and change as older persons leave their homes and make their way for younger households, including families. Meanwhile, development will continue within Shell Cove (particularly the Marina Precinct), Tullimbar, Calderwood and parts of Shellharbour City Centre.



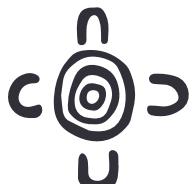
ESTIMATED
2020 RESIDENT
POPULATION

74,622

Who we are



90%
of residents are Australian citizens (NSW 82.7%)



3.8%
of residents are Indigenous Australians (NSW 2.9%)



16.7%
of residents are were born overseas (NSW 27.6%)



10.3%
were from non-English speaking backgrounds (NSW 25.1%)

METHOD OF TRAVEL TO WORK



	Car as driver	Car as passenger	Worked at home	Train	Walked	Bus
Shellharbour NSW	73.5% 57.8%	4.9% 4.3%	2.8% 4.8%	2.1% 11.2%	1.3% 3.9%	0.9% 4.4%

HIGHEST LEVEL OF SCHOOLING



	Year 10	Year 12	TAFE	University
Shellharbour NSW	34.1% 21.6%	34.7% 52.1%	2.1% 1.9%	2.8% 5.0%



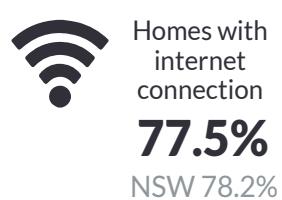
18.5%

of residents are low income households (NSW 17.8%)



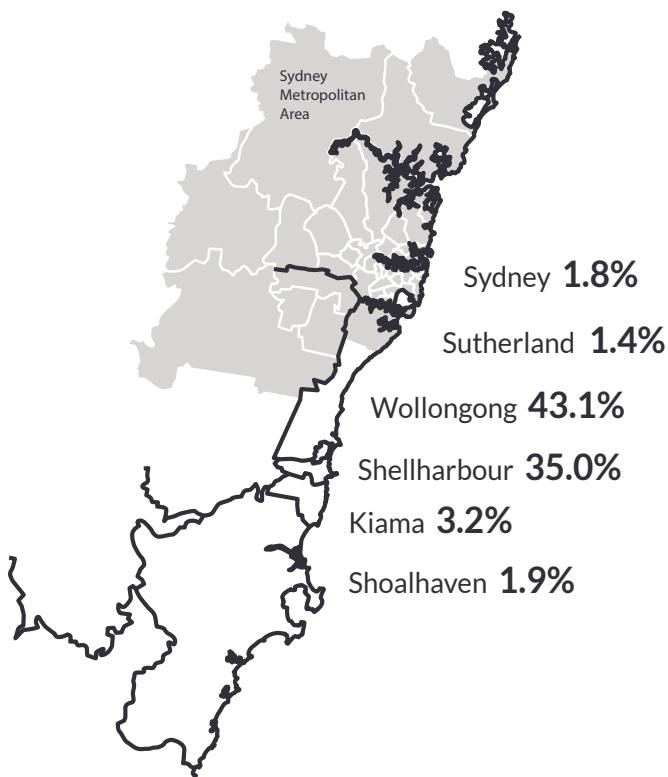
976

Index of relative socio-economic disadvantage (NSW 1,001%)



Source: Australian Bureau of Statistics Census 2016 (using .id Profile)

WHERE OUR RESIDENTS WORK BY LGA



TOP 5 INDUSTRY SECTORS FOR LOCAL JOBS

		Jobs	%
	Health Care & Social Assistance Shellharbour NSW	4,289	14.5% 12.5%
	Retail Trade Shellharbour NSW	3,634	12.3% 9.7%
	Construction Shellharbour NSW	3,300	11.1% 8.4%
	Education & Training Shellharbour NSW	2,295	7.8% 8.4%
	Accommodation & Food Services Shellharbour NSW	2,119	7.2% 7.1%

FAMILY STRUCTURE

	Couples with children	34.1% 31.5%		Couples without children	25.2% 24.2%
	One parent families	13.9% 10.7%		Lone person household	19.6% 22.4%

AGE GROUPS

	Shellharbour	NSW
(0 to 11) Babies, pre-school, Primary schoolers	15.8%	15.0%
(12 to 24) Secondary schoolers, Tertiary education and independence	17.1%	16.1%
(25 to 59) Young workforce Parents and homebuilders Older workers & pre-retirees	44.5%	47.1%
(60 to 85+) Empty nesters & retirees Seniors Elderly aged	22.5%	21.9%

Source: Australian Bureau of Statistics Census 2016 (using .id Profile)

Who we are

Our Council

Shellharbour City Council comprises six elected members who represent the community.



Cr Marianne Saliba
Mayor



Cr John Murray
Deputy Mayor



Cr Kellie Marsh



Cr Moira Hamilton



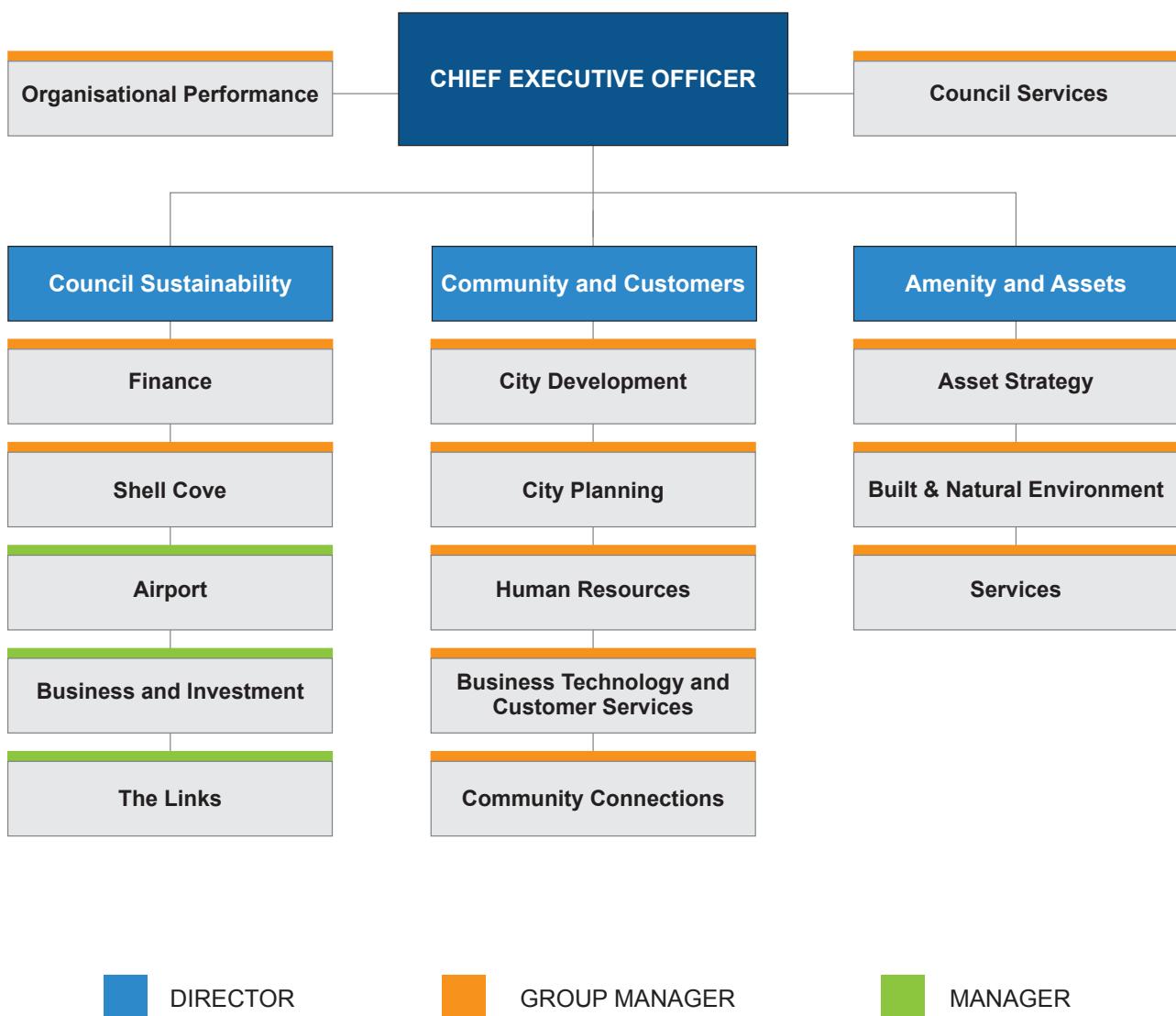
Cr Peter Moran



Cr Rob Petreski

Who we are

Our Organisation



Who we are Our Employees



57.53%
of employees
live locally in
Shellharbour LGA

428
Permanent/temp
employees



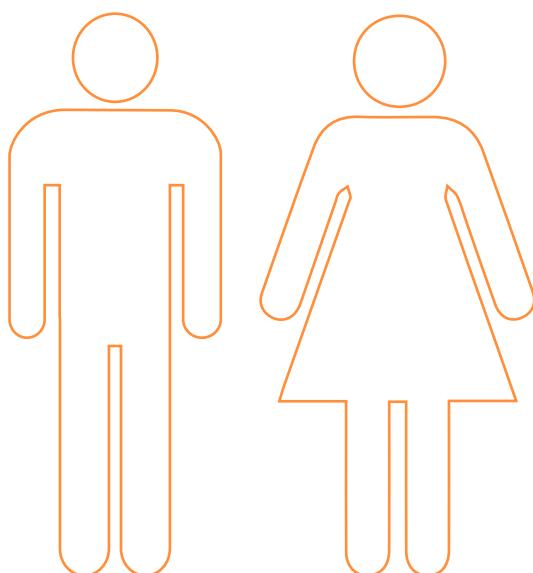
89%
(381)
Permanent

10.98%
(47)
Temporary

Full time **81%**
(348)



Part time **19%**
(80)



55%
Male (234)

45%
Female (194)



Baby boomers
(1946 to 1964)

15.42%

Generation X
(1965 to 1976)

43.22%

Generation Y
(1977 to 1995)

34.35%

Generation Z
(1996 and later)

7.01%

Gender breakdown in management roles

Executive (CEO + Directors)

Senior (group managers)

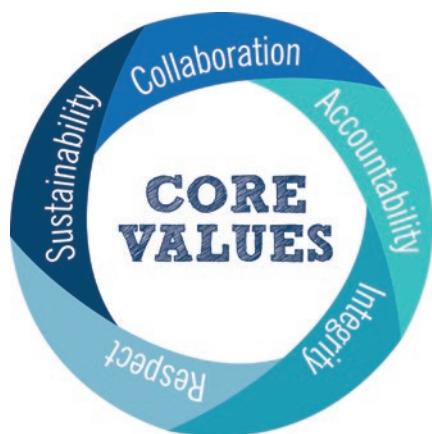
Middle (managers)

Supervisory (incl team leaders)



Staff turnover rate (based on permanent staff only) **8.54%**

Who we are Our Values, Our Vision



VISION

Inspiring Enabling
People Growth

Shellharbour City Council's Core Values provide the foundation for our organisational culture and the way in which we interact with, and provide services to, our Community, Councillors, Customers and Council.

This includes guiding the way in which we deliver the strategies and actions outlined in this document.

Our organisational vision – Inspiring People, Enabling Growth provides staff with an aspirational statement about Council's future that connects to these Core Values and are used as a tool in decision making and planning for the future.

Who we are Our 4C's

The Community Strategic Plan (CSP) seeks to provide benefits to four key stakeholders - Community, Councillors, Customers and the Council (the 4C's). Everything Council does and the actions we take to is to the benefit of one or more of the 4C's.

Community

The organisation is communities focused in all that it does.

OBJECTIVES	OUTCOMES
<ul style="list-style-type: none">• To be communities focused in our strategic planning via the Community Strategic Plan.• To be responsive to the needs of communities when allocating resources via the Long Term Financial Plan, Delivery Programs and Operational Plan.• To engage and build relationships in a way that responds to the needs of communities.	<ul style="list-style-type: none">• Our communities see the organisation as relevant• Our communities feel listened to by the organisation• Our communities feel empowered and enabled by the efforts of the organisation

Councillors

The organisation is Councillors focused and helps elected representatives to do their work

OBJECTIVES	OUTCOMES
<ul style="list-style-type: none">• To listen to Councillors and understand their needs and aspirations• To appreciate the work they do on behalf of communities• To provide Councillors with all the assistance the organisation can• To help Councillors connect with their stakeholders	<ul style="list-style-type: none">• Councillors are able to rely upon the organisation and its staff• Councillors work outcomes are improved by the efforts of the organisation and its staff• The work of Councillors is not unnecessarily limited• The relationship between Councillors and staff is strong• Councillors feel respected and listened to

Customers

The organisation is focused on its customers and the success of the transactions and interactions it undertakes with them

OBJECTIVES

- To provide a positive experience to customers where we can (all customers – including our colleagues)
- To truly listen to our customers and be responsive and adaptable to their needs.
- To be agile and able to respond to change on behalf of the customer.
- To be relevant to our customers
- To be empathetic to our customers
- To provide customers with all the assistance the organisation can

OUTCOMES

- Customers are able to be confident in the work of the organisation and its staff.
- Customer outcomes are benefited by the efforts of the organisation and its staff.
- Council value-adds for the customer
- The relationship between Council and its customers is good
- Customers feel respected and listened to
- Customers would come back – even if they didn't have to
- Customers have a range of ways to engage, including social media and push-data technology

Council

The organisation is sustainable

OBJECTIVES

- To ensure our financial management achieves the goals it seeks to reach
- To ensure our asset maintenance, renewal and growth is responsible, planned and paid for
- To ensure our finance and asset management are community, customer and Councillor responsive
- To be seen as an environmental leader by our communities
- To be accountable for our actions and advice

OUTCOMES

- Council is seen as Fit for the Future, not just by the Office of Local Government, but also our Councillors, our communities and our customers
- Our assets are managed within our financial means
- Our financial means are protected and are grown
- The impact we have on the environment is minimised and mitigated
- The organisation's resource management is able to be respected

Year in review Events 2020

July

- NAIDOC Week
- NAIDOC Community Event
- Illawarra Regional NAIDOC Awards
 - Live n Local in the Village
 - The PosARTivity Project

August

- Illawarra Academy of sport Civic Reception
- ENLIVE'N: A Live n Local Event & ART Series

September

- ENLIVE'N: A Live n Local Event & ART Series

October

- ENLIVE'N: A Live n Local Event & ART Series
- Connecting over fair food

November

- ENLIVE'N: A Live n Local Event & ART Series
 - Shellharbour City Youth Festival
- Surf n Skate Festival Shellharbour: Art Exhibition

December

- Shellharbour City Youth Festival
- House of Letters
- The Enchanted Forest
- Inflatable fun at our Pools
- Live on the Lawn Series

Year in review

Events 2021

January

- Pool Open Days
- Slide into Summer
- Australia Day Awards Dinner
- Australia Day Citizenship Ceremony
- Australia Day Mural Festival
- Live on the Lawn Series

March

- International Women's Day Breakfast
 - Clean up Australia Day
 - OMG Outrageous Mini Games
 - Cultural Treasures

May

- Mini Golf Opening
- Good Neighbour Awards
- Cities Service Boston Memorial Event
- Volunteers Appreciation Movie Night
 - Reconciliation School Flag Walk
 - The Creative Series

February

- Shellharbour Airport Passenger Terminal Launch
- Live on the Lawn Series

April

- Civic Centre Market
- Seniors Festival
- ANZAC Day
- Party by the Pond
- Live on the Lawn – Youth Edition
- School Holiday activities
- Healthy Hearts, Healthy Minds: bootcamp for kids
- BioBlitz at Blackbutt Forest
- Landcare Illawarra Planting Day

June

- Masha & Sako in Concert
- The Creative Series
- Lino Printing
- Imagine Workshops
- Macareme with Mary Maker
- EVOLVE program
- Nooky, Scraps + Dmac - Blak Out @ Blackbutt Youth Centre

Year in review

Community Engagement

Online engagement



29,449 visits **86** projects **857** followers

Top visited projects

- Reddall Reserve Master Plan in Action
- Playground renewals and upgrades
- What's new in our Libraries
- Tripoli Way Extension Project
- Changes to Gross Floor Calculations

Social media engagement



grew to
15,500
followers



grew to
3,245
followers

Highest reach/engagement posts



24 December 2020
McDonald Park playground completion

Reach: **26,209** Engagement: **5,987**

22 April 2021
Mini Golf Project Update

Reach: **33,680** Engagement: **7,804**

(reactions, comments,
shares & clicks)

Year in review

Awards and Recognition



We Do Magic Award

The Illawarra Interagency won a Community Industry Group's We Do Magic Award, which celebrates extraordinary achievement and contribution of individuals and organisations to their communities. The Interagency received the Transformation and Reinvention award in the Small Team category for how they adapted to recent crisis and how they used an innovative online approach to engage and grow their member base.

Year in review

Key Financial Results

Total Expenditure

2020/21 | **\$ 129.361 M**

2019/20 | \$ 113.608 M

2018/19 | \$127.708 M

2017/18 | \$112.428 M

Total Capital Spend

2020/21 | **\$ 30.117M**

2019/20 | \$ 34.883 M

2018/19 | \$16.754 M

2017/18 | \$38.760 M

Net Operating Result

2020/21 | **\$ 81.229 M**

2019/20 | \$ 70.342 M

2018/19 | \$70.895 M

2017/18 | \$48.967 M

Income breakdown \$'000

	Rates & annual charges	User fees & charges	Interest & investment revenues	Other revenues	Operating grants & contributions	Capital grants & contributions	Other income
2020/21	\$ 66,747	\$ 18,809	\$ 2,016	\$ 51,559	\$ 8,831	\$ 60,943	\$ 1,685

Expenses breakdown in focus areas \$'000

	Community	Environment	Economy	Leadership
2020/21	\$ 22,464	\$ 26,653	\$ 58,849	\$ 21,395

A further breakdown of expenses with reference to the Special Rate Variation and capital works is provided in the *Statutory Reporting* section of this report.

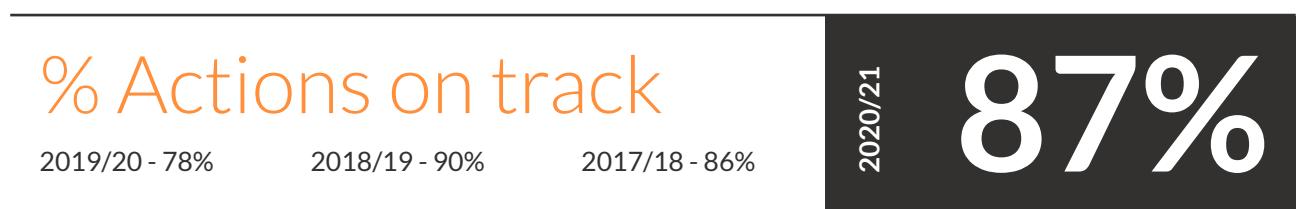
Year in review

Key Performance Results

In addition to the Community Strategic Plan **objectives** and Delivery Program **strategies** on which this report focuses, Council also monitors its progress against the **actions** identified in its annual Operational Plan throughout each financial year.

In our 2020-2021 Operational Plan 138 actions were tracked and reported on a quarterly basis in Council's *Quarter Review of the Operation Plan*. All four reports are available on Council's website.

Following is a progress summary of the 138 actions as at 30 June 2020. **On track** indicates actions that were completed, or were on schedule to be completed by end of the financial year. **Off track** indicates actions that experienced delays due to various factors described in the aforementioned reports.



Total
Performance
Progress (%)



Our Achievements 2020/21

In this section of the Annual Report, Council's performance is outlined in more detail focusing on outcomes achieved against each **strategy** listed in our Delivery Program 2018 – 2022 taking into account the results of our Operational Plan 2020 – 2021.

This information is categorised into the four focus areas of **Community, Environment, Economy and Leadership** with the following details provided:

- Summary of key facts for each focus area
- Achievements and/or progress against each strategy including a financial results breakdown and a percentage indicator of total performance met
- Highlights showcasing key achievements





Community

Our objectives & strategies

1.1 Vibrant, safe, creative and inclusive

- 1.1.1 Deliver and promote events and activities for our community
 - 1.1.3 Keep Shellharbour a friendly environment where people feel safe
 - 1.1.4 Provide a liveable community that is accessible and inclusive
 - 1.1.5 Nurture a creative community participating in arts and cultural activities
 - 1.1.6 Provide responsive community services and programs across the City
 - 1.1.7 Provide dynamic and responsive library and museum services
-

1.2 Active and healthy

- 1.2.1 Provide access to services and facilities where people can live, learn and play
 - 1.2.2 Provide diverse opportunities for sport, recreation and enjoyment in the City's parks, open spaces and facilities
-

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.1

Deliver and promote events and activities for our community

Council facilitated numerous civic events, community-led activities and open days that encourage and support residents to gather and celebrate. This included many new events in response to COVID-19 and the need to cancel our traditional events. Highlights over the past 12 months include: ANZAC Day and City Services Boston Memorial, Australia Day, Enchanted Forest, International Women's Day, Enliven, The House of Letters, Pool Open Days, Youth Week and Seniors Week.

'The House of Letters' activation was a new initiative that ran from 14-19 December. Participants were encouraged to stop and hand-write a letter to anyone of their choosing and, in the spirit of the year, participants also wrote letters to Santa. This immersive installation was part 'Kindness Pandemic', part visual art and a lot of personal reflection - providing a much needed 'moment' at the end of what has clearly been one of the most difficult years in our lifetime. Council sent approximately 30 international letters to countries such as Japan and Mexico, as well as over 70 letters to Australian residents across the country.

International Women's Day (IWD) was celebrated all over the world, with Shellharbour City Council designing their event as a point of difference for the region. Most IWD events are either targeted at Senior Business leaders in the workforce or are ticketed at a price point where young women are mostly excluded. For our event we saw over 100 people attend, majority 25 years and under from 10 Local High Schools as well as other agencies such as Illawarra Academy of Sport and Community groups. The event followed a Question and Answer style panel with questions from the audience giving them a chance to interact, be inspired and discuss issues relevant to women in 2021 with local leaders, educators and role models

For ANZAC Day, Council introduced a successful live-stream component which was shared on our Facebook page. WIN News gained permission to stream the event across their social media platforms on the day and it was also used for news broadcast.

Operational Income

\$87K

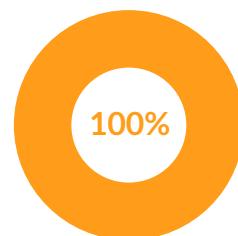
Operational Expense

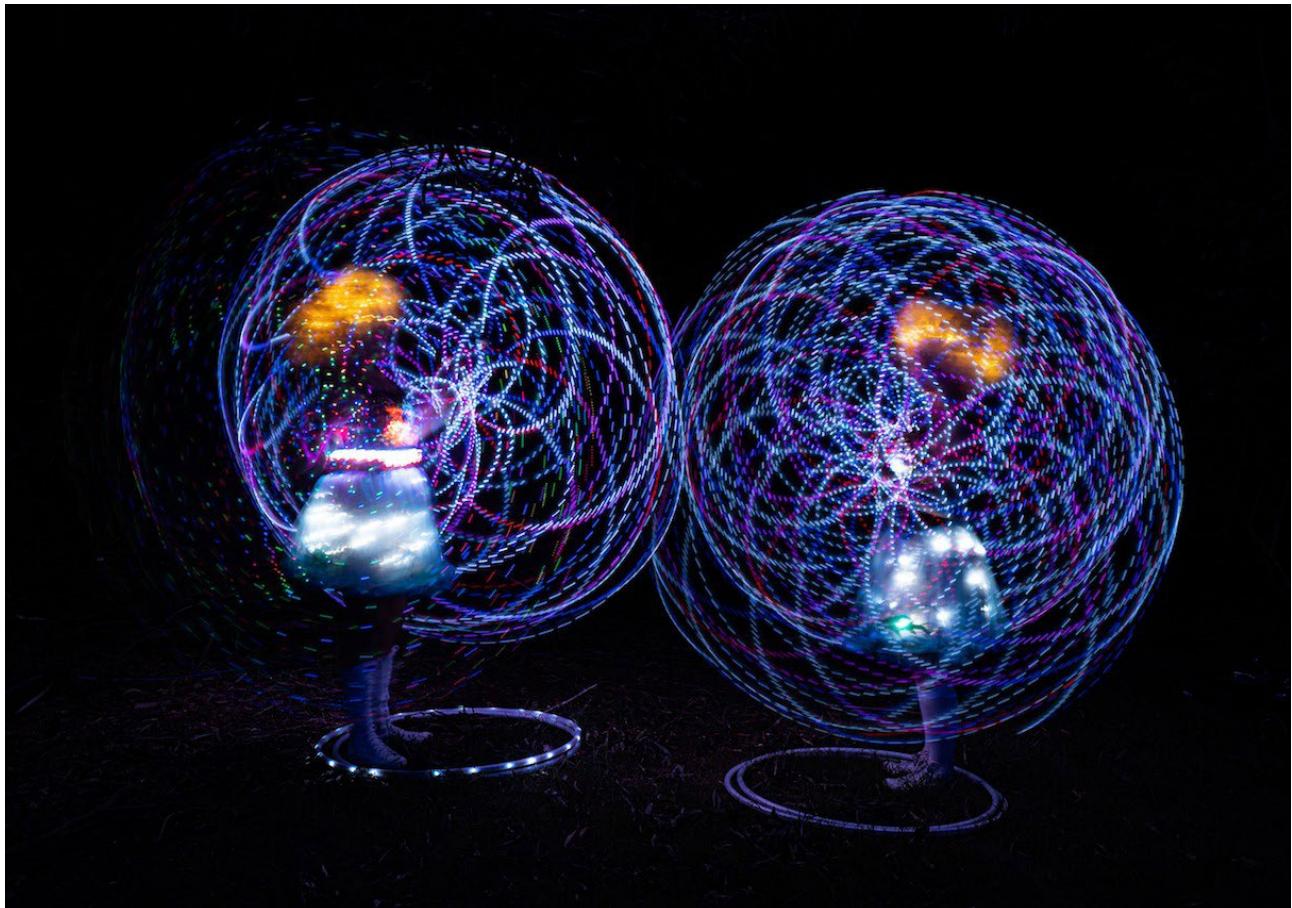
\$852K

Capital Spend

-

Total performance progress met





Enchanted Forest

Christmas 2020 saw the launch of The Enchanted Forest - a night time light walk through the beautiful Blackbutt Forest Reserve. With dazzling visuals and innovative design set against an original music score, patrons explored the stunning setting of Blackbutt Forest with the theme of 'Christmas Through the Looking Glass'. Using the forest as a natural backdrop, patrons experienced a show that was, quite simply, out of this world. The Enchanted Forest, held from 10 - 15 December, sold out in record time and received overwhelmingly positive feedback from the Community.

Enliven

Council developed and implemented the new 'Enliven' series. Enliven is a series of diverse art programs, live music and immersive creative learning experiences developed to 'Enliven' Shellharbour after the recent lockdown period. The program celebrates and showcases local artists, musicians, makers and producers across the region and has proven a successful series with sell-out workshops at The Imaginarium including Macrame Mandalas, French Knot Cartography, Resin your own Cheeseboard and Paint n' Sip. Enliven also includes a self-guided virtual art marathon 'Live n Look for Art' which the community can access on their mobile devices through the Tread Shellharbour mobile application. Enliven has been designed as a COVID-19-safe program with each event to be delivered at reduced capacity, within prevailing government guidelines.

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.3

Keep Shellharbour a friendly environment where people feel safe

Council implemented a range of community safety and crime prevention initiatives in accordance with the Community Safety Strategy, Crime Prevention Plan Domestic Violence Management Plan, Graffiti Management Plan, Compliance and Enforcement Policy and the Companion Animals Act.

Shellharbour celebrated the 20th anniversary of the Good Neighbour Awards which honoured both 2020 and 2021 Good Neighbour nominations and children's drawing entries. The awards ceremony also celebrated the new category of Street of the Year.

Shellharbour City Council and Lake Illawarra Police District delivered monthly community safety pop-up meetings in Shell Cove, Oak Flats and Mount Warrigal to engage and respond to community concerns regarding safety and anti-social behaviour.

Council worked in partnership with Illawarra Committee Against Domestic Violence to deliver the first domestic violence forum with a panel of guest speakers to discuss issues affecting the community.

Council undertook over 2,792 patrols in relation to Companion Animals. These patrols provide a strong presence in the community and result in addressing issues ranging from barking, roaming unregistered dogs and dog attacks. Due to COVID-19 Council was not able to hold its regular face to face education programs however a number of educative and informative messages have been published on Council's website and social media platforms, to ensure the community is kept aware of legislative changes and to serve as a reminder to ensure responsible pet ownership. Covid-19 has brought about some positive elements to Companion Animals, in that, with the high number of people working from home the return of seized animals to their owners spiked to 70%.

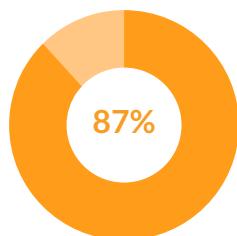
Council maintained a strong presence across illegal parking hotspots and school zones with additional patrols around problematic schools, targeting both illegal and dangerous parking.

A number of road safety programs were undertaken throughout the year including a variety of young driver focused programs such as a night time Learner Log Book Run and Helping Learner Drivers Become Safer Drivers Parent Workshop conducted via Zoom. Investigations and discussions with various local schools also took place to improve road safety management.

Council has actively pursued the development industry and has provided a flexible, efficient alternative to private certification resulting in a trending influence to return to Council for Certification and Inspection work.

Operational Income	\$1.78M
Operational Expense	\$2.318M
Capital Spend	\$18K

Total performance progress met



Percentage of seized animals reunited with their owner	Number of building inspections conducted	Number of premises inspected during the year to ensure compliance with the Public Health Act	Percentage of retail food premises considered satisfactory after initial inspection	School zone safety patrols undertaken
50.5%	1,180	200	92%	349



National Road Safety Week was celebrated by lighting up the Shellharbour Civic Centre in the colour yellow for an entire week. This was complemented with a display of a giant yellow ribbon in the Civic Centre foyer. Yellow ribbons were also handed out to local residents to signify signing the pledge to promote the initiative. Media coverage was received by WIN and Nine news

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.4

Provide a liveable community that is accessible and inclusive

The Disability Access and Inclusion Plan (The Plan) provides a framework for Council to be a more inclusive and accessible city. The Plan has four key focus areas that concentrate on attitudes and behaviours; liveable communities; meaningful employment; and systems and processes. There was a strong focus through-out the year on focus area 2 of Council's Disability Access and Inclusion Plan – Creating Accessible Communities

Community Land Plans of Management over Keith Fletcher Park, Lake Illawarra and Geoff Shaw / Keith Bond Ovals, Oak Flats were placed on public exhibition and subsequently adopted.

The Crown Land Plans of Management program continued with the preparation of the Plan for the First Council Chambers adopted 11 June 2021. Draft Plans over Hennegar Bay, Windang Island, Cowrie Island, Bevans Island and Albion Park Reserve were endorsed by Council.

Advice was provided on a range of proposals for uses over community land and their adequacy in relation to the relevant Plan of Management.

Over 50 applications were received during 2020/21 for temporary licences requesting the use of Council lands for events such as civil ceremonies, access over Council land and filming permits. A further 7 longer term leases and licences were entered in various locations across the City.

Operational Income

\$778K

Operational Expense

\$1.301M

Capital Spend

-

Total performance progress met





Celebration of Ability Short Film Festival

The 'Celebration of Ability Short Film Festival' to mark the 2020 International Day of People with Disabilities shone a spotlight on less visible disabilities in our community. The collaborative project features residents across Shellharbour and Wollongong local government areas telling their stories about the impact their less visible disabilities have on their lives. Less visible disabilities include mental illness, chronic pain or fatigue, sight or hearing impairments, diabetes, brain injuries, neurological disorders, learning differences and cognitive dysfunctions.

The stories captured in the short films show the diversity of 'invisible' disabilities. The short film festival highlighted to the community that not all disabilities are immediately apparent.

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.5

Nurture a creative community participating in arts and cultural activities

Council adopted a Public Art Strategy which outlines clear goals that have been developed based on the feedback and priorities of our community and customers, as well as best practice industry guidelines. The strategy also acts as a guide for the acquisition and management of Council's current and future public art collection.

The Public Art Advisory Panel was established as a key action from the Strategy. Membership of the panel comprises of 2 community representatives, 1 Youth representative, Councillors and Council staff. The panel advocates for public art opportunities and creative initiatives across Shellharbour City.

Council acquired 14 new public art murals between 2020 and 2021. This supported council's commitment to providing an inspiring and dynamic public art collection for the community. Particular highlights include the new mural as part of the Oak Flats Library refurbishment (Sarah McCloskey, "Future Shade" 2020), the Mural Festival (January 2021), the Extended Mural Festival (May 2021) as well as the new mural at Shellharbour City Airport Terminal (Trait, "Phoenix Rising" 2021).

In addition to murals, Council also commissioned two new sculptures as part of the Illawarra Art Trail. "Prawn Run" (by Hurricane Bestman) and "Synergy" (by Kane Minogue) are public art pieces that reflect the lake, its history and its people. The trail is now home to 8 sculptural artworks, with the 9th piece currently being commissioned and completed for 2022.

"The Imaginarium," located in the heart of the village continued to be hired for a range of creative activities including exhibitions, workshops, performances, gigs, readings, networking events and more.

Operational Income
-
Operational Expense
\$119K
Capital Spend
\$34K

Total performance progress met





Shellharbour Council Mural Festival

The inaugural Shellharbour Council Mural Festival commenced on Australia Day 2021. The mural festival was held as traditional Australia Day activities could not be held due to Covid-19. Five murals were created simultaneously across different locations within the City, by artists Claire Foxton, David Cragg, Gus Eagleton, Scott Nagy & Kirmsone and Trait. The sites included Bendigo Bank (Oak Flats), Shellharbour City Stadium, Addy's Restaurant (Shellharbour), IMB Bank Warilla and Warilla Medical Centre. The project offered a long-term investment of public art in Shellharbour City. This unique event was a great opportunity to connect art and people, celebrate heritage and history and create vibrant areas that people want to visit, live in and take care of.

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.6

Provide responsive community services and programs across the city

Council provides a number of community services and programs across the City to meet the diverse needs of the community.

Council contributes to a child friendly city in a variety of ways including coordinating the Parent Services Interagency. The interagency provides a valuable opportunity for local services to network and share information about the services they provide for families. Council proactively participated in Child Safe Principals training. This training will inform and guide Council's development of Child Safe Principals for Shellharbour City.

Council is committed to supporting young people to live, grow and play in Shellharbour. Council is actively implementing a diverse range of tasks and priorities to bring to life the Shellharbour Youth Plan. One key example is the facilitation of the Evolve Program, which is funded by the NSW Youth Opportunities Grant. The Evolve Program is a creative event management program which teaches young people how to plan, develop and deliver an event. The young people involved in the program have planned and produced a number of events for youth in Shellharbour, with participants picking their own event, implementing a budget, and developing their social media campaigns to promote the event. This included the organisation of the LGBQTIA+ event at Harrison Park. The event was an outdoor cinema, and staffed primarily by young people including the event coordinator, support staff and performers.

Recognising and celebrating the contributions that seniors make to our community as part of the annual NSW Seniors Festival is just one of the ways council contributes to a city that is aged friendly. A number of Age Well information sessions were held covering topics such as Keeping your kidneys healthy, Managing fatigue and Healthy Bladder. Activities were also held in recognition of World Elder Abuse Awareness day, Council hosted a Legal issues for Older People session that highlighted financial abuse. Council also participated in the 'Responding to suspected or actual incidents of abuse of older people' roundtable.

Operational Income

\$73K

Operational Expense

\$1.126M

Capital Spend

-

Total performance progress met



Number of people taking part in Youth Services -run activities

2,162

Percentage of young people taking part in Youth Services-run activities express satisfaction with the activity

88%

Cultural Treasures Multicultural Festival

The annual Cultural Treasures Multicultural Festival was held during March at the Shellharbour Civic Centre. It celebrated the rich cultural diversity of the Illawarra region. The festival was held over a 5 day period during Harmony Week. The program included an Aboriginal welcome with traditional cultural performances. Other activities across the week included Aboriginal story time and craft, African bead bracelet workshop, movie screening of Alex & Eve, Indian cooking class, Mexican Mariachi and bread-making workshop. The festival also featured a performance by The Voice finalist Masha Mnjovan with local guitarist Sako Dermerjian.

Youth Festival

Council presented a modified calendar of youth-focused events, activities and workshops through the Shellharbour Youth Festival. The Shellharbour Youth Summit was the first event of the Festival and successfully took place online via Zoom, with 5 schools and 1 community organisation attending with a total of 57 young people given the opportunity to voice their priorities and plans for local young people. The Youth Markets took place on 5 December 2020 as a youth-led event with over 200 participants. Young people participated in a range of ways including as sellers and buyers, musical performers, and workshop participants and facilitators. The event itself was also staffed by young people participating in the Evolve – creative management program hosted by Council. These events and activities all delivered under the specific Youth Plan goals of providing opportunities in out of school learning (Goal 6), advocacy and decision making (Goal 8), as well as providing fun things to do with friends (Goal 9).

OBJECTIVE 1.1

Vibrant, safe, creative and inclusive

STRATEGY 1.1.7

Provide dynamic and responsive library and museum services

Shellharbour City Libraries continued to deliver a diverse range of programs and activities at our libraries across the city. These included regular early literacy programs, family history workshops, art and craft programs, environment programs and a multitude of school holiday activities.

During the temporary closure of Shellharbour's physical libraries as part of the COVID-19 lockdown, our libraries maintained strong connections with the community and championed Council's tagline 'same service, delivered differently'. City Libraries have continued to diversify the content on the Library At Home website to make online programs available for a wide range of community members and special interest groups. Library at Home had a focus on some important community and cultural celebrations. Children's Book Week that engaged over 200 people. NAIDOC week was a particular focus, hosting a range of compelling resources, crafts and activities that highlighted the rich and diverse cultures of First Nations people.

Shellharbour City Libraries have partnered in the NSW Libraries Online Author Talk initiative. Hosting talks with authors such as international bestselling author of 'Looking For Alibrandi' and 'The Place On Dalhousie', Melina Marchetta and Deborah Rodriguez, author of 'The Little Coffee Shop of Kabul' talking about her new book, 'The Moroccan Daughter'.

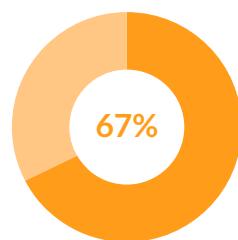
Celebrating with nearly 1.3 million Australians, Shellharbour City Libraries participated in National Simultaneous Storytime on 19 May. At 11am children and families across Australia streamed a live reading of the book 'Give Me Some Space' by Phillip Bunting. The book was read by NASA astronaut, Shannon Walker, while floating in the International Space Station. Children and families attending the event in Council's Civic Centre also enjoyed a readers' theatre performance by library staff and a morning of craft and activities.

Other key activities included the Nature Talk series, regularly attracting over 100 participants. Children's regular programming, including Story Time, Babies Love Books, Baby STEM and STEAM. Special events including Library Lovers Day and Harmony Week provided a focus on literacy and cultural diversity and the introduction of the inclusive craft program 'Everybody Makes'.

Libraries continued to expand the community's access to technology as part of an ongoing commitment to lifelong learning and new technologies for local residents. Libraries saw the RBDigital eLibrary platform to the new Libby by Overdrive service for eBooks, eAudio and eMagazines. Use of the eLibrary resources has continued to grow as more members of the community enjoy the convenience of accessing digital content 24/7 anytime, anywhere.

Operational Income	\$281K
Operational Expense	\$2.256M
Capital Spend	\$358K

Total performance progress met



Visitors to the Library

91,029

Participants in Library programs

21,375

Programs and activities presented

1,636

Hits on Library Website

184,042



Refurbishment of Oak Flats Library

Oak Flats Library re-opened to the community in December, after being closed for refurbishment. Accessibility was a key feature of the upgrade, with a new entrance including an access ramp and automatic doors. The installation of an accessible toilet and a 24/7 return chute were also part of the refurbishment. Low-profile shelving has been installed with the collection updated and replenished with new stock tailored to the borrowing preferences of the Oak Flats community. The library now offers a community lounge with charging points and comfortable seating, while new carpet completes the fresh new look. The external wall adjacent the new library entrance features a colourful mural presented by artist, Sarah McCloskey. The mural provides a visual experience at the library entry and helps position the library as visible, accessible and welcoming. The community response to the Oak Flats Library refurbishment has been overwhelmingly positive with library customers now enjoying all the benefits that the upgrade has delivered.

Paint Shellharbour REaD

It was an exciting time for the children of Shellharbour City with the launch of a new book published as a project of Paint Shellharbour REaD. The book is a free resource that supports families and children in the Shellharbour area with the transition from preschool to kindergarten. Titled 'Bangu And Billy's Special First Day', the new book was created in collaboration between Paint Shellharbour REaD partners, Shellharbour City Libraries, Big Fat Smile's Illawarra Transition to School Project and Barnardos Communities for Children. More than 1,400 books were distributed to families in Shellharbour, many of whom also visited their local library to receive the book and activity pack.

OBJECTIVE 1.2

Active and healthy

STRATEGY 1.2.1

Provide access to services and facilities where people can live, learn and play

Council has delivered a range of services, activities and facilities where people can live, learn and play including working on the development of a Community Facility Needs study; numerous aquatics programs on offer at our pools and beaches – Splashplay at Albion Park pool, aqua aerobics, learn to swim, inflatable days and pool open days. Local, district and regional swimming carnivals were also successfully held while complying with COVID-19 restrictions.

New outdoor exercise equipment stations were installed at new locations across the City, including McDonald Park, Albion Park and Reddall Reserve, Lake Illawarra. ‘Come and Try’ sessions took place at McDonald Park.

Council worked in partnership with Illawarra Shoalhaven Local Health District to promote healthy outdoor environments in the Shellharbour Local Government Area, with a range of physical activity opportunities promoted on social media. This included promotion of a variety of parks, walking trails, Blackbutt Forest and beaches for the community to visit and stay active. Council also participated in the NSW Get Health at work program.

Eight of the 14 actions from the Open Space and recreation needs study have been implemented. Key outcomes included:

- Adopted master plans for Reddall Reserve Lake Illawarra and McDonald Park Albion Park Rail which has resulted in a number of capital work projects.
- Commencement of master plans for Harrison Park Shellharbour City Centre and Con O’Keefe Oval Albion Park.
- Instigated a revised master planning program for new or upgraded sports facilities. This project has resulted in a new priority list for master planning of sportsfields across the City.
- Established the Shellharbour Active Recreation Working Party, comprising local sports clubs and associations, together with other community groups, to help facilitate an inclusive, shared-use approach to sportsgrounds and facilities.

Operational Income

\$505K

Operational Expense

\$2.691M

Capital Spend

\$32K

Total performance progress met



Visits to the
City's pools

209,063

Visits to
patrolled beaches

306,235



Splashplay at Albion Park Pool

The new aquatic play space was opened to the public on Monday 29 October. The zero-depth attraction uses a fully recycled water treatment system and was designed with a range of features that make it suitable for children of all abilities aged 0 to 12. It incorporates a variety of user-activated and sequenced water sprays including tipping buckets, water rings, ground sprays and cannons, as well as a shade cloth and seating for caregivers. It is designed to create a fun and highly sensory experience for all children. The new Splashplay will make trips to the pool over the warmer months an exciting experience for the whole family.

Swim season extended

In response to community requests and feedback, Oak Flats 50m pool swim season was extended in 2021 as part of a trial. Council recently invested in a heating system for the 50m pool. This provided consistent heating of the 50m pool to an average of 24 degrees, creating comfortable swimming conditions well into the cooler months.

Council took the opportunity to trial extending the swim season to 25 June. The trial provided us with useful data by checking both the heating efficiency and cost, to help us gain a better understanding of usage.

OBJECTIVE 1.2

Active and healthy

STRATEGY 1.2.2

Provide diverse opportunities for sport, recreation and enjoyment in the City's parks, open spaces and facilities

Council maintained a focus on diverse open spaces across the city, diverse both in location and service provided. Sportsfields benefited from the above average rainfall, these ideal conditions has helped sustain a very good sports turf surface on all fields.

Significant improvements were made to Council's tree maintenance service as part of the Customer Experience Improvement Project. This resulted in the implementation of a suite of improvements to enhance the customer experience and service performance. The tree maintenance improvements were selected as a finalist in the 2021 Local Government Excellence Awards.

During the year the \$2.7 million upgrade at The Links Shell Cove and The Tavern at Shell Cove were completed. The upgrades involved the Tavern receiving a complete internal refurbishment and a new social and function patron space called 'The Shed'. Also included in the upgrade is a dedicated area for Shellharbour golfers, an updated and extended players' lounge, an updated boutique retail liquor outlet and a refurbished retail space for golf operations. A new outdoor entertainment area was also constructed which includes a built in barbecue and outdoor family play space aimed at providing entertainment for young children.

On the golf course, the ongoing course maintenance plan continued with the completion of construction of hole 5, converting this hole from an ordinary par 3 to an exciting short par 4. Work commenced on improvements to hole 9 along with forward planning for hole 12 improvements.

Although the year has been challenging due to COVID-19 and the works being conducted around the Stadium by Transport for NSW, City Stadium has been busy with bookings and running competitions for a number of events including: Basketball competitions, Netball competitions, Wheel chair basketball Development and school sports. The Stadium also hosted the NSW Blaze netball trials, Sydney Kings training camp, the Wheelchair Rugby League Country v City match and a successful introduction of Pickle ball.

Operational Income

\$6.248M

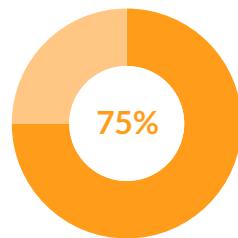
Operational Expense

\$11.800M

Capital Spend

\$1.214M

Total performance progress met



Number of
Golf rounds played

43,545

Non regular sporting
events at Stadium

389



The Links Mini Golf

The new, mini golf facility is expected to generate 30,000 visits annually, this is a scaled down version of a full-size golf course, designed to be played with the same rules as golf. The family friendly experience is designed to be both fun and challenging. It features a course to suit beginners and budding golfers, as well as a one that will test the most experienced golfers. The Official opening of the Mini Golf Course at The Links, Shell Cove was celebrated on May 23. The Community open day gave customers a chance to try the course and enjoy activities such as inflatables, roaming entertainment and workshops from Shellharbour City Council Youth Services and Nursery.

Pickle ball

The Stadium promoted and hosted social games of Pickle ball. Pickle ball, is a fun and exciting sport that combines the elements of Badminton, Tennis and Table Tennis. It is played on a court the size of a Badminton court, with a low net similar to tennis.

The game is played with an oversized Table Tennis paddle and a whiffle ball. One of the best aspects of the game is the social atmosphere the game creates. Teammates and opponents are closer together on a smaller court, which makes for great interaction.

The Pickle ball social event was played on Tuesday evenings and was thoroughly enjoyed by the attendees.



Environment

Our objectives & strategies

2.1 Protects, promotes and enhances its natural environment

-
- 2.1.1 Manage and improve catchments cleanliness, health and biodiversity of creeks, waterways and oceans
 - 2.1.2 Deliver plans and programs that enhance and protect biodiversity in our natural areas
 - 2.1.4 Facilitate active community engagement in caring for the natural environment
-

2.2 Practices sustainable living

-
- 2.2.1 Provide community engagement and education on environmental sustainability
 - 2.2.2 Provide effective and sustainable waste operations and services for the City
-

2.3 A city that is connected through places and spaces

-
- 2.3.1 Activate a vibrant City Centre
 - 2.3.2 Undertake land use planning in a socially, economically and environmentally responsive manner
 - 2.3.3 Provide and promote a sustainable, safe and connected transport network
 - 2.3.4 Facilitate the development of the built environment to meet community needs
 - 2.3.5 Recognise, protect and celebrate our heritage
 - 2.3.6 Deliver sustainable whole of life asset management for the community
-

OBJECTIVE 2.1

Protects, promotes and enhances its natural environment

STRATEGY 2.1.1

Manage and improve catchments cleanliness, health and biodiversity of creeks, waterways and oceans

Capital and maintenance works in waterways progressed as planned. Stormwater pits and pipes were cleaned and maintained as required. Various pipes and pits were cleaned by contractors and waterway asset inspections were carried across the City.

The final requirements for the 2 year SMART Water Grant was completed with a 2nd EXO3 stationary water quality sonde installed at Macquarie Rivulet, collecting data every half hour on the quality of the wetlands. Routine water sampling continued to take place across the city.

Wetland maintenance comprised of ensuring water edges were monitored for emerging weeds and weed growth managed. Obstructing vegetation was removed from drain outlets to ensure flow and functionality of the wetland systems along with removing rubbish accumulating after rain events.

Plans of management were reviewed for Pelican View Reserve and Ashburton Drive wetland.

Assessment of the Beachwatch (bacteriological) quarterly data received for Shellharbour North Beach, Warilla Beach and the Lake Illawarra Entrance lagoon has been completed against the NSW Beachwatch programs star rating system. Shellharbour North Beach and Warilla Beach consistently received the highest rating of four stars. Lake Illawarra Entrance lagoon also received a four star rating. All three locations were rated as suitable for swimming throughout the year.

Operational Income

\$756K

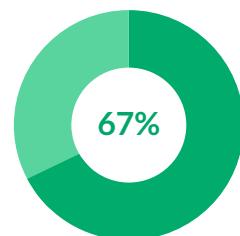
Operational Expense

\$815K

Capital Spend

\$1.577M

Total performance progress met



Beachwatch star rating

4

Percentage of Stormwater management program completed

100%

OBJECTIVE 2.1

Protects, promotes and enhances its natural environment

STRATEGY 2.1.2

Deliver plans and programs that enhance and protect biodiversity in our natural areas

Plans of management reviews completed this year included the Light Rail Museum Reserve, Hargraves Reserve, Boonerah Point Reserve and Warilla/North and South Beach Dune vegetation areas. Reviews of Plans of Management is the strategic direction of on ground rehabilitation with Natural Areas staff (in the Services Directorate) over a period of 12 months. This includes identified threatened species and improving habitat or reducing impacts that may have a negative impact on threatened species. It also includes monitoring of threatened species in Council Reserves with staff from the Department of Planning, Industry and Environment (DPIE) to assess the health of these populations, this will either direct work from recurrent budgets or help with grant funding opportunities that become available such as Saving Our Species from DPIE.

Monitoring was undertaken for threatened plants, which included a number of surveys for Greenhood Orchid (*Pterostylis gibbosa*), Eastern Flame Pea (*Chorizema parviflorum*), Spiked Rice-flower (*Pimelea spicata*) and Illawarra Zieria (*Zieria granulata*). The surveys were conducted to monitor health and the presence of populations.

Council collaborated with the Illawarra District Weeds Authority to ensure significant and emerging weeds within our Local Government Area are identified and treated. This work ensures Council's obligations are met under the Biosecurity Act. It ensures our community is not adversely effected by new weed incursions in our bushland and agricultural areas.

Targeted weed treatments were completed for Bass Point and Bevans Island.

Quarterly monitoring of the Blackbutt Reserve Grey-headed Flying-Fox camp was undertaken with around 1,150 animals in camp. Additional welfare checks were undertaken to assess the health of individual Grey-headed Flying-Foxes.

Grant Funding for Coastal Works

Council was awarded \$6,875,700 for two projects – one for the renewal of the Warilla Beach seawall, and another for a littoral rainforest regeneration program at Bass Point. The Warilla Beach seawall is an important asset not only for the people who live facing onto the beach, but for the community who access the shared pathway. This is an important piece of infrastructure that is needed to prevent further erosion. The work to be undertaken at Bass Point will specifically address the threat of weed impacts on vegetation to improve its ecological integrity, habitat value and resilience. Bass Point has great ecological and historical significance, with both Indigenous and European history.

Plans of Ecological Management developed/reviewed

1

Operational Income

\$12K

Operational Expense

\$441K

Capital Spend

-

Total performance progress met



OBJECTIVE 2.1

Protects, promotes and enhances its natural environment

STRATEGY 2.1.4

Facilitate active community engagement in caring for the natural environment

Council provided community engagement and education on environmental sustainability through the Sustainable Shellharbour and Environmental Leadership programs and Small Environmental Projects Fund.

The Sustainability Shellharbour Program engaged over 3,966 people in 36 events and initiatives. Highlights included:

- Grey-headed Flying –fox education
- Nature talks in the library
- Connecting Over Fair Food event
- Wild About Shellharbour Nature Photography Competition
- Photographic exhibition titled 'Extinction' in acknowledgement of national Threatened Species day
- Fungi of the Illawarra brochure and online resource
- Self-guided nature walk
- Sustainable Shellharbour e-newsletter

Council supported Global Citizen Science Month by holding the city's first ever BioBlitz at Blackbutt Forest Reserve. BioBlitz is a citizen science event, where scientists, naturalists and the community work together to explore an area with the aim of recording as many species as possible over a short time. At the Blackbutt Forest BioBlitz, over 50 people were involved in six three-hour survey sessions on April 10 and 11. Council facilitated the event in collaboration with the NSW Government's Saving our Species program, Team Quoll from the University of Wollongong, The Australian Museum and FrogID team, Illawarra Birders and Blackbutt BushCare. Over 100 different species were recorded in the iNaturalist and FrogID apps.

Council received \$5,000 worth of funding support for Grey-headed Flying-fox education from the NSW Government Department of Planning, Industry and Environment Flying-fox Grants Program 2020. Education activities delivered included, an on-line Story-time featuring Grey-headed Flying-foxes, along with a suite of educational resources aimed at children and their carers. Indoor and outdoor signage about the ecological importance of Grey-headed foxes and a Nature Talk in the Library on the 'Secret Lives of Grey-headed Flying-foxes'.

COVID-19 related restrictions limited opportunities for participation in national clean-up events, Council facilitated Clean Up Australia Day events around the Lake Illawarra foreshore and at Shellharbour City Stadium during March 2021.

Operational Income

\$10K

Operational Expense

\$64K

Capital Spend

-

Total performance progress met



Number of sustainability education activities delivered

33

Participant satisfaction of environmental leadership programs

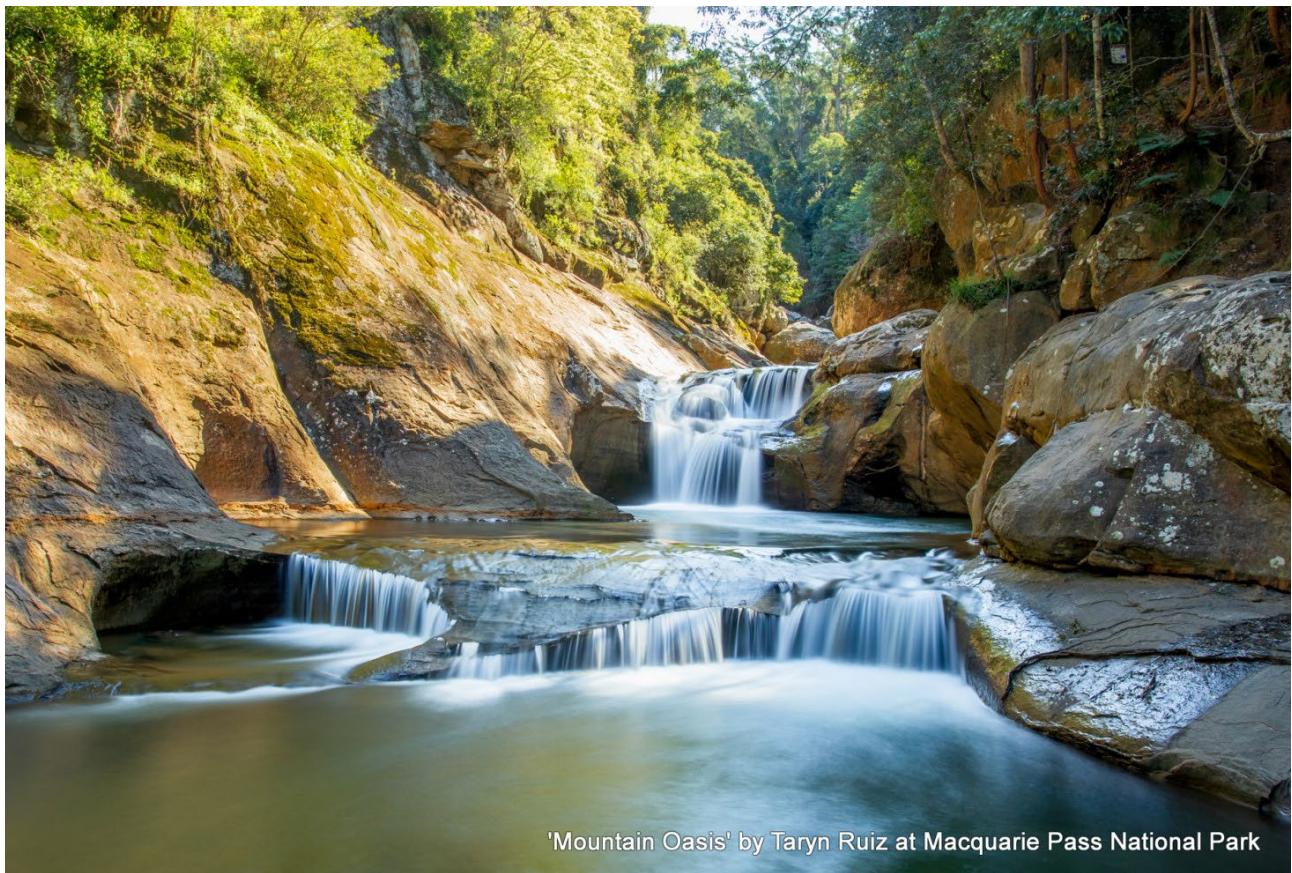
87%

Trees donated

700

Volunteer hours

755



'Mountain Oasis' by Taryn Ruiz at Macquarie Pass National Park

Wild About Shellharbour

The annual Wild About Shellharbour Nature Photography competition encourages residents to explore and discover Shellharbour's natural environment in celebration of World Environment Day. The 2021 competition was the most successful to date, with over 250 entries received in one of the following three categories: native wildlife, landscapes and native plants, and beaches and waterways. The winning entries include photos of iconic areas in Shellharbour like Mulangong Falls in Macquarie Pass National Park, and local native wildlife including the unusual Red-fingered Anglerfish found at Bass Point. A video and online gallery has been created to celebrate the winners and runner ups, and to share the top 60 shortlisted images with the community.

Tree Planting

Thanks to a partnership with Greater Bank, over 4,500 shrubs and trees were planted at Bass Point and Blackbutt Forest Reserve by Council staff, bush care volunteers and members from the Rotary Club of Shellharbour City. Grown and supplied by Council Nursery, these plants will assist in restoring and maintaining a healthy ecosystem. Also planted was a fig tree, grown from cuttings of the large fig tree in Little Park, Shellharbour Village. As these new trees grow, they will not only enhance the environment but will also provide food and shelter to our City's native wildlife.

OBJECTIVE 2.2

Practices sustainable living

STRATEGY 2.2.1

Provide community engagement and education on environmental sustainability

Council educates and engages with the community through various environmental programs and events. Waste education programs have primarily focused on the various options provided by Council that assist residents manage resources and waste during this busy time of the year. These have included improvements to the shellharbourwaste.com.au website, such as a dedicated Christmas/New Year page, a brochure mail-out to households regarding Christmas bin collection schedules, social media posts highlighting free and convenient options for disposing of unwanted resources at the Dunmore Recycling and Waste Disposal Depot.

Council undertook a waste education rebrand to “Waste: Let’s Get it sorted!”. The purpose of the rebrand is to encourage engagement and to motivate the community to get involved in reducing their environmental footprint. Council has redesigned and created a new waste guide brochure, waste collection calendars, social media graphics and website graphics. The rebrand is a more modern and interesting approach to the three waste management streams waste, recycling and FOGO.

Council’s FOGO Friday social media campaign continued, the campaign involves fortnightly Facebook posts uploaded to the Shellharbour City Council Facebook page. The posts detail interesting facts about FOGO, what can and can’t go into the FOGO bin, an emphasis on weekly collections and the positive and sustainable impacts the FOGO service has on the environment. The social media content has a humorous and quirky feel, which has proven to dramatically increase engagement and create interest. The most successful FOGO Friday post reached 10,940 Facebook users, 3,556 engagements, 124 likes/reactions, 46 comments and 8 shares.

The delivery of Council’s Small Environmental Projects Fund and Cities Power Partnership pledges are ongoing. A good example of the implementation of a Cities Power Partnership pledge is the all-of-Council feasibility report on solar installation and LED light replacement.

Interest in the Sustainable Shellharbour e-newsletter continued to grow, with over 1,400 subscribers receiving the monthly newsletter.

Operational Income
-

Operational Expense

\$426K

Capital Spend
-

Total performance progress met



Number of residents that implemented Council waste avoidance and resource recovery initiatives

86



Net Zero

Council has resolved to set Net Zero carbon emissions targets for Operational and Community emissions within Shellharbour City by 2050 (in line with NSW State target) and to develop a Net Zero Strategy outlining interim targets and action plans for Operational and Community emissions to align with Council's vision for Net Zero Emissions by 2050. This milestone is the start of Council's journey towards a low carbon future. Shellharbour City will aim to be carbon neutral by 2050 by reducing main sources of pollution and transitioning to cleaner energy, manufacturing and services for a cleaner and brighter city.

Solar My School

Council became the second regional Council in Australia to join the Solar my School program, a multi-award-winning initiative helping schools explore and install solar power. Three schools from across the City have been selected to participate these are Lake Illawarra High School, Lake Illawarra South Public School and Oak Flats Public School.

OBJECTIVE 2.2

Practices sustainable living

STRATEGY 2.2.2

Provide effective and sustainable waste operations and services for the City

As part of a suite of services provided to help manage the City's waste, Council operates a Recycling and Resource Recovery Facility located at Buckleys Road, Dunmore. The facility continues to be operated in an environmentally sustainable manner to meet and exceed the requirements of the sites Environment Protection Licence, issued and regulated by the NSW Environment Protection Authority. Council received zero licence non-compliances throughout the year.

A total of 32,633 tonnes of material was collected at the kerbside through Council's domestic waste management service. Of this 13,907 tonnes was collected through the red-lidded bin and subsequently sent to landfill, 5,609 tonnes was collected through the yellow-lidded bin for recycling and 13,117 tonnes was collected through the green-lidded bin for reprocessing. This resulted in a resource recovery level of 57%.

During the year, Council continues to support strategies to combat illegal dumping within the Shellharbour and greater Illawarra region. Council is a member of the Illawarra Shoalhaven Joint Organisation (ISJO) Regional Illegal Dumping (RID) program, which works together with other member Councils and the Environmental Protection Authority to educate and enforce illegal dumping and littering. Whilst illegal dumping is occurring, incidents are remaining low, the use of technology and gathered intelligence, Council continues to reduce the amount of illegal waste that is dumped and ultimately cleaned up at Council's expense.

Due to social distancing requirements, Council turned to social media more and more to provide waste and resource recovery tips with a focus on the sustainable use of Council's FOGO and recycling bins. Additionally, Council purchased a cardboard compactor which assists with aggregation and size reduction to increase the space available for cardboard collection and improve overall service offering for customers.



Total performance progress met



Dunmore Highlights - July 2020 to June 2021				
	83 Days	287 Days	78 Days	

Landfill		17,531 total number of transactions		14,160 kerbside waste tonnes		30,557 total waste to landfill tonnes		Tonnes 95,603 imported rock		22,250 gas flared
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Resource Recovery		105,354 total number of transactions		13,117 kerbside FOGO tonnes		334 recovered cardboard		1,175 fridges		4,832 mattresses
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Outgoing Product		Litres 10,051,630 leachate		1233 scrap steel		14,211 organics		113 CRC material		5,847 transfer waste to landfill
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OBJECTIVE 2.2

Practices sustainable living

STRATEGY 2.2.3

Reduce our ecological footprint

Council continued to work towards its Cities Power Partnership pledges. This year Council completed LED lighting upgrades across Council buildings and commenced solar installation in 7 Council locations.

Council's landfill gas collection system at the Dunmore Recycling & Waste Disposal Depot operated in accordance with design with no operational issues experienced a total of 22,250 tonnes of carbon abatement was achieved this is the equivalent of 3.2 billion smartphones.

As part of the Council's commitment to Implement the outcomes of the Shoalhaven Illawarra Enabling Regional Adaption (SIERA) Report in its application to Council planning, policy and delivery, Council participated in the Enabling Water Sensitive Communities Project coordinated by Illawarra Shoalhaven Joint Organisation (ISJO). The Water Sensitive Cities benchmarking exercise was undertaken against other Councils, as a result, the Illawarra- Shoalhaven Water Sensitive Regional Framework was developed. This Framework is the first of its kind in our region. The Framework aims to increase the uptake of smarter water management systems to capture, filter, reuse and preserve water across our cities. This will reduce the pressure that current rates of development is having on our region's catchments, streams and Lakes.

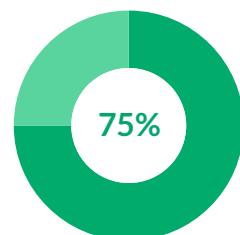
Operational Income
-

Operational Expense

\$1K

Capital Spend
-

Total performance progress met



Volume of non-potable water extracted from Myimbarr wetland

9.98
(Megalitres)

Total water use

159,446
(Kilolitres)

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.1

Activate a vibrant city centre

The Shellharbour Civic Centre (the Civic Centre) whilst operating under Public Health Orders restrictions hosted a variety of events and programs throughout the year attracting 1000's of visitors to the venue. Events included the Live on the Lawn, Christmas Workshops, Annual Junior Wollongong Zone Physical Culture competition, corporate meetings and training, tutoring and a regular booking with C3 Church.

Live on the on Lawn - Youth Edition Young people from across the City performed live on the lawn of the Shellharbour Civic Centre from 11.30am to 1.30pm, Monday to Friday during Youth Week. This was a great opportunity for young performers to perform in front of a live audience.

The Civic Centre hosted the 2021 Australian Local Government Women's Association Conference. The conference included a welcome event on Thursday followed by a two day conference. There were over 90 attendees from across the state who attended to hear the high profile speakers including Tracey Spicer, Kemi Nekvapli, Karen Murphy along with industry speakers and workshops.

The Shellharbour City Youth Festival was launched at the Civic Centre on 14 October by the Mayor. The festival ran for 1 month from 2 November until 5 December, consisting of workshops, programs, Youth summit and Youth Market. There were 20 workshops at the Civic Centre with just over 100 young people participating, these workshops included floristry, street art, jewellery making, bath soaks, nutrition and photography. The Youth Festival concluded with the Youth Market which had 21 stalls operated by young entrepreneurs with items ranging from handmade soaps, candles, jewellery, art works and plants.

In recognition of National Road Safety Week the Shellharbour Civic Centre was lit up in the colour yellow for an entire week.

The Shellharbour Civic Centre website is used promote programs, workshops and events at the Civic Centre along with the Shellharbour City Council Facebook page and the Shellharbour Civic Centre 'What's On' booklets. The website has been continually updated to meet customer needs.

Operational Income

\$81K

Operational Expense

\$218K

Capital Spend

\$58K

Total performance progress met



Number of Bookings

1,023

Number of hits on the Shellharbour Civic Centre website

13,867



Hall of Fame

Council welcomed five new high achievers to the honourable Hall of Fame in a ceremony hosted on 17 June at the Civic Centre. The Shellharbour City Hall of Fame was established in 1988 as a way to celebrate and recognise individuals within the Shellharbour City Local Area who have made significant achievements and contributions in their field of endeavour. The Hall of Fame is a permanent exhibition installed at the Civic Centre to showcase recipients and their outstanding achievements across a diverse range of fields including government, community services, business, the arts, science and sport. The new recipients include inorganic chemistry researcher Harold Goodwin, sprint canoeist David Smith OAM, Baseball player Stuart Thompson and acrobatic gymnasts Maddison Lacey and Caitlin O'Neil.

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.2

Undertake land use planning in a socially, economically and environmentally responsive manner

A number of key Council strategic planning documents fall under this strategy, including Councils Local Strategic Planning Statement, Local Housing Strategy and the Coastal Zone Management Plan. Varying degrees of work have been carried out on these plans.

In alignment with the Coastal Zone Management Plan dune management and coastal vegetation management were conducted at various locations across the City.

Council commenced planning for year 1 implementation of the Lake Illawarra Coastal Management Program (CMP) and was successful in winning 2 grants for Lake Illawarra: A grant for the improvement and rehabilitation of ecologically important vegetation communities around the Lake foreshore; and a grant for the continuation and expansion of the Lake Water Quality Monitoring Program. This three-year project will establish a greater understanding water quality in the Lake and closely monitor for any potential impacts from recreation use and housing developments that occur within the Lake catchment.

Council continued to advocate for the community on state and regional planning matters during the reporting period. The majority of discussions were with the NSW Government DPIE. Advice was also provided to Transport for NSW on the Albion Park Traffic Study and to Sydney Water regarding the potential development and timing of that development for certain sites in the Calderwood Release Area as well as attending meetings of the Illawarra Shoalhaven Urban Development Committee.

The Lake Illawarra Coastal Management Program (CMP) was certified by the NSW state government in November 2020 and was adopted by Shellharbour City Council in December 2020. Wollongong City Council and Shellharbour City Council will continue to work closely to roll out and implement the CMP during 2021 and beyond.

Operational Income

\$95K

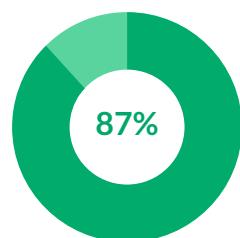
Operational Expense

\$496K

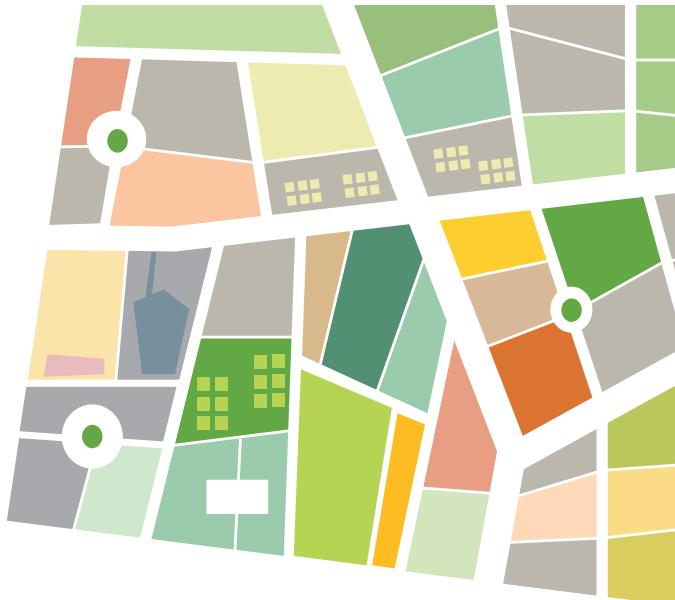
Capital Spend

-

Total performance progress met



LOCAL STRATEGIC PLANNING STATEMENT



Local Strategic Planning Statement

The Local Strategic Planning Statement (LSPS) was adopted by Council and endorsed by the NSW Government in May 2020. The LSPS provides a 20-year land use planning vision for the Shellharbour City and directs how future growth and change will be managed. The LSPS acts as a link between state, regional and local planning priorities.

There are a total of 88 actions within the LSPS to be implemented over the next 20 years. Of these 88 actions, Council has continued with, or commenced 42 actions from the LSPS. Three actions have also now been complete since the adoption of the LSPS. The three actions that have been completed are:

- P13.7 Collaborate with the Illawarra Shoalhaven Joint Organisation (ISJO) to develop a Water Sensitive Urban Design policy or model provisions for the Development Control Plan (DCP) to promote and improve water quality and health across the City
- P18.1 Review and update our Employment Lands Study to ensure we have adequate supply of commercial and industrial zoned land to allow for local employment opportunities
- P19.3 Develop a Property Strategy for Council owned and managed lands

Significant progress has been made on other key actions from the LSPS over the last year. These include, but are not limited to, the following:

- P1.1 Continue to give effect to the Implementation and Delivery of the Shellharbour City Local Housing Strategy The Local Housing Strategy (LHS) identified that Council should review planning controls in and around centres to ensure that greater diversity and mix of housing is provided. A Shellharbour Business Centres and Surrounding Residential Lands Study was prepared and adopted by Council on February 2021. The development of this Study is a key step in the implementation of the LHS and ensures there is opportunities to provide a mix and diversity of housing within the Shellharbour Local Government Area.
- P4.2 Develop and implement a Community Facilities Strategy for Shellharbour City This action has substantially commenced. The draft Community Facilities Strategy and accompanying Community Facilities Needs Study and Action Plan were prepared with extensive community engagement. Further consultation will be available for the community following the endorsement of the documents for public exhibition.

There are 13 actions within the LSPS that relate to the review of planning controls within Council's DCP. A review of the DCP has recently commenced, which will consider these 13 actions as the scope of the review is formalised. This body of work provides the opportunity to potentially progress several LSPS actions.

As outlined in the LSPS, Council continues to monitor and report on the implementation of the LSPS through Council's Integrated Planning and Reporting Framework.

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.3

Provide and promote a sustainable, safe and connected transport network

Council demonstrated its commitment to the provision of a sustainable, safe and connected transport network by implementing the Shared Use Path Strategy throughout the year. In accordance with the Strategy, shared use path projects were implemented across the City including;

- Veronica Street, Warilla (Shellharbour Road to Warilla Library) - construction complete.
- George Street, Warilla (Susan Avenue to Little Lake Cres) – design phase complete. Pre-construction commenced.
- Veronica Street to Osborne Parade, Warilla - construction complete.
- Bass Point Tourist Road Shared Path - design phase in progress.

Operational Income

\$175K

Operational Expense

\$856K

Capital Spend

\$20K

Total performance progress met



Average time taken to complete lighting requests

33 days

Percentage of requests for heavy vehicle permits satisfactory responded to within 28 days

100%

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.4

Facilitate the development of the built environment to meet community needs

Council facilitated the development of the built environment by continuing to provide social impact comments on relevant development applications, plans, strategies, policies and designs to ensure responsible, economically viable and safe outcomes for the community through effective urban planning and design.

In line with Councils Development Assessment Strategy a number of projects and initiatives were implemented. These included: Planning 101 workshops being delivered to all staff involved in development application assessments, development and implementation of a live survey, establishment of an Urban Release team and collaboration with the Department of Planning, Industry and Environment to assist in the review of standard conditions imposed by Councils for single dwellings and dual occupancies.

Operational Income

\$1.147M

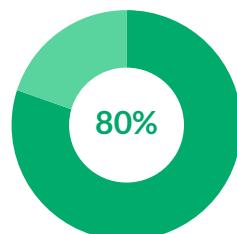
Operational Expense

\$1.873M

Capital Spend

-

Total performance progress met



Number of development applications submitted

916

Number of development applications determined

933

Average days taken to determine development applications

33

Percentage of Construction Certificates determined within 21 working days

97%

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.5

Recognise, protect and celebrate our heritage

Shellharbour City Museum worked on several projects to improve community access to our historic collections, and ensure their sustainability for future generations. To date, over 7000 historic photographs that form our 'Shellharbour Images' collection have been scanned to high resolution, and over 60% of the museum collection stocktake has been completed, including photographs of museum objects.

Two new tours were launched on the Tread Shellharbour mobile app. Shellharbour City Council's Hall of Fame tour complements the Hall of Fame exhibition that is now on display at the Shellharbour Civic Centre and The Civic Centre Backyard Nature.

Shellharbour City Museum also launched its new Mini Explorers program in January. The fun monthly program for 3-5 year olds has been designed to engage young minds with nature, science and history. Children are fully equipped with a 'mini explorers' kit on the day - complete with uniform, binoculars, tweezers, a magnifying glass, trowel, and all the tools needed to explore the environment and the City's historic treasures.

The Museum hosted a special event to mark Archaeology Week in May. Archaeologist Sarah McGuinness from Niche Heritage read a special story time book to over 30 children who came on the day. The reading was followed by a hands on 'excavation' at the Civic Centre, with participants choosing a favourite 'find' to take home with them.

Seventy students from Balarang Public School took part in the Museum's education program in June. The students explored the Museum, tracked down objects in the treasure hunt, and learnt about toys from yesteryear. The museum received great feedback from the teachers and students about the program.

Council is committed to ensuring Aboriginal culture and heritage is considered in land use and planning management. A dedicated Aboriginal Culture and Heritage chapter within the Bass Point Reserve Conservation Management Plan has been developed. Aboriginal stakeholders were engaged to review and provide feedback on draft Plans of Management for future land use at Windang Island, Bevan Island, Henneger Bay Reserve, Skiway Park, Strong Reserve and Cowrie Island.

Work commenced on the development of a draft Due Diligence Framework for the protection of Aboriginal objects in our local government area. The development of the draft Framework has been guided by the Aboriginal Culture and Heritage Assessment toolkit and the Office of Environment and Heritage due diligence guidelines.

Operational Income

\$4K

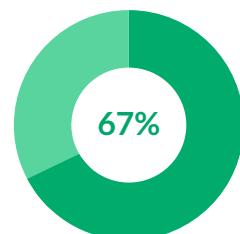
Operational Expense

\$207K

Capital Spend

-

Total performance progress met



Number of people visiting City Museum

2,921

Number of hits on City Museum website

56,166

OBJECTIVE 2.3

A city that is connected through places and spaces

STRATEGY 2.3.6

Deliver sustainable whole of life asset management for the community

Significant progress was made on the development of the Defect Management System. The implementation of this system, and the network inspection schedule, will greatly assist in the proactive scheduling of maintenance and capital works.

The Shellharbour Airport infrastructure upgrade project remains a key focus for the airport. The works include a new passenger terminal building and upgrades to short and long-term carparks as well as the construction of two additional aircraft parking bays directly outside the passenger terminal further enhancing our operational capabilities. The development of an aviation business park is central to the plan and once complete will create 20,000m² of land ready for use by a variety of aviation businesses. The new passenger terminal, runway and aviation business park works are part of \$20 million airport business plan strategically developed by Shellharbour Airport to enable the airport to grow and foster opportunities for economic development and job growth

Council maintains and operates two operational cemeteries. Council continued its focus on quality cemetery services to the community through implementation of Strategic Operational Plan. Masterplans for both cemeteries have been developed. The objective of the Masterplans for Council's operating cemeteries is to improve the amenity for members of the public and improve the services offered by Council with new and improved interment options in line with current industry trends. The masterplans will ensure the sites remain a viable and respectful proposal for the interments of the town for the next few decades. Consistent with identified strategic priorities in the Plans, Council has:

- Constructed a Condolence shelter at Albion Park.
- Established a Staff compound at Albion Park (including fencing, material storage bays and a temporary staff lunch room).
- Commenced preparations of a Heritage Conservation Management Plan.

Council's Property Strategy 2020-2030 was adopted in December 2020. The strategy ensures that Council's property portfolio is strategically aligned with its service delivery objectives and community expectations, in the context of delivering optimum commercial value from the management and development of property. Consistent with identified strategic priorities Council has:

- Enhanced the TechOne Property & Rating system to enable the leasing and licensing notification system
- Conducted an audit of all leases at the Shellharbour Airport
- Progressed the sale of land in Benson Basin
- Stage 1 of land transactions with the Catholic Church has been completed
- Acquisition of part 3 Yellow Rock Road for the purpose of footpath construction.

Operational Income	\$7.739M
Operational Expense	\$2.477M
Capital Spend	\$325K

Total performance progress met



Number of overdue CASA non-conformances	Percentage of requests for cemetery related to within 2 working days
0	100%



New Airport Terminal

The new Shellharbour Airport Passenger Terminal was opened and welcomed passengers, less than 12 months after the project began. It has provisions for retail and café space, and the capacity for 200 passengers, safeguarding the life expectancy and capabilities of this strategic and important asset. The terminal and its car parks represent a \$7.8 million investment into the airport upgrade project. Council's Regular Passenger Transport (RPT) provider Link Airways announced an increase in flights to Melbourne (Essendon) and Brisbane.



Economy

Our objectives & strategies

3.1 Plans, builds and manages infrastructure for the community

3.1.1 Provide the community with a range of infrastructure delivered in a sustainable manner

3.1.2 Maintain the City's assets to meet community needs and the delivery of services

3.2 Supports and increases employment and business opportunities within a strong local economy

3.2.1 Activate the Shell Cove Harbour Precinct as a lifestyle and boating destination providing development, tourism and community opportunities

3.2.2 Create, promote and maintain local business, job, investment and lifestyle opportunities

3.3 Welcomes, engages and attracts visitors

3.3.1 Promote our City as a tourist destination of choice

OBJECTIVE 3.1

Plans, builds and manages infrastructure for the community

STRATEGY 3.1.1

Provide the community with a range of infrastructure delivered in a sustainable manner

Council has continued its strong focus on the provision of infrastructure delivered to the community in a sustainable manner by looking at the whole of life from strategic planning to construction through maintenance and renewal.

The 10th review of Council's Developer Contributions program continued. Council's Developer Contributions Program enables Council to collect money for development that results in increased demand for Council's facilities and infrastructure. That money is then used to expand or increase Council's facilities and infrastructure. The program consists of 2 parts: a development contributions plan and the use of planning agreements.

Council continued to review grant opportunities and were successful in obtaining a number of grants including:

- \$41,922 from Illawara District Weeds Authority for Bevans Island, Picnic Island and Bass Point
- \$2,303,130 from the Federal Government's Local Roads and Community Infrastructure Programs
- \$6,875,000 from the NSW Government Coastal and Estuaries Grant Program
- \$2,500,000 from the NSW to support the Reddall Reserve Foreshore Promenade
- \$1,300,000 to support the Bass Point Tourist Road rehabilitation

To assist in the delivery of the operation, maintenance and construction of Council's infrastructure our plant replacement program continued with items delivered in the period including an excavator, backhoe, mowers, trailers and a hydro seeder . To complement the plant replacement program, our maintenance program continues to be implemented with the majority of the work being proactive to provide the best availability of plant and equipment through highly skilled workshop staff and user input in plant selection and modifications to assist in the provision of efficient services to our community.

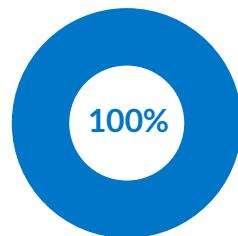
Hybrid vehicles now make up of 55% of Council's passenger vehicle fleet. Council's move to a more sustainable fleet assists in working towards completing our pledges as part of the City Powers Project.

Turnover at the nursery has exceeded budget with a growing number of retail sales. The glasshouse refurbishment is a valued upgrade to the nursery providing propagation facilities to grow more stock in house from locally sourced material.

Management of the Holiday Park by NRMA commenced in October 2020, the Holiday Park continued to successfully operate in accordance with NSW Government Public Health Orders and COVID-19 related travel restrictions until it was required to close in the latter part of June. Two new cabins were installed on the site.



Total performance progress met



Ratio of income to expense	Percentage of plant and equipment program on track	Percentage of motor vehicle change over program on track	Percentage of Capital works program on track
121.68%	95%	90%	94%



Delivery of Capital Works

The last 12 months has seen the delivery of approximately 94% of the original 2020-2021 approved infrastructure capital works program (excluding Shell Cove Marina capital works program) \$25,606,441. This result is derived from continuous process improvement and scoping activities completed prior to the start of the 2020-2021 financial year.

Key projects included:

- Shellharbour Airport Terminal and runway upgrades
- Leachate treatment plant at the Dunmore Recycling & Waste Disposal Depot
- Renewal & reconfiguration of Mary Street Shellharbour car park – creating almost 100 additional parking spots
- Shell Cove Links Mini Golf and building extension
- Modifications to Blackbutt Dam and Harrison Park Pond to improve safety and water quality
- Construction of public amenities at Albion Park Showground, James Cook Park, Barrack Heights Sportsfield and Rotary Park (near Albion Park Train Station)
- Reddall Reserve Boat Ramp renewal
- Renewed & upgraded play equipment at Flinders Green, John Shepherd Park and McDonald Park
- New shared path links along Veronica Street Warilla, Albion Oval, Wattle Road & Wollongong Street Shellharbour, Darcy Dunster Reserve/Princes Highway and Ski Way Park

OBJECTIVE 3.1

Plans, builds and manages infrastructure for the community

STRATEGY 3.1.2

Maintain the City's assets to meet community needs and the delivery of services

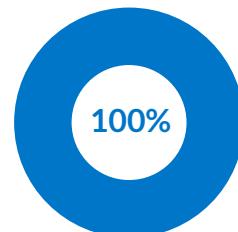
Council spent \$13.9M on renewing its assets through the 2020-2021 Operational Plan, which met the target of 100% offsetting of our annual Infrastructure depreciation. This expenditure based on renewal of existing assets is greater than the value of depreciation of Council's assets.

Some significant renewal projects completed during the financial year include:

- The Mary Street Car Park renewal, Reddall Reserve Boat Ramp,
- Renewal of public amenities at Albion Park Showground, James Cook Park, Barrack Heights Sportsfield and Rotary Park (near Albion Park Train Station),
- Renewed & upgraded play equipment at Flinders Green, John Shepherd Park and McDonald Park,
- Lighting renewals as well as multiple road and storm water asset renewals.



Total performance progress met



OBJECTIVE 3.2

Supports and increases employment and business opportunities within a strong local economy

STRATEGY 3.2.1

Activate the Shell Cove Harbour Precinct as a lifestyle and boating destination providing development, tourism and community opportunities

Council's \$1.5 billion Shell Cove development continued to deliver a unique blend of state-of-the-art residential, commercial and tourism facilities while highlighting Shellharbour's spectacular coastal environment.

Master-planned in detail, Shell Cove includes a purpose built harbour that will contain one of the largest marinas in NSW, a vibrant town centre, expansive parkland and foreshore areas, the Links Shell Cove Golf Course and a 3,500-home residential community equipped with a school, pre-schools, a medical centre and aged care facility.

The major excavation works for the harbour and the construction of its long breakwaters, represents the largest piece of recreational marine infrastructure being delivered on Australia's east coast with a total capital value of over \$180 million for the civil works alone. The Shell Cove Harbour will create a major boating, tourist and lifestyle destination.

Central to the project is its environmental focus. Guided by some of Australia's leading environmental experts the Shell Cove is delivered in harmony with its natural surroundings as evidenced by the early establishment of marine life within the harbour.

The residential areas of Shell Cove are now proving to be some of the hottest real estate south of Sydney, largely due to the project's focus is on completing a high-quality harbour and marina, public foreshores and promenades, and the waterfront dining and shopping precinct.

Achievements over the last 12 months include:

- Almost 300 residential sales, including the oceanfront auction lots receiving unprecedented sales prices. Installation of the first stage of pontoons, gangways and marina infrastructure.
- Construction of the timber boardwalks, concrete shared paths and connections that surround the Harbour
- Council entered into a long-term lease with an experienced Marina Manager/Operator to operate the Shellharbour Marina that includes the water- and land-based businesses.
- Completion of the Shell Cove harbour itself after decades of planning and delivery.

Operational Income

\$48.377M

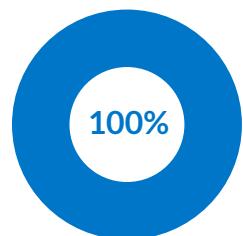
Operational Expense

\$30.905M

Capital Spend

\$1.703M

Total performance progress met





Shell Cove Boat Harbour

The Shell Cove boat harbour was opened to the ocean with excavation of the sand bund and harbour channel entrance in March 2021. The process of opening the harbour was a major milestone for the delivery of key infrastructure for the Shell Cove Project. Upon completion, The Waterfront, Shell Cove will include a 270-berth boat harbour and Shellharbour Marina. Stage one of the boat harbour includes 145 berths with the additional 125 berths to be constructed as demand dictates.

OBJECTIVE 3.2

Supports and increases employment and business opportunities within a strong local economy

STRATEGY 3.2.2

Create, promote and maintain local business, job, investment and lifestyle opportunities

Council facilitated 4 Shellharbour City Business Network meetings and training opportunities. The Shellharbour City Business Network is a free service provided by Council for business owners operating in the Shellharbour Local Government Area. It provides support to local business owners by providing them with the opportunity to: meet other local business owners; develop business relationships; gain new business through referrals; discuss issues affecting businesses in the local community; hear presentations by guest speakers to improve their business management skills and access to information about other events and training opportunities.

Council continued liaison with Government agencies and other bodies to progress a range of economic development initiatives and the implementation of the Shellharbour Regional Economic Development Strategy 2019-2022. Initiatives progressed included:

- Delivery of a further Economic Gardening Program business development plan
- Progression of a number of strategic property matters
- Progression of planning for a new Shellharbour Hospital - NSW Health Infrastructure
- Regional transport issues through liaison with the South East Australia Transport Strategy (SEATS)
- Further development of the Shellharbour Beachside Holiday Park
- Progression of the process of seeking permissibility for Council to offer seasonal camping on specific public lands
- Development of local tourism initiatives with the Board of Tourism
- Transition of new managers for the Shellharbour Beachside Holiday Park

In response to the Illawarra Shoalhaven Regional Plan and Council's Local Strategic Planning Statement, Shellharbour Employment Lands Study (the Study) has been developed. The Study provides recommendations on Shellharbour City's future employment lands' needs; including for commercial and industrial zoned land, to allow for local employment opportunities.

Programs for students and diverse groups recommenced in March following an extended break due to COVID-19 and the associated social distancing restrictions. A number of students gained work experience in the area of Civil Construction and there were 6 students placed in diverse areas across Council as follows. One Duke of Edinburgh Award participant is working with the Library Services team, one TAFE student has been placed in the Youth Services team and 4 students from Peterborough School are working at the Nursery, 1 day a week.

Operational Income

\$6K

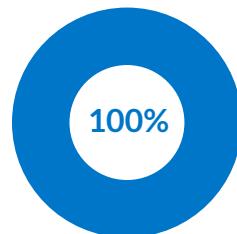
Operational Expense

\$250K

Capital Spend

\$8.501M

Total performance progress met



Number of attendees at Business Network meetings

71

Participant satisfaction with Council facilitated business events

90%

Number of economic development initiatives, implemented, underway and/or supported by Council

119

OBJECTIVE 3.3

Welcomes, engages and attracts visitors

STRATEGY 3.3.1

Promote our City as a tourist destination of choice

The award winning Shellharbour Visitor Information Centre provides information to both visitors to the area and local residents - receiving over 8000 visitor enquiries annually.

Shellharbour featured regularly in travel and tourism magazines and television shows highlighting the varied experiences and activities available in Shellharbour. These included: Sydney Weekender; the NRMA Open Road; and Link Airways' Inflight magazine. The Deputy Editor of the Open Road magazine was also hosted for a two-day familiarisation that showcased a range of local attractions and businesses. This resulted in a promotional feature in the magazine. The coverage from these sources was then used to promote the city in other ways, including via the Tourism Shellharbour website and social media channels.

Social media activity also focused on promoting local events with consistent messaging that Shellharbour is a great destination to visit and that visitors should start planning their next holiday in our city. Shellharbour was also promoted through the LOVE NSW and The Long Road Trip digital campaigns conducted by Destination NSW.

A co-operative marketing campaign was conducted with Link Airways to promote awareness of plane travel from Victoria to a range of regional NSW destinations, including Shellharbour. The campaign was both digital and outdoor, with a focus on where to stay to sample regional wining and dining opportunities.

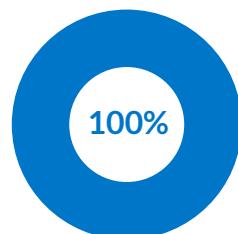
Operational Income
-

Operational Expense

\$353K

Capital Spend
-

Total performance progress met



Number of enquiries received at Visitor Information Centre

8,033

Number of visitors to Tourism Shellharbour's website

78,990

Number of marketing activities undertaken and the number of training opportunities delivered / provided for tourism

14



Shellharbour - Get Around It

The Shellharbour - Get Around It promotional campaign was also conducted during 2020-21. This campaign encouraged the local community to visit local attractions and to become ambassadors for tourism in Shellharbour. The campaign included social media and digital advertising that was linked to a specific website which provided inspiration on how to plan a great day out in the city.



Leadership

Our objectives & strategies

4.1 Led through collaboration

-
- 4.1.1 Ensure that the Mayor and Councillors are representative of the community providing strong, innovative and proactive leadership
 - 4.1.2 Actively engage, consult and inform the community
 - 4.1.3 Acknowledge and respect the Aboriginal community as the traditional custodians of the land
-

4.2 Supported by a Council that is responsive, accountable and financially viable

-
- 4.2.1 Undertake Council activities within a clear framework of strategic planning, policies, procedures and service standards
 - 4.2.2 Continually improve services to enhance the customer experience and meet customer expectations
 - 4.2.3 Ensure Council is financially sustainable and continues to be transparent and accountable
 - 4.2.4 Provide a diverse range of business technology to facilitate information sharing
 - 4.2.5 Minimise risk, ensure continuity of critical business functions and assist in the delivery of service for emergency events including flooding, coastal/oceanic, bushfire and other events
-

OBJECTIVE 4.1

Led through collaboration

STRATEGY 4.1.1

Ensure that the Mayor and Councillors are representative of the community, providing strong, innovative and proactive leadership

Council is committed to representing the community and advocating to other levels of government to address a range of key priorities and issues. Throughout 2020/2021 the Mayor and Councillors met with a number of organisations, associations, and Members of Parliament to discuss issues and opportunities for the City. Some of these organisations and meetings included: CivicRisk West board meeting, Illawarra Shoalhaven Joint Organisation meetings, Local Government Women's Association National Executive, Women's Trauma Recovery Centre, Lake Illawarra Estuary Committee, Healthy Cities Illawarra and the National General Assembly.

Council's formal decision making processes are conducted through Council Meetings. Council met regularly as scheduled during the year and in accordance with Council's Code of Meeting Practice. A large number of business matters covering a wide range of issues are discussed at Council meetings. These meetings are open to the public, except for discussion of legal, staff or other confidential matters which occur during closed sessions of a Council Meeting. Council endeavours to provide all Council Reports in Open Council, however, there are occasions when the Councillors must be provided with confidential information and 4 reports have been considered in confidential. Council meeting Business Papers and Minutes are available on Council's website.

Extraordinary Meetings of Council may be called to deal with urgent matters. During 2020-2021 extraordinary meetings were held to deal with matters relating to; the election of the Mayor and Deputy Mayor, proposed ordinary Council Meeting Dates, the election of delegates to Council Committees and Working Parties, Terms of reference for Advisory Committees, Development Application Yellow Rock Road and Deed of Agreement Lendlease Calderwood Development Area.

Members of the public with an interest in an agenda item for a Council Meeting are welcome to attend and address the meeting. Those wishing to speak at a meeting are advised to contact Council prior to the meeting.

Councillors were able to access accurate information in a timely manner through regular briefing sessions, advisory committees and working parties. Some of the topics covered included: the Albion Park Town Centre Movement and Place Study, Net Zero Emissions, Shellharbour Airport Redevelopment, Community Facilities Needs Study and Strategy workshop and Shell Cove Governance Structure and Terms of Reference.

Operational Income

\$102K

Operational Expense

\$801K

Capital Spend

-

Total performance progress met

100%

Briefings/training/development opportunities provided to Councillors

40

Number of public addresses to Council

8



Australian Local Government Women's Association (ALGWA) NSW Branch Annual Conference

Council organised and hosted the Australian Local Government Women's Association (ALGWA) Conference from 18 – 20 March 2021, at the Shellharbour Civic Centre. This involved the formation of a cross organisational team to coordinate and create the event. The conference theme 'Women in the Know, Grow' was selected from a staff member's idea and endorsed by ALGWA NSW. The conference included a networking welcome reception on Thursday 18 March 2021, followed by a two day conference and the Gala Dinner. Council was able to offer sessions online which made this event more accessible. There were over 90 attendees from across the state who attended to hear the high profile speakers including Master of Ceremonies Tracey Spicer, Kemi Nekvapil (The Gift of Asking), Karen Murphy (Succeeding in a male dominated sport), Ruth McGowan OAM (How to Boost your Political Savvy as an Influential Networker), along with other industry speakers and workshops held by Nicole Sullivan and Neryl East. A survey conducted after the event received overwhelmingly positive feedback on both the conference program, location and facilities

OBJECTIVE 4.1

Led through collaboration

STRATEGY 4.1.2

Actively engage, consult and inform the community

Council recognises that the views gathered through conversations and engagement should be representative of a broad cross-section of the community. Where possible, Council is committed to ensuring open access through:

- Use of accessible venues
- Promotion of accessibility options
- Ensuring a range of engagement methods are used
- Provision of easy-read materials or direct support to interpret documents.

Council continued to progress the actions outlined in the Communications and Engagement Strategy 2020-2024. Council's website remains a key source of information for the community, with over 295,000 visits. The majority of traffic reaches Council's website from Google. News, events, and updates are regularly posted there to keep the community up to date

Council used multiple media channels to promote local events and to engage and inform the Community during the year. In addition to social media, Council's online engagement platform 'Lets Chat' continued to grow with over 16,650 visitors to the site. The highest visited project was the Reddall Reserve Master Plan attracting 7,059 visitors. Stakeholders provided ideas, aspirations and even dislikes, this all informed the final Masterplan. The page continues to have followers and high levels of traffic as individual projects identified in the Masterplan are set up as project pages for future information and engagement.

The Community Strategic Plan engagement program was activated, Imagine Shellharbour. A series of community workshops were held, attended by over 150 participants. A successful outcome of these sessions is the community developed Vision that will be used in the next Community Strategic Plan. The program will continue to roll out over the next few months.

Council also distributed over 198 press releases/alerts to local media and 24 Mayors columns were submitted for inclusion in the Illawarra Mercury.

Operational Income
-

Operational Expense

\$415K

Capital Spend
-

Total performance progress met

100%

Number of visits to the Shellharbour City website

295,106

Number of engagement projects on Let's Chat

22



You can find out these answers and much more by visiting us at the Museum,
located at the Shellharbour Civic Centre.

Feedback Series

Council commenced development and production on a new video series this quarter. This series of 10 short video's explores what happens after stakeholders give Council feedback. Each of the short videos will focus on engagement results from the Community Satisfaction Survey, Lets Chat, customer experiences and general feedback given to Council. The videos are shared on Council's social media channels, e-newsletters, website and are also complemented on a project page on Let's Chat, where stakeholders can provide further insight in the focus area.

Since its implementation feedback videos have been developed on Public Toilets, City Museum, Bush Regeneration and Arts and creative initiatives.

OBJECTIVE 4.1

Led through collaboration

STRATEGY 4.1.3

Acknowledge and respect the Aboriginal community as the traditional custodians of the land

Council delivers a number of key events that acknowledge and celebrate our local Aboriginal history and community. These include: Reconciliation School Flags Walk, NAIDOC Community Day and the NAIDOC Awards.

Council continues to be guided by the Aboriginal Advisory Committee (AAC) and other Key Aboriginal stakeholders to embrace and celebrate our Aboriginal Culture and Heritage. Advice has been provided to assist the development of a process and application form for Naming of Parks and reserves after Aboriginal people, advice on the use of Dharawal language on City and suburb entry signage, feedback has been provided on Shell Cove Aboriginal interpretive signage content, Plans of Management for Windang, Bevan and Cowrie Islands. Council values the continued knowledge, advice and contribution provided by the AAC and other Aboriginal stakeholders.

Shellharbour City Council is rich in Aboriginal culture and heritage. No place more so than Bass Point Reserve. The Bass Point Reserve Conservation Management Plan includes a chapter dedicated to Aboriginal culture and heritage. The Aboriginal Culture and Heritage section of the document is based on local Aboriginal community consultation and archaeological research and aims to acknowledge and preserve the significant artefacts and sites throughout the Bass Point Reserve.

Work on the Aboriginal Interpretive Signage Walk (Signage Walk) commenced in the past 12 months. The Signage Walk is a way of communicating elements of local Aboriginal culture and heritage to the broader community. It can assist Aboriginal traditional custodians to share selected aspects of their culture and to help educate and celebrate that culture. Council undertook an Expression of Interest (EOI) process to commission an Aboriginal artist or designer to create designs to be integrated into signage for the Aboriginal Interpretive Signage Walk. The signs will be placed around the edge of Lake Illawarra and potentially other sites across the region such as Shellharbour Village, Killalea and Bass Point.

Reconciliation Walk

On the 31 May 2021, over 400 students and staff from 27 local schools participated in Shellharbour City's annual Schools Reconciliation Flag Walk. The walk was led by a Yidaki player, starting at Lake Illawarra Police Citizens Youth Club and finishing up at Pelican View Park.

Aboriginal Elders, civic leaders and school children enjoyed the flag walk, smoking ceremony, traditional dance performances, and special flag exchange to mark the event. Oak Flats Lions Club coordinated a BBQ lunch, with students encouraged to yarn with an Elder over lunch. Feedback for this event was positive with the day enjoyed by schools and staff. It was encouraging to see this event grow, with attendance figures doubled from 2019 - 2021.

Operational Income
-

Operational Expense

\$66k

Capital Spend
-

Total performance progress met



OBJECTIVE 4.2

Supported by a council that is responsive, accountable and financially viable

STRATEGY 4.2.1

Undertake Council activities within a clear framework of strategic planning, policies, procedures and service standards

Council continued to be managed in such a way as to meet the community's goals set out in the Community Strategic Plan. The challenges of achieving this outcome were increased as the organisation needed to respond to the COVID-19 pandemic.

Council's response to the COVID-19 pandemic has been led, consistent with the Core Values of the organisation. In particular, the financial sustainability of the organisation in what has been a financially challenging time has been maintained. The Sustainability of the relationship with the Community has also been maintained by delivering similar services, just differently, as the approach taken to Customer-facing operations is modified. The patience and understanding offered by the Community has been of great benefit and appreciated at the organisational level. The staff response to the need to manage differently has been outstanding and a great source of pride. Council has continued to put in place operational arrangements that are consistent with the Public Health Orders of the NSW state government, as well as the advice of NSW Health.

Council reported on its progress and outcomes on actions, activities and projects set out in the Operational Plan with respect to the principle activities detailed in the Delivery Program on a quarterly basis, throughout the year. Each progress report celebrated our achievements and discussed our challenges. It is Council's story back to the Community on what we have delivered, what's on track and what is at risk or undelivered for each quarter.

The 2019-2020 Annual Report and Financial Statement were endorsed by Council on 24 November 2020. The Annual Report provides an overview of Council's operational and financial performance.

A new framework to better manage and improve the accessibility of Council's Policy, Business Process, Procedural and Supporting Documents has been implemented. The benefit to our Customers is increased quality and consistency in how Council's services are delivered, as Council employees perform their roles using standardised, streamlined and easy to access information.

All information required to be made publicly available under the Public Information (Public Access) Act (GIPA Act) was displayed on Council's website or provided upon request.

Operational Income

\$15k

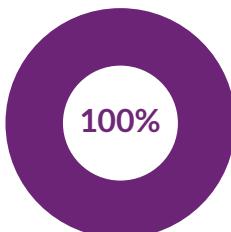
Operational Expense

\$5.285m

Capital Spend

-

Total performance progress met





Imagine Shellharbour Workshops

In early June, over 150 community members participated in 'Imagine Shellharbour' workshops. Participants joined others to share experiences and ideas to help set goals for the future of Shellharbour City. Each workshop group co-created a vision statement for the City and identified objectives to help achieve each vision. Nine vision statements were developed at the workshops and the wider community has been asked to vote on their preferred statement.

OBJECTIVE 4.2

Supported by a council that is responsive, accountable and financially viable

STRATEGY 4.2.2

Continually improve services to enhance the customer experience and meet customer expectations

Council's commitment to the Customer Service Charter continued to be achieved by delivering programs and services with a strong focus on exceptional customer service. The Customer Service team have managed the delivery of services during the COVID-19 restrictions successfully which delivered the same services differently. The Customer service team was able to re-commence the delivery of face to face interactions at the Civic Centre in a COVID-19 safe environment in providing timely and accurate advice to the community both over the phone and through our online customer service requests. Council commenced the use of the NSW Planning Portal as of 1 July 2020 for lodgement of development applications including complying development certificates which has streamlined the Development Application process and improved the Customer Experience.

Council worked to further document and embed standardised business processes across operational areas to support the delivery of consistent quality customer service. The focus has been on undertaking a service-based end-to-end approach to documenting and improving Council's business processes.

Targeted improvement initiatives focused on Council's overgrown property and tree maintenance services. Fifteen improvement initiatives relating to Council's overgrown property service were progressed relating to customer service, governance, business process, technology, communications and risk management. Concurrently, work progressed to improve Council's tree maintenance service, which included customer experience journey mapping, improvement identification and business process documentation sessions. Over 10 improvement opportunities were identified and progressed in relation to customer tree requests on Council managed land. Furthermore, the tree maintenance improvements were selected as a finalist in the 2021 Local Government Excellence Awards.

Council hosted the inaugural Change Week. Change Week celebrated all Council has achieved by focusing on what change means and how to do it well. Change Week was designed as a culture Improvement strategy and featured leadership training, interactive art, change seminars, and talks by Collin Ellis. Colin Ellis is an award-winning international speaker, culture change facilitator, and author of two best-selling books. Council staff were invited to learn more about "how to improve the way we work" through attending talks by Colin, participating in Team "Change Challenges" and developing Council's new internal vision. Feedback from staff was incredibly positive with an ongoing Culture Club suggested and adopted as a way to continue to drive improvements across council.

Operational Income

\$77K

Operational Expense

\$2.676M

Capital Spend

-

Total performance progress met



Percentage of calls answered within 60 seconds

83%

Customer service requests acknowledged within 3 working days

100%

Customer service requests actioned within 14 working days

85%

May saw the launch of a new initiative, The Collective which is Council's take on the idea of a 'Culture Club'. The Collective aims to assist with project planning, development, implementation of programming by providing a space to generate and collect new ideas through a range of tools and techniques. The Collective is made up of staff from across the organisation who come together to collaboratively look at ways of making positive change and improve the way we do things.

Training was conducted for staff in areas such as Leadership, Code of Conduct, Time Management, Working safely near live electrical, Mental Health, Beach and Lifesaving Accreditation, Traffic Management and Armed Robbery with various other training necessary for off-site works. These training opportunities allow staff to develop and enhance their skills, continue to stay up with best practice and best meet the needs of the Community, Customers and Council.

Business Improvement

Council's Business Improvement Program focuses on building and enhancing our business process management and improvement practices, tools, skills and capabilities. As part of the Business Improvement Program, we are working to document and improve our business processes using a business process management solution. The aim is to ensure we are all clear on what we do, how we do it, who does it, and who we need to work with to deliver consistent, quality outcomes to our Community, Councillors, Customers and Council. This will enable us to review and improve the way we work.

To date Council has completed and published, over 200 business process. Completed processes have been published on Council's website to provide transparency and demonstrate accountability.

Leadership Framework

My Conscious Leadership training was delivered to the Leadership team as part of the first modules delivered from the Leadership Framework and Development Program. Conscious Leadership works with leaders to explore leading with integrity, accountability and building professional relationships with teams. The focus of the training included emotional intelligence and self-awareness, exploring attitude and mindset, management vs leadership, setting expectations and trust and how it can be achieved.

Building Great Cultures training was also delivered to program participants during April, further building on leadership knowledge skills and strategies as part of the leadership framework and program. The Building Great Cultures session delivers a unique real world approach to the culture challenges that are faced day to day. Training is based around the 6 pillars of Culture, these being Personality and Communication, Vision, Values, Behaviour, Collaboration and Innovation.

OBJECTIVE 4.2

Supported by a council that is responsive, accountable and financially viable

STRATEGY 4.2.3

Ensure Council is financially sustainable and continues to be transparent and accountable

Throughout the year, Council has successfully continued on its path of securing its long term financial sustainability. Strategic financial advice was provided to Councillors on a quarterly basis as part of the review of the 2020-2021 Operational Plan and Delivery Program with all statutory requirements being met.

The review of Council's Investment Policy was finalised and reported to Council in February with it being adopted for exhibition purposes. At the end of the 28 day exhibition period no submissions were received with the new policy being formally adopted. The investment policy adopted by Council will help to ensure Council continues to be in a position to obtain the most favourable rate of interest, in both the current economic environment and for the future.

To help residents and businesses experiencing hardship caused by the economic impacts of the COVID-19 pandemic, Council provided significant financial relief through packages endorsed by Council in April 2020. A large proportion of the first relief package was provided in the 2019/20 year, with some relief being provided in the 2020/2021 year. The second relief package will be provided in the 2021/2022 year.

Council continued its commitment to progress regional procurement initiatives as part of the Illawarra Shoalhaven Joint Organisation. The purpose of regional procurement is to achieve lower cost of services with sharing into a collective buying power through our partnerships with other government agencies.

Financial Sustainability recognised

In recognition of Council's financial sustainability, Shellharbour City Council received recognition for achieving outstanding financial results in NSW for financial performance. Highly respected within the local government financial sector, LG Solutions assessed the financial performance of NSW councils. LG Solutions devised their own assessment model to rank councils' financial performances over the past five years. Shellharbour City Council has performed very well amongst 126 local governments in the Consolidated Operating Result and the General Fund Operating Result.

Operational Income

\$56.593M

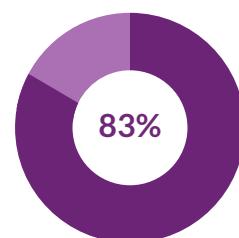
Operational Expense

\$3.311M

Capital Spend

-

Total performance progress met



Percentage outstanding rates and charges

5.24%

Operational Performance Ratio

14.24%

Participation in regional procurement initiatives

100%

Office of Local Government Performance Measures met

9/9

OBJECTIVE 4.2

Supported by a council that is responsive, accountable and financially viable

STRATEGY 4.2.4

Provide a diverse range of business technology to facilitate information sharing

Council has developed an Information Management strategy which provides a guiding framework that sets out Council's approach to improving the way we create, use, manage, share and protect information to support planning, accountability and effective decision making. The strategy seeks to lead to better decision-making and outcomes for the Shellharbour Local Government Area by ensuring information that is collected, used and shared by Council is accessible, consistent and of good quality.

The Information and Communication Technology team supported the transition of staff working from home as a result of COVID-19 restrictions in 2020 and 2021. The success of Council services to be delivered whilst working from home is a testament to the strategic planning and technology implementation from Council's Business Technology team over the past 3 – 4 years. A renewed focus on Cyber Security has seen the recruitment of Chief Information Security Officer which has accelerated Council's Cyber Security risk identification including multiple implementations of and mitigation measures to Cyber security risks and development of an Information Management Security Strategy.

Council's continues to invest and innovate in business systems to ensure optimisation supports business efficiency and delivers service improvements for Customers and the Community. Key achievements have been the implementation of DXP meetings which supports improvements to Council's governance and the periodic upgrades and updates to Council's Enterprise Business System (TechnologyOne). The success of the Business systems has been enabled by the continued training and business improvement processes conducted by Council's Business Technology team including the ongoing support provided by Business Technology.

Ongoing continuous improvements to the Geographical Information System (GIS) remain a key focus with the further streamlining of processes to improve efficiencies and accessibility of Information. The team continue to deliver accurate and timely processing plans which include Subdivisions plans and Strata Plans. 10.7 certificates continue to be a key achievement with the certificates processed within the 3 day turnaround time and the high 98% certificates applied for online by our customers.

Operational Income

\$374K

Operational Expense

\$4.763M

Capital Spend

\$181K

Total performance progress met



Correspondence received by Council responded to within 5 working days

85%

Information and Communication Technology service desk incidents resolved within service level agreements

85%

Information and Communication Technology systems available during business hours

100%

10.7 Planning Certificates delivered within the target timeframe of 3 days

96%

OBJECTIVE 4.2

Supported by a council that is responsive, accountable and financially viable

STRATEGY 4.2.5

Minimise risk, ensure continuity of critical business functions and assist in the delivery of service for emergency events including flooding, coastal/oceanic, bushfire and other events

Council's Business Continuity Plan has been developed to assist staff in the restoration of business operations in the event of a significant disruption or catastrophic event. Council's Business Continuity Plan is current and it is reviewed and updated on a quarterly basis.

Council continued implementation of its response and approach to the COVID-19 Pandemic through the Crisis Management Team to support business continuity during this time. The Crisis Management Team established 3 key response objectives, those being:

- Maintain the health and wellbeing of Council staff,
- Ensure continuity of critical business functions and
- Maintain satisfactory levels of customer service.

Council participated in a number of online meetings with the Local Emergency Management Committee regarding the implementation of community safety action plans to assist in managing compliance with the public health orders associated with COVID-19.

Council provided its support to the Emergency Services through its active representation at all the Illawarra Local Emergency Management Committee (ILEMC) and Illawarra Zone Liaison meetings this year. Council has also supported the emergency services through the maintenance of local emergency service fleet, plant and equipment as per the Rural Fire Service Annual Program.

The Macquarie Rivulet Floodplain Risk Management Study continued working on building the new flood model and assessing the results of the community consultation data. Council invited the community members to provide input into the review of the Elliot Lake- Little Lake Floodplain Risk Management Study and Plan by visiting the project page on "Let's Chat" and completing an online survey.

Council attended both the Bushfire Management Committee and Sub-committee and provided relevant input. Council continues to liaise with the Rural Fire Service on an ongoing basis to ensure management of Asset Protection Zones and other bush fire related tasks.

Council has an insurance portfolio that provides protection and assurance against unforeseen financial losses arising from its activities. These include but are not limited to: public liability, property protection, motor vehicle damage, worker's compensation, aviation liability, fine arts, casual hirers, fidelity guarantee, cyber and Councillors and Officers liability.

Operational Income

\$703K

Operational Expense

\$4.077M

Capital Spend

-

Total performance progress met



Corrective Actions completed within allocated timeframes

100%

Average cost of Workers Compensation Claims

\$1,533

Workers Compensation Cost Industry rate comparison

2.11%

Requests for flood level information responded to within 10 business days

100%

Statutory Reporting

The information in this section of the annual report addresses the reporting requirements detailed in the *Local Government Act 1993* as per section 428, the *Local Government (General) Regulation 2021* as per clause 217(1) and other relevant legislation.

It serves to complement the information provided in other sections of this report as well as provide increased transparency and accountability to the community.

Companion Animals Act

Community

Shellharbour City Council is responsible for enforcing the provisions of the Companion Animals Act 1998 which promotes responsible pet ownership within the local government area. Council must adhere to and report on a number of statutory requirements that are contained within the legislation.

Council takes a measured response to enforcing the Act to ensure responsible pet ownership. Council proactively educates the community regarding responsible pet ownership, both when animals are at home, and especially when out in the public domain.

Due to the ongoing COVID-19 pandemic, Council saw an increase in the number of dogs acquired during this time, which was demonstrated by an increase of dogs being exercised by their owners. Council officers took the opportunity to address issues through a proactive education program, targeting popular locations for walking dogs.

Council continues to promote the importance of ensuring pets remain under the effective control of a responsible person to prevent unnecessary risk to our community through dog attacks and other hazards caused by roaming animals.

Unregistered and Unidentified Animals

The Companion Animals Act 1998 requires that all dogs and cats over 6 months of age are microchipped and registered. There continues to be a steady drop in the number of animals that do not comply, which can be attributed to changes to the law specific to breeders when selling their animals.

Council ensures that owners comply with these requirements when addressing animal related complaints. Council issued 251 notices directing owners to comply with registration and identification requirements. Penalty notices may be issued for non-compliance.

Impounded Animals

Shellharbour City Council continues to respond to stray dogs that may escape their properties and end up being seized by council or members of the community. The continued growth in online platforms and social media remains a key factor in reuniting lost pets with their owners.

In the 2020/21 financial year Council seized 178 stray dogs which represents a decline in the number seized. Council remained proactive in returning identified dogs back home, rather than taking them to the pound. During this reporting period Council staff were able to return 76 dogs to their homes without the need to impound. This represented a return rate of 43%. This is an excellent result as most stray animals that council collects are either not microchipped or the owner details are out of date.

Dog Attacks

Council continues to support members of the public that may be involved in unprovoked dog attacks. Unfortunately a small percentage of dogs become involved in dog attacks involving other animals or people. Council investigated 41 dog attacks during this reporting period.

Dog attack investigations may result in dogs being declared dangerous or menacing and strict control requirements are imposed to protect the community from these animals.

With proper training and care, most dog attacks can be prevented. Responsible pet ownership is required to ensure that people or other animals do not fall victim to a dangerous dog.

Alternatives to Euthanasia for Unclaimed Animals

Council continues to support a number of rehoming agencies and groups by waiving their requirement to register animals that are being rehomed. The new owners are responsible for registration, which allows the rehoming groups to focus spending on programs that save animals.

Council's education and enforcement programs ensure that the ownership details of animals are up to date which facilitates the return of animals rather than those animals being impounded and euthanised.

Council maintains a strong working relationship with the RSPCA, which provides pound services for Council. The RSPCA assess animals for suitability for rehoming prior to euthanising any unclaimed animals. The RSPCA also provides some animals to rescue organisations.

Education Programs

Council continues to promote responsible pet ownership and regularly undertakes education and enforcement programs in areas identified as being non-compliant. Beaches and the foreshore experienced an increase in the number of dogs, particularly during the pandemic lockdown period. Over the summer months, Council Regulation officers assist the Lifeguard team to educate residents and visitors bring their animals to the beaches.

Council developed a number of communications that were posted on its website and social media platforms. A number of events were cancelled due to COVID-19 restrictions, which limited community engagement during this time.

Council adopted a 'Dog Friendly Spaces Strategy' to identify gaps in the provision of dog friendly spaces and ensure equitable distribution across the area and balance the needs of dog owners with the needs of the general community for accessible safe parks.

Off-leash exercise areas for dogs

There are a number of places around Shellharbour City where dog owners are able to exercise their dogs off leash.

- Areas of Croom Regional Sporting Complex, Croome Road, Albion Park Rail, excluding sportsfields and bushland.
- Dog park located on Whittaker Street, Flinders (includes a dog agility park)
- Dog park located on Kingston Street, Oak Flats (includes a dog agility park)
- The southern end of Lake Entrance sports field, Messenger Street, Barrack Heights
- Vacant land at the southern end of Industrial Road and the southwestern corner of Kingston and Moore Streets, Oak Flats
- Bass Point Tourist Road between The Shallows coastal reserve and the gravel loader, east-west to the high water mark, Shellharbour, not including the beach area. (Please note this area is currently subject to change due to the Shell Cove development.)
- Alex Hoffman Park, Rowland Ave, Mount Warrigal, excluding bushland.

Dog owners use these areas to assist in developing socialisation skills whilst providing adequate room to run and play. Areas like these are important to the community as they provide a convenient setting for socialising dogs from an early age. Developing these skills will help prevent dog attacks and other anti-social traits that may otherwise develop.

Funding

Council received Government funding of \$4000 which was transferred to RSPCA to assist with providing financial support resulting from the COVID-19 pandemic.

Swimming Pool Inspections (Regulation and Enforcement)

Council conducted 67 swimming pool inspections for this financial year. Details of private swimming pool inspections include:

Number of inspections of tourist and visitor accommodation	1
--	---

Number of inspections of premises with more than 2 dwellings	1
--	---

Number of inspections that resulted in a compliance inspection	61
--	----

Number of inspections that resulted in issuance of a certificate of non-compliance	4
--	---

Carers Recognition

No longer applicable as Council exited out of direct service provision to carers on 31 October 2015.

Disability Inclusion

Shellharbour City Council's Disability Access and Inclusion Plan (DAIP) was extended for a further 12 months and will now end 30 June 2022. The Plan focuses on how to make the City a more accessible and inclusive city, a place where people want to live, work and play.

The plan commenced on 1 July 2017 and has four focus areas. These are:

Focus Area 1: Developing positive community attitudes and behaviours

Focus Area 2: Creating liveable communities

Focus Area 3: Supporting access to meaningful employment

Focus Area 4: Improving access to services through better systems and processes

Achievements have been delivered across the four focus areas. Highlights include:

Focus Area 1: Developing positive community attitudes and behaviours

One of the key ways Council promotes positive community attitudes and behaviours towards people with disability is through the acknowledgement of International Day of People with Disability.

Each year Council supports regional initiatives held in recognition of the day. This year due to social restrictions a -Not all disabilities are visible – local short story project was hosted. The project that was a partnership between Wollongong and Shellharbour Council had 9 people tell their story on social media and corflute display that the impact that their hidden disability has on their lives

The project was launched at the Shellharbour Civic Centre. The launch was attended by many of the participants as well as the Mayors from both Councils.

Focus Area 2: Creating liveable communities

Many small access and inclusion matters are referred to Council's Disability Access and Inclusion Committee (DAIAC) for attention.

The Committee oversees a budget of around \$65 000 per annum and determines priorities for expenditure of the funds.

Since 1 July 2017 the Committee has contributed to over 80 capital projects including improvements to footpaths, kerb ramps, bus stops, car parking spaces.

The total cost of these projects was over \$350 000.

Focus Area 3: Supporting access to meaningful employment

Council partnered with The Illawarra Branch of Dressed for Success Sydney to promote their 'Back on Your Feet' campaign as a Seniors Festival activity. The campaign is designed to support women looking to get back into the workforce after any form of break through the delivery of one hour 'From you to interview' workshops and one-on-one styling sessions to find a top to toe interview outfit for participants.

Focus Area 4: Improving access to services through better systems and processes.

Access and inclusion matters are now being considered in many of Council's systems and processes. Highlights include:

- Reviewing plans at pre-lodgment and development application stages.
- Reviewing draft management plans for at least 9 council parks or reserves.
- Ensuring accessible toilets are fitted with a Master Locksmith Access Key (MLAK) and available when the other facilities are open. As well as promoting the availability of MLAK.

Financial Assistance 2020/21

Applications for Financial Assistance

Councils may provide financial assistance to others, under S356 of the *NSW Local Government Act 1993* (the Act). Shellharbour Council allocates funds for certain kinds of donations, listed as miscellaneous donations in each annual Operational Plan and the distribution of funds is managed by the Financial Assistance Working Party, which includes all Councillors. Applications are considered four times a year. Council's Financial Assistance - Donations Policy is available on Council's website.

Applications for Fee Reduction

There was one application for fee reduction was received by Council during the 2020-2021 year.

All subsidies made under the Council Policy 'Leasing and Licencing on Council Public Land and Buildings' are made as 'in-kind donations'. That is, the use of the facility for a lesser amount in return for the services that they offer to the community as well as the maintenance responsibilities that they may undertake on the property rather than cash from Council's Donations Policy budget.

Council provided in-kind donations to the value of \$198,990 through rental agreements to groups who have provided certain community benefits to the City.

Requests for Donation 2020/21

A total of \$24,386.22 was donated from the miscellaneous donations budget as follows:

Organisation	Reason Requesting	Amount
First quarter allocation		
Albion Park White Eagles Soccer Club	To replace old BBQ unit and repair storage fridge.	\$500
Community Service Award	To encourage and reward students who have shown initiative and action in supporting their local community	\$786.22
Delta Therapy Dogs	To assist with the recruitment, assessment, training and ongoing support of volunteers in the Shellharbour area.	\$250
Kookas Cricket Club	To go towards shortfall on purchase of new turf cricket pitch roller	\$500
Lake Illawarra Athletics	To purchase sanitation stations for canteen and events area.	\$500
Lake Illawarra Cricket Club	To supply gazebos and first aid kits.	\$500
Mt Warrigal Kooris United Rugby League Football Club	To cover costs of council rates, referees and officials fees, health and hygiene products and new equipment.	\$500
Oak Flats Garden Club	To assist with hall fees, insurance, upgrading of equipment, subsidizing bus fees, gifts for guest speakers.	\$500
Shell Cove Public School P & C Association	To assist in providing programs, resources and equipment to enhance learning environment and experiences for students	\$250
Southbridge Boardriders Club – Warilla/Shellharbour	To assist with the purchase of a new solar energy generator.	\$500
Stingrays JRLFC	To construct concrete footpath for safe entry to field of play on northern side of club grandstand.	\$500
Stingrays RLFC	To upgrade lighting and storage in dressing sheds at Flinders Reserve.	\$500
Warilla Barrack Point Surf Life Saving Club	To have board racks fitted to the club's new Can Am ATV. Assistance for design and installation of board racks.	\$1,000
Warilla Wanderers Football Club	To assist with purchasing women's team kits for new team.	\$500
TOTAL		\$7,286.22
Second quarter allocation		
Albion Park Amateur Swimming Club	To purchase food and drinks on Presentation Day	\$500
Albion Park Crows AFL Club	Funds will be allocated for the purchase of toaster/s, slow cookers and other necessary equipment required in the canteen.	\$250
Delta Therapy Dogs	To assist with the ongoing support of volunteers.	\$250
Help2help Ltd t/as Ratha's Place	To assist in providing meaningful employment and training for people with intellectual and developmental (dis) abilities at Ratha's Café, Oak Flats.	\$500
Marine Rescue NSW Shellharbour	To assist in the operational costs associated with requests for help or assistance that may occur.	\$250
Nar Anon Albion Park	To assist with the purchase of literature and books to further inform and educate the community with knowledge required to support loved ones in addiction	\$250

Organisation	Reason Requesting	Amount
Oak Flats Tennis Club	To assist with updating the interior of the clubhouse and purchase of paint and painting equipment, as well as resurfacing the wooden floor of clubhouse by sanding and sealing.	\$500
Schuetzenklub Illawarra Ltd	To assist with maintenance costs of the club to keep it a financially viable, safe and compliant sporting and social facility.	\$500
St Vincent de Paul Society – Shellharbour All Saints	To provide financial and material support disadvantaged members of the area.	\$500
Stingrays JRLFC	To construct concrete footpath for safe entry to field of play on northern side of club grandstand.	\$500
Tullimbar Village Community Garden Inc.	To supply and lay decomposed granite between garden beds.	\$500
TOTAL		\$4,500
Third quarter allocation		
Albion Park Crows AFL	To assist with the purchase of banners, advertising and subsidising training shirts for juniors.	\$250
Marine Rescue NSW Port Kembla	To assist with the purchase of office chairs for staff at the Ski Way Park.	\$600
Mt Warrigal Kooris United RLFC	To assist with the purchase of health and hygiene products and new equipment.	\$500
Saint Paul's Parent and Friends Association	To assist with the purchase and installation of indigenous welcome sticks at the entrance to Saint Paul's Catholic Primary School.	\$500
Shellharbour City Cricket Club	To contribute towards the cost of new covers that protect the profile of the wicket from water entering.	\$500
Shellharbour Swans Junior Australian Football Club	Purchase of new fridge and BBQ as well as new training and game balls.	\$500
Shellharbour Tri Club	Club clothing for members as well as lane hire at Council's pools to support training for members.	\$250
Shell Cove Community Garden	To purchase a polycarbonate greenhouse to propagate seedlings.	\$500
Warilla Barrack Point SLSC	To assist in the purchase of two shade marquees for use during nipper training sessions.	\$800
Southern Illawarra Men's Shed	To purchase a catenary wiring system in the ceiling of the Men's Shed.	\$1,000
St Vincent De Paul - Albion Park Conf / Oak Flats	To assist residences experiencing financial difficulties.	\$500
Sudu Dragon Boat Club	To purchase a Cox Box mini system and speed coach monitor.	\$1,000
Warilla/Barrack Point Surf Life Saving Club	To purchase an additional three nippers boards for training of members.	\$1,000
TOTAL		\$7,100

Organisation	Reason Requesting	Amount
Fourth quarter allocation		
Albion Park Touch Football Association	Purchase of top dressing from Council nursery to undertake maintenance on Albion Oval.	\$1,000
Albion Park Youth and Community Care	Purchase of plants, seeds and irrigation upgrades to ensure a sustainable garden to provide knowledge on food & produce to residents as well as strengthen social connections	\$1,000
Illawarra Women's Health Centre	Purchase and installation of a new toilet and grab rail for the disabled toilets at the centre.	\$1,000
Shellharbour Swans Junior AFL Club	Purchaser of a new BBQ, training and game balls and a First Aid Kid – High Risk Remote Area Softpack Kit.	\$500
Shellharbour City Rowing	Purchase of a new rowing scull for teaching new members basic rowing techniques.	\$1,000
She Shedders	Purchase of two laptop computers to enable the group to teach members basic technology use such as internet banking, online shopping, connecting with Centrelink online.	\$1,000
TOTAL		\$5,500
Total		\$ 24,386.22

Applications for Sponsorship 2020/21

Organisation	Project Summary	Amount
Albion Park AH&I Association	Albion Park Show Exhibition of Agriculture Day – Albion Park Showground	\$2,000 cash
Courtney Beaton	Run Shellharbour, Eric Creary Park, Barrack Point & Lake Illawarra Foreshore	\$5,000 cash
Jessica Smith	The Farms Market, Reddall Reserve	\$2,532 in kind
Roo Theatre Company	Shellharbour's Got Talent - Harbour Theatre, Shellharbour Village	\$2,000 cash
Lake Illawarra Police	Think you know CYBER - Shellharbour Civic Centre	\$5,000 cash
Department of Education	Southern Stars – The Arena Spectacular Wollongong Entertainment Centre	\$5,000 cash
Dom Furber	Bogey Nights The Links, Shell Cove	\$10,000 cash
Albion Park AH&I Association	Albion Park Show Society Smash Up Derby and Fireworks Display, Albion Park Showground	\$2,000 cash \$910 in kind
Warilla Barrack Point SLSC	SLSNSW Sharkskin IRB (Inflatable Rescue Boat) Round 3 Warilla Barrack Point SLSC – Warilla Beach	\$3,500 cash \$2,500 in kind
Wollongong Roller Hawks	National Wheelchair Basketball League Cluster Round Shellharbour Stadium	\$2,000 cash
Bright Events Pty Ltd	Wings Over Illawarra 2021 Shellharbour Airport	\$5,000 cash \$3,000 in kind
Greenacres	2021 Greenacres Ball – The Great Gatsby City Beach Function Centre	\$1,800 cash
Wheelchair Rugby League Australia	“NSW City vs Country Festival’ event	\$1,848 in kind
Total		\$ 54,090.00

Financial Relief – COVID-19

Council at its meeting on 7 April 2020, resolved to provide financial relief as a result of the COVID-19 pandemic through a variety of measures.

For the 2020/21 financial year, a total of \$22,526 of financial relief was provided.

Written off Rates and Charges

There were no written off rates and charges for the 2020/21 financial year.

Planning Agreements

Planning agreements are also known as Voluntary Planning Agreements, or VPA's. These agreements are a voluntary arrangement under which the developer is required to dedicate land free of cost, pay a monetary contribution or provide any other material public benefit, to be used for or applied towards the provision of public infrastructure or another public purpose.

A planning agreement may be used instead of (or in addition to) imposing the conditions included in Council's current Contributions Plan, to negotiate development contributions that relate to a development, that may address other purposes and have a wider public benefit.

In 2020/2021, there were two Planning Agreements in force:

Calderwood Voluntary Planning Agreement

On 15 September 2014 Council entered into a Planning Agreement with Lend Lease Communities (Australia) Limited for the provision of all Shellharbour City Council local infrastructure contributions that are necessitated by the development of the Calderwood Urban Development Project.

Under this Planning Agreement the developer will provide approximately \$20M in monetary contributions toward both local and citywide infrastructure (in lieu of Section 94 Contributions) and deliver onsite infrastructure including a community centre, parks, sportsfields, road upgrades and land dedications to the value of approximately \$50M. The development is expected to occur over the next 10-15 years and will significantly increase both the population of the City's West and Council's asset base.

Council continues to implement this Planning Agreement and will negotiate an amendment with the developer, Lend Lease, should approval be given by the State Government to an application to modify the development.

Voluntary Planning Agreement – Benson Avenue, Shellharbour City Centre

This Planning Agreement was executed between Council and NPA Developments Pty Ltd on 31 October 2018 and applies to land at 4-6 Benson Avenue Shellharbour City Centre.

Under the Agreement the developer agrees to carry out road works in association with the development of the site a mixed residential and commercial development. The works were included as a condition of development consent to ensure that the traffic impacts arising from the development can be managed appropriately.

The works involve the design and construction of traffic lights at the intersection of Benson Avenue and Lamerton Crescent, including:

- The addition of the fourth southern leg to the existing T-intersection;
- Removal of the existing roundabout;
- Removal and reconstruction of associated kerb and gutter, drainage and road pavement

Environmental Upgrade Agreement

No Environmental Upgrade Agreements have been entered into.

Fisheries Management

Council have not received any formal requests or complaints regarding matters covered in any recovery or threat abatement plan listed under the NSW Fisheries Management Act.

Stormwater Management Services

Stormwater Services

The Stormwater Levy provided funding for various stormwater upgrade projects, as well as funding the maintenance of assets previously constructed with the stormwater levy:

- Stormwater Gross Pollutant Trap (GPT) maintenance
- Stormwater pipe CCTV inspection program
- Gross Pollutant Trap (GPT) upgrades at 15 locations
- Modification of Blackbutt Dam
- Croome Road / Tongarra Road Stormwater Upgrade
- Headwall Safety Upgrades – Design Phase

Stormwater Monitoring

Water quality monitoring continues to be undertaken for major waterways and wetlands under the stormwater monitoring program. Stormwater monitoring assists with characterising the environmental health of the city's major waterways and assessing the quality of stormwater discharging from urban and rural catchments. Results are used to identify any water quality concerns and assess the effectiveness of stormwater treatment measures.

Quarterly monitoring is undertaken for waterways including Elliott Lake, Bensons Creek, Tongarra Creek, City Pond, Horsley Creek, Oakey Creek, Macquarie Rivulet and Dunmore and Myimbarr wetlands. Shellharbour Council has been participating in the Smart Cities and Suburbs Program in collaboration with the Illawarra Shoalhaven Joint Organisation, University of Wollongong and industry partners.

The program has developed real time automatic monitoring of water quality measures and will supplement the Stormwater Monitoring program, by increasing Council's monitoring capacity without requiring Council officers to constantly visit the sampling sites. This program utilises funding provided by the Australian Government.

Stormwater Education

Funding from the Stormwater Levy has contributed to the installation of a new water bottle refill station and drinking fountain at McDonald Park in Albion Park Rail. It encourages the community to keep stormwater drains and waterways free of plastic pollution, and features two panels with stormwater education messages.

Coastal Protection Service

Council does not administer an annual charge for coastal protection services.

Special Rate Variation Expenditure

Shellharbour City Council was successful with its special rate variation application, under Section 508A of the Local Government Act, in 2012/13. This allowed Council to increase its general rating income to go towards the renewal of infrastructure. The annual program is based on priorities determined by Council's asset management system in conjunction with the Asset Management Plans.

The total funds expended in 2020/21 under the special rate variation amounted to \$7.13M. A breakdown of this expenditure according to asset class is provided below:

Buildings \$2,210,342	<ul style="list-style-type: none">Albion Park Showground South AmenitiesBarrack Heights Sportsfield AmenitiesShellharbour AirportOak Flats DepotWarilla Life Saving Club RoofAlbion Park Showground Public Toilets EasternRotary Park Amenities Renewal
Footpaths and Shared Paths \$520,321	<ul style="list-style-type: none">Shared Path: Lake Entrance Road/Captain Cook DriveShared Path: Wollongong StreetShared Path Renewal: Veronica StreetFootpath Renewal: Carrington Street
Transport \$2,318,465	<ul style="list-style-type: none">Carpark Renewal-Mary Street North Carpark ShellharbourCapital Program Asset PlanningYellow Rock Road Detailed DesignKingston Street: Lake Entrance Road - Hopetoun LaneCroome Road RenewalCoolwin Crescent: full length
Open Spaces \$1,029,290	<ul style="list-style-type: none">Reddall Reserve Boat RampCaldwell Park PlaygroundJohn Shepherd Park Play EquipmentWarilla Beach Rockwall Renewal
Stormwater \$1,056,552	<ul style="list-style-type: none">City Pond RenewalBlackbutt Dam ModificationStormwater Pipe ReliningGross Pollutant Traps Refurbishments
Total \$7,134,969	

Assets acquired by Council during 2020/21

Assets are added to Council's asset register on an ongoing basis through private development and works carried out by Council as part of its adopted Capital Works Program. The total value of asset additions associated with Council capital works amounts to \$30.11M for the 2020/21 financial year. The works carried out by Council include both the construction of new assets and the renewal or upgrade of existing infrastructure.

Assets acquired through private development includes handover of assets constructed through major subdivisions, works in kind and user groups of Council land. For 2020/21, the total value of assets acquired was \$42.286M. This largely came from new sections of Calderwood, Shell Cove and Tullimbar being handed over.

The values of assets acquired are summarised below.

Works Completed and In Progress

Buildings & Aquatics \$3,035,533	<ul style="list-style-type: none">• Shell Cove Marina Services Building• Oak Flats Library Upgrade• Links Stage 2 Building Modifications• Albion Park Showground Eastern Public Toilets• Cottages at Shellharbour Beachside Tourist Park• Albion Park Showground South Amenities Renewal• Oak Flats Depot Redevelopment - Stage 3• Barrack Heights Sportsfield Amenities Renewal
Footpaths & Shared Paths \$2,060,499	<ul style="list-style-type: none">• Shared Path: Wattle Road (Jindabyne Road to Shellharbour Road)• Shared Path Renewal: Veronica Street• Shared Path: Wollongong Street• Shared Path Connection: Albion Oval• Shared Path Renewal: George Street (Terry Avenue to Arcadia Street)• Shared Path Connection: Darcy Dunster Park• Footpath Renewal-Carrington Street• Shared Path: Osborne Parade to Veronica Street• Ski Way Park Footpaths
Transport \$3,358,355	<ul style="list-style-type: none">• Carpark Renewal-Mary Street North Carpark• Kingston Street: Lake Entrance Road - Hopetoun Lane• Oak Flats Depot Redevelopment• Terry Street Block Grant• Capital Program Asset Planning• Carrington Street: Wattle Road - Loftus Street• Yellow Rock Road Detailed Design• Bass Point Tourist Road Renewal and Upgrade - Design• Croome Road Renewal• Coolwain Crescent - full length
Open Spaces \$2,609,816	<ul style="list-style-type: none">• Reddall Reserve Play Equipment Renewal• The Links - Mini Golf Circuit• Reddall Reserve Boat Ramp Renewal• McDonald Park Play Equipment Renewal• Albion Park Pool Splash Play• Caldwell Park Playground Renewal• John Shepherd Park Play Equipment Renewal• Flinders Village Green Play Equipment Renewal• Warilla Beach Rockwall Renewal

Stormwater \$1,798,506	<ul style="list-style-type: none"> • Blackbutt Dam Modification • City Pond Shellharbour City Centre Renewal • Wollongong Street Stormwater Renewal • Gross Pollutant Traps Refurbishments • Stormwater Pipe Relining • Tongarra Road/Croome Road stormwater improvements
Commercial \$12,072,015	<ul style="list-style-type: none"> • Shellharbour Airport Upgrade • Links Stage 2 Building Modification • Links Course Works • Shellcove Marina Heavy Platform • Shellcove Marina Services Building
Other \$5,182,720	<ul style="list-style-type: none"> • Fleet Vehicle and Major Plant Renewal • Leachate Treatment System • Library Books
Total \$30, 117,444	

Assets contributed by developers and others

Asset Class	Value \$'000
Drainage	\$ 17,276
Paving	\$ 2,937
Roads	\$ 4,327
Other	\$ 5,161
Land under Roads	\$ 12,585
Total	\$ 42,286

Assets held by Council at the end of 2020/21

Infrastructure assets managed by Council include sealed and unsealed local roads, stormwater drainage, recreation facilities and public buildings. The table below summarises the asset portfolio currently held by Council at the end of the 2020/21 financial year.

Asset Type	Quantity
Buildings	268
Sealed Roads	431km
Unsealed Roads	4km
Footpaths	258km
Stormwater Drainage	321km
Stormwater Pits	12,063
Swimming Pools	10

Work carried out on private land

Council performs various works on private land each year for which it looks to recover costs as part of the process.

Contracts Awarded

Contracts in excess of \$150,000 awarded by Council during 2020/21

Contractor	Contract detail & purpose	Contract Value (\$)
The Flagstaff Group Ltd	Collection of litter at the Dunmore Recycling and Waste Disposal Depot	\$264,900.00
Greenspace Management	The Links Mini Gold Detailed Design and Construction - Detailed design and construction of a 9 hole mini golf course	\$537,468.25
Coca-Cola Amatil (Aust) Pty Ltd	Supply of soft drink and beverages to the Links Tavern	\$510,000.00
Peloton Constructions Pty Ltd	Alternations and upgrade of existing library building	\$392,971.30
Donnelley Civil Pty Ltd	Modification to Blackbutt Dam to reduce the level of the bank and construct a new spillway	\$450,584
Donnelley Civil Pty Ltd	Harrison Park Basin Renewal - Modified Construction - Upgrade to Harrison Park Basin	\$445,527.50
Australian Tourist Park Management Pty Ltd Trading as NRMA Parks and Resorts	Management and Operation of the Shellharbour Beachside Holiday Park	\$2,223,000.00
Roadworx Surfacing Pty Ltd	Carrington and Kingston Street Pavement Rehabilitation - Reconstruction of Kingston Street (Oak Flats) and Carrington Street (Barrack Heights)	\$446,113.80
Dynamic Civil Pty Ltd	Removal and replacement of existing boat ramp	\$256,986.40
JBG Contractors NSW Pty Ltd	Mill and resheet of existing carpark. Provision of new electrical lighting, stormwater works, signage and line marking, and landscaping	\$765,011.29
Source Separation Systems	Supply of AS4736-certified compostable kitchen caddy bags	\$195,000.00
Advanced Constructions Pty Ltd	Albion Park Showground Toilets, South East & West	\$646,910.03
Moduplay Group Pty Ltd	Design and installation of two new playgrounds - Village Green at Flinders and John Shepherd Reserve in Albion Park	\$264,000.00
Aerofloat (Australia) Pty Ltd	Design and construct a leachate treatment plant at the Dunmore Waste Depot	\$2,130,350.20
Rhelm Pty Ltd	Review of Elliot Lake-Little Lake Floodplain Risk Management Study and Plan	\$219,945.00
Matrix Group Co Pty Ltd	Design and construction of the Marina Services Building for Shellharbour Marina at Shell Cove Harbour	\$2,974,561.00
Uniplan Group Pty Ltd	Design, delivery and installation of 2 new cottages at Shellharbour Holiday Park	\$294,603.10
Landmark Engineering & Design P/L trading as Modus Australia	Design and construction of a toilet amenities at Barrack Heights Sports Field	\$182,905.80

Contractor	Contract detail & purpose	Contract Value (\$)
Roadworx Surfacing Pty Ltd	Road Resurfacing contract	\$671,607.83
DGL Environmental Pty Ltd	Collection and disposal of raw leachate from the Dunmore Recycling and Waste Disposal Depot	\$1,180,880.00
Western Earth Moving	Civil Construction	\$2,049,629.00
Momentum Built Pty Ltd	Design and Construct - Upgrade to Deakin Reserve Sailing Club	\$417,627.10
ASCO Group Pty Ltd	Demolition of existing amenities and Design & Construction of new prefabricated toilet amenities.	\$154,107.17
Moduplay Group Pty Ltd	Design and Construct New Playground for Caldwell Park	\$176,000.00
Planet Civil Pty Ltd	Construction of shared use path, stormwater pits/ pipes and pram ramps	\$204,623.87
Planet Civil Pty Ltd	Construction of shared use path and pram ramps	\$319,000.00
Coastwide Civil Pty Ltd	Construct working pavement and service connections to facilitate future construction of Shell Cove Boat Maintenance Facility and minimise future disruption to public	\$710,345.00
Origin Energy	Supply of Natural Gas to Council sites	\$507,856.00
Cadifern Civil Pty Ltd	Construction of an approximate 1.4km long pumped pressure pipeline from the Dunmore Waste Depot to the nearest suitable Sydney Water sewer connection	\$221,316.70
Western Earth Moving Pty Ltd	Construction of Shellharbour Airport Business Park Consisting: - Earthworks - Pavement Works - Utilities - Drainage	\$2,049,628.90
Solar Professionals	Installation of Solar systems of varying size on the following buildings: - Alunga Childcare Centre - Wallaroo Childcare - Shellharbour Tourist Park - Warilla Library - Shellharbour City Stadium - Ron Costello (Inverter upgrade) - The Links - Myimbarr East and West	\$199,975.52

Condition of Public Works

As at 30/06/2021

\$ '000

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2020/21 Required maintenance	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRG)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings	Buildings	845	1,690	2,276	2,512	132,019	198,792	71.00%	20.00%	8.00%	1.00%	0.00%
	Sub-total	845	1,690	2,276	2,512	132,019	198,792	71.00%	20.00%	8.00%	1.00%	0.00%
Other Structures	Other structures	84	167	0	0	2,348	3,660	85.00%	6.00%	5.00%	5.00%	0.00%
	Sub-total	84	167	0	0	2,348	3,660	85.00%	6.00%	5.00%	5.00%	0.00%
Roads	Sealed roads	2,029	4,059	1,457	1,622	174,202	219,029	42.69%	44.53%	10.93%	1.76%	0.09%
	Unsealed roads	192	384	147	113	1,016	1,448	69.78%	0.00%	3.68%	26.54%	0.00%
	Bridges	274	548	2	0	14,204	17,458	68.09%	11.22%	17.55%	3.08%	0.06%
	Footpaths	905	1,810	459	548	51,868	64,935	53.08%	27.32%	15.82%	2.64%	0.15%
	Other road assets	400	799	509	543	18,836	23,256	60.12%	19.59%	16.85%	3.43%	0.00%
	Sub-total	3,801	7,601	2,574	2,826	260,127	326,127	45.34%	38.83%	13.24%	2.24%	0.09%
	Stormwater drainage	3,389	6,778	538	514	239,498	318,563	37.25%	33.90%	26.47%	1.70%	0.42%
Open space/recreational assets	Sub-total	3,389	6,778	538	514	239,498	318,563	37.25%	33.90%	26.47%	1.70%	0.42%
	Swimming pools	0	0	1,473	1,746	2,778	8,607	5.00%	48.00%	47.00%	0.00%	0.00%
	Other open space recreational assets	857	1,713	5,600	5,415	32,208	42,557	61.00%	18.00%	16.00%	4.00%	1.00%
Other infrastructure assets	Sub-total	857	1,713	7,073	7,161	34,986	51,164	52.00%	23.00%	22.00%	3.00%	0.00%
	Other	0	0	0	0	9,532	10,867	72.39%	24.14%	3.47%	0.00%	0.00%
	Sub-total	0	0	0	0	9,532	10,867	72.39%	24.14%	3.47%	0.00%	0.00%
Total Classes	Total - All Assets	8,975	17,950	12,461	13,013	678,511	909,173	48.35%	31.98%	17.31%	2.00%	0.00%

Asset Condition Key

- 1 - Excellent - No work required (normal maintenance)
- 2 - Good - Only minor maintenance work required
- 3 - Average - Maintenance work required
- 4 - Poor - Renewal required
- 5 - Very Poor - Urgent renewal / upgrading required

Equal Employment Opportunity Management Plan

Council was again required to change the way it provided services to the Community, given the COVID-19 pandemic. This meant that a large proportion of staff changed how they worked. Staff were notified and discussed changes with managers and consideration was given to individual needs to ensure flexibility was provided for those requiring to home school, accommodate for other members of the family working from home or those required to care for elderly relatives.

Council ensured continued communications and contact with staff who were required to work from home. Regular check-ins were held by managers with staff, to ensure staff were supported in their work from home, both from a work perspective and a mental wellbeing perspective.

Council supported those that were dealing with domestic violence during this period by providing paid domestic violence leave where required.

Councillor induction, training and ongoing professional development:

Item	
Mayor or councillors who completed any induction training course, induction refresher course or supplementary induction course during the year	N/A
Mayor or councillors who participated in any ongoing professional development program during the year	N/A
Number of seminars, circulars and other activities delivered as part of the ongoing professional development program during the year.	34 Councillor Briefings were held.

Councillor Costs

Total cost during the year of the payment of expenses of, and the provision of facilities to councillors in relation to their civic functions - \$74,570.00

Item	Cost (\$)
Provision of dedicated office equipment allocated to councillors	Nil.
Telephone calls made by councillors	Mobile Phone \$2808.00 iPad \$1728
Attendance of councillors at conferences and seminars	\$11,698.77
Provision of induction training and professional development for mayor and other councillors	Nil.
Training of councillors and provision of skill development	Nil.
Expenses of any spouse, partner or other person who accompanied a councillor in the performance of his or her civic functions, being expenses payable in accordance with the Guidelines for the payment of expenses and the provision of facilities for the mayor and councillors	\$1,073.70
Other expenses	\$57,261.53
	Total \$ 74,570.00

Interstate and Overseas Visits

Australian Local Government Women's Association Victorian Branch (VIC ALGWA) Branch Conference

The Mayor attended the VIC ALGWA branch conference from 30 April – 2 May 2021. All expenses were reimbursed by ALGWA National Branch.

There were no overseas visits by Mayor or Councillors in 2020/21.

Senior Staff Remuneration

Shellharbour City Council employed one Chief Executive Officer and three Directors during the period 1 July 2020 to 30 June 2021.

The Chief Executive Officer and the Directors are employed on a Division of Local Government contract for a period of five years.

Chief Executive Officer

As at 30 June 2021, the Chief Executive Officer was paid a total remuneration of \$341,608.39.

Directors

As at the 30 June 2021, the three Directors were paid a total remuneration of \$702,513.82.

These costs include salary, superannuation paid by way of employer contributions and salary sacrifice, non-cash benefits and fringe benefits tax payable by Council for non-cash benefits.

External Bodies, Companies and Partnerships

Council has not exercised any delegations of functions to external bodies and did not hold any controlling interests in any companies during the 2020/21 financial year.

Council had interests in the following entities during the 2020/21 financial year:

- Shell Cove – development of residential property and associated infrastructure
- CivicRisk Mutual – provision of property, motor vehicle, public liability, and professional indemnity insurance

Summary of Legal Proceedings 2020/21

Court	Name of Other Party	Amounts Incurred	Finalised	Result
Land and Environment Court of NSW	A & G Holdings Pty Ltd	\$49,783.50	Finalised	Judgement handed down. Awaiting payment of costs.
Land and Environment Court of NSW	Calderwood Heights P/L	\$77,132.11	Finalised	Orders made by way of conciliated agreement. DA approved subject to conditions.
Land and Environment Court of NSW	Parsons	\$11,443.85	Finalised	Orders made by way of conciliated agreement. DA approved subject to conditions.
Land and Environment Court of NSW	Broome Class 5 proceedings	\$7,800	Ongoing	
NSW Civil and Administrative Tribunal (NCAT)	Moran	\$44,627.22	Finalised	Decision pending

Obligations under the Government Information (Public Access) Act 2009 (GIPA Act)

Review of proactive release program – Section 7(3)

Under section 7 of the GIPA Act, agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. This review must be undertaken at least once every 12 months.

Shellharbour City Council is committed to being open, transparent and accountable by providing as much information as possible on its website. Staff from all areas of Council are continuously updating and providing new information to the public on its website.

"Let's Chat" Shellharbour provides an online forum for community engagement. Information about current topics and projects is placed on this site and the community is encouraged to have their say, post their ideas, thoughts and contributions.

Council continues to be open, transparent and accountable by proactively releasing information in relation to code of conduct complaints statistics, gifts and benefits and Councillor expenses registers.

Shellharbour City Council's program for the proactive release of information involves the following:

- Reporting and discussions with senior management to identify new information suitable for proactive release
- Annual awareness communication with all council officials
- Discussions with key internal stakeholders to promote awareness of releasing information under proactive release
- Discussions with external stakeholders to identify information that is of public interest that may be considered for proactive release
- Consideration of access applications for proactive release
- Annual review of existing proactive release information to ensure it is relevant and up to date

Number of access applications received – Clause 8(b)

During the reporting period, Council received a total of 29 formal access applications (including withdrawn applications but not invalid applications).

Number of refused applications for Schedule 1 information – Clause 8(c)

During the reporting period, Shellharbour City Council refused no access applications either wholly or in part because the information requested was information referred to in Schedule 1 to the GIPA Act (information for which there is conclusive presumption of overriding public interest against disclosure).

Schedule 2 - Statistical information about access applications

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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	0	3	0	1	0	0	0	0	4	14%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	0	3	0	1	0	0	0	3	7	24%
Members of the public (other)	0	10	2	1	0	2	0	3	18	62%
Total	0	16	2	3	0	2	0	6	29	
% of Total	0%	55%	7%	10%	0%	7%	0%	21%		

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

Table B: Number of applications by type of application and outcome*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn	Total	% of Total
Personal information applications*	0	2	0	0	0	0	0	2	4	14%
Access applications (other than personal information applications)	0	14	2	3	0	2	0	4	25	86%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
Total	0	16	2	3	0	2	0	6	29	
% of Total	0%	55%	7%	10%	0%	7%	0%	21%		

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

Table C: Invalid applications

Reason for invalidity	Number of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	4	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	4	100%
Invalid applications that subsequently became valid applications	4	100%

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

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Total	0	

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

**Table E: Other public interest considerations against disclosure:
matters listed in table to section 14 of the Act**

	Number of times consideration used*	% of Total
Responsible and effective government	3	16%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	14	74%
Business interests of agencies and other persons	2	11%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	19	

Table F: Timeliness

	Number of applications	% of Total
Decided within the statutory time frame (20 days plus any extensions)	27	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	27	

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

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	1	1	25%
Review by Information Commissioner*	1	1	2	50%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	1	25%
Total	1	2	4	

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

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

	Number of applications for review	% of Total
Applications by access applicants	2	100%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%
Total	2	

**Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act
(by type of transfer)**

	Number of applications transferred	% of Total
Agency-initiated transfers	1	100%
Applicant-initiated transfers	0	0%
Total	1	

Public Interest Disclosures (PID)

The Public Interest Disclosures Act 1994 (PID Act) sets in place a system to encourage public officials to report serious wrongdoing. The conditions around this reporting are set out in Council's Internal Reporting (Public Interest Disclosures) Policy.

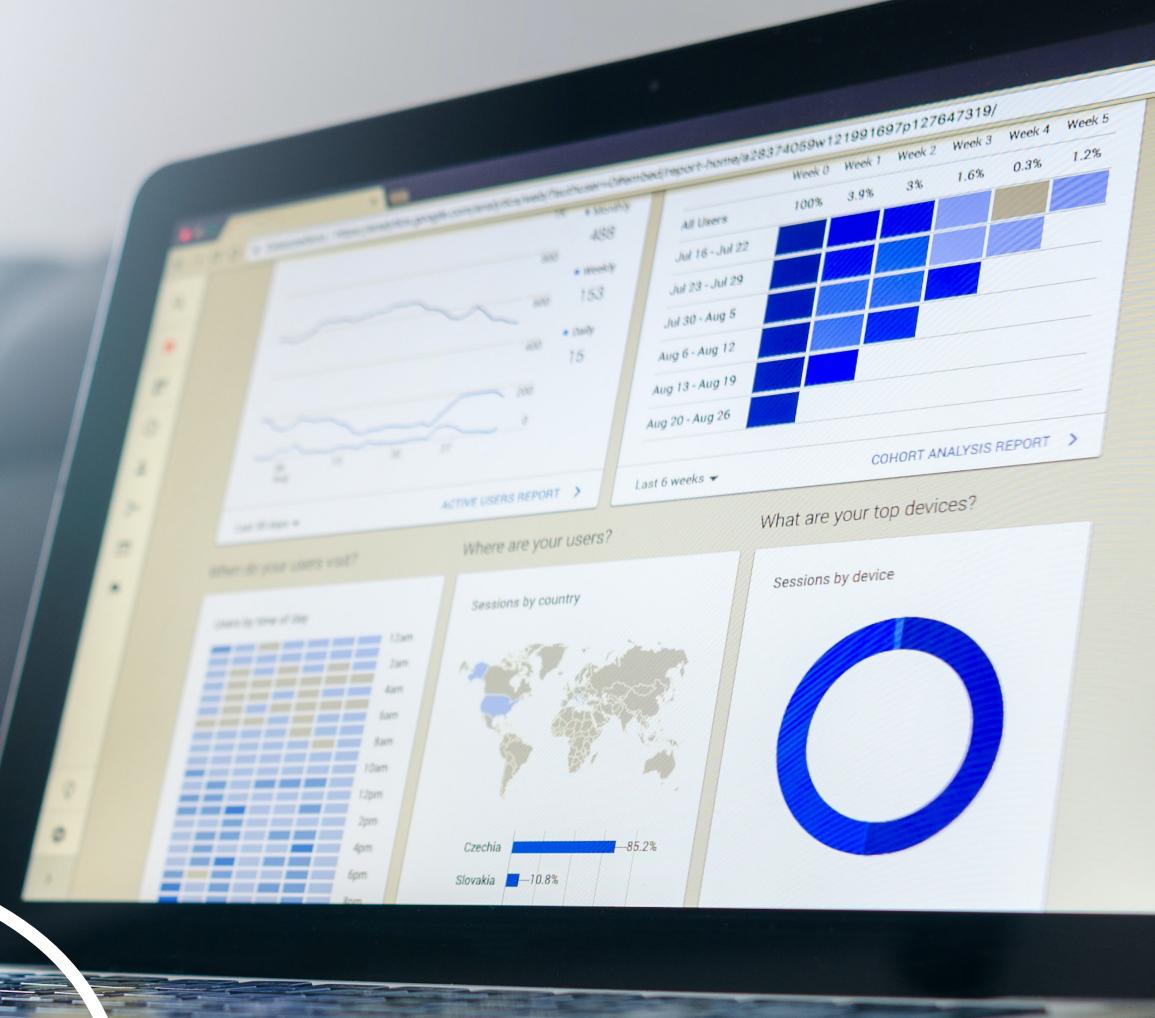
Councils are required to provide the NSW Ombudsman with statistical information on compliance with their obligations under the PID Act on a six monthly basis. Councils are also required to report on their obligations under the PID Act in their annual report.

During 2020/2021, Council received 3 Public Interest Disclosures. Council undertook the following actions to meet its staff awareness obligations:

- Undertaking review of the Internal Reporting (Public Interest Disclosures) Policy
- Training provided to new staff during inductions
- Links to the policy on our external website
- Links to the policy on our internal Intranet site



Shellharbour
CITY COUNCIL



AUDITED FINANCIAL STATEMENTS

For year ending 30 June 2021

Shellharbour City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021



Shellharbour City Council

General Purpose Financial Statements

for the year ended 30 June 2021

Contents	Page
Understanding Council's Financial Statements	3
Statement by Councillors and Management	4
Primary Financial Statements:	
Income Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Independent Auditor's Reports:	
On the Financial Statements (Sect 417 [2])	80
On the Financial Statements (Sect 417 [3])	83

Overview

Shellharbour City Council Local Government Act 1993 (NSW) and has its principal place of business at:

76 Cygnet Avenue
Shellharbour City Centre NSW 2529

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.shellharbour.nsw.gov.au

Shellharbour City Council

General Purpose Financial Statements

for the year ended 30 June 2021

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

Senior staff certify the Financial Statements are "true and fair". The Financial Statements are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Shellharbour City Council

General Purpose Financial Statements for the year ended 30 June 2021

Statement by Councillors and Management

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

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

- the *Local Government Act 1993 (NSW)* (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 statements:

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

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

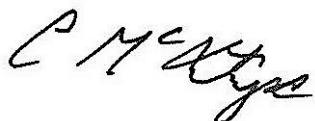
Signed in accordance with a resolution of Council made on 21 September 2021.



Marianne Saliba
Mayor
21 September 2021



John Murray
Councillor
21 September 2021



Carey McIntyre
Chief Executive Officer
21 September 2021



Katie Buckman
Responsible Accounting Officer
21 September 2021

Shellharbour City Council

Income Statement

for the year ended 30 June 2021

The above Income Statement should be read in conjunction with the accompanying notes.

Shellharbour City Council

Statement of Comprehensive Income

for the year ended 30 June 2021

\$ '000	Notes	2021	Restated 2020
Net operating result for the year – from Income Statement		81,229	70,342
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	12,289	53,621
Other comprehensive income – joint ventures and associates	D1-1	–	1
Total items which will not be reclassified subsequently to the operating result		12,289	53,622
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Other movements		–	(221)
Total items which will be reclassified subsequently to the operating result when specific conditions are met		–	(221)
Total other comprehensive income for the year		12,289	53,401
Total comprehensive income for the year attributable to Council		93,518	123,743

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Shellharbour City Council

Statement of Financial Position

as at 30 June 2021

\$ '000	Notes	2021	Restated 2020	Restated 1 July 2019 ¹
ASSETS				
Current assets				
Cash and cash equivalents	C1-1	24,630	13,075	13,814
Investments	C1-2	14,500	47,507	17,519
Receivables	C1-4	9,781	12,035	7,319
Inventories	C1-5	16,845	20,116	17,280
Contract assets and contract cost assets	C1-6	1,123	424	—
Other	C1-10	1,036	259	340
Total current assets		67,915	93,416	56,272
Non-current assets				
Investments	C1-2	91,534	47,463	76,102
Receivables	C1-4	1,546	1,471	1,358
Infrastructure, property, plant and equipment	C1-7	1,141,724	1,068,249	958,248
Investment property	C1-8	28,801	28,101	23,012
Intangible Assets	C1-9	3,035	3,195	2,880
Right of use assets	C2-1	1,757	1,510	—
Investments accounted for using the equity method	D1-1	—	721	620
Total non-current assets		1,268,397	1,150,710	1,062,220
Total assets		1,336,312	1,244,126	1,118,492
LIABILITIES				
Current liabilities				
Payables	C3-1	26,398	24,035	15,666
Income received in advance	C3-1	—	—	1,799
Contract liabilities	C3-2	5,465	530	—
Lease liabilities	C2-1	862	820	—
Borrowings	C3-3	6,700	5,416	2,144
Employee benefit provisions	C3-4	13,622	13,590	13,618
Total current liabilities		53,047	44,391	33,227
Non-current liabilities				
Lease liabilities	C2-1	904	865	—
Borrowings	C3-3	17,740	12,655	14,051
Employee benefit provisions	C3-4	636	596	531
Provisions	C3-5	18,054	17,700	17,353
Total non-current liabilities		37,334	31,816	31,935
Total liabilities		90,381	76,207	65,162
Net assets		1,245,931	1,167,919	1,053,330
EQUITY				
Accumulated surplus	C4-1	764,784	699,061	637,872
IPPE revaluation reserve	C4-1	480,906	468,617	414,996
Other reserves	C4-1	—	—	221
Council equity interest		1,245,690	1,167,678	1,053,089
Non-controlling equity interests	C4-1	241	241	241
Total equity		1,245,931	1,167,919	1,053,330

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Shellharbour City Council

Statement of Changes in Equity

for the year ended 30 June 2021

\$ '000	Notes	as at 30/06/21					as at 30/06/20						
		Accumulated surplus	IPP&E revaluation reserve	Financial assets at FVOCI	Council interest	Non-controlling interest	Total equity	Accumulated surplus	IPP&E revaluation reserve	Financial assets at FVOCI	Non-controlling interest		
Opening balance at 1 July		686,780	468,617	–	1,155,397	241	1,155,638	625,587	414,996	221	1,040,804		
Correction of prior period errors	G4-1	12,281	–	–	12,281	–	12,281	12,285	–	–	12,285		
Changes due to AASB 1058 and AASB 15 adoption		–	–	–	–	–	–	(541)	–	–	(541)		
Changes due to AASB 16 adoption	G4-1c-iii	–	–	–	–	–	–	(2)	–	–	(2)		
Restated opening balance		699,061	468,617	– 1,167,678	241	1,167,919		637,329	414,996	221	1,052,546	241	1,052,787
Net operating result for the year		81,229	–	–	81,229	–	81,229	70,346	–	–	70,346	–	70,346
Correction of prior period errors	G4-1	–	–	–	–	–	–	(4)	–	–	(4)	–	(4)
Restated net operating result for the period		81,229	–	–	81,229	–	81,229	70,342	–	–	70,342	–	70,342
Other comprehensive income													
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	–	12,289	–	12,289	–	12,289	–	53,621	–	53,621	–	53,621
Joint ventures and associates	D1-1	–	–	–	–	–	–	1	–	–	1	–	1
Other reserves movements		–	–	–	–	–	–	–	(221)	(221)	(221)	–	(221)
Other comprehensive income		–	12,289	–	12,289	–	12,289	1	53,621	(221)	53,401	–	53,401
Total comprehensive income		81,229	12,289	–	93,518	–	93,518	70,343	53,621	(221)	123,743	–	123,743
Distributions to/(contributions from) non-controlling interests		(15,506)	–	–	(15,506)	–	(15,506)	(8,611)	–	–	(8,611)	–	(8,611)
Closing balance at 30 June		764,784	480,906	– 1,245,690	241	1,245,931		699,061	468,617	– 1,167,678	241	1,167,919	

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Shellharbour City Council

Statement of Cash Flows

for the year ended 30 June 2021

Original unaudited budget 2021	\$ '000	Notes	Actual 2021	Actual 2020
Cash flows from operating activities				
<i>Receipts:</i>				
66,500	Rates and annual charges		66,406	65,612
16,238	User charges and fees		20,415	15,943
2,084	Investment and interest revenue received		2,097	2,791
25,902	Grants and contributions		31,141	21,083
–	Bonds, deposits and retention amounts received		185	–
52,623	Other		68,887	37,139
<i>Payments:</i>				
(40,227)	Employee benefits and on-costs		(37,688)	(35,993)
(63,990)	Materials and services		(41,754)	(18,753)
(668)	Borrowing costs		(625)	(700)
(8,486)	Other		(42,834)	(36,970)
49,976	Net cash flows from operating activities	G1-1a	66,230	50,152
Cash flows from investing activities				
<i>Receipts:</i>				
46,000	Sale of investment securities		59,764	15,508
–	Sale of real estate assets		3,470	–
50	Sale of infrastructure, property, plant and equipment		696	118
<i>Payments:</i>				
(36,508)	Purchase of investment securities		(70,000)	(16,214)
–	Purchase of investment property		–	(20)
(78,509)	Purchase of infrastructure, property, plant and equipment		(53,856)	(47,763)
–	Purchase of real estate assets		–	(2,752)
–	Purchase of intangible assets		(96)	(952)
(68,967)	Net cash flows from investing activities		(60,022)	(52,075)
Cash flows from financing activities				
<i>Receipts:</i>				
14,367	Proceeds from borrowings		7,767	4,019
<i>Payments:</i>				
(1,931)	Repayment of borrowings		(1,398)	(2,143)
–	Principal component of lease payments		(1,022)	(692)
12,436	Net cash flows from financing activities		5,347	1,184
(6,555)	Net change in cash and cash equivalents		11,555	(739)
22,296	Cash and cash equivalents at beginning of year		13,075	13,814
15,741	Cash and cash equivalents at end of year	C1-1	24,630	13,075
–	plus: Investments on hand at end of year	C1-2	106,034	94,970
15,741	Total cash, cash equivalents and investments		130,664	108,045

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Shellharbour City Council

Contents for the notes to the Financial Statements for the year ended 30 June 2021

A About Council and these financial statements	12
A1-1 Basis of preparation	12
B Financial Performance	15
B1 Functions or activities	15
B1-1 Functions or activities – income, expenses and assets	15
B1-2 Components of functions or activities	16
B2 Sources of income	17
B2-1 Rates and annual charges	17
B2-2 User charges and fees	18
B2-3 Other revenue	19
B2-4 Grants and contributions	20
B2-5 Interest and investment income	25
B2-6 Other income	25
B3 Costs of providing services	26
B3-1 Employee benefits and on-costs	26
B3-2 Materials and services	27
B3-3 Borrowing costs	28
B3-4 Depreciation, amortisation and impairment of non-financial assets	29
B3-5 Other expenses	30
B4 Gains or losses	30
B4-1 Gain or loss from the disposal, replacement and de-recognition of assets	30
B5 Performance against budget	31
B5-1 Material budget variations	31
C Financial position	32
C1 Assets we manage	32
C1-1 Cash and cash equivalents	32
C1-2 Financial investments	33
C1-3 Restricted cash, cash equivalents and investments	34
C1-4 Receivables	35
C1-5 Inventories	37
C1-6 Contract assets and Contract cost assets	38
C1-7 Infrastructure, property, plant and equipment	39
C1-8 Investment properties	42
C1-9 Intangible assets	43
C1-10 Other	43
C2 Leasing activities	44
C2-1 Council as a lessee	44
C2-2 Council as a lessor	46

Shellharbour City Council

Contents for the notes to the Financial Statements for the year ended 30 June 2021

C3 Liabilities of Council	48
C3-1 Payables	48
C3-2 Contract Liabilities	49
C3-3 Borrowings	49
C3-4 Employee benefit provisions	52
C3-5 Provisions	53
C4 Reserves	54
C4-1 Nature and purpose of reserves	54
D Council structure	55
D1 Interests in other entities	55
D1-1 Interests in joint arrangements	55
D1-2 Unconsolidated structured entities	57
E Risks and accounting uncertainties	59
E1-1 Risks relating to financial instruments held	59
E2-1 Fair value measurement	62
E3-1 Contingencies	66
F People and relationships	69
F1 Related party disclosures	69
F1-1 Key management personnel (KMP)	69
F1-2 Councillor and Mayoral fees and associated expenses	70
F2 Other relationships	70
F2-1 Audit fees	70
G Other matters	71
G1-1 Statement of Cash Flows information	71
G2-1 Commitments	72
G3-1 Events occurring after the reporting date	72
G4 Changes from prior year statements	72
G4-1 Correction of errors	72
G5 Statement of developer contributions as at 30 June 2021	75
G5-1 Summary of developer contributions	75
G5-2 Developer contributions by plan	75
G6 Statement of performance measures	76
G6-1 Statement of performance measures – consolidated results	76
H Additional Council disclosures (unaudited)	77
H1-1 Statement of performance measures – consolidated results (graphs)	77
H1-2 Council information and contact details	79

A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 15 November 2021. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Adjustments have been made to the prior year comparatives due to a format change for the presentation of Council's Annual Financial Statements, in line with the changes made by the Office of Local Government in the Local Government Code of Accounting Practice and Financial Reporting.

These changes have seen a reclassification of costs previously categorised as "Other Expenses", reallocated to the expenditure category of "Materials and Services". This has impacted the Income Statement and Statement of Cashflows.

The income item "Other Income" incorporates the fair value increment on Investment Properties and Rental income. This has impacted the Income Statement and Statement of Cashflows.

Provisions have been split to show "Employee Benefit" provisions separate from "Other" provisions.

While the total values remain the same, the classification of expenses, income and provisions between these items has been changed. For this reason, the comparatives have also changed.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties
- (ii) estimated fair values of financial investments - CivicRisk Mutual
- (iii) estimated fair values of infrastructure, property, plant and equipment
- (iv) estimated tip remediation provisions
- (v) employee benefit provisions

A1-1 Basis of preparation (continued)

Significant judgements in applying the Council's accounting policies

- (i) Impairment of receivables
- (ii) Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income for Not-for-Profit Entities*.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the Local Government Act 1993 (NSW), all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amounts of GST recoverable from, and payable to the taxation authority is included within other receivables and payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Volunteer services

The use of volunteer services have not been recognised as they are not considered material and cannot be reliably measured.

New accounting standards adopted during the year

During the year Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective for the first time at 30 June 2021.

None of these standards had a significant impact on the reported position or performance.

Coronavirus (COVID-19) impact

Coronavirus(COVID-19) has continued to have some impact on Council's operations during the 2021 year.

These impacts were minimal however when compared with the 2020 financial year, with most restrictions being eased early in 2021.

Council's original budget for 2021 which was adopted in June 2020, contained a number of adjustments which represented the expected continuation of COVID-19 restrictions well into 2021.

These estimates had to be revised during the year with actual results returning to normal levels in 2021. This is highlighted in the Material Budget Variations note (B5-1).

Outstanding rates and annual charges increased which may be partly attributed to the government's legislation introduced around debt recovery.

A1-1 Basis of preparation (continued)

Council also continued to provide some financial relief to its commercial tenants and some permanent occupants at the Shellharbour Beachside Holiday Park.

Council has determined that COVID-19 does not create a material uncertainty to the extent that it casts significant doubt upon its ability to continue as a going concern.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2021	2020 Restated	2021	2020 Restated	2021	2020 Restated	2021	2020 Restated	2021	2020 Restated
Functions or activities										
Environment	32,658	36,249	26,928	28,488	5,730	7,761	6,496	6,011	310,518	289,097
Community	9,757	6,671	22,464	19,863	(12,707)	(13,192)	755	1,105	368,827	343,383
Economy	110,235	79,634	58,591	43,739	51,644	35,895	57,654	47,419	491,679	457,760
Leadership	57,940	61,396	21,378	21,518	36,562	39,878	4,869	4,849	165,288	153,886
Total functions and activities	210,590	183,950	129,361	113,608	81,229	70,342	69,774	59,384	1,336,312	1,244,126

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Environment

The preservation and enhancement of our natural environment is important, as is the efficient use of our natural resources and a sustainable and healthy built environment. Better public transport systems to move around our city and opportunities available for our citizens to be able to live, work and consume locally is also important.

Community

Feeling safe and being involved in the local community is important for residents. A range of recreational facilities to provide opportunities for active and healthy lifestyles and access to a range of community and cultural services and facilities is important. These services and facilities need to be vibrant, accessible and well maintained. Council needs to provide better communication to the broader community on Council matters, activities and events.

Economy

Well maintained infrastructure is important to our local economy, access to technology and tourism as a significant industry needs to be supported. The completion of the Shell Cove Boat Harbour is seen as important to the ongoing development of Shellharbour City. Training opportunities, strong local businesses and local jobs for local people are also the key to the success of Shellharbour's economic future.

Leadership

The community values fair and honest representative government that is transparent and accountable. They wish to see innovative future planning, sustainable outcomes and the opportunity to engage with Council in deciding the future of Shellharbour.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2021	2020
Ordinary rates		
Residential	44,832	42,831
Farmland	246	249
Business	5,887	5,964
Less: pensioner rebates (mandatory)	(1,074)	(1,062)
Less: pensioner rebates (Council policy)	(113)	(120)
Rates levied to ratepayers	49,778	47,862
Pensioner rate subsidies received	588	584
Total ordinary rates	50,366	48,446
Annual charges		
(pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	15,483	14,616
Stormwater management services	656	647
Waste management services (non-domestic)	369	360
Section 611 charges	40	40
Less: pensioner rebates (mandatory)	(369)	(360)
Annual charges levied	16,179	15,303
Pensioner subsidies received:		
– Domestic waste management	202	198
Total annual charges	16,381	15,501
Total rates and annual charges	66,747	63,947

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

\$ '000	Timing	2021	2020
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Waste management services (non-domestic)	2	6,208	6,800
Total specific user charges			
		6,208	6,800
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Building regulation	1	297	248
Inspection services	2	113	80
Private works – section 67	1	8	16
Section 10.7 certificates (EP&A Act)	1	252	214
Section 603 certificates	1	184	146
Certificate registration	1	124	94
Development applications	1	1,351	1,103
Subdivision	1	380	644
Total fees and charges – statutory/regulatory			
		2,709	2,545
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Aerodrome	1	274	252
Caravan park	1	1,666	1,511
Cemeteries	1	289	271
Library	2	34	38
Recycling income (non-domestic)	1	188	155
Transport for NSW works (state roads not controlled by Council)	1	178	133
Swimming pools	2	454	408
Animal control	1	86	72
Golf course	2	4,833	2,648
Nursery	2	537	476
Shell cove maintenance	1	2	5
Shellharbour city stadium	2	334	254
Sportsfields	1	212	187
Other	1	805	518
Total fees and charges – other			
		9,892	6,928
Total user charges and fees			
		18,809	16,273
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		6,264	5,553
User charges and fees recognised at a point in time (2)		12,545	10,720
Total user charges and fees			
		18,809	16,273

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as membership fees for a leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than the term of the licence.

B2-3 Other revenue

\$ '000	Timing	2021	2020
Fines	1	699	590
Commissions and agency fees	1	1,168	732
Sales of inventories	1	558	4,246
Rental income – Shell Cove	1	36	30
Gaming machines	2	806	334
Motor vehicle contributions	1	293	281
Other charges – rates and charges	1	139	231
Other	1	742	1,385
Sales of Inventories – Shell Cove	1	46,899	27,020
Other – Shell Cove	1	219	10
Total other revenue		51,559	34,859

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	50,753	34,525
Other revenue recognised at a point in time (2)	806	334
Total other revenue	51,559	34,859

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Timing	Operating 2021	Operating 2020 Restated	Capital 2021	Capital 2020 Restated
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	2,059	2,151	–	–
Financial assistance – local roads component	2	477	475	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	2,203	2,279	–	–
Financial assistance – local roads component	2	512	503	–	–
Amount recognised as income during current year					
		5,251	5,408	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Previously specific grants:					
Pensioners' rates subsidies:					
Community services	2	93	115	–	–
Emergency services levy	2	263	96	–	–
Employment / business schemes	2	24	11	–	–
Environmental	2	196	173	–	–
Library	2	246	237	–	–
LIRS subsidy	2	33	47	–	–
Street lighting	2	175	175	–	–
Stronger Country Communities Grant	1	–	–	256	1,758
Restart NSW	1	–	–	6,187	5,704
Other specific grants	2	112	478	588	405
Transport (roads to recovery)	2	950	567	–	–
Transport (other roads and bridges funding)	1	391	100	1,146	–
Previously contributions:					
Transport for NSW contributions (regional roads, block grant)	2	173	173	–	–
Other contributions	2	83	82	–	–
Employment / business schemes	2	6	–	–	–
NSW rural fire services	2	210	196	–	–
Sport and recreation	2	57	4	–	–
Total special purpose grants and non-developer contributions – cash					
		3,012	2,454	8,177	7,867
Non-cash contributions					
Drainage	2	–	–	17,276	12,317
Paving	2	–	–	2,937	3,017
Roads	2	–	–	4,327	4,804
Other	2	(53)	–	5,161	6,049
Land Under Roads		–	–	12,585	11,231
Total other contributions – non-cash					
		(53)	–	42,286	37,418
Total special purpose grants and non-developer contributions (tied)					
		2,959	2,454	50,463	45,285
Total grants and non-developer contributions					
		8,210	7,862	50,463	45,285
Comprising:					
– Commonwealth funding		5,552	6,015	7,166	–
– State funding		2,503	1,764	1,011	7,867
– Other funding		155	83	42,286	37,418

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Page 20 of 90

B2-4 Grants and contributions (continued)

8,210	7,862	50,463	45,285
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B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2021	Operating 2020	Capital 2021	Capital 2020 Restated
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
Cash contributions		G5				
S 7.4 – contributions using planning agreements	2	–	26	16	1,033	
S 7.11 – contributions towards amenities/services	2	621	365	–	26	
Community facilities	2	–	–	3,473	2,401	
Drainage	2	–	–	919	–	
Open space	2	–	–	2,031	1,049	
Roadworks	2	–	–	3,787	950	
Traffic facilities	2	–	–	24	14	
Total developer contributions – cash		621	391	10,250	5,473	
Non-cash contributions						
S 7.4 – contributions using planning agreements	2	–	–	–	168	
Open space	2	–	–	230	205	
Total developer contributions non-cash		–	–	230	373	
Total developer contributions		621	391	10,480	5,846	
Total contributions		621	391	10,480	5,846	
Total grants and contributions		8,831	8,253	60,943	51,131	
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			391	100	7,589	7,462
Grants and contributions recognised at a point in time (2)			8,440	8,153	53,354	43,669
Total grants and contributions			8,831	8,253	60,943	51,131

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2021	Operating 2020	Capital 2021	Capital 2020
Unspent grants and contributions				
Unspent funds at 1 July	3,891	3,345	649	916
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	290	511	4,999	692
Add: Funds received and not recognised as revenue in the current year	–	2,782	–	–
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(3,486)	(2,747)	(456)	(959)
Unspent funds at 30 June	695	3,891	5,192	649
Contributions				
Unspent funds at 1 July	54,751	49,684	–	–
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	9,968	7,439	–	–
Add: contributions received and not recognised as revenue in the current year	–	–	–	–
Add: contributions recognised as income in the current period obtained in respect of a future rating identified by Council for the purpose of establishing a rate	–	–	–	–
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	(136)	(2,372)	–	–
Unspent contributions at 30 June	64,583	54,751	–	–

Accounting policy

Grant income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied.

The performance obligations are varied based on the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received

B2-4 Grants and contributions (continued)

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979*.

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules

B2-5 Interest and investment income

\$ '000	2021	2020
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	95	138
– Cash and investments	1,788	2,577
– Cash and investments – Shell Cove	26	11
Fair value adjustments		
– Movements in investments at fair value through profit and loss	183	79
– Movements in investments (other)	(76)	564
Finance income on the net investment in the lease	–	–
Total interest and investment income (losses)	2,016	3,369
Interest and investment income is attributable to:		
Unrestricted investments/financial assets:		
Overdue rates and annual charges (general fund)	95	138
General Council cash and investments - Shell Cove	81	11
General Council cash and investments	749	1,904
Restricted investments/funds – external:		
Development contributions		
– Section 7.11	998	1,209
– Voluntary Planning Agreement	93	107
Total interest and investment income	2,016	3,369

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

B2-6 Other income

\$ '000	Notes	2021	2020
Fair value increment on investment properties			
Fair value increment on investment properties		700	5,069
Total fair value increment on investment properties	C1-8	700	5,069
Rental income			
Investment properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		436	399
Total Investment properties		436	399
Other lease income			
Room/Facility Hire		549	550
Total Other lease income		549	550
Total rental income	C2-2	985	949
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		–	100
Total net share of interests in joint ventures and associates using the equity method	D1-1	–	100
Total other income		1,685	6,118

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2021	2020
Salaries and wages	29,929	29,465
Employee leave entitlements (ELE)	4,199	4,977
Superannuation	3,445	3,302
Workers' compensation insurance	1,079	792
Fringe benefit tax (FBT)	202	220
Other	359	281
Total employee costs	39,213	39,037
Less: capitalised costs	(1,597)	(1,942)
Total employee costs expensed	37,616	37,095
Number of 'full-time equivalent' employees (FTE) at year end	400	383

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, that is as an expense when it becomes payable – refer to Note 19 for more information.

B3-2 Materials and services

\$ '000	Notes	2021	2020
Raw materials and consumables		4,664	3,906
Contractor and consultancy costs		16,577	14,725
Audit Fees	F2-1	126	160
Previously other expenses:			
Councillor and Mayoral fees and associated expenses	F1-2	281	246
Advertising		236	234
Computer maintenance		1,232	1,170
Electricity and gas		996	887
Insurance		715	775
Postage		151	172
Street lighting		1,140	1,300
Telephone and communications		275	254
Valuation fees		201	185
Cost of sales		2,012	1,078
Travel expenses		—	—
Agency fees		254	201
Training costs (other than salaries and wages)		348	343
Other expenses		681	405
Financial investing advice		19	18
Investigation and promotion		79	18
Memberships, subscriptions and publications		410	376
Software		441	551
Water rates		274	215
Management Fee – Shell Cove		1,084	679
Sales Fee – Shell Cove		584	366
Administration Fee – Shell Cove		584	366
Other – Shell Cove		1,320	1,291
Legal expenses:			
– Legal expenses: planning and development		132	161
– Legal expenses: other		536	351
Expenses from short-term leases		34	440
Expenses from leases of low value assets		376	348
Total materials and services		35,762	31,221
Total materials and services		35,762	31,221

Accounting policy

Expenses are recorded on an accruals basis as the Council receives the goods or services.

B3-3 Borrowing costs

\$ '000	Notes	2021	2020
(i) Interest bearing liability costs			
Interest on leases		60	77
Interest on loans		565	621
Total interest bearing liability costs		625	698
Total interest bearing liability costs expensed		625	698
(ii) Other borrowing costs			
Fair value adjustments on recognition of advances and deferred debtors			
– Remediation liabilities	C3-5	354	347
Total other borrowing costs		354	347
Total borrowing costs expensed		979	1,045

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2021	2020 Restated
Depreciation and amortisation			
Plant and equipment		1,333	1,216
Office equipment		403	363
Furniture and fittings		239	210
Land improvements (depreciable)		315	316
Infrastructure:	C1-7		
– Buildings – non-specialised		2,754	2,694
– Buildings – specialised		2,275	2,090
– Other structures		117	115
– Roads		3,436	3,332
– Bridges		211	199
– Footpaths		788	731
– Stormwater drainage		2,463	2,439
– Swimming pools		214	206
– Other open space/recreational assets		1,445	1,214
– Other infrastructure		148	152
Right of use assets	C2-1	856	867
Other assets:			
– Library books		471	394
– Other		493	424
Reinstatement, rehabilitation and restoration assets:			
– Waste depot/Sandmine Asset	C3-5,C1-7	191	293
Intangible assets	C1-9	256	637
Total gross depreciation and amortisation costs		18,408	17,892
Total depreciation and amortisation costs		18,408	17,892
Total depreciation, amortisation and impairment for non-financial assets		18,408	17,892

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets and Note 12 for intangible assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

\$ '000	Notes	2021	2020
Impairment of receivables			
Other		31	98
Total impairment of receivables	C1-4	31	98
Other			
Contributions/levies to other levels of government			
– Emergency services levy (includes FRNSW, SES, and RFS levies)		1,350	1,120
– Government taxes		292	151
– Waste levy		5,715	6,014
Donations, contributions and assistance to other organisations		740	984
Write-down of inventories held for sale or distribution		176	1,619
Write-down of inventories held for sale or distribution - Shell Cove		26,604	12,365
Total other		34,877	22,253
Total other expenses		34,908	22,351

Accounting policy

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

B4 Gains or losses

B4-1 Gain or loss from the disposal, replacement and de-recognition of assets

\$ '000	Notes	2021	2020
Infrastructure, property, plant and equipment	C1-7		
Proceeds from disposal – infrastructure		696	118
Less: carrying amount of infrastructure assets sold/written off		(2,384)	(4,122)
Gain (or loss) on disposal		(1,688)	(4,004)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from redemptions/maturities – investments		59,764	15,508
Less: carrying amount of investments redeemed/matured		(59,764)	(15,508)
Gain (or loss) on disposal		–	–
Net gain (or loss) on disposal of assets		(1,688)	(4,004)

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 09/06/2020 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: F = Favourable budget variation, U = Unfavourable budget variation.

\$ '000	2021 Budget	2021 Actual	----- Variance-----	2021
REVENUES				
Rates and annual charges				
	65,976	66,747	771	1% F
User charges and fees	16,093	18,809	2,716	17% F
This favourable variance primarily relates to budget estimates that were reduced when setting the original budget based on COVID-19 restrictions in place at the time. The restrictions were relaxed earlier than expected resulting in more revenue in the 2021 financial year than anticipated. The major contributor to this variance was the Links Shell Cove golf course and tavern operations.				
Other revenues	51,657	51,559	(98)	0% U
Operating grants and contributions	4,980	8,831	3,851	77% F
This variance can mainly be attributed to the 50% advance payment of the 2022 year Financial Assistance Grant.				
Capital grants and contributions	41,192	60,943	19,751	48% F
The large variance relates to assets dedicated to Council during the year as part of subdivisions. This includes the asset categories drainage, footpaths and land under roads. There was also a large variance compared to the original budget for Developer Contributions.				
Interest and investment revenue	2,084	2,016	(68)	(3)% U
Other income	935	1,685	750	80% F
This variance predominantly represents the increase in fair value of Council's investment properties during the year. Due to the difficulties estimating this movement, no budget was included when the original budget was set.				
EXPENSES				
Employee benefits and on-costs	40,905	37,616	3,289	8% F
Materials and services	63,486	35,762	27,724	44% F
This variance is related to the movement of the write down of inventories for Shell Cove from Materials and Services to Other Expenses.				
Borrowing costs	1,022	979	43	4% F
Depreciation, amortisation and impairment of non-financial assets	17,918	18,408	(490)	(3)% U
Other expenses	8,486	34,908	(26,422)	(311)% U
This variance is related to the movement of the write down of inventories for Shell Cove from Materials and Services to Other Expenses.				
Net losses from disposal of assets	305	1,688	(1,383)	(453)% U
A larger amount of assets written off compared to what was originally expected has caused this variance. This primarily relates to the significant levels of renewal work being performed by Council.				

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2021	2020
Cash and cash equivalents		
Cash on hand and at bank	1,474	1,817
Cash on hand and at bank – Shell Cove	416	1,648
Cash-equivalent assets		
– Deposits at call	20,373	8,711
– Deposits at call – Shell Cove	2,367	585
– Managed funds	–	314
Total cash and cash equivalents	24,630	13,075

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	24,630	13,075
Balance as per the Statement of Cash Flows	24,630	13,075

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Financial assets at fair value through the profit and loss				
NCD's, FRN's (with maturities > 3 months) ^{1,2}	—	8,889	2,007	20,963
Other long term financial assets	—	645	—	—
Total	—	9,534	2,007	20,963
Financial assets at amortised cost / held to maturity (2018)				
Government and semi-government bonds	—	9,500	—	—
Long term deposits	14,500	72,500	45,500	26,500
Total	14,500	82,000	45,500	26,500
Total financial investments	14,500	91,534	47,507	47,463
Total cash assets, cash equivalents and investments	39,130	91,534	60,582	47,463

(1) NCD - Negotiable Certificate of Deposit

(2) FRN - Floating Rate Note

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Fair value through other comprehensive income – equity instruments

Council had strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

C1-2 Financial investments (continued)

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in Other Comprehensive Income Statement.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

C1-3 Restricted cash, cash equivalents and investments

\$ '000	2021	2021	2020	2020
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	39,130	91,534	60,582	47,463
attributable to:				
External restrictions	—	83,610	19,213	47,463
Unrestricted – Shell Cove	—	—	—	—
Internal restrictions	10,793	7,924	18,981	—
Unrestricted	28,337	—	22,388	—
	39,130	91,534	60,582	47,463

\$ '000	2021	2020
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Details of restrictions

External restrictions – included in liabilities

Specific purpose unexpended grants – general fund	5,082	500
Specific purpose unexpended loans – general	3,913	148
External restrictions – included in liabilities	8,995	648

External restrictions – other

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	64,366	53,895
Specific purpose unexpended grants (recognised as revenue) – general fund	805	4,040
Domestic waste management	9,227	7,085
Stormwater management	—	151
Other contributions	217	857
External restrictions – other	74,615	66,028
Total external restrictions	83,610	66,676

Internal restrictions

Council has internally restricted cash, cash equivalents and investments as follows:

Employees leave entitlement	4,442	4,343
Crown reserve	670	828
Road land acquisition / roadworks	2,389	2,004
Other (Waste Operations)	8,120	9,220
Other - Shell Cove	2,783	2,233
Other	313	353
Total internal restrictions	18,717	18,981
Total restrictions	102,327	85,657

continued on next page ...

Page 34 of 90

C1-3 Restricted cash, cash equivalents and investments (continued)

Internal restrictions over cash, cash equivalents and investments are those assets restricted only by a resolution of the elected Council.

C1-4 Receivables

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Purpose				
Rates and annual charges	1,899	1,379	1,593	1,303
Interest and extra charges	230	167	205	168
User charges and fees	1,190	—	1,390	—
Accrued revenues				
– Interest on investments	572	—	784	—
- Restart NSW	—	—	3,844	—
– Commissions and agency fees	2,595	—	1,427	—
- Other income accruals	308	—	951	—
Net investment in finance lease	—	—	—	—
GST receivable	561	—	1,278	—
GST receivable – Shell Cove	2,236	—	602	—
Other debtors	233	—	463	—
Total	9,824	1,546	12,537	1,471
Less: provision of impairment				
User charges and fees	(43)	—	(502)	—
Total provision for impairment – receivables	(43)	—	(502)	—
Total net receivables	9,781	1,546	12,035	1,471
Externally restricted receivables				
Domestic waste management	781	—	656	—
Stormwater management	37	—	34	—
Total external restrictions	818	—	690	—
Internally restricted receivables				
– Shell Cove	2,236	—	602	—
Internally restricted receivables	2,236	—	602	—
Unrestricted receivables	6,727	1,546	10,743	1,471
Total net receivables	9,781	1,546	12,035	1,471

Accounting policy

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue

C1-4 Receivables (continued)

cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held).

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
(i) Inventories at cost				
Real estate for resale *	15,732	—	19,202	—
Stores and materials	524	—	592	—
Trading stock	589	—	322	—
Total inventories at cost	16,845	—	20,116	—
Total inventories	16,845	—	20,116	—

(*) Refer details below

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Total externally restricted assets				
Total internally restricted assets	—	—	—	—
Total unrestricted assets	16,845	—	20,116	—
Total inventories	16,845	—	20,116	—

(i) Other disclosures

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
(a) Details for real estate development				
Other properties	1,107	—	1,371	—
Residential – Shell Cove	14,625	—	17,831	—
Total real estate for resale	15,732	—	19,202	—

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

Represented by:

Acquisition costs	1,107	—	1,371	—
Development costs – Shell Cove	14,217	—	17,423	—
Shell Cove project land	408	—	408	—
Total costs				
Total real estate for resale	15,732	—	19,202	—

C1-5 Inventories (continued)

(b) Current inventories not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

Accounting policy

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for resale

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made. Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

C1-6 Contract assets and Contract cost assets

\$ '000	Notes	2021	2020
Contract assets	C1-6	1,123	424
Total contract assets and contract cost assets		1,123	424

Contract assets

\$ '000	2021	2021	2020	2020
	Current	Non-current	Current	Non-current
Stronger Country Communities Grants	147	—	424	—
Road Safety Program Grants	761	—	—	—
NSW Boating Now Grant	215	—	—	—
Total contract assets	1,123	—	424	—

Accounting policy

Contract assets

Contract assets represent Council's right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2020				Asset movements during the reporting period						At 30 June 2021			
	\$ '000	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	20,622	–	20,622	15,485	14,632	–	–	(18,928)	(96)	–	31,715	–	31,715	
Capital work in progress – Shell Cove	102,916	–	102,916	–	23,799	–	–	–	(15,512)	–	111,203	–	111,203	
Plant and equipment	15,306	(8,542)	6,764	–	–	(224)	(1,333)	1,915	–	–	14,530	(7,408)	7,122	
Office equipment	2,980	(894)	2,086	–	–	–	(403)	28	–	–	2,995	(1,284)	1,711	
Furniture and fittings	5,014	(673)	4,341	–	–	–	(239)	424	–	–	5,419	(893)	4,526	
Land:														
– Operational land	71,743	–	71,743	–	841	–	–	–	1,615	2,400	76,599	–	76,599	
– Community land	135,511	–	135,511	–	230	(2)	–	–	(1,527)	9,889	144,101	–	144,101	
– Land under roads (post 30/6/08)	49,129	–	49,129	–	11,578	–	–	–	–	–	60,707	–	60,707	
Land improvements – depreciable	15,159	(4,682)	10,477	–	–	–	(315)	–	–	–	15,159	(4,997)	10,162	
Infrastructure:														
– Buildings – non-specialised	105,922	(29,743)	76,179	–	–	(117)	(2,754)	3,362	–	–	108,896	(32,226)	76,670	
– Buildings – specialised	88,090	(32,769)	55,321	–	–	(133)	(2,275)	2,437	–	–	89,897	(34,547)	55,350	
– Other structures	3,531	(1,210)	2,321	–	–	(10)	(117)	153	–	–	3,660	(1,313)	2,347	
– Roads	236,551	(46,572)	189,979	–	5,336	(854)	(3,436)	3,029	–	–	243,733	(49,679)	194,054	
– Bridges	16,791	(3,182)	13,609	–	945	(139)	(211)	–	–	–	17,458	(3,254)	14,204	
– Footpaths	60,746	(12,346)	48,400	–	2,938	(87)	(788)	1,405	–	–	64,935	(13,067)	51,868	
– Stormwater drainage	301,880	(78,031)	223,849	–	17,278	(673)	(2,463)	1,507	–	–	318,563	(79,065)	239,498	
– Swimming pools	8,317	(5,638)	2,679	–	–	(7)	(214)	320	–	–	8,607	(5,829)	2,778	
– Other open space/recreational assets	35,636	(8,974)	26,662	–	3,322	(121)	(1,445)	3,790	–	–	42,557	(10,349)	32,208	
– Other infrastructure	10,867	(1,186)	9,681	–	–	–	(148)	–	–	–	10,867	(1,334)	9,533	
Other assets:														
– Library books	2,410	(944)	1,466	–	–	–	(471)	415	–	–	2,605	(1,195)	1,410	
– Other	10,401	(2,944)	7,457	–	–	(15)	(493)	143	–	–	8,998	(1,906)	7,092	
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):														
– Waste depot/sandmine asset	11,662	(4,605)	7,057	–	–	–	(191)	–	–	–	11,662	(4,796)	6,866	
Total infrastructure, property, plant and equipment	1,311,184	(242,935)	1,068,249	15,485	80,899	(2,382)	(17,296)	–	(15,520)	12,289	1,394,866	(253,142)	1,141,724	

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2019			Asset movements during the reporting period							At 30 June 2020			
	\$ '000	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated
Capital work in progress	18,404	–	18,404	–	–	–	–	–	2,218	–	–	20,622	–	20,622
Capital work in progress – Shell Cove	97,725	–	97,725	–	–	–	–	–	–	5,191	–	102,916	–	102,916
Plant and equipment	13,935	(7,904)	6,031	1,610	374	(35)	(1,216)	–	–	–	–	15,306	(8,542)	6,764
Office equipment	2,680	(552)	2,128	321	–	–	(363)	–	–	–	–	2,980	(894)	2,086
Furniture and fittings	4,771	(511)	4,260	291	–	–	(210)	–	–	–	–	5,014	(673)	4,341
Land:														
– Operational land	71,743	–	71,743	–	–	–	–	–	–	–	–	71,743	–	71,743
– Community land	134,247	–	134,247	–	1,264	–	–	–	–	–	–	135,511	–	135,511
– Land under roads (post 30/6/08)	37,898	–	37,898	–	11,231	–	–	–	–	–	–	49,129	–	49,129
Land improvements – depreciable	15,159	(4,366)	10,793	–	–	–	(316)	–	–	–	–	15,159	(4,682)	10,477
Infrastructure:														
– Buildings – non-specialised	104,989	(27,090)	77,899	593	404	(23)	(2,694)	–	–	–	–	105,922	(29,743)	76,179
– Buildings – specialised	77,587	(31,817)	45,770	10,702	1,658	(719)	(2,090)	–	–	–	–	88,090	(32,769)	55,321
– Other structures	3,531	(1,095)	2,436	–	–	–	(115)	–	–	–	–	3,531	(1,210)	2,321
– Roads	199,065	(44,158)	154,907	4,919	4,612	(1,572)	(3,332)	–	–	30,445	236,551	(46,572)	189,979	
– Bridges	16,971	(3,373)	13,598	–	–	–	(199)	–	–	210	16,791	(3,182)	13,609	
– Footpaths	55,681	(14,185)	41,496	1,333	3,465	(998)	(731)	–	–	3,835	60,746	(12,346)	48,400	
– Stormwater drainage	275,636	(79,938)	195,698	2,028	12,316	(192)	(2,439)	–	–	16,438	301,880	(78,031)	223,849	
– Swimming pools	8,265	(5,494)	2,771	142	–	(28)	(206)	–	–	–	8,317	(5,638)	2,679	
– Other open space/recreational assets	28,605	(8,283)	20,322	3,649	4,446	(541)	(1,214)	–	–	–	35,636	(8,974)	26,662	
– Other infrastructure	8,092	(952)	7,140	–	–	–	(152)	–	–	2,693	10,867	(1,186)	9,681	
Other assets:														
– Library books	2,183	(763)	1,420	–	440	–	(394)	–	–	–	2,410	(944)	1,466	
– Other	6,741	(2,529)	4,212	–	3,684	(15)	(424)	–	–	–	10,401	(2,944)	7,457	
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):														
– Other remediation assets	11,662	(4,312)	7,350	–	–	–	(293)	–	–	–	11,662	(4,605)	7,057	
Total infrastructure, property, plant and equipment	1,195,570	(237,322)	958,248	25,588	43,894	(4,123)	(16,388)	2,218	5,191	53,621	1,311,184	(242,935)	1,068,249	

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

Accounting policy

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

	Years
Office equipment	5 to 30
Furniture and Fittings	10 to 30
Plant and Equipment - Fleet	5 to 10
Plant and Equipment - Other	5 to 30
Land Improvements	20 to 50
Buildings	15 to 100
Other Structures	20 to 80
Road Components	15 to 320
Bridges	50 to 100
Footpaths	10 to 80
Stormwater Drainage	40 to 140
Swimming Pools	40
Open Space/Recreation	10 to 100
Other Infrastructure	15 to 320
Library Books	5
Other Assets	5 to 100

The assets' useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Council currently recognises local Rural Fire Service (RFS) land and building assets on the asset register. Other RFS assets including plant and equipment are not recognised by Council.

C1-8 Investment properties

\$ '000	2021	2020
Owned investment property		
Investment property on hand at fair value	28,801	28,101
Total owned investment property	28,801	28,101
Owned investment property		
At fair value		
Opening balance at 1 July	28,101	23,012
Capitalised subsequent expenditure	–	20
Net gain/(loss) from fair value adjustments	700	5,069
Closing balance at 30 June	28,801	28,101

Accounting policy

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

C1-9 Intangible assets

Intangible assets are as follows:

\$ '000	2021	2020
Intangible Assets		
Opening values at 1 July		
Gross book value	5,137	4,261
Accumulated amortisation	(1,942)	(1,381)
Net book value – opening balance	3,195	2,880
Movements for the year		
Purchases	96	952
Amortisation charges	(256)	(637)
Gross book value written off	(1,729)	(76)
Accumulated amortisation charges written off	1,729	76
Closing values at 30 June		
Gross book value	3,505	5,137
Accumulated amortisation	(470)	(1,942)
Total intangible assets – net book value	3,035	3,195

Accounting policy

The net book value of intangible assets includes:

- At cost hoteliers licence at The Links
- At cost gaming machine entitlements at The Links
- IT development and software

IT development and software

Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll, and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility, and where the Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

C1-10 Other

Other assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Prepayments	1,036	–	259	–
Total other assets	1,036	–	259	–

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including vehicles, office and IT equipment and golf carts.

Vehicles

Council leases light commercial and passenger vehicles with lease terms generally of 3 years. The lease payments are fixed during the lease terms and there are no renewal options.

Council also leases golf carts at The Links golf course, with the majority of these being classified as low value. The lease terms for the carts are 4 years with no renewal options.

Office and IT equipment

Leases for Office and IT Equipment are generally low value, except for leases relating to the photocopiers. The leases are for between 3 and 5 years with no renewal option. The payments are fixed, however some of the leases include variable options based on usage.

(a) Right of use assets

\$ '000	Plant & Equipment	Office Equipment	Total
2021			
Opening balance at 1 July	1,315	195	1,510
Additions to right-of-use assets	1,228	–	1,228
Depreciation charge	(730)	(126)	(856)
Other movement	(132)	7	(125)
Balance at 30 June	1,681	76	1,757
2020			
Adoption of AASB 16 at 1 July 2019 – first time lease recognition	881	316	1,197
Additions to right-of-use assets	1,194	–	1,194
Depreciation charge	(746)	(121)	(867)
Other movement	(14)	–	(14)
Balance at 30 June	1,315	195	1,510

(b) Lease liabilities

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Lease liabilities	862	904	820	865
Total lease liabilities	862	904	820	865

C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2021						
Cash flows		862	904	–	1,766	1,766
2020						
Cash flows		820	865	–	1,685	1,685

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2021	2020
Interest on lease liabilities	60	77
Depreciation of right of use assets	856	867
Expenses relating to short-term leases	34	440
Expenses relating to low-value leases	376	348
	1,326	1,732

(e) Statement of Cash Flows

Total cash outflow for leases	1,447	1,557
	1,447	1,557

Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

C2-1 Council as a lessee (continued)

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to both commercial and community groups. These leases have been classified as operating leases for financial reporting purposes.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

\$ '000	2021	2020
---------	------	------

(i) Assets held as investment property

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

Lease income (excluding variable lease payments not dependent on an index or rate)	436	399
Total income relating to operating leases for investment property assets	436	399

Operating lease expenses

Direct operating expenses that generated rental income	24	5
Total expenses relating to operating leases	24	5

Repairs and maintenance: investment property

(ii) Assets held as property, plant and equipment

Lease income (excluding variable lease payments not dependent on an index or rate)	549	550
Total income relating to operating leases for Council assets	549	550

Other leased assets expenses

Other	33	57
Total expenses relating to other leases assets	33	57

(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	552	525
1–2 years	306	408
2–3 years	261	261
3–4 years	218	211
4–5 years	119	175
> 5 years	3,489	3,220
Total undiscounted lease payments to be received	4,945	4,800

C2-2 Council as a lessor (continued)

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components, the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

	2021 Current	2021 Non-current	2020 Current	2020 Non-current
\$ '000				
Payables				
Prepaid rates	1,924	—	1,883	—
Goods and services – operating expenditure	3,821	—	6,432	—
Accrued expenses:				
– Other expenditure accruals	5,907	—	5,674	—
– Other expenditure accruals – Shell Cove	88	—	135	—
Security bonds, deposits	2,066	—	1,881	—
GST payable	155	—	143	—
Claim & management fees – Shell Cove	11,327	—	6,597	—
Other – Retentions	294	—	371	—
Other	816	—	919	—
Total payables	26,398	—	24,035	—
Total payables	26,398	—	24,035	—

Payables relating to restricted assets

	2021 Current	2021 Non-current	2020 Current	2020 Non-current
\$ '000				
Externally restricted assets				
Domestic waste management	460	—	436	—
Payables relating to externally restricted assets	460	—	436	—
Internally restricted assets				
Shell Cove	11,415	—	6,732	—
Payables relating to internally restricted assets	11,415	—	6,732	—
Total payables relating to restricted assets	11,875	—	7,168	—
Total payables relating to unrestricted assets	14,523	—	16,867	—
Total payables	26,398	—	24,035	—

Current payables not anticipated to be settled within the next twelve months

\$ '000	2021	2020
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	1,549	1,410
Total payables	1,549	1,410

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	5,082	—	500	—
Total grants received in advance					
		5,082	—	500	—
User fees and charges received in advance:					
Airport landing fees		8	—	12	—
Planning proposals		—	—	18	—
Total user fees and charges received in advance					
		—	—	30	—
Other:					
Sale of asset proceeds		375	—	—	—
Total other					
		375	—	—	—
Total contract liabilities					
		5,465	—	530	—

Notes

(i) Council has received funding towards the construction of various assets. The funds received are under enforceable contracts which require Council to construct an identified asset which will be under Council's control on completion. The revenue will be recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue.

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2021	2020
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	—	774
User fees and charges received in advance:		
Airport landing fees	12	—
Planning proposals	18	—
Total revenue recognised that was included in the contract liability balance at the beginning of the period		
	30	774

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Loans – secured ¹	1,591	17,740	1,397	12,655
Loans - secured Shell Cove	5,109	—	4,019	—
Total borrowings	6,700	17,740	5,416	12,655

(1) Loans are secured over the general rating income of Council.

C3-3 Borrowings (continued)

(1) Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 20.

Borrowings relating to restricted assets

\$ '000	2021 Current	2021 Non-current	2020 Current	2020 Non-current
Internally restricted assets				
Crown Reserve	100	340	100	440
Shell Cove	5,109	—	4,019	—
Borrowings relating to internally restricted assets	5,209	340	4,119	440
Total borrowings relating to restricted assets	5,209	340	4,119	440
Total borrowings relating to unrestricted assets	1,491	17,400	1,297	12,215
Total borrowings	6,700	17,740	5,416	12,655

(a) Changes in liabilities arising from financing activities

\$ '000	Opening Balance	2020				Closing balance
		Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	
Loans – secured	18,071	(1,398)	7,767	—	—	24,440
Lease liability (Note C2-1b)	1,685	81	—	—	—	1,766
Total liabilities from financing activities	19,756	(1,317)	7,767	—	—	26,206

\$ '000	Opening Balance	2019				2020
		Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	
Loans – secured	16,195	(1,346)	3,222	—	—	18,071
Lease liability (Note C2-1b)	—	—	—	—	1,685	1,685
Total liabilities from financing activities	16,195	(1,346)	3,222	—	1,685	19,756

C3-3 Borrowings (continued)

(b) Financing arrangements

\$ '000	2021	2020
Total facilities		
Bank overdraft facilities ¹	1,000	1,000
Credit cards/purchase cards	300	300
Total financing arrangements	1,300	1,300
Undrawn facilities		
– Bank overdraft facilities	1,000	1,000
– Credit cards/purchase cards	300	300
Total undrawn financing arrangements	1,300	1,300

Breaches and defaults

During the current year, there were no defaults or breaches on any of the loans.

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C3-4 Employee benefit provisions

\$ '000	2021		2020	
	Current	Non-current	Current	Non-current
Annual leave	2,888	—	2,726	—
Sick leave	3,369	—	3,733	—
Long service leave	5,794	593	5,619	558
Other leave	648	—	642	—
ELE on-costs	923	43	870	38
Total employee benefit provisions	13,622	636	13,590	596

Employee benefit provisions relating to restricted assets

Internally restricted assets

Employee Benefit Provisions	4,442	—	4,343	—
Employee benefit provisions relating to internally restricted assets	4,442	—	4,343	—
Total employee benefit provisions relating to restricted assets	4,442	—	4,343	—
Total employee benefit provisions relating to unrestricted assets	9,180	636	9,247	596
Total employee benefit provisions	13,622	636	13,590	596

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2021	2020
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	7,587	7,502

Description of and movements in provisions

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

C3-4 Employee benefit provisions (continued)

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C3-5 Provisions

\$ '000	2021 Current	2021 Non-Current	2020 Current	2020 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	—	18,054	—	17,700
Sub-total – asset remediation/restoration	—	18,054	—	17,700
Total provisions	—	18,054	—	17,700

Provisions relating to restricted assets

Internally restricted assets				
Other	—	2,455	—	2,787
Provisions relating to internally restricted assets				
	—	2,455	—	2,787
Total provisions relating to restricted assets	—	2,455	—	2,787
Total provisions relating to unrestricted assets	—	15,599	—	14,913
Total provisions	—	18,054	—	17,700

Description of and movements in provisions

\$ '000	2021	Other provisions	
		Asset remediation	Net carrying amount
At beginning of year		17,700	17,700
Unwinding of discount		354	354
Total other provisions at end of year		18,054	18,054
2020			
At beginning of year		18,453	18,453
Unwinding of discount		347	347
Other		(1,100)	(1,100)
Total other provisions at end of year		17,700	17,700

C3-5 Provisions (continued)

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the waste depot/sandmine site at Buckleys Road Dunmore.

Accounting policy

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

Fair value through other comprehensive income reserve (FVOCI)

Changes in the fair value of financial assets are taken through the fair value through other comprehensive income revaluation reserve. The accumulated changes in fair value are transferred to profit or loss when the financial asset is derecognised or impaired.

D Council structure

D1 Interests in other entities

\$ '000	Council's share of net assets	
	2021	2020
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Joint ventures	-	721
Total net share of interests in joint ventures and associates using the equity method – assets	-	721
Total Council's share of net assets	-	721

D1-1 Interests in joint arrangements

Net carrying amounts – Council's share

\$ '000	Nature of relationship	Interest in ownership		2021	2020
		2021	2020		
CivicRisk West	Joint venture	0.0%	1.2%	-	522
CivicRisk Mutual	Joint venture	0.0%	2.8%	-	199
Total carrying amounts – material joint ventures		-		721	

Material joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

Details

	Principal activity	Measurement method	
		2021	2020
CivicRisk West	Public liability and professional indemnity	Equity accounting	Equity accounting
CivicRisk Mutual	Property, motor vehicle etc	Equity accounting	Equity accounting

Relevant interests and fair values

		Interest in outputs		Proportion of voting power	
		2021	2020	2021	2020
CivicRisk West		0.0%	1.2%	0.0%	7.7%
CivicRisk Mutual		0.0%	2.8%	0.0%	5.3%

D1-1 Interests in joint arrangements (continued)

Summarised financial information for joint ventures

\$ '000	CivicRisk West 2021	2020	CivicRisk Mutual 2021	2020
Statement of financial position				
Current assets				
Cash and cash equivalents	—	14,665	—	6,177
Other current assets	—	15,584	—	5,924
Non-current assets	—	33,048	—	5,102
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	—	8,617	—	5,923
Other current liabilities	—	4,561	—	490
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	—	7,999	—	3,635
Net assets	—	42,120	—	7,155
Statement of comprehensive income				
Income	—	6,648	—	14,474
Interest income	—	1,321	—	205
Interest expense	—	(18)	—	—
Other expenses	—	(4,770)	—	(14,468)
Profit/(loss) from continuing operations	—	3,181	—	211
Profit/(loss) for the period	—	3,181	—	211
Total comprehensive income	—	3,181	—	211
Share of income – Council (%)	0.0%	4.1%	0.0%	0.0%
Profit/(loss) – Council (\$)	—	132	—	(32)
Total comprehensive income – Council (\$)	—	132	—	(32)
Reconciliation of the carrying amount				
Opening net assets (1 July)	—	47,340	—	6,945
Profit/(loss) for the period	—	3,181	—	211
Other adjustments to equity	—	(8,400)	—	—
Closing net assets	—	42,121	—	7,156
Council's share of net assets (%)	0.0%	1.2%	0.0%	2.8%
Council's share of net assets (\$)	—	522	—	199

(ii) Joint operations

Shell Cove Project

Council has been associated with the Shell Cove Project since its inception in the early 1990's. The project which involves Council and its development partner Australand Corporation (NSW) Pty Ltd [a part of Frasers Property Australia Group], has been established to develop residential property, marina and associated infrastructure.

The principal place of the project's activities is within the Shell Cove region.

Council's interest in Shell Cove's revenue, expenses, assets, liabilities and equity is 50% of the value of these balances.

D1-1 Interests in joint arrangements (continued)

Accounting policy

The council has determined that it has both joint ventures and joint operations.

Joint operations:

In relation to its joint operations, where the Council has the rights to the individual assets and obligations arising from the arrangement, the Council has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

Joint ventures:

Interests in joint ventures are accounted for using the equity method in accordance with *AASB128 Investments in Associates and Joint Ventures*.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

D1-2 Unconsolidated structured entities

Council did not consolidate the following structured entities:

\$ '000	2021	2020
Local Government Superannuation Scheme Pool B		
Shellharbour Council participates in an employer sponsored Defined Benefit Superannuation Scheme – Local Government Superannuation Scheme Pool B.		
Member Councils make contributions to the scheme as determined by the Superannuation Scheme's Trustees. All member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due. Each Councils share of any deficiency however cannot be accurately calculated due to the pooling of all assets and liabilities together amongst all member Councils. For this reason, liabilities for any deficiency are not recognised in these financial reports.		
The net assets of the scheme as at 30 June 2020 were not sufficient to meet the scheme's accrued benefits. As a result, member Councils will continue to make additional contributions for at least the next financial year to recover that deficiency.		
Losses (or expenses) incurred by Council relating to the Structured Entity	507	512
Liabilities in Council's Statement of Financial Position relating to the Structured Entity	97	90

D1-2 Unconsolidated structured entities (continued)

\$ '000	2021	2020
Illawarra Shoalhaven Joint Organisation		
The Illawarra Shoalhaven Joint Organisation (ISJO), lead, advocate and collaborate to maximise the region's potential and serve the interests of regional communities. The ISJO consists of four members:		
Kiama Municipal Council		
Shellharbour City Council		
Shoalhaven City Council		
Wollongong City Council		
Losses (or expenses) incurred by Council relating to the Structured Entity	57	55

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance team manage the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and having policy limits on credit quality.

Council also seeks advice from its independent advisers before placing any funds in cash and investments.

(a) Market risk – interest rate and price risk

\$ '000	2021	2020
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,307	1,080
Impact of a 10% movement in price of investments		
– Equity / Income Statement	889	2,297

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

E1-1 Risks relating to financial instruments held (continued)

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	> 60 days overdue	Total
2021					
Gross carrying amount	7,146	452	12	482	8,092
Expected loss rate (%)	0.50%	3.00%	4.50%	7.28%	1.05%
2020					
Gross carrying amount	9,821	56	153	1,082	11,112
Expected loss rate (%)	0.30%	1.40%	3.00%	3.26%	0.63%

(c) Liquidity risk

Payables, lease liabilities and borrowings are both subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2021							
Trade/other payables – Shell							
Cove	0.00%	–	11,415	–	–	11,415	11,415
Loans - Shell Cove	4.59%	5,109	–	–	–	5,109	5,109
Trade/other payables	0.00%	2,066	10,993	–	–	13,059	13,059
Loans and advances	3.80%	–	1,591	4,433	13,307	19,331	19,331

E1-1 Risks relating to financial instruments held (continued)

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
Total financial liabilities			7,175	23,999	4,433	13,307	48,914
2020							
Trade/other payables – Shell Cove	0.00%	–	6,732	–	–	6,732	6,732
Loans - Shell Cove	4.59%	4,019	–	–	–	4,019	4,019
Trade/other payables	0.00%	1,881	13,541	–	–	15,422	15,422
Loans and advances	4.20%	–	1,397	3,731	8,924	14,052	14,052
Total financial liabilities		5,900	21,670	3,731	8,924	40,225	40,225

E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

\$ '000	Notes	Fair value measurement hierarchy								
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total 2021	2020 Restated			
		2021	2020	2021	2020 Restated					
Recurring fair value measurements										
Financial assets										
Financial investments	C1-2									
At fair value through profit or loss		9,534	22,970	–	–	9,534	22,970			
Total financial assets		9,534	22,970	–	–	9,534	22,970			
Investment property										
Investment properties – land and buildings	C1-8									
		–	–	28,801	28,101	28,801	28,101			
Total investment property		–	–	28,801	28,101	28,801	28,101			
Infrastructure, property, plant and equipment										
Capital work in progress	C1-7									
Capital work in progress - Shell Cove		–	–	31,715	20,622	31,715	20,622			
Plant and equipment		–	–	111,203	102,916	111,203	102,916			
Office equipment		–	–	7,122	6,764	7,122	6,764			
Furniture and fittings		–	–	1,711	2,086	1,711	2,086			
Operational land		–	–	4,526	4,341	4,526	4,341			
Community land		–	–	76,599	71,743	76,599	71,743			
Land under roads		–	–	144,101	135,511	144,101	135,511			
Land improvements		–	–	60,707	49,129	60,707	49,129			
Buildings – non-specialised		–	–	10,162	10,477	10,162	10,477			
Buildings – specialised		–	–	76,670	76,179	76,670	76,179			
Other structures		–	–	55,350	55,321	55,350	55,321			
Roads		–	–	2,347	2,321	2,347	2,321			
Bridges		–	–	194,054	189,979	194,054	189,979			
Footpaths		–	–	14,204	13,609	14,204	13,609			
Stormwater drainage		–	–	51,868	48,400	51,868	48,400			
Swimming pools		–	–	239,498	223,849	239,498	223,849			
Other open space/recreational assets		–	–	2,778	2,679	2,778	2,679			
Other infrastructure		–	–	32,208	26,662	32,208	26,662			
Library books		–	–	9,533	9,681	9,533	9,681			
Other		–	–	1,410	1,466	1,410	1,466			
		–	–	7,092	7,457	7,092	7,457			

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total 2021	2020 Restated
		2021	2020	2021	2020 Restated		
Waste depot/sandmine asset		—	—	6,866	7,057	6,866	7,057
Total infrastructure, property, plant and equipment		—	—	1,141,724	1,068,249	1,141,724	1,068,249

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Investment property

Land & Buildings

All of Council's investment properties are valued at fair value.

The 2020 revaluations were based on desktop valuations performed by Scott Fullarton Pty Ltd, Director Scott Fullarton, FAPI, Certified Practicing Valuer, Registered Valuer No. 2144.

The key unobservable input to the valuation is the price per square metre.

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are all valued at cost but are disclosed at fair value in the notes due to the nature of the items.

Examples of assets within these classes are:

- Plant & Equipment – Trucks, mowers, earth moving equipment
- Office Equipment – Printers, Scanners, White Boards, Computer Equipment
- Furniture & Fittings - Kitchens, Fitouts, Flooring etc

Council assumes that the carrying value amount reflects the fair value of the assets due to the nature of the items as shown above.

Operational Land

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The last valuation was undertaken at 30 June 2021 and was performed by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practicing Valuer, Registered Valuer No. 2144. The key unobservable input to the valuation is the price per square metre.

Generally, fair value is the most advantageous price reasonably obtainable by the seller and the most advantageous price reasonably obtained by the buyer. This is not necessarily the market selling price of the asset, rather, it is regarded as the maximum value that Council would rationally pay to acquire the asset if it did not hold it, taking into account quoted market price in an active and liquid market, the current market price of the same or similar asset, the cost of replacing the asset, if management intend to replace the asset, the remaining useful life and condition of the asset; and cash flows from the future use and disposal. There has been no change to the valuation process during the reporting period.

Community Land

Valuations of all Council's Community Land were based on land values provided by the Valuer-General. The last valuation was undertaken at 30 June 2021.

E2-1 Fair value measurement (continued)

Land Under Roads

Council has elected to recognise Land Under Roads where the road was acquired on or after 1 July 2008.

A decision has been made in consultation with Council's auditors to revise the valuation of the entity's total Land Under Roads at the average unit value of the land contained within the entity's area of control. This method results in a significantly reduced average unit value compared to the original method used. This is believed to be a more appropriate representation of the value of the land due to the restrictions that exist on Land Under Road assets.

The last valuation was undertaken as at 31 March 2019.

Land Improvements

This asset class comprises land improvements such as landscaping, streetscaping and foreshore/sportsfields improvements. The cost approach is used to value land improvements. There has been no change to the valuation process during the reporting period.

Buildings - Specialised and Non Specialised

Council engaged Scott Fullarton Pty Ltd, Director Scott Fullarton, FAPI, Certified Practicing Valuer, Registered Valuer No. 2144 to value all buildings at 30 June 2018 using the cost approach. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While all buildings were physically inspected inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

Other Structures

This assets comprises of: Fencing, memorials, embellishments, boom gates etc. The cost approach is used to value other structures. There has been no change to the valuation process during the reporting period.

Roads

Council's Road Asset Class is made up of road components, roadside furniture, bus shelters, traffic signs and traffic facilities such as roundabouts. Valuations were undertaken inhouse as at 31 March 2020. Troutman Asset Integrity were engaged to assist with the collation of unit rates that were used during the revaluation process.

Bridges

Bridges include constructed timber pedestrian bridges, timber road bridges and concrete pedestrian bridges. The larger road bridges were valued on information from developers who contracted out the construction of their major bridges. Valuations were undertaken inhouse as at 31 March 2020. Troutman Asset Integrity were engaged to assist with the collation of unit rates that were used during the revaluation process.

Footpaths

Valuations were undertaken inhouse as at 31 March 2020. Troutman Asset Integrity were engaged to assist with the collation of unit rates that were used during the revaluation process.

Stormwater Drainage

These assets are made up of stormwater pits, pipes, gross pollutant traps (GPT), headwalls and culverts. GPT's and pits. Valuations were undertaken inhouse as at 31 March 2020. Troutman Asset Integrity were engaged to assist with the collation of unit rates that were used during the revaluation process.

Swimming Pools

This asset class comprises the pool structure itself. The last valuation was undertaken at 30 June 2018 and was performed by Scott Fullarton Valuations Pty Ltd, Director Scott Fullarton, FAPI, Certified Practicing Valuer, Registered Valuer No. 2144.

Other Open Space/Recreational Assets

Assets within this class comprise of sporting and skate facilities, playgrounds, tennis courts, hockey fields, grandstands and picnic shelters etc.

E2-1 Fair value measurement (continued)

Council engaged Rapid Map Services Pty Ltd to do a full inspection and audit of Council's Open Space Recreation Assets including condition assessment. Asset & Facilities Management Consulting Pty Ltd used this information to provide Council with valuations and useful life assessments which Council has applied as at 30 June 2019.

Other Infrastructure

Other infrastructure comprises of the airport runway and other major infrastructure like the waste depot's gas extraction system. Valuations were undertaken inhouse as at 31 March 2020. Troutman Asset Integrity were engaged to assist with the collation of unit rates that were used during the revaluation process.

Library Books

This asset category comprises of assets such as library books, journals, magazines, Cd's and Dvd's. The library books are reported at Fair value in the notes however, due to the nature of these items they are valued at cost.

There are no major variances between the fair value and carrying amount of these assets. There has been no change to the valuation process during the reporting period.

Other

Other assets consist of sundry signs, lighting etc. Council assumes that the carrying value amount reflects the fair value of the assets due to the nature of the items. There has been no change to the valuation process during the reporting period.

Waste Depot/Sandmine Asset

The waste depot/sandmine is located at Buckley's Road in Dunmore. It has been recognised that there will be significant costs associated with the closure and post closure management of the landfill site. An Evaluation of Costs for Landfill Closure and Post Closure Management was prepared by Tonkin Consulting, PJ Lightbody, MIEAust Chartered Professional Engineer in June 2018.

Fair value measurements using significant unobservable inputs (level 3)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Total IPPE 2021	2020
Opening balance	1,096,350	981,260
Total gains or losses for the period		
Recognised in profit or loss – realised	700	–
Recognised in other comprehensive income – revaluation surplus	12,289	58,690
Other movements		
Transfer from land stock	88	–
Purchases (GBV)	80,776	76,911
Disposals (WDV)	(2,382)	(4,123)
Depreciation and impairment	(17,296)	(16,388)
Closing balance	1,170,525	1,096,350

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The scheme's most recent actuarial review indicated that the net assets of the scheme were sufficient to meet the accrued benefits of the scheme's defined benefit member category. Member councils are required to make contributions in future years where the scheme goes into deficit (as has occurred in previous years).

Future planned contributions being made to the defined benefit scheme to rectify past (and projected) deficit positions will be recognised as an expense when they become payable - similar to the accounting for defined benefit plans.

Member councils are treated as Pooled Employers for the purpose of AASB119. Pooled Employers are required to pay standard employer contributions and additional lump sum contributions to the Fund.

The standard employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates are:

Division B	1.9 times employee contributions
Division C	2.5% salaries
Division D	1.64 times employee contributions

The additional lump sum contribution for each Pooled Employer is a share of the total additional contributions of \$40 million per annum from 1 July 2019 for 3 years to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. These additional lump sum contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for the allocation of any surplus which may be present at the date if withdrawal of an employer.

The plan is a defined benefit plan. However, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such, there is not sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way it would for a single employer sponsored benefit plan.

The amount of Council employer contributions to the defined benefit section of the fund and recognised as an expense and disclosed as part of superannuation expenses of Note 4 (a) for the year ending 30 June 2021 was \$ 507,357. The last valuation of the Fund was performed by the Actuary, Mr Richard Boyfield, FIAA on 30 June 2020.

Council's expected contributions to the Fund for the next annual reporting period is \$450,192.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2021 is:

Employer reserves only *	\$millions	Asset Coverage
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E3-1 Contingencies (continued)

Assets	2.620.5	
Past Service Liabilities	2.445.6	107.2%
Vested Benefits	2.468.7	106.2%

* excluding member accounts and reserves in both assets and liabilities.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.50% per annum
Increase in CPI	2.50% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Council's additional lump sum contribution is around 0.74% of the total additional lump sum contributions for all Pooled Employers (of \$40m each year from 1 July 2019 to 30 June 2021) provides an indication of the level of participation of Council compared with other employers in the Pooled Employer sub-group.

(ii) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities

(i) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space reservation under its Urban Local Environment Plan.

As a result, where notified in writing by the various owners, Council will be required to purchase these nine land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

(ii) Shell Cove funding arrangement

Council has joint control of the Shell Cove project, an entity which is engaged in the development of residential property and associated infrastructure.

Due to land release and development cycles, shortfall funding occurs. Council's project manager, Australand Corporation (NSW) Pty Ltd [a part of Frasers Property Australia Group], provides a revolving funding facility to fund any shortfall with monthly interest at a rate equivalent to the Westpac Banking Corporation business overdraft of \$4 million on the last business day preceding the monthly Management Committee meeting. Council is guarantor of the financing if the Project's Management Agreement is terminated.

The approved funding limit is \$35 million, based on the 2017 cashflow projections. The current projections have Project deficits to peak at \$8.4 million early in the 2022 financial year. The key risk for Council is the potential liability of \$35 million (in cash and/or land).

(iii) Calderwood planning agreement

On 15 September 2014 Council entered into the Calderwood Voluntary Planning Agreement with Lend Lease Communities (Australia) Limited. This Planning Agreement applies to the Calderwood Urban Development Project site which is approximately 700 hectares of land to the west of Albion Park that was classified a State Significant Site in 2011.

Under this Planning Agreement the developer will provide approximately \$20m in monetary contributions toward both local and citywide infrastructure (in lieu of Section 7.11 Contributions) and deliver onsite infrastructure including a community centre, parks, sportsfields and road upgrades to the value of approximately \$50m.

The development is expected to occur over the next 10-15 years and will significantly increase both the population of the City's west and Council's asset base.

(iv) Developer contributions

Council levies developer contributions upon various development across the Council area through the required plan.

E3-1 Contingencies (continued)

As part of the plan, Council has received funds for which it will be required to expend the monies in accordance with that plan. As well, the plan indicates proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds. These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in this plan.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

	2021	2020
Compensation:		
Short-term benefits	1,499	1,423
Post-employment benefits	128	142
Other long-term benefits	149	138
Termination benefits	11	–
Total	1,787	1,703

Other transactions with KMP and their related parties

Council maintains a Related Party Transaction register. A review of the register, Bi Annual Declaration of Interest returns and minutes of Council Meetings conducted for the year ending 30 June 2021, identified no related party transactions that would have otherwise be incurred by an ordinary citizen.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2021	2020
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	60	44
Councillors' fees	146	129
Other Councillors' expenses (including Mayor)	75	73
Total	281	246

F2 Other relationships

F2-1 Audit fees

\$ '000	2021	2020
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	74	87
Remuneration for audit and other assurance services	74	87
Total Auditor-General remuneration	74	87
Non NSW Auditor-General audit firms		
(i) Audit and other assurance services		
Audit and review of financial statements - Shell Cove	42	53
Internal Audit Shell Cove	10	20
Remuneration for audit and other assurance services	52	73
Total remuneration of non NSW Auditor-General audit firms	52	73
Total audit fees	126	160

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of net operating result to cash provided from operating activities

	\$ '000	2021	2020
Net operating result from Income Statement	81,229	70,342	
Adjust for non-cash items:			
Depreciation and amortisation	18,408	17,769	
Net losses/(gains) on disposal of assets	1,688	4,004	
Non-cash capital grants and contributions	(42,516)	(37,836)	
Adoption of AASB 15/1058	–	(541)	
Losses/(gains) recognised on fair value re-measurements through the Income Statement:			
– Investments classified as 'at fair value' or 'held for trading'	(107)	(643)	
– Investment property	(700)	(5,069)	
Unwinding of discount rates on reinstatement provisions	354	347	
Share of net (profits)/losses of associates/joint ventures using the equity method	–	(100)	
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables	2,638	(4,856)	
Increase/(decrease) in provision for impairment of receivables	(459)	26	
Decrease/(increase) in inventories	(199)	(84)	
Decrease/(increase) in other current assets	(777)	81	
Decrease/(increase) in contract assets	(699)	(424)	
Increase/(decrease) in payables	(2,611)	3,307	
Increase/(decrease) in other accrued expenses payable	233	182	
Increase/(decrease) in other liabilities	4,741	3,080	
Increase/(decrease) in contract liabilities	4,935	530	
Increase/(decrease) in provision for employee benefits	72	1,137	
Increase/(decrease) in other provisions	–	(1,100)	
Net cash provided from/(used in) operating activities from the Statement of Cash Flows	66,230	50,152	

(b) Non-cash investing and financing activities

Developer contributions 'in kind'	230	373
Roadworks	4,327	4,804
Drainage	17,276	12,315
Land under roads	12,585	11,231
Other non-cash items	8,098	9,113
Total non-cash investing and financing activities	42,516	37,836

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2021	2020
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	784	469
Other	4,115	13,145
Road infrastructure	15	901
Total commitments	4,914	14,515
These expenditures are payable as follows:		
Within the next year	4,914	12,600
Later than one year and not later than 5 years	-	1,915
Total payable	4,914	14,515

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant 'non-adjusting events' that should be disclosed.

G4 Changes from prior year statements

G4-1 Correction of errors

Nature of prior-period error

Infrastructure, Property, Plant and Equipment Assets

It has been identified that assets dedicated to Council in previous financial years were not capitalised. These errors have been adjusted against accumulated surplus to correct the error:

Stormwater drainage	\$7,230,259
Footpaths	\$1,742,100
Roads	\$1,457,594
Land under roads	\$1,702,111
Open space/recreational assets	\$ 6,696
Bridges	\$ 142,685

The errors identified above have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2019) and taking the adjustment through to accumulated surplus at that date.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

G4-1 Correction of errors (continued)

Changes to the opening Statement of Financial Position at 1 July 2019

Statement of Financial Position

\$ '000	Original Balance 1 July, 2019	Impact Increase/ (decrease)	Restated Balance 1 July, 2019
Infrastructure, property, plant and equipment	945,963	12,285	958,248
Total assets	1,106,207	12,285	1,118,492
Net assets	1,041,045	12,285	1,053,330
Accumulated surplus	625,587	12,285	637,872
Council equity interest	1,040,804	12,285	1,053,089
Total equity	1,041,045	12,285	1,053,330

Adjustments to the comparative figures for the year ended 30 June 2020

Statement of Financial Position

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Infrastructure, Property, Plant & Equipment	1,055,968	12,281	1,068,249
Total assets	1,231,845	12,281	1,244,126
Net assets	1,155,638	12,281	1,167,919
Accumulated Surplus	686,780	12,281	699,061
Council equity interest	1,155,397	12,281	1,167,678
Total equity	1,155,638	12,281	1,167,919

Income Statement

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Grants and contributions provided for capital purposes	51,012	119	51,131
Total income from continuing operations	183,831	119	183,950
Depreciation and amortisation	17,769	123	17,892
Total expenses from continuing operations	113,485	123	113,608
Net operating result for the year	70,346	(4)	70,342

G4-1 Correction of errors (continued)

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2020	Impact Increase/ (decrease)	Restated Balance 30 June, 2020
Net operating result for the year	70,346	(4)	70,342
Other comprehensive income	53,401	–	53,401
Total comprehensive income for the year	123,747	(4)	123,743

G5 Statement of developer contributions as at 30 June 2021

G5-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2020	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2021	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
Drainage	3,779	919	–	76	–	–	4,774	–
Roads	9,990	3,788	–	209	(13)	–	13,974	–
Traffic facilities	1,855	24	–	34	–	–	1,913	–
Open space	21,467	2,032	230	397	(1,031)	–	22,865	–
Community facilities	9,919	3,473	–	246	(45)	–	13,593	–
Other	1,928	620	–	37	(329)	–	2,256	–
S7.11 contributions – under a plan	48,938	10,856	230	999	(1,418)	–	59,375	–
Total S7.11 and S7.12 revenue under plans	48,938	10,856	230	999	(1,418)	–	59,375	–
S7.4 planning agreements	4,957	16	–	91	(73)	–	4,991	–
Total contributions	53,895	10,872	230	1,090	(1,491)	–	64,366	–

Under the Environmental Planning and Assessment Act 1979, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G5-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2020	Contributions received during the year		Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2021	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash					
CONTRIBUTION PLAN NUMBER 1								
Drainage	3,779	919	–	76	–	–	4,774	–
Roads	9,990	3,788	–	209	(13)	–	13,974	–
Traffic facilities	1,855	24	–	34	–	–	1,913	–
Open space	21,467	2,032	230	397	(1,031)	–	22,865	–
Community facilities	9,919	3,473	–	246	(45)	–	13,593	–
Other	1,928	620	–	37	(329)	–	2,256	–
Total	48,938	10,856	230	999	(1,418)	–	59,375	–

G6 Statement of performance measures

G6-1 Statement of performance measures – consolidated results

	Amounts 2021 \$ '000	Indicator 2021	2020 Restated	Indicators 2019	2018	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	21,198	14.24%	13.78%	19.25%	14.23%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	148,840					
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions ¹	140,009	66.74%	66.66%	74.15%	76.95%	> 60.00%
Total continuing operating revenue ¹	209,783					
3. Unrestricted current ratio						
Current assets less all external restrictions	67,097	1.75x	2.13x	1.86x	1.96x	> 1.50x
Current liabilities less specific purpose liabilities	38,369					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	40,585	11.94x	9.39x	6.23x	16.04x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	3,399					
5. Rates and annual charges outstanding percentage						
Rates and annual charges outstanding	3,675	5.24%	4.87%	4.80%	4.79%	< 10.00%
Rates and annual charges collectable	70,111					
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	111,630	10.69	10.72	8.80	7.66	> 3.00
Monthly payments from cash flow of operating and financing activities	10,443	mths	mths	mths	mths	mths

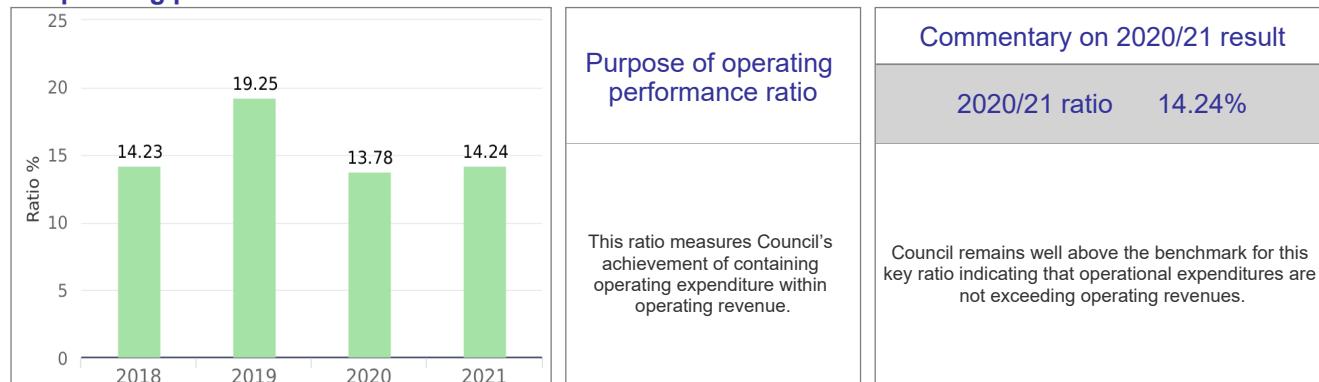
(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

H Additional Council disclosures (unaudited)

H1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



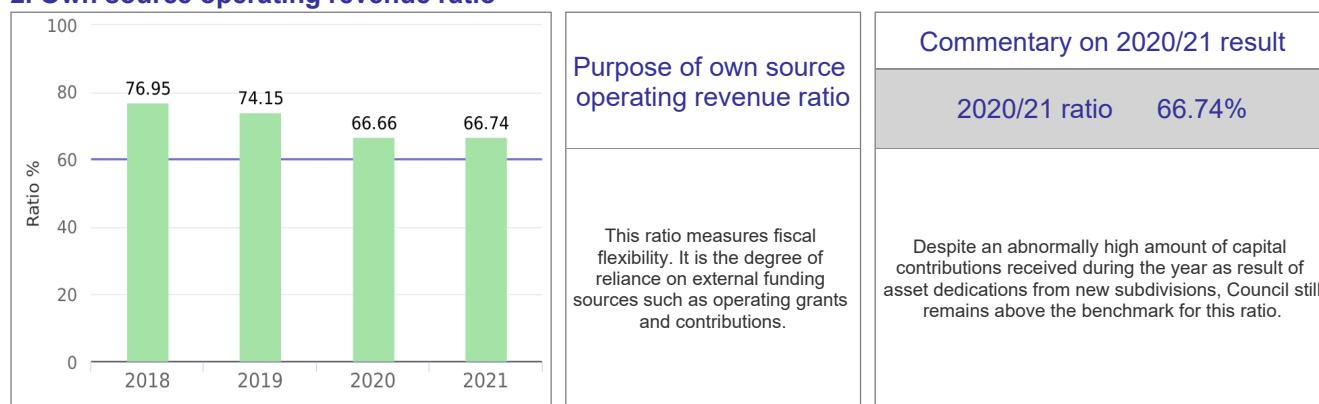
Benchmark: — > 0.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

2. Own source operating revenue ratio



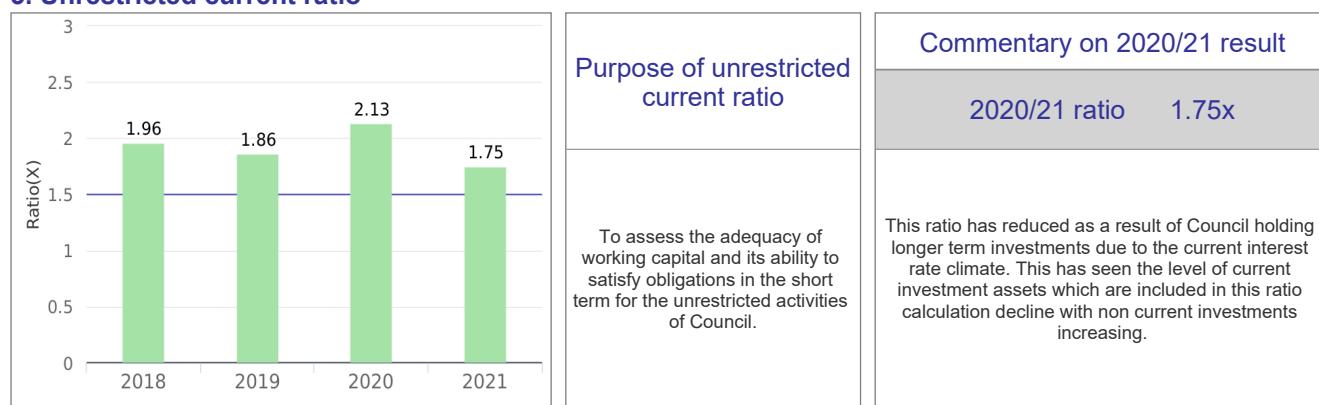
Benchmark: — > 60.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

3. Unrestricted current ratio



Benchmark: — > 1.50x

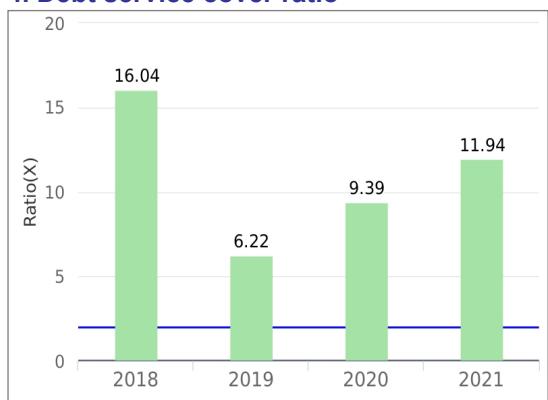
Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

H1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2020/21 result

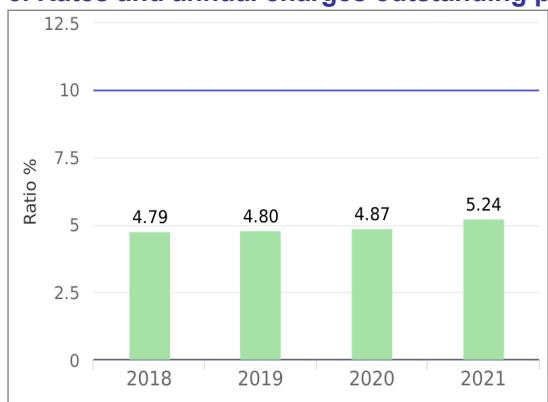
2020/21 ratio 11.94x

This result is nearly six times above the benchmark indicating that Council has more than sufficient operating cash to meet borrowing repayments.

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2020/21 result

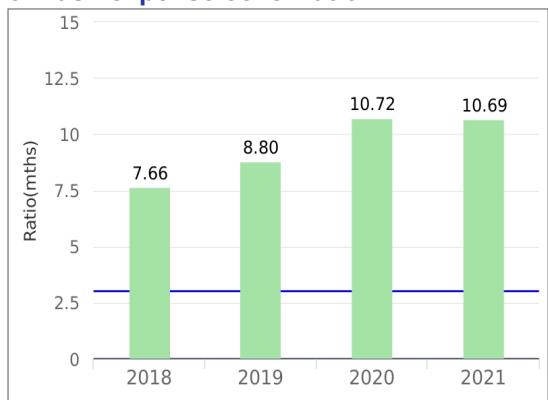
2020/21 ratio 5.24%

Council's result for this ratio has declined compared to previous years but remains well within the benchmark. The legislation introduced where Councils were prevented from taking recovery action to collect outstanding rates for the majority of the 2021 financial year can be expected to have contributed to this increase.

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting

Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2020/21 result

2020/21 ratio 10.69 mths

Council's liquidity position remains strong with the result just under four times above the benchmark.

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Council information and contact details

Principal place of business:

76 Cygnet Avenue
Shellharbour City Centre

Contact details

Mailing Address:

Locked Bag 155
SHELLHARBOUR CITY CENTRE NSW 2529

Opening hours:

8:30am - 4:30pm
Monday to Friday

Telephone: 02 4221 6111

Facsimile: 02 4221 6016

Internet: www.shellharbour.nsw.gov.au

Email: council@shellharbour.nsw.gov.au

Officers

Chief Executive Officer

Carey McIntyre

Responsible Accounting Officer

Katie Buckman

Mayor

Marianne Saliba

Other information

ABN: 78 392 627 134



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Shellharbour City Council

To the Councillors of the Shellharbour City Council

Opinion

I have audited the accompanying financial statements of Shellharbour City Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2021, the Statement of Financial Position as at 30 June 2021, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 November 2021
SYDNEY

Mr Carey McIntyre
 Chief Executive Officer
 Shellharbour City Council
 Locked Bag 155
 SHELLHARBOUR CITY CENTRE NSW 2656

Contact: Lisa Berwick
 Phone no: 02 9275 7336
 Our ref: D2124905/1784

15 November 2021

Dear Mr McIntyre

**Report on the Conduct of the Audit
 for the year ended 30 June 2021
 Shellharbour City Council**

I have audited the general purpose financial statements (GPFS) of the Shellharbour City Council (the Council) for the year ended 30 June 2021 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2021 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2021	2020	Variance
	\$m	\$m	%
Rates and annual charges revenue	66.7	63.9	4.4
Grants and contributions revenue	69.8	59.4	17.5
Operating result from continuing operations	81.2	70.3	15.5
Net operating result before capital grants and contributions	20.3	19.2	5.7

Rates and annual charges revenue of \$66.7 million (2019-20: \$63.9 million) increased by \$2.8 million (4.4 per cent) in 2020–21 due to the:

- an increase in general rates revenue by 2.6 per cent in 2020–21
- increase in rateable properties by 2.9 per cent (29,843 rateable properties in 2020-21 compared to 28,991 properties in 2019-20)

Grants and contributions revenue of \$69.8 million (2019-20: \$59.4 million) increased by \$10.4 million (17.5 per cent) in 2020–21 due to a:

- \$0.8 million increase in special purpose grants and non-developer contributions which include Restart NSW and Transport.
- \$4.8 million increase in non cash grants and contributions for drainage, paving, roads and land under roads.
- \$4.8 million increase in cash grants and contributions for community facilities, drainage, open space and road works.

The Council's operating result from continuing operations of \$81.2 million (2019-20: \$70.3 million), which included depreciation and amortisation expense of \$18.4 million, was \$10.9 million higher (15.5 per cent) than the 2019–20 result. This is due to an increase in income from continuing operations of \$26.6 million being offset by total expenses increasing by a lesser amount, being \$15.7 million.

The increase in income from continuing operations of \$26.6 million arose due to a:

- \$2.8 million increase in rates and annual charges
- \$10.4 million increase in grants and contributions revenue
- \$2.5 million increase in user charges and fees
- \$16.7 million increase in other revenue, mainly arising increase in income from Shell Cove by \$19.9 million offset by a decrease in other revenue by \$3.2 million.
- \$5.8 million decrease in investment and other income.

The increase in total expenses of \$15.7 million was mainly due to a:

- \$0.5 million increase in employee benefits and on-costs.
- \$4.5 million increase in materials and services
- \$0.5 million increase in depreciation, amortisation and impairment of non-financial assets
- \$12.6 million increase in other expenses, mainly relating to write down of Shell Cove inventories held for sale or distribution of \$14.2 million offset by a decrease in other expenses by \$1.6 million.
- \$2.3 million decrease in net losses on disposal of assets
- \$0.1 million decrease in borrowing costs.

The net operating result before capital grants and contributions of \$20.3 million was \$1.1 million higher than the 2019–20 result of \$19.2 million.

STATEMENT OF CASH FLOWS

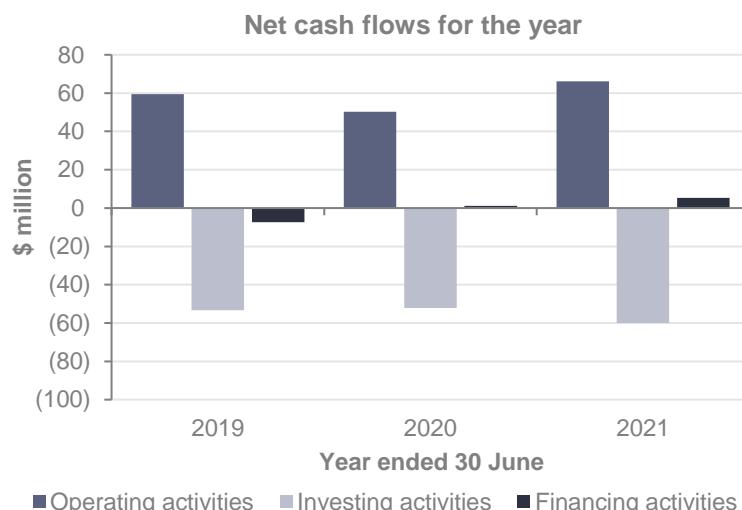
The Statement of Cash Flows

Illustrates the flow of cash and cash equivalents moving in and out of Council during the year.

The Council's cash increased by \$11.6 million at the close of the year. Cash inflows from operating activities increased by \$16.1 million from \$50.1 million in 2019-20 to \$66.2 million in 2020-21. This is due to an increase in net cash inflow from Shell Cove of \$20.1 million, \$15.3 million increase from higher grants and contributions, rates and annual charges and user fees and charges and net other receipts of \$3.7 million offset by increase in materials and contracts by \$23 million.

The increase in cash outflows from investing activities increased by \$7.9 million, from \$52.1 million in 2019-20 to \$60.0 million in 2020-21. This was due to an increase in sale of investment securities of \$44.3 million and increase in purchases of investment securities by \$53.8 million; increase in sale of IPPE by \$0.6 million and an increase in purchase of IPPE by \$6.1 million; increased in sales of real estate by \$3.5 million and decrease purchase of real estate by \$2.8 million compared to prior year.

Cash inflows from financing activities has increased by \$4.2 million from \$1.2 million in 2019-20 to \$5.3 million in 2020-21. This is driven by the increased net proceeds from borrowings by \$4.5 million from the prior year.



FINANCIAL POSITION

Cash and investments

Cash and investments	2021	2020	Commentary
	\$m	\$m	
Restricted cash and investments:			
External restrictions	83.6	66.7	
Internal restrictions	18.7	18.9	
Unrestricted	28.4	22.4	
Total cash, cash equivalents and investments	130.7	108.0	<ul style="list-style-type: none">External restrictions include unspent specific purpose grants, developer contributions, domestic waste management charges, levies and planning agreements. The externally restricted cash balance has increased by approximately \$16.9 million, mainly due to the higher developer contribution received.Balances are internally restricted due to Council policy or decisions for forward plans including works program. Internal restrictions have decreased by \$0.2 million.Unrestricted balances provide liquidity for day-to-day operations. There has been an increase of \$6.0 million in the unrestricted cash balance.

PERFORMANCE

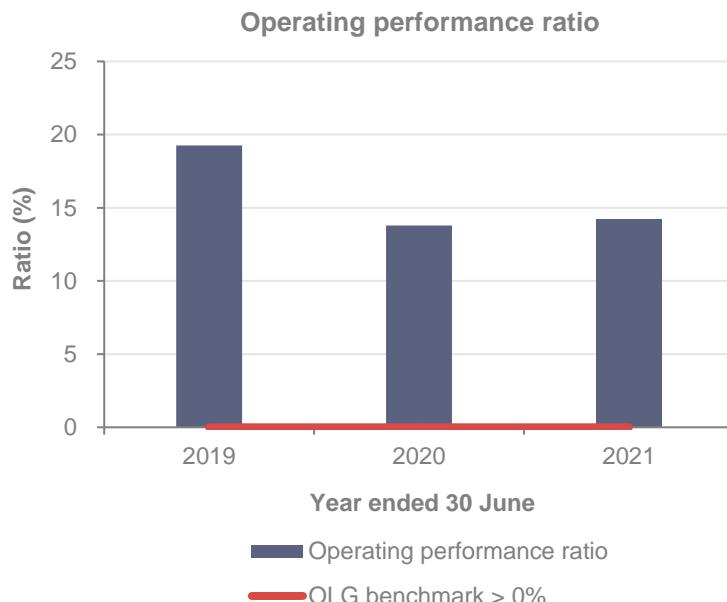
Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Industry and Environment.

Operating performance ratio

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.

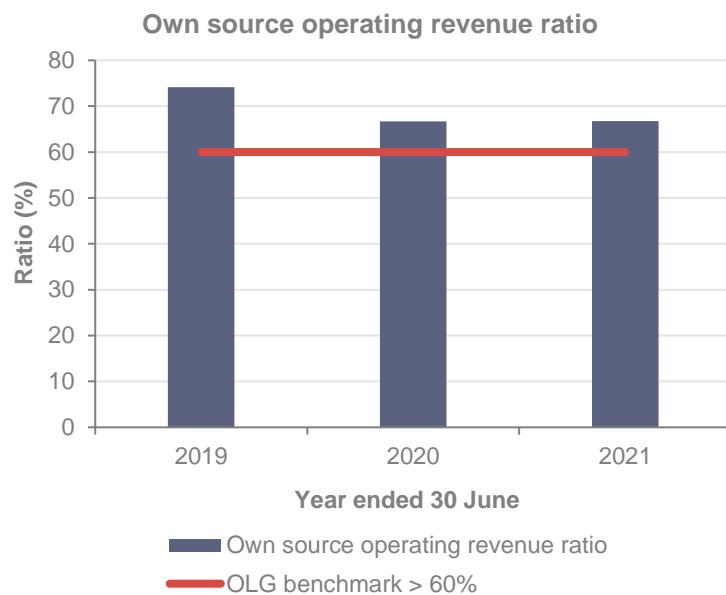
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 14.24 per cent.



Own source operating revenue ratio

The 'own source operating revenue ratio' measures Council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.

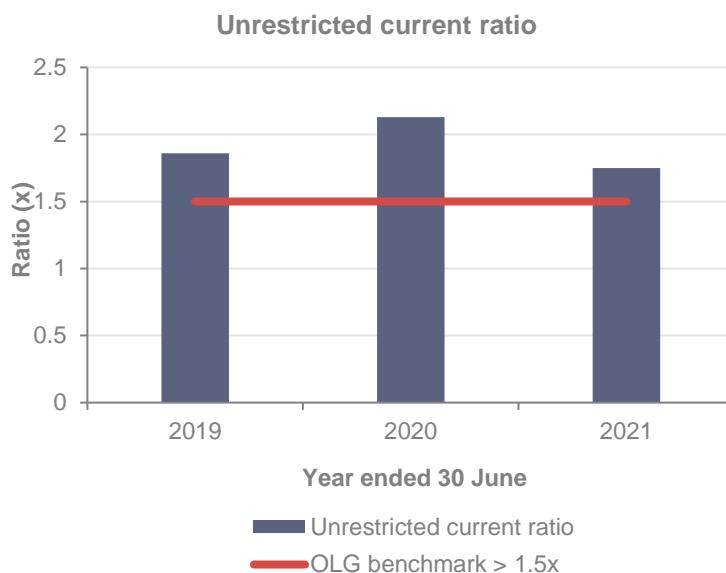
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 66.74 per cent.



Unrestricted current ratio

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

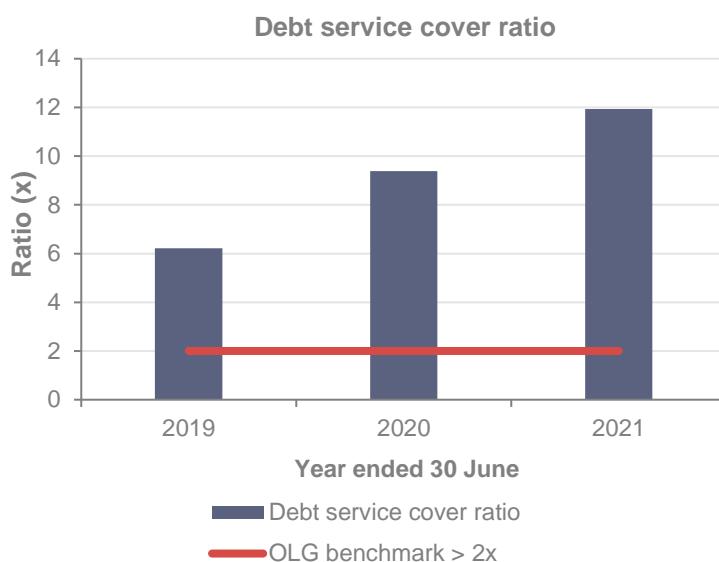
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 1.75 times.



Debt service cover ratio

The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.

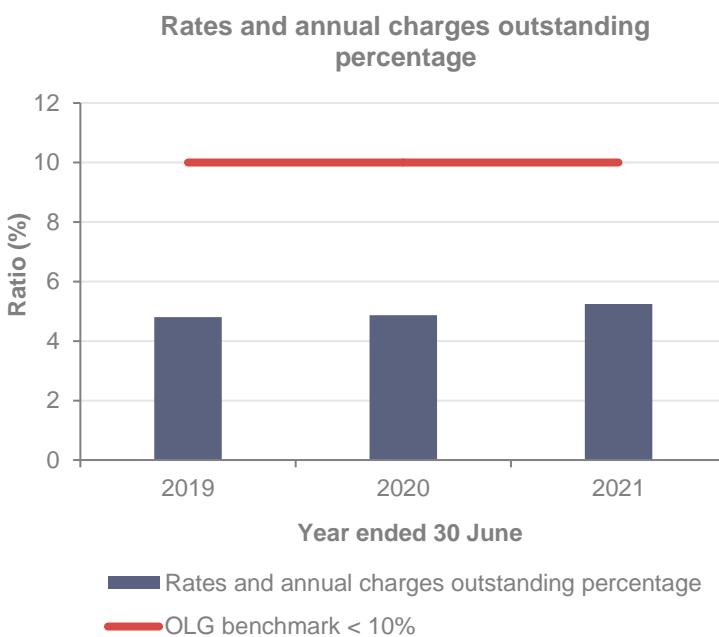
The Council exceeded the OLG benchmark for the current reporting period with a ratio of 11.94 times.



Rates and annual charges outstanding percentage

The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.

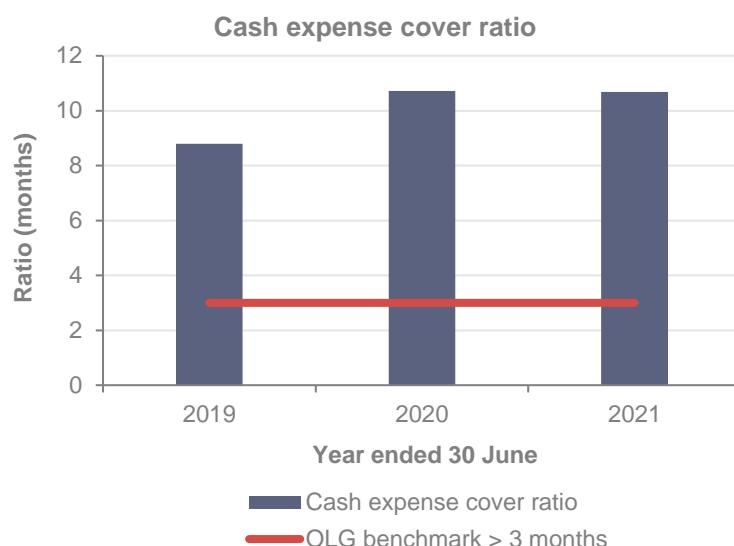
The Council met the OLG benchmark for the current reporting period with a ratio of 5.24 per cent.



Cash expense cover ratio

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

The Council exceeded the OLG benchmark for the current reporting period with a ratio of 10.69 months.



Infrastructure, property, plant, and equipment renewals

Infrastructure, property, plant, and equipment renewals for 2020-21 amounted to \$15.5 million in 2020-21 compared to \$25.6 million in 2019-20. The decrease is \$10.1 million is due to the completion of the new Warilla Library as well as significant building expenditure at Council's airport in 2019-20 compared to 2020-21.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

The Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.



Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

cc: Ms Marianne Saliba, Mayor
Ms Julie Walton, Chair of Audit, Risk and Improvement Committee

Shellharbour City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2021



Shellharbour City Council

Special Purpose Financial Statements

for the year ended 30 June 2021

Contents	Page
Statement by Councillors and Management	3
Special Purpose Financial Statements:	
Income Statement of Nursery	4
Income Statement of The Links	5
Income Statement – Shellharbour Beachside Holiday Park	6
Income Statement – Shellharbour Airport	7
Statement of Financial Position of Nursery	8
Statement of Financial Position of The Links	9
Statement of Financial Position – Shellharbour Beachside Holiday Park	10
Statement of Financial Position – Shellharbour Airport	11
Note – Significant Accounting Policies	12
Auditor's Report on Special Purpose Financial Statements	14

Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Shellharbour City Council

Special Purpose Financial Statements for the year ended 30 June 2021

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement ‘Application of National Competition Policy to Local Government’,
- the Division of Local Government Guidelines ‘Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality’,
- the Local Government Code of Accounting Practice and Financial Reporting,

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council’s declared business activities for the year, and
- accord with Council’s accounting and other records.

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

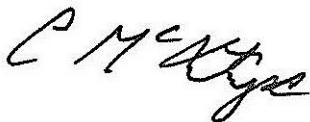
Signed in accordance with a resolution of Council made on 21 September 2021.



Marianne Saliba
Mayor
21 September 2021



John Murray
Councillor
21 September 2021



Carey McIntyre
Chief Executive Officer
21 September 2021



Katie Buckman
Responsible Accounting Officer
21 September 2021

Shellharbour City Council

Income Statement of Nursery

for the year ended 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
Income from continuing operations		
User charges	536	476
Other income	1	1
Total income from continuing operations	537	477
Expenses from continuing operations		
Employee benefits and on-costs	224	229
Materials and services	344	215
Depreciation, amortisation and impairment	16	16
Calculated taxation equivalents	6	6
Total expenses from continuing operations	590	466
Surplus (deficit) from continuing operations before capital amounts	(53)	11
Surplus (deficit) from continuing operations after capital amounts	(53)	11
Surplus (deficit) from all operations before tax	(53)	11
Less: corporate taxation equivalent [based on result before capital]	–	(3)
Surplus (deficit) after tax	(53)	8
Plus accumulated surplus	17	–
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	6	6
– Corporate taxation equivalent	–	3
Add:		
– Subsidy paid/contribution to operations	30	–
Closing accumulated surplus	–	17

Shellharbour City Council

Income Statement of The Links

for the year ended 30 June 2021

\$ '000	2021 Category 1	2020 Category 1
Income from continuing operations		
User charges	4,833	2,647
Grants and contributions provided for non-capital purposes	5	5
Gain Sale of Assets	–	–
Other income	861	347
Total income from continuing operations	5,699	2,999
Expenses from continuing operations		
Employee benefits and on-costs	1,218	1,195
Borrowing costs	2	–
Materials and services	3,854	2,193
Depreciation, amortisation and impairment	671	568
Loss on sale of assets	–	10
Calculated taxation equivalents	68	81
Other expenses	208	81
Total expenses from continuing operations	6,021	4,128
Surplus (deficit) from continuing operations before capital amounts	(322)	(1,129)
Surplus (deficit) from continuing operations after capital amounts	(322)	(1,129)
Surplus (deficit) from all operations before tax	(322)	(1,129)
Surplus (deficit) after tax	(322)	(1,129)
Plus accumulated surplus	8,226	9,274
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	68	81
Closing accumulated surplus	7,972	8,226
Return on capital %	(1.2)%	(4.4)%

Shellharbour City Council

Income Statement – Shellharbour Beachside Holiday Park

for the year ended 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
Income from continuing operations		
User charges	1,666	1,510
Other income	19	19
Total income from continuing operations	1,685	1,529
Expenses from continuing operations		
Employee benefits and on-costs	17	18
Borrowing costs	20	25
Materials and services	796	653
Depreciation, amortisation and impairment	120	103
Calculated taxation equivalents	3	3
Other expenses	98	76
Total expenses from continuing operations	1,054	878
Surplus (deficit) from continuing operations before capital amounts	631	651
Surplus (deficit) from continuing operations after capital amounts	631	651
Surplus (deficit) from all operations before tax	631	651
Less: corporate taxation equivalent [based on result before capital]	(164)	(179)
Surplus (deficit) after tax	467	472
Plus accumulated surplus	10,919	10,265
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	3	3
– Corporate taxation equivalent	164	179
Closing accumulated surplus	11,553	10,919

Shellharbour City Council

Income Statement – Shellharbour Airport for the year ended 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
Income from continuing operations		
User charges	274	252
Fair value adjustments – investment properties	533	1,809
Other income	413	379
Total income from continuing operations	1,220	2,440
Expenses from continuing operations		
Employee benefits and on-costs	388	433
Materials and services	332	313
Depreciation, amortisation and impairment	176	174
Calculated taxation equivalents	96	84
Other expenses	–	38
Total expenses from continuing operations	992	1,042
Surplus (deficit) from continuing operations before capital amounts	228	1,398
Grants and contributions provided for capital purposes	6,187	5,704
Surplus (deficit) from continuing operations after capital amounts	6,415	7,102
Surplus (deficit) from all operations before tax	6,415	7,102
Less: corporate taxation equivalent [based on result before capital]	(59)	(385)
Surplus (deficit) after tax	6,356	6,717
Plus accumulated surplus	25,067	17,881
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	96	84
– Corporate taxation equivalent	59	385
Closing accumulated surplus	31,578	25,067

Shellharbour City Council

Statement of Financial Position of Nursery

as at 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
ASSETS		
Current assets		
Cash and cash equivalents	(229)	(230)
Receivables	—	12
Inventories	104	109
Total current assets	(125)	(109)
Non-current assets		
Infrastructure, property, plant and equipment	382	391
Total non-current assets	382	391
Total assets	257	282
LIABILITIES		
Current liabilities		
Payables	8	17
Employee benefit provisions	29	28
Total current liabilities	37	45
Total liabilities	37	45
Net assets	220	237
EQUITY		
Accumulated surplus	—	17
Revaluation reserves	220	220
Total equity	220	237

Shellharbour City Council

Statement of Financial Position of The Links

as at 30 June 2021

\$ '000	2021 Category 1	2020 Category 1
ASSETS		
Current assets		
Cash and cash equivalents	(12,252)	(10,956)
Receivables	14	9
Inventories	392	213
Total current assets	(11,846)	(10,734)
Non-current assets		
Infrastructure, property, plant and equipment	27,042	25,907
Intangible assets	2,717	2,718
Total non-current assets	29,759	28,625
Total assets	17,913	17,891
LIABILITIES		
Current liabilities		
Payables	405	469
Employee benefit provisions	370	339
Total current liabilities	775	808
Non-current liabilities		
Employee benefit provisions	9	24
Total non-current liabilities	9	24
Total liabilities	784	832
Net assets	17,129	17,059
EQUITY		
Accumulated surplus	7,972	8,226
Revaluation reserves	9,157	8,833
Total equity	17,129	17,059

Shellharbour City Council

Statement of Financial Position – Shellharbour Beachside Holiday Park as at 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
ASSETS		
Current assets		
Cash and cash equivalents	8,089	8,372
Total current assets	8,089	8,372
Non-current assets		
Infrastructure, property, plant and equipment	4,832	3,897
Total non-current assets	4,832	3,897
Total assets	12,921	12,269
LIABILITIES		
Current liabilities		
Payables	145	218
Total current liabilities	145	218
Total liabilities	145	218
Net assets	12,776	12,051
EQUITY		
Accumulated surplus	11,553	10,919
Revaluation reserves	1,223	1,132
Total equity	12,776	12,051

Shellharbour City Council

Statement of Financial Position – Shellharbour Airport as at 30 June 2021

\$ '000	2021 Category 2	2020 Category 2
ASSETS		
Current assets		
Cash and cash equivalents	9,458	3,922
Receivables	527	54
Total current assets	9,985	3,976
Non-current assets		
Infrastructure, property, plant and equipment	8,785	8,863
Investment property	17,190	16,658
Total non-current assets	25,975	25,521
Total assets	35,960	29,497
LIABILITIES		
Current liabilities		
Payables	52	90
Employee benefit provisions	22	37
Total current liabilities	74	127
Non-current liabilities		
Employee benefit provisions	5	–
Total non-current liabilities	5	–
Total liabilities	79	127
Net assets	35,881	29,370
EQUITY		
Accumulated surplus	31,578	25,067
Revaluation reserves	4,303	4,303
Total equity	35,881	29,370

Note – Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2005* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

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

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

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

Declared business activities

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

Category 1

(where gross operating turnover is over \$2 million)

a. The Links

Provision of golf and other entertainment facilities

Category 2

(where gross operating turnover is less than \$2 million)

a. Nursery

Sale of plants to public

b. Shellharbour Beachside Holiday Park

Provision of accommodation facilities

c. Shellharbour Airport

Provision of airport related facilities

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

Note – Significant Accounting Policies (continued)

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 26%

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 26% (19/20 27.5%).

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

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 26% is the equivalent company tax rate prevalent at reporting date.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 1.49% at 30/6/21.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Shellharbour City Council

To the Councillors of the Shellharbour City Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Shellharbour City Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2021, the Statement of Financial Position of each Declared Business Activity as at 30 June 2021 and the Significant accounting policies note.

The Declared Business Activities of the Council are:

- Nursery
- The Links
- Shellharbour Beachside Holiday Park
- Shellharbour Airport.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2021, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Significant accounting policies note and the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as the auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Significant accounting policies note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Significant accounting policies note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 November 2021
SYDNEY

Shellharbour City Council

SPECIAL SCHEDULES
for the year ended 30 June 2021



Shellharbour City Council

Special Schedules

for the year ended 30 June 2021

Contents	Page
Special Schedules:	
Permissible income for general rates	3
Report on infrastructure assets as at 30 June 2021	7

Shellharbour City Council

Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2021/22
Notional general income calculation ¹			
Last year notional general income yield	a	49,667	50,795
Plus or minus adjustments ²	b	266	1,211
Notional general income	c = a + b	49,933	52,006
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.00%
Or plus rate peg amount	i = e x (c + g)	1,298	1,040
Sub-total	k = (c + g + h + i + j)	51,231	53,046
Plus (or minus) last year's carry forward total	l	203	557
Less valuation objections claimed in the previous year	m	—	(1)
Sub-total	n = (l + m)	203	556
Total permissible income	o = k + n	51,434	53,602
Less notional general income yield	p	50,795	53,253
Catch-up or (excess) result	q = o - p	639	349
Plus income lost due to valuation objections claimed ⁴	r	1	—
Less unused catch-up ⁵	s	(83)	—
Carry forward to next year ⁶	t = q + r + s	557	349

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Shellharbour City Council

To the Councillors of Shellharbour City Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Shellharbour City Council (the Council) for the year ending 30 June 2022.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2020–21 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2021 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2021'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

15 November 2021
SYDNEY

Shellharbour City Council

Report on infrastructure assets as at 30 June 2021

Asset Class	Asset Category	Estimated cost						Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring to the agreed level of service set by standard	2020/21 Required Council maintenance ^a	2020/21 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	1	2	3	4	5	
\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	71.0%	20.0%	8.0%	1.0%	0.0%	
Buildings	Buildings	845	1,690	2,276	2,512	132,020	198,793	71.0%	20.0%	8.0%	1.0%	0.0%
	Sub-total	845	1,690	2,276	2,512	132,020	198,793	71.0%	20.0%	8.0%	1.0%	0.0%
Other structures	Other structures	84	167	—	—	2,347	3,660	85.0%	6.0%	5.0%	4.0%	0.0%
	Sub-total	84	167	—	—	2,347	3,660	85.0%	6.0%	5.0%	4.0%	0.0%
Roads	Sealed roads	2,029	4,059	1,457	1,622	174,202	219,029	42.7%	44.5%	10.9%	1.8%	0.1%
	Unsealed roads	192	384	147	113	1,016	1,448	69.8%	0.0%	3.7%	26.5%	0.0%
	Bridges	274	548	2	—	14,204	17,458	68.1%	11.2%	17.6%	3.1%	0.1%
	Footpaths	905	1,810	459	548	51,868	64,935	30.7%	52.9%	13.6%	2.6%	0.2%
	Other road assets	400	799	509	543	18,836	23,256	60.1%	19.6%	16.9%	3.4%	0.0%
	Sub-total	3,800	7,600	2,574	2,826	260,126	326,126	43.0%	42.4%	12.2%	2.2%	0.1%
Stormwater drainage	Stormwater drainage	3,389	6,778	538	514	239,498	318,563	41.7%	31.9%	24.2%	1.7%	0.4%
	Sub-total	3,389	6,778	538	514	239,498	318,563	41.7%	31.9%	24.2%	1.7%	0.4%
Open space / recreational assets	Swimming pools	—	—	1,473	1,746	2,778	8,607	5.0%	48.0%	47.0%	0.0%	0.0%
	Other open space / recreational assets	857	1,713	5,600	5,415	32,208	42,557	61.0%	18.0%	16.0%	4.0%	1.0%
	Sub-total	857	1,713	7,073	7,161	34,986	51,164	51.6%	23.0%	21.2%	3.3%	0.8%
Other infrastructure assets	Other	—	—	—	—	9,533	10,867	72.4%	24.1%	3.5%	0.0%	0.0%
	Sub-total	—	—	—	—	9,533	10,867	72.4%	24.1%	3.5%	0.0%	0.0%
Total – all assets		8,975	17,948	12,461	13,013	678,510	909,173	49.7%	32.4%	15.9%	1.8%	0.2%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

- | | |
|------------------------------|---------------------------------------|
| 1 Excellent/very good | No work required (normal maintenance) |
| 2 Good | Only minor maintenance work required |
| 3 Satisfactory | Maintenance work required |
| 4 Poor | Renewal required |
| 5 Very poor | Urgent renewal/upgrading required |

Shellharbour City Council

Report on infrastructure assets as at 30 June 2021

Infrastructure asset performance indicators (consolidated) *

	Amounts 2021 \$ '000	Indicator 2021	2020 Restated	Indicators 2019	2018	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ²	13,853					
Depreciation, amortisation and impairment	13,851	100.01%	160.71%	109.09%	251.25%	>= 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard	8,975	1.26%	1.50%	1.93%	1.94%	< 2.00%
Net carrying amount of infrastructure assets	710,225					
Asset maintenance ratio						
Actual asset maintenance	13,013	104.43%	103.69%	105.28%	108.67%	> 100.00%
Required asset maintenance	12,461					
Cost to bring assets to agreed service level *						
Estimated cost to bring assets to an agreed service level set by Council	17,948	1.97%	2.34%	2.78%	2.85%	
Gross replacement cost	909,173					

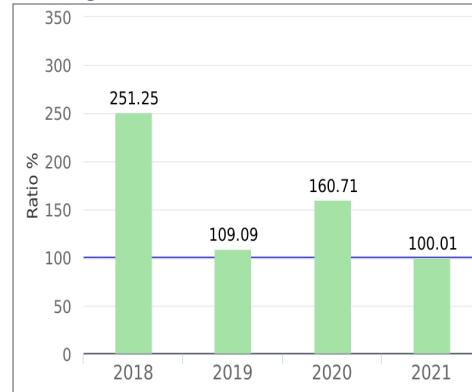
(*) All asset performance indicators are calculated using classes identified in the previous table.

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. (#) Ratio only introduced 2016/17 year.

Shellharbour City Council

Report on infrastructure assets as at 30 June 2021

Buildings and infrastructure renewals ratio

Benchmark: — $\geq 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

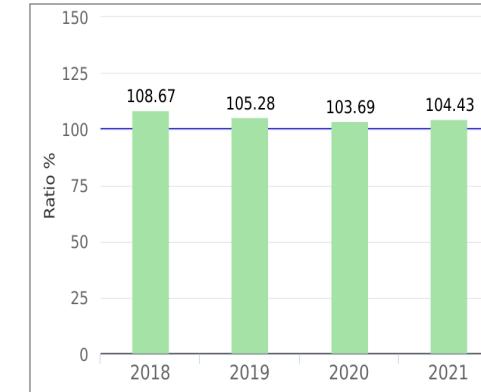
Buildings and infrastructure renewals ratio

20/21 ratio 100.01%

Commentary on result

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating. This ratio result is one which fluctuates significantly depending on the timing of major asset renewal projects. Despite this, the change to include work in progress expenditure has assisted in smoothing out the results to a certain extent.

Asset maintenance ratio

Benchmark: — $> 100.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Asset maintenance ratio

20/21 ratio 104.43%

Commentary on result

20/21 ratio 104.43%

This ratio compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

20/21 ratio 104.43%

Council's asset maintenance funding allocations are above the required levels thus assisting in keeping the infrastructure backlog at low levels.

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio

Benchmark: — $< 2.00\%$

Source of benchmark: Code of Accounting Practice and Financial Reporting

Infrastructure backlog ratio

Commentary on result

20/21 ratio 1.26%

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure. Council's continued focus on asset renewal expenditure can be mainly attributed to the further improvement in this ratio result in 2020/21.

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

20/21 ratio 1.97%

Commentary on result

20/21 ratio 1.97%

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

20/21 ratio 1.97%

This ratio continues to improve with the estimated cost to bring infrastructure assets to an agreed service level as set by Council decreases.



End of Term Report

2017-2021



Acknowledgement

Shellharbour City Council acknowledges the Traditional Custodians of Dharawal Country and recognises their continued connection to the land. We pay our respects to Elders past, present and emerging and the contribution they make to the life of this city.

Contents

Introduction	4
Vision	5
How does Council measure progress?	5
Awards and Recognition	6
Term in Review - You said, We did	10
Community	10
Environment	25
Economy	43
Leadership	55
Same Service Delivered Differently	64
Community Survey Results	68
Community Indicators	73

Introduction

The End of Term Report provides an update on Shellharbour City Council's progress towards achieving the Community Strategic Plan. It highlights its progress towards achieving the community, environment, economic and leadership objectives of the Community Strategic Plan.

This report documents how Council and other stakeholders have responded over the past four years to strategic directions identified in the Community Strategic Plan and the progress made towards achieving community objectives. It provides the community, Councillors and customers with an insight into the services and operations of Council during its term.

During the 2017-2021 Council term, Shellharbour City has been governed by an elected Council comprising of the Mayor and five Councillors. Leadership and management of Shellharbour City Council has been a collaborative effort between the Mayor, Councillors, the Chief Executive Officer and staff. This Council has built on the work of past Councils to progress major developments and the completion of many significant initiatives within the city.

Shellharbour City's broad vision includes a connected community working together to create a safe, sustainable future that provides opportunities for all to achieve their potential. The Community Strategic Plan belongs to the entire community and successful collaboration of all stakeholders is key to its realisation.

The extensive engagement activities undertaken during this period were key in ensuring ongoing contact with the community. This provided continuing guidance to assist Council to meet community needs. This End of Term Report plays an important role in informing the next review of the Community Strategic Plan. That plan will, in turn, guide a future Council to make further progress towards achieving the community's vision, to improve community life and to make Shellharbour City an even better place to live.

Vision

In 2030,
Shellharbour is a dynamic city that values and celebrates the unique diversity of our people, places and environment.
We are a connected community working together to create a safe, sustainable future that provides opportunities for all to achieve their potential.

How does Council measure progress?

A range of community indicators were developed to measure our progress towards delivering the shared vision of the Community Strategic Plan. These indicators were selected to monitor the effectiveness of community outcomes across the City. Each indicator is measured using data collected by Council, government and/or data collection agencies such as the Australian Bureau of Statistics.

KEY

On track



Progressing towards community outcome

No trend / Stable



No change or no comparative data available at this stage

Not on track



Moving away from community outcome

Awards and Recognition

Shellharbour City Council received a number of awards and recognition in acknowledgement of several outstanding achievements and initiatives during the term:

Finalist

Local Government Excellence Awards – CSP (Community Strategic Plan) Engagement (Feb 2018)

Council was selected as a finalist in the Local Government Excellence Awards in the Community Partnerships and Collaboration category, recognising Council as a leader in NSW for the Community Strategic Plan ‘Let’s Chat’. Let’s Chat was an engagement program that provided a structure for self-led conversations, adaptable to our diverse community and stakeholders. This DIY approach provided a range of opportunities for the community to meaningfully participate and contribute to the review and update of the CSP - in their time, in their place and their way!

Highly Commended

RH Dougherty Award: Reporting in your Community (Division B: 30,000 –70,000) for Let’s Chat Program (April 18)

Council was highly commended by the Local Government NSW RH Dougherty Award in the Reporting to your Community category, recognising Council as a leader in NSW for the consultation and promotion of the Let’s Chat engagement initiative.

Winner

Museum wins NSW Imagine Award

In November 2018 Shellharbour City Museum won a prestigious Museums and Galleries NSW Imagine Award for ‘New Build’, in the Capacity Building, Capital & Sustainability Programs category. The Imagine Awards promote and strengthen the NSW museum and gallery sector. They honour best practice education programs, outreach projects, exhibitions and collection management projects. This award was a significant achievement for

Shellharbour City Museum and recognised the quality and sustainability of this new facility.

Winner

City Library - 2019 Australian Library Design Award

Shellharbour's City Library was announced as the winner of the Public Library category of the 2019 Australian Library Design Awards in March 2019. This prestigious national award recognises some of Australia's best and most innovative libraries.

The City Library's iconic architecture and environmentally friendly design was a key standout noted by the judges. Other key factors in the win were the library's welcoming ambience, 'enormous community appeal' and high levels of participation from the community and customers that make it deserving of the title of 'the living room of the city'.

Highly Commended

Institute of Public Works Engineering Australia - (Environment Enhancement Project Award) - Dunmore Waste Depot - Transfer Station

Council's Dunmore Resource Recovery Centre was named as one of the top two transfer station facilities in Australia at the 2019 Australian Landfill and Transfer Station Awards under the category of Excellence. This category recognises operators whose facilities demonstrate excellence against the following criteria:

- Environmental management and controls;
- Resource recovery and waste minimisation (Transfer Stations) OR planning, design and construction (Landfills);
- Public/community acceptance and appearance;
- Operation, training and management practices; and
- Creativity and continuous improvement.

Winner

2019 Minister's Awards for Women in Local Government

For Traineeships and Apprenticeships to Acacia Johnston, Apprentice Gardener.

The Minister's Awards for Women in Local Government celebrate the contribution of women to local government in NSW. In addition to recognising the significant contribution of Award winners, the Awards aim to encourage more women to take on leadership roles in local government in NSW.

Highly Commended

2019 Minister's Awards for Women in Local Government:

Non Senior Staff Member, Metropolitan Council Melissa Boxall.

Highly Commended

Highly Commended - 2018 Local Government Risk Management Excellence Award

For Council's Risk Management Tool Kit. The Tool Kit guides employees through the development and maintenance of robust risk assessments and risk management plans. The kit is designed to assist staff better understand risk management methodologies and how to apply them in their work. It defines risk and outlines the risk management process.

Winner

2019 CivicRisk Mutual Excellence in Risk Management Award

CivicRisk Mutual's Excellence in Risk Management Award honours the achievements of those members who rise to the challenge and generate significant impact through their risk management programs and initiatives.

The award was presented to Shellharbour City Council for demonstrating exceptional leadership and exemplary results for an electronic building inspection checklist initiative undertaken by Council's Building Assessment team. The project uses technology to record the results of critical stage building inspections, leading to a more efficient and timely inspection process, as well as an improved ability to assess risks in the field.

Finalist

2019 Waste and Resource Recovery (WARR) Award

Council was successful in gaining a finalist nomination for Operational Excellence at the 2019/20 Waste and Resource Recovery awards for the operational performance of the Dunmore Recycling and Resource Recovery Facility.

Council was one of three national finalists but unfortunately did not win on the night. The operational excellence award assesses the overall quality of the operations in comparison to other similar sites across the country and considers things such as the sites environment and safety performance, customer service provided as well as the range and quality service offerings. By reaching the last three in this prestigious national award, the community can be satisfied that the Dunmore Recycling and Resource Recovery Facility is being benchmarked against its peers and achieving positive performance feedback.

Winner

AR Bluett Memorial Award – Most progressive Council in NSW

Council won the AR Bluett Memorial Award, a prestigious award, awarded annually since 1945. The prize is given to the Council judged the most progressive in NSW in the past 12 months. It takes into consideration all aspects of Council's operation.

Shellharbour was selected against 15 councils in the 'City and Regional Councils' category. The award recognised our strategic planning, financial sustainability, innovation, continuous improvement and community engagement.

Our consistent achievements are the result of a long term vision, excellent project planning, dedication, expertise and commitment. It is an indicator as well, of a Council that works with the executive and staff to achieve results for our Community and Customers

Council held a ceremony event on Monday 16 December to celebrate winning the Metropolitan/Regional category of the AR Bluett Memorial Award for 2019. This was attended by the Mayor, Councillors, Council's Executive Leadership Team, Council staff, and two of the AR Bluett Award Trustees. The Trustees presented the Award plaque to Council, which is on display at the Shellharbour Civic Centre. Two Council employees were also presented the AR Bluett Award Scholarship. They continue to be supported to undertake further professional development and research with a scholarship of up to \$2,500.

Winner

We Do Magic Award - Illawarra Interagency

The Illawarra Interagency won a Community Industry Group's We Do Magic Award, which celebrates extraordinary achievement and contribution of individuals and organisations to their communities. The Interagency received the Transformation and Reinvention award in the Small Team category for how they adapted to recent crisis and how they used an innovative online approach to engage and grow their member base.

Finalist

Warilla Library, 2020 NSW Local Government Excellence Awards

The Local Government Excellence Awards celebrate outstanding achievements and recognise the excellent work being undertaken by NSW councils. Warilla Library achieved recognition as a finalist in the category Asset Management and Infrastructure Initiatives, over \$1.5 million.

Winner

Good Design Award

Shellharbour Civic Centre – Public Domain received a prestigious Good Design Award accolade in the Architectural Design Urban Design and Public Spaces Category in recognition for outstanding design and innovation within the Architectural Urban design discipline.

Finalist

Warilla Library, 2021 Australian Library Design Awards

The shortlist for the 2021 Australian Library Design Awards recognised some of the best new library designs in Australia. The judging panel were impressed by the wide-ranging community consultation that occurred in various settings to ensure that community expectations were understood, and appropriate solutions implemented. The continued high attention to sustainability was also a key standout in the submissions.



community



You said:

**Our City is
vibrant, safe,
creative
and inclusive**
(1.1)

We did:

The Access and Inclusion Plan 2017 - 2021: An Inclusive City focuses on how Shellharbour City can be a more inclusive and accessible city and sets the direction on how this can be achieved. The Plan covers all aspects of Council services, making Shellharbour City a place where people want to live, work and play. The Plan was developed with community input garnered from an extensive consultation program and recognises that people with disabilities and their families and carers are best placed to tell Council what needs to be done to enhance accessibility. Since the introduction of the Plan key outcomes have included:

- The contribution of the members of the Disability Access and Inclusion Committee (DAIAC) in monitoring the implementation of the Plan, identifying and prioritising small capital works projects for improvement. The Committee has contributed to over 80 capital projects including improvements to footpaths, kerb ramps, bus stops, car parking spaces. The total cost of these projects was over \$350,000.
- Working in partnership with community members, community organisations and across Council to deliver projects that provide better accessibility in the community. The access improvements to Shellharbour North Beach is an example of the projects undertaken. The access improvements were staged over the life of the plan and included improvements to the pathway, provision of Mobi matting, provision of a new beach wheelchair, improved signage and easier system to access the wheelchair.

Council's Cultural Diversity Policy and Framework was reviewed and endorsed, aiming to ensure that Council effectively engages and communicates with our culturally diverse community and to provide a best-practice model to deliver culturally responsive services, facilities and programs. Programs delivered in response to the Policy included:

- Shellharbour's annual Cultural Treasures Multicultural Festival.
- Professional Cultural Competence Training to all staff to help deliver on the objectives of the Cultural Diversity Policy and Framework.
- Celebrated Refugee Week by presenting its first community music evening concert event.

Council's Events Strategy and Community Toolkit was developed to assist in building capacity in the community and assist event organisers to plan, produce, promote and evaluate their events. Outcomes delivered in response to the Strategy included:

- The development of new destination festivals including The Hidden Forest and The Enchanted Forest.
- Successful implementation of the EVOLVE training program for young and emerging local event organisers.
- Successful development of a community toolkit to guide local event organisers through the process of hosting their own events in the Local Government Area.

82%

of Shellharbour residents feel that our community is inclusive and accepting of diversity and difference



The Live and Local Music Festival was the highlight of a series of events in June 2019 to mark the 160th anniversary of Shellharbour's proclamation as a local government area. It saw more than 50 music acts, local designers and artists coming together to create a 12-hour celebration across 15 venues in Shellharbour Village. The event was a huge success with an estimated attendance of 7,500 and three local acts were able to play their first ever gig.

The Festival of Small Halls, a series of music events that takes the best folk and contemporary acoustic artists and sends them on the road to halls in communities all over Australia.

20 Year Anniversary of Blackbutt Youth Centre, Blackbutt Youth Centre celebrated 20 years since its official opening. The anniversary event featured performances from young local artists and performers. The Centre is a hub for young people in Shellharbour City.

Shellharbour Surf and Skate Festival, the inaugural Shellharbour Surf and Skate Festival was held across the City for 2 weeks in December 2019. The weekend of 7- 8 December 2019 saw the first ever Shellharbour professional skate competition at the world-class Shellharbour Skate Park. The competition saw entries from as far as the USA. The festival rounded out with a local Boardrider's Surf Comp held at Warilla Beach on 15 December 2019.

Enchanted Forest, Christmas 2020 saw the launch of The Enchanted Forest - a night time light walk through the beautiful Blackbutt Forest Reserve.

Enliven a series of diverse art programs, live music and immersive creative learning experiences developed to 'Enliven' Shellharbour after periods of lockdown.

Public Art Strategy, the primary purpose of this strategy is to clearly articulate Shellharbour's public art goals and provide a basis for a considered approach to the acquisition and management of our current and future public art collection. The Strategy facilitates effective planning, advocacy and promotion to maximise high quality public art opportunities that reflect the unique and diverse characteristics of the City. Outcomes delivered in response to the Strategy included:

- The acquisition of 14 new and high-quality public murals, at various locations including Albion Park, Albion Park Rail, Oak Flats, Warilla and Blackbutt. The establishment of the Public Art Advisory Panel (est. 2020), which comprises of Council staff, industry and community representatives to guide the management and acquisitions of public art in Shellharbour.
- The review of our current Public Art Policy and the implementation of the Public Art Guidelines, which reflect industry best practice in regard to acquisition and maintenance of public art.
- The activation of the Imaginarium, following its rebrand from the Shellharbour Village Exhibition Space (SVES) in 2020. This has included the implementation of various creative workshops and cultural opportunities such as exhibitions and live music.

Shellharbour Council Mural Festival commenced on Australia Day 2021. Five murals were created simultaneously across different locations within the City. The project offered a long-term investment of public art in Shellharbour City. This unique event was a great opportunity to connect art and people, celebrate heritage and history and create vibrant areas that people want to visit, live in and take care of.



The Lake Illawarra Art Trail along the Lake Illawarra foreshore, west of the Windang Bridge continued to be developed. To date, the art trail consists of eight artworks, each created by local artists or artists with a connection to the Illawarra region in collaboration with the community or in response to the local area.

Most recent acquisitions for the trail are 'Prawn Run' by Hurricane and Laura Bestman, and 'Synergy' by Kane Minogue. Council is currently seeking to commission an Aboriginal artist for the creation of the ninth sculpture/installation.

Information about each of the artworks can be viewed on council's website and also the mobile app, 'Tread Shellharbour' which gives detailed descriptions about the artworks alongside recollections of the history of the area.



City Library opened to the public 4 January 2018, successfully delivering on the objectives of the Libraries & Museum Strategy 2024 and delighting the community with a vibrant central library space in the heart of the city, including collections that are displayed in retail style, plentiful seating, meeting/study rooms and a playful children's area. City Library was activated with 600 programs in the first year attracting 12,000 program participants.

The new Warilla Library, was officially opened on Wednesday 11 December 2019. The new Warilla Library provides 998 square metres of indoor and outdoor space with a light and airy coastal ambience that delivers on the community's aspirations, as outlined in Council's Libraries & Museum Strategy. The community's response to the new building has been extremely positive.



The Oak Flats Library upgrade was completed in December 2020. Accessibility was a key priority for the refurbishment, with a new entrance featuring an access ramp, a 24/7 return chute and automatic doors along with the installation of an accessible toilet within the library. The library has been refreshed with a vibrant exterior mural, new shelving and carpet to become a welcoming community space.

Radio Frequency Identification (RFID) implementation for Shellharbour City Libraries in 2017/18 enabled identification tagging of all library stock, followed by the progressive introduction of loans kiosks – at City Library in 2018, Warilla Library in 2019 and Oak Flats Library in 2020. The RFID system allows customers to quickly issue their own selections, multiple items at a time, supported side-by-side with library staff.

Library At Home – Shellharbour's Library At Home was an innovative and immediate response to the NSW lockdown in 2020. A new online portal was quickly established providing the community with activities and programs to keep them connected from home via the library website and promoting access to the 24/7 eLibrary. Library At Home was used extensively by the community in both NSW lockdowns and continues to provide exciting and relevant online content for Shellharbour residents.

Programs and partnerships – Shellharbour's Libraries have become a centre of learning through a diverse offering of up to 1000 programs each year to meet community needs. Popular programs have included early literacy programs starting with Babies Love Books through to Story Time; technology programs including Coding and STEM sessions for primary aged children; an array of art and craft programs for adults including the headline program Art After Hours; sustainability programs such as Nature Talks at the Library, Bees Wax Wraps are always in high demand.

Lifelong learning programs

NUMBERS OF VISITORS TO LIBRARIES

2017/2018

206,277

2018/2019

230,406

2019/2020

193,563*

2020/2021

43,545*

* Affected by COVID restrictions

eLIBRARY LOANS

2017/2018

17,647

2018/2019

32,522

2019/2020

52,775

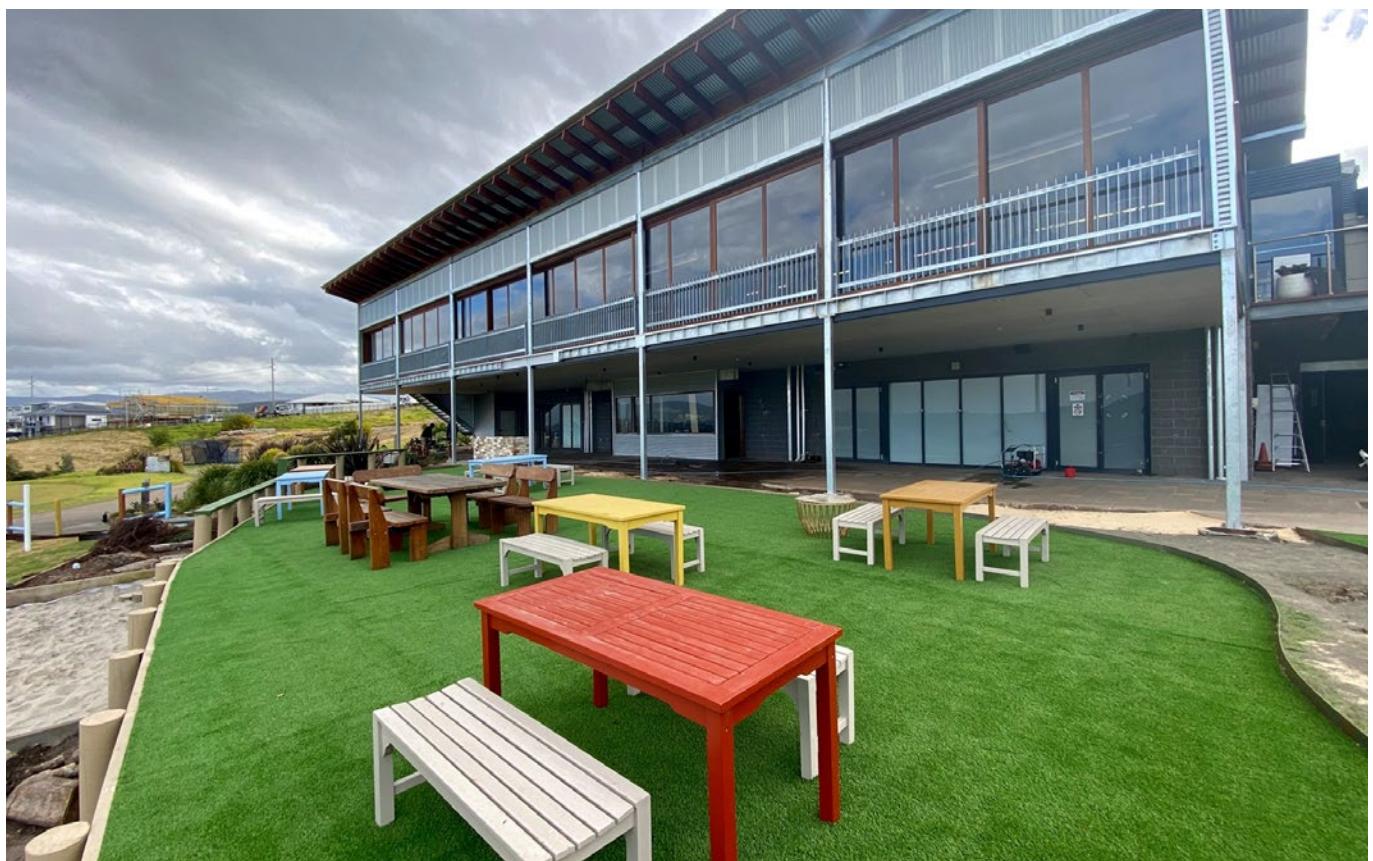
2020/2021

63,732

Development of Shellharbour Youth Plan 2018-2021 The Youth Plan outlines young people's vision for Shellharbour, with longer term goals and targets, and identifies specific actions and tasks to achieve those goals. Consistent with identified actions and goals Council has developed and/or refined:

- The Shellharbour City Youth Council (the Youth Council) has been running since 2016. The structure of the Youth Council including membership numbers and meeting schedules has modified over the years, however attendance has been consistent and members have shown keen dedication in advocating for their peers. The Youth Council have consulted with Council staff on a range of projects including the concept development of new ninja warrior parks across the City – ensuring a youth perspective on the infrastructure of youth-inclusive spaces. The Youth Council also provides ongoing consultation and support in the planning and delivering of Youth Week events.
- Establishment of the Shellharbour City Youth Market - The Shellharbour City Youth Market is held in conjunction with Youth Week celebrations. It gives young people (between the ages of 12-25) a chance to develop their entrepreneurship skills, contribute to the local economy, whilst promoting sustainability and youth culture.
- The Shellharbour Youth Summit is an annual youth forum that seeks to provide local young people with the opportunity to develop leadership skills and share their priorities for the City by interacting with their peers, elected members and Civic Leaders. The first annual Shellharbour Youth Summit was held on Friday 6 September 2019 with 21 students participating from 4 local high schools. The 2020 Shellharbour Youth Summit was held online on 5 November with a total of 57 young people attending as representatives from five local high schools and Shellharbour Youth and Family Services.





The Links Shell Cove Tavern Upgrades involved the Tavern receiving a complete internal refurbishment and a new social and function space. Also included in the upgrade is a dedicated area for Shellharbour golfers, an updated and extended players' lounge, an updated boutique retail liquor outlet and a refurbished retail space for golf operations. A new outdoor entertainment area which includes a built in barbecue and outdoor family play space aimed at providing entertainment for young children

Mini Golf Course at The Links, the official opening of the Mini Golf Course was celebrated on 23 May 2021. The new, mini golf facility is expected to generate 30,000 visits annually, this is a scaled down version of a full-size golf course, designed to be played with the same rules as golf.

ROUNDS OF GOLF PLAYED

2017/2018

31,146

2018/2019

32,637

2019/2020

31,821

2020/2021

43,545

**Council operates
12 community
centres and halls
scoring a
satisfaction
level of**



3.5 out of 5 in 2021.



Councils may provide financial assistance to others, under S356 of the NSW Local Government Act 1993. Shellharbour City Council allocates funds for certain kinds of donations, listed as miscellaneous donations in each annual Operational Plan and the distribution of funds is managed by the Working Party, which includes all Councillors.

VALUE OF FINANCIAL ASSISTANCE PROVIDED

2017/2018

\$211,586.22

2018/2019

\$226,930.38

2019/2020

\$323,684.25
including \$68,200.93
COVID financial relief

2020/2021

\$299,992.22
including \$22,526
COVID financial relief

1.1 | Our City is vibrant, safe, creative and inclusive

COMMUNITY INDICATOR	PROGRESS	TREND
An increase in community members participating in community, arts, and cultural events, activities and organisations	Levels of satisfaction with community events and activities e.g. Carols, music events have decreased slightly from a mean score of 3.7 out of a possible 5 in 2016 to 3.6 in 2021	Not on track 
An increase in the number of Shellharbour residents who feel connected to their community.	Connection with community scored an average agreement of 4.03 out of 5	On track 
An improvement in the proportion of people who feel and are safe in our City	77 % off residents agreed that their neighbourhood feels safe, scoring an average rating of 4.0 out of 5. A review of crime rates using BOCSAR data shows 6 out of the 9 criminal offence categories measured have decreased including theft, assault and drug charges	On track 
An increase in community members who are satisfied with our facilities.	The 2021 Community Survey shows an increase in satisfaction with arts and creative initiatives, libraries, community centres, halls and other council buildings, with an average score of 3.6 out of 5	On track 

You said:

Our City is active and healthy (1.2)

We did:

Member of the Alliance for Healthy Cities, in March 2018, Council was approved to become a member of the Alliance for Healthy Cities. This is an international network aimed at protecting and enhancing the health of individuals. The Alliance is a group of cities and other organisations that work towards achieving the goal through an approach called Healthy Cities, in close collaboration with the World Health Organisation.

New outdoor exercise stations were installed across the City at various locations including:

- Reddall Reserve, Lake Illawarra (ninja warrior inspired equipment)
- McDonald Park, Albion Park Rail (ninja warrior inspired equipment)
- Beverley Whitfield Pool, Shellharbour
- Albion Park Pool, Albion Park
- Eric Creary Reserve, Barrack Point
- Ski Way Park, Oak Flats
- Wilson Memorial Park, Albion Park Rail
- McDonald Park, Albion Park Rail
- Frasers Reserve, Albion Park

'Come and Try' sessions took place at a number of these locations.

Splashplay at Albion Park Pool, the zero-depth attraction uses a fully recycled water treatment system and was designed with a range of features that make it suitable for children of all abilities aged 0 to 12. It incorporates a variety of user-activated and sequenced water sprays including tipping buckets, water rings, ground sprays and cannons, as well as a shade cloth and seating for caregivers.

Swim season extended in response to community requests and feedback, Oak Flats 50m pool swim season was extended in 2021 as part of a trial.

Council recently invested in a heating system for the 50m pool. This provided consistent heating of the 50m pool to an average of 25 degrees, creating comfortable swimming conditions well into the cooler months.

Council took the opportunity to trial extending the swim season to 25 June. Feedback on the trial was overwhelmingly positive.



VISITS TO POOLS

2017/2018

165,785

2018/2019

178,385

2019/2020

168,846

2020/2021

212,251

The Shellharbour City Open Space and Recreation Needs Strategy outlines Council's 10 year plan to support residents to remain active, healthy, connected and relaxed across the City. The Strategy will guide Council's decision making in respect to planning, investment and use of its open space and recreational facilities. It covers both active activities, such as organised sports, as well as passive activities, such as walking or enjoying nature. Since the adoption of the Open Space and Recreational Needs Strategy on 7 April 2020, 8 of the 14 actions in the Strategy have been implemented. Key outcomes included:

- Adopted master plans for Reddall Reserve Lake Illawarra and McDonald Park Albion Park Rail which has resulted in a number of capital work projects. Commencement of master plans for Harrison Park Shellharbour City Centre and Con O'Keefe Oval Albion Park.
- Instigated a revised master planning program for new or upgraded sports facilities. This project has resulted in a new priority list for master planning of sportsfields across the City.
- Established the Shellharbour Active Recreation Working Party, comprising local sports clubs and associations, together with other community groups, to help facilitate an inclusive, shared-use approach to sportsgrounds and facilities.

Dog Friendly Spaces Strategy guides the provision, improvement and management of dog friendly spaces within Shellharbour Local Government Area. Since the adoption of the Strategy on 24 September 2019, 8 of the 14 actions in the Strategy have been implemented. Key outcomes included:

- Established two separate areas to accommodate small and large dogs at Oak Flats Dog Park. The success of the project confirms the community's support for a variety of options for dogs and dog owners in Dog Friendly Spaces.
- Undertook investigations to expand the dog agility park network across the City through creating site selection criteria and community engagement. Resulted in the commencement of master planning for two new future dog agility parks at Croom Regional Sporting Complex and the Recreation Precinct within Shellharbour War Memorial Park, Warilla to be constructed in 2022.
- Review of the Exercising your Dog Brochure, resulting in a 2021 update, titled 'Dog Friendly Spaces in Shellharbour City'.

1.2 | Our City is healthy and active

COMMUNITY INDICATOR	PROGRESS	TREND
An improvement in the proportion of people who are and feel healthy.	Social Health Atlas of Australia records indicate an increase in prevalence of chronic diseases such as diabetes, people with mental and behavioural health problems, asthma, chronic obstructive pulmonary disease and arthritis. Whilst there has been a decrease in the number of current smokers from 21.8% to 18.1%, other health risk factors including high or very high distress, high blood pressure, overweight and obesity and alcohol consumption.	Not on track 
Increased community participation in sporting and passive recreational opportunities.	The percentage of people undertaking adequate physical activity has increased from 41.6% to 43.6%. There has been an increase in the number of registered players for organised sports up from 6,117 to 14,243. Visits to Council pools also increased by over 45,000.	On track 
An increase in community members who are satisfied with the range and quality of our recreational facilities.	89% of residents agreed that there are opportunities for all ages and abilities to enjoy recreation and social activities in Shellharbour. Council's 50 sporting facilities and 9 swimming pools have shown an overall increase in satisfaction both scoring 4.0 in the 2021 Community Survey.	On track 



environment



You said: Our City protects, promotes and enhances its natural environment (2.1)

We did:

Environmental Education Programs Council delivered a range of innovative environmental education activities to increase awareness of Shellharbour's local environmental assets and support the uptake of environmentally sustainable practices.

Our Small Environmental Projects Fund assisted local community groups, schools and childcare centres to deliver 57 hands-on environmental workshops.

Through the Sustainable Shellharbour program, Council delivered the first BioBlitz for Shellharbour City in April 2021. A BioBlitz is a citizen science event, where scientists, naturalists and the community work together to explore an area with the aim of recording as many species as possible over a short time. At the Blackbutt Forest BioBlitz, over 50 people were involved and over 100 different species were recorded. A video that was created to celebrate the BioBlitz and Blackbutt Forest received over 2,500 views.

The "Wild About" Shellharbour Nature Photography Competition was launched in 2018. Following a successful first year with 200 entries celebrating Shellharbour's local environment and wildlife, the competition has become an annual highlight of the Sustainable Shellharbour program.

NUMBER OF ENVIRONMENTAL EDUCATION ACTIVITIES DELIVERED

2017/2018

63

2018/2019

74

2019/2020

54

2020/2021

36*

*Delivery affected by COVID restrictions



Shellharbour Coastal Zone Management Plan was certified by the NSW Minister of Environment, adopted by Council and placed in the NSW Government Gazette. With the assistance of the NSW Office of Environment and Heritage (OEH), Council prepared a Coastal Zone Management Plan (CZMP) to provide practical actions to address the risks to assets and land from coastal hazards (erosion, recession, and inundation and slope instability). The CZMP covers the Shellharbour Local Government Area coastline from Windang Island in the north to Bass Point in the south, over a distance of 7km. Key beaches covered by CZMP include Warilla Beach, Shellharbour North Beach, Shellharbour Boat Harbour, Nuns Beach and Shellharbour South Beach.

The Lake Illawarra Coastal Management Program is a comprehensive and detailed document that also looks at the artificial opening of the lake, sea level rise, climate change, development in the lake catchment area and many other factors which will impact the lake's condition over the next decade.

Nature Talks in the Library is a Sustainable Shellharbour community education program. The free, monthly Nature Talks provide adults and older children with an opportunity to hear first-hand from engaging experts working in biodiversity conservation, wildlife care and nature photography.

BushCare and Land Care volunteers, Greater Bank staff, Rotary Club of Australia and council staff worked together to plant over 4,500 trees, donated by the Greater Bank, at Blackbutt Forest Reserve and Bass Point. All of the donated plants were sourced, sown and grown by Councils' Nursery. Species included Guioa (native quince), Blackbutt, Forest Red Gum, Lomandra, Thin-leaved Stringybark, Golden Guinea Vine and more. Also planted was a fig tree, grown from cuttings of the large fig tree in Little Park, Shellharbour Village. As the trees grow, they will provide food and shelter to help the ongoing protection of our city's native wildlife.

Council supports 8 different working groups and have donated
6,010 trees

There have been over

274
Bushcare/Parkcare
working bees held.



BUSHCARE / LANDCARE VOLUNTEER HOURS

2017/2018

2,011

2018/2019

2,091

2019/2020

1,686

2020/2021

2,460

2.1 | Our City protects, promotes and enhances its natural environment

COMMUNITY INDICATOR	PROGRESS	TREND
Improved standards of water quality for our creeks, waterways and oceans.	<p>Overall the trends of water quality for creeks, waterways and oceans since 2016 has been GOOD.</p> <p>Water quality at our beaches has remained consistently good.</p> <p>Water quality of our waterways have fluctuated with development and population growth. Bacterial analysis spiked in 2020 and was investigated by Council but has since regulated, while general turbidity measures have improved year on year.</p>	<p>On track</p> 
An increase in the number of residents who spend time caring for the natural environment.	The number of volunteer hours has decreased from 3,091 in 2016 to 2,460 in 2021	<p>Not on track</p> 

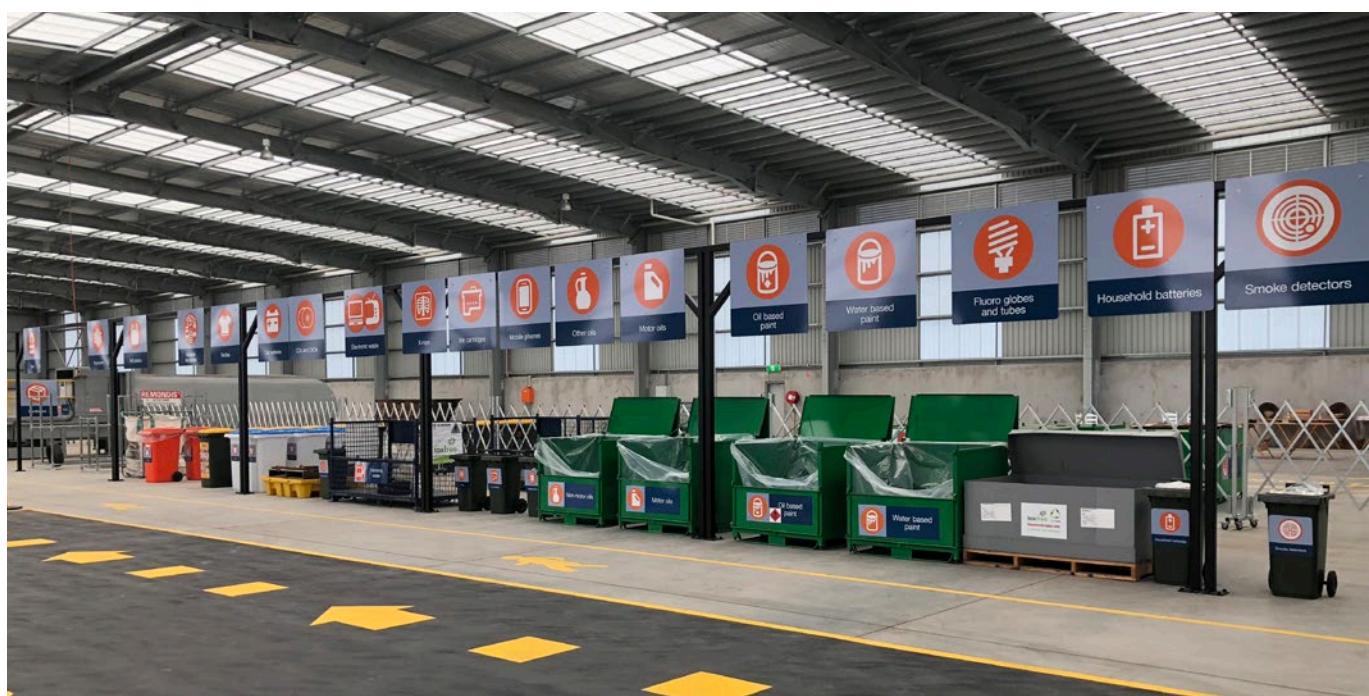
You said: Our City practices sustainable living (2.2)

We did:

New Transfer Station was opened on 4 December 2017 the all-weather transfer station is configured with clearly marked bays for the disposal of recyclable and waste materials making recycling and resource recovery easier for residents.

The Food Organics Garden Organics (FOGO) facility was also commissioned. The FOGO facility is an exciting service improvement that provides Shellharbour City Council residents with the opportunity to divert food waste from landfill and to “close the loop” with food scraps returned to compost to help improve soil health. Together the two facilities divert 75% of waste from landfill.

The “Tinkerage” is a fresh initiative for the Shellharbour Community. Everyone needs to think twice before throwing something out to landfill. Can it be fixed? Can it be repurposed? The “Tinkerage” is just the place to help in this process. If you buy something from the Revolve Tip Shop that needs a little loving care, drop by and learn how to upcycle or fix it.



Overall satisfaction with Waste depot facilities saw a significant increase scoring **3.9** in 2021 compared to **3.2** in 2016.

97% of survey participants were aware that placing food waste into their Food Organics and Garden Organics (FOGO) bin diverts waste material from landfill.

TOTAL TONNES of CO₂ ABATED

2017/2018

20,464

2018/2019

16,695

2019/2020

18,810

2020/2021

78,219

Total **78,219** tonnes

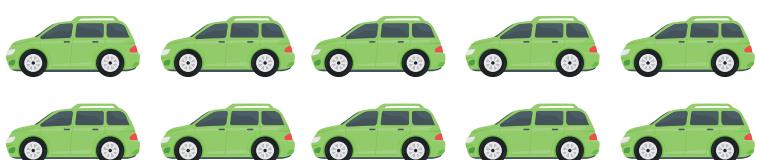
Which is equivalent to

Charging
9.5 billion
smartphones

Driving
314.5
million kms
in an average
passenger vehicle

17,011
average passenger
vehicles off the
road for 1 year

14,208
homes' electricity
use for 1 year



Cities Power Partnership (CPP) is Australia's largest Local Government climate network that recognises and supports emissions reduction projects. Council resolved to join the Cities Power Partnership in late 2018. Participating in the CPP provides an opportunity for Council to facilitate effective change to reduce corporate and community emissions. Council has:

- In the last 4 years Council has acquired 41 hybrid vehicles in its passenger fleet (56% of the fleet). By 2023 95% of council's passenger fleet will be converted to hybrid vehicles resulting in a 125 tonne reduction in CO2 emissions each year.
- In 2019/2020 a council-wide solar feasibility study was completed which identified 7 suitable sites for solar installations. These projects are planned for completion in 2022, along with solar power installations at Oak Flats Works Depot, Ron Costello Oval and Albion Park Airport will bring the total of solar power installed to 310 kilowatts and will reduce council's carbon emissions by 251 tonnes of CO2 each year. This is in addition to the 35kW solar PV system installed at the works depot.
- In 2021 LED lighting upgrades were completed across 17 council facilities. These upgrades are estimated to save council 226 tonnes of CO2 each year.

Solar my School Council became the second regional Council in Australia to join the Solar my School program. A multi-award winning initiative helping schools explore and install solar power. Three schools have been selected to participate in the program, these are Lake Illawarra High School, Lake Illawarra South Public School and Oak Flats Public School.

Net Zero, Council resolved to develop a Net Zero Strategy outlining interim targets and action plans for Operational and Community emissions to align with Council's vision for Net Zero Emissions by 2050. This milestone is the start of Council's journey towards a low carbon future. Shellharbour City will aim to be carbon neutral by 2050.

2.2 | Our City practices sustainable living

COMMUNITY INDICATOR	PROGRESS	TREND
A reduction per capita of tonnes of waste to landfill.	There has been a reduction of all kerbside waste material generated and collected by Council from 189kg/per person/annum to 173kg/per person per annum. Kerbside recycling and organics also decreased.	On track 

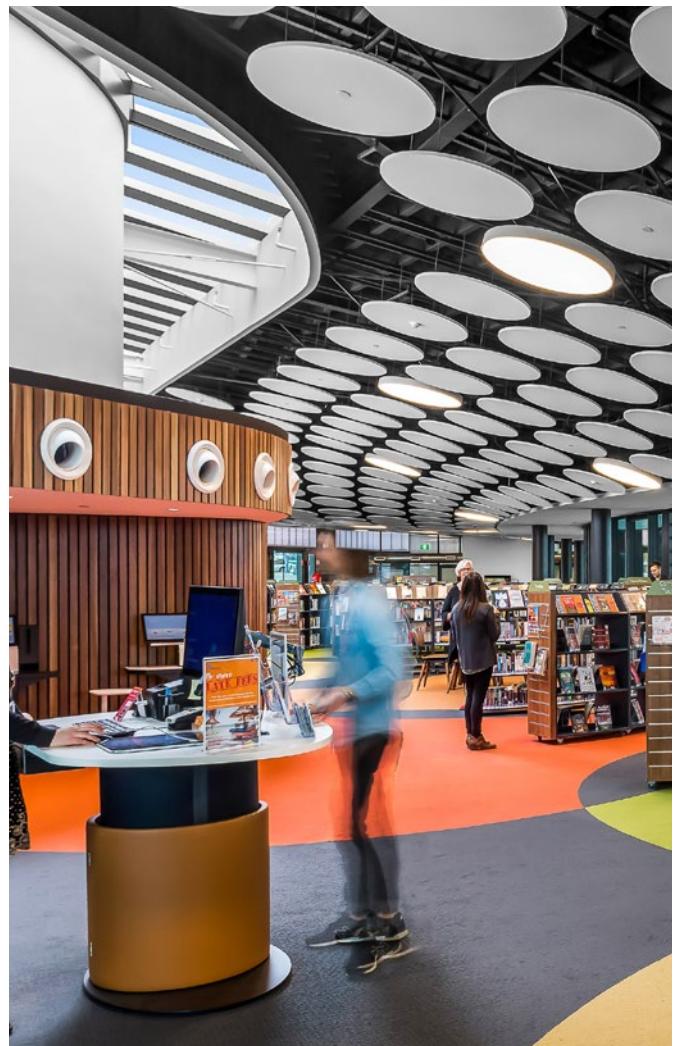
You said: Our City is connected through places and spaces (2.3)

We did:

Shellharbour Civic Centre was officially opened by His Excellency General the Honourable David Hurley AC DSC (Ret'd), Governor of New South Wales on 2 December 2017. Members of the community, current and former Councillors and staff attended the opening. The ceremony included welcoming addresses from the Governor of New South Wales, Shellharbour City Mayor, General Manager and Aboriginal Elder Uncle G.

The Civic Centre provides a central place for the Shellharbour community to gather, learn, communicate, celebrate and interact. As we move toward the future, it will become the heart of Shellharbour City. The building is based on a 'wave' concept, incorporating a curved roof on the exterior. The interior enjoys maximum natural light and open spaces to deliver comfort and a welcoming space it features:

- A 350-seat auditorium for functions, conferences and other events with views over the landscaped area at the rear of the centre.
- A 2000m² civic square at the front of the building, including green space and a water feature - a place for people to meet and relax and caters for community events including concerts and market stalls.
- Large community lobby can be opened up onto the Civic Square in good weather for inside/outside feel.
- Meeting rooms for use by community groups, government and non-government agencies and visiting professionals to provide services to the Shellharbour community.
- A 2000m² City library with over 55,000 books.
- The new City Museum featuring changing exhibitions, artefacts, photographs, oral histories, maps, lithographs and historic documents to discover.
- Council's administration centre, customer service and Council Chambers.

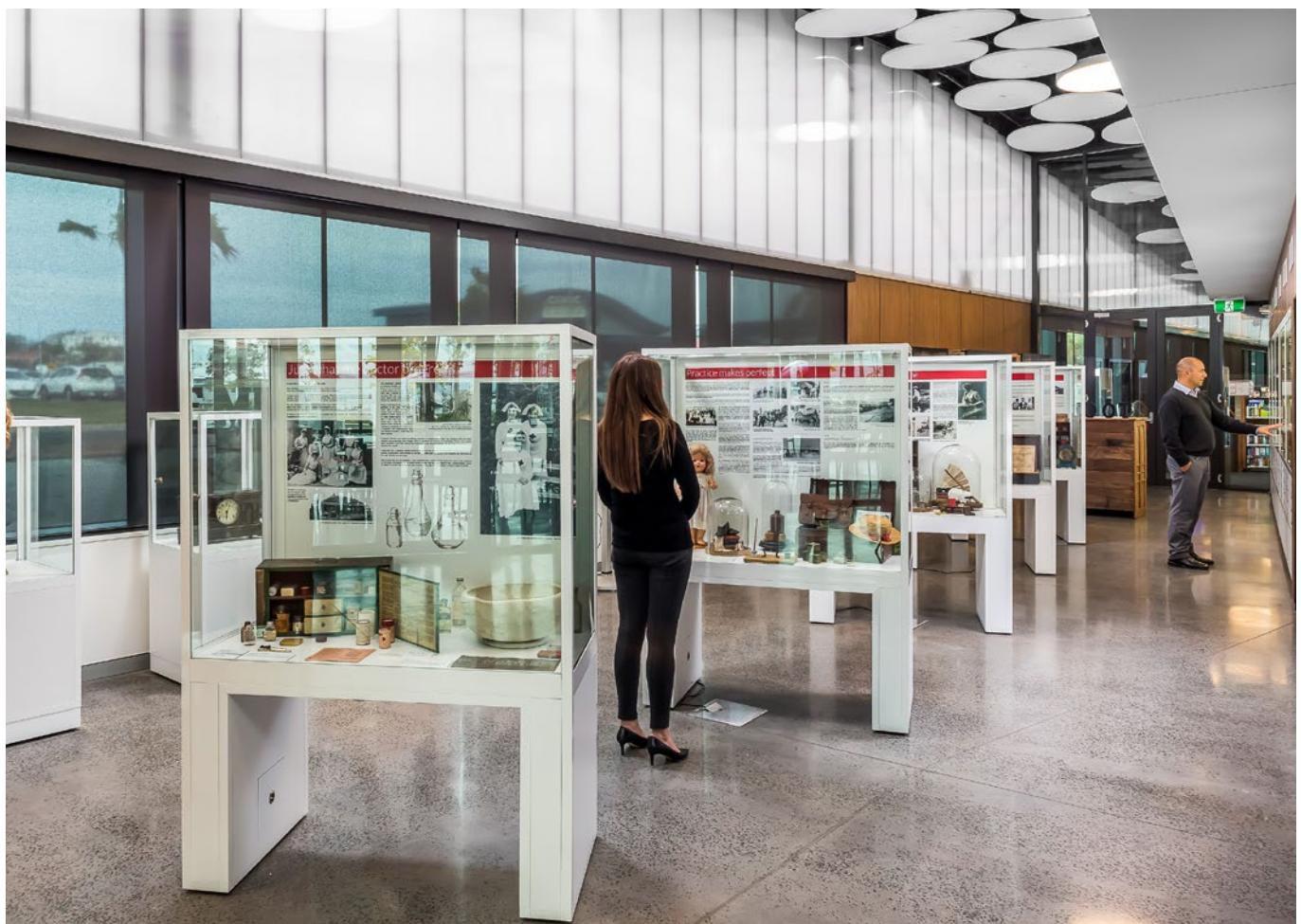




Civic Centre Activation Plan 2021/2022 was developed to clearly articulate goals and provide a basis for a considered approach to our activation. Council will work in partnership with the community and organisations to activate the community. Council will take the lead and deliver a range of place activation projects but we may also take the role of provider, enabler and funder. The Plan is about learning and experimentation. To date

- Over 310,000 people have visited the Civic Centre.
- Over 65 programs have been delivered by Council.
- Over \$155,000 has been generated in income.
- In the past 6 months the Civic Centre Creative series has been established with a number of professional creative workshops taking place.

Google, the multinational technology company chose the Shellharbour Civic Centre to host the Grow with Google regional workshops. The free workshops were targeted at regional businesses, Not for Profit organisations, Journalist and educators. Each training session was well attended and met the expectations of Google. Attendance numbers for the Education session were above expectations.



City Museum moved from Tongara Road to the Civic Centre, the central location and extended opening hours of the new facility greatly enhanced the opportunity to share Shellharbour's history and heritage with the local and wider community, resulting in significantly higher levels of museum visitation than ever before. The new Museum includes permanent and temporary exhibition spaces that provide the opportunity to showcase a wide variety of objects and information about our local area. The Heritage Room combines resources from the Museum, the Library's local history collections and the Tongarra Heritage Society, providing a substantial collection of books, research files and maps for those wanting to research local or family history.



Development Application Strategy has been implemented to strengthen the Customer Experience and Processes of Development Application. With three main priority areas focusing on processing practices, building a customer service approach and building on software opportunities, the strategy has developed actions that have resulted in improved processing times. Key results and actions carried out include:

- Significant improvements in turnaround times with a saving of almost 20 days (gross average) over three years of all development applications.
- Sustained and continued customer satisfaction which is demonstrated through minimal customer complaints in the processing of Development Application.
- Establishment of Shellharbour City Council's Design Review Advisory Panel – the Panel was established at a corporate policy level to provide professional and independent architectural advice for development proposals in the City.
- Establishment of Councils corporate training program – Planning 101 - This project saw the development of 'Planning 101' workshop which aims to strengthen the DA process with a focus on referrals from technical staff within Council. The training remains a key induction session for all new staff involved in Development Application assessments.
- Successfully delivered on Public Spaces Legacy Funding by meeting agreed milestones which saw council qualify for grant funding of \$2.54M to upgrade Reddall Reserve.

Restoration of Centenary Hall, extensive restoration works were carried out at Centenary Hall, Albion Park. This project demonstrated excellent communication and collaboration between the various disciplines involved from the project's inception through to completion. The restoration recognises and respects the Heritage Significance of this iconic public building.

Cemetery Master Plan and Mapping, the objective of the Masterplans (the Plans) for Council's operating cemeteries is to improve the amenity for members of the public and improve the services offered by Council with new and improved interment options in line with current industry trends. The Plans will ensure the sites remain a viable and respectful proposal for the interments of the town for the next few decades. Consistent with identified strategic priorities in the Plans, Council has:

- Constructed a Condolence shelter at Albion Park.
- Established a Staff compound at Albion Park (including fencing, material storage bays and a temporary staff lunch room).
- Commenced preparations of a Heritage Conservation Management Plan.

VALUE OF APPROVED DEVELOPMENT

2017/2018

\$68million

2018/2019

\$155million

2019/2020

\$203million

2020/2021

\$419million

The Local Strategic Planning Statement (LSPS) was adopted by Council and endorsed by the NSW Government in May 2020. The LSPS provides a 20-year land use planning vision for Shellharbour City and directs how future growth and change will be managed. The LSPS acts as a link between state, regional and local planning priorities. Since the adoption of the LSPS 43 Actions out of 88 have commenced or been completed. Key outcomes included:

- Action P13.7 Collaborate with the Illawarra Shoalhaven Joint Organisation (ISJO) to develop a Water Sensitive Urban Design Policy or model provisions for Council's Development Control Plan to promote and improve water quality and health across the Local Government Area is now complete. Over the last year Council has worked with ISJO to develop a Water Sensitive Framework and Supporting Tools. The supporting tools include model Local Environmental Plan clauses and a model Water Sensitive Urban Design Development Control Plan chapter. Council are now working to implement the framework.
- Action P4.2 Develop and implement a Community Facilities Strategy for Shellharbour City has substantially commenced. The draft Community Facilities Strategy and accompanying Community Facilities Needs Study and Action Plan were endorsed for public exhibition by Council on 21 September 2021. Once the public exhibition of the documents is complete in October 2021, the development of the Community Facilities Needs Strategy will be complete and Council will work on implementation of the Action Plan.
- Action P18.1 Prepare an Employment Lands Study to ensure we have adequate supply of commercial and industrial zoned land to allow for local employment opportunities is now complete. The Employment Lands Study was adopted by Council in May 2021. Council is now working on implementing the recommendations of the Employment Lands Study.

Shellharbour Local Housing Strategy was adopted by Council in December 2019 following comprehensive stakeholder engagement. The Strategy provides for the appropriate provision of all forms of housing for Shellharbour City over the next 25 years. It does this by analysing and responding to demographic changes, housing preferences and housing supply/demand issues, including community engagement outcomes. It also addresses policy implications arising from this analysis and these outcomes. Since its adoption, actions flowing from the Strategy have included:

- Successfully guiding the assessment and determination of numerous pre – lodgement and planning proposal applications.
- Discussions with Land and Housing Corporation about their assets in our Council area.

Recycling and Roads, Council conducted a trial road resurfacing project using recycled waste materials in asphalt that has been approved for use by the NSW Environmental Protection Authority. The asphalt incorporated over 210 tonnes of plastic waste materials into 4,600m² of asphalt renewal at Jarrah Way, Albion Park Rail. Soft plastics (including plastic bags), glass bottles, packaging and waste toner from used printer cartridges were turned into durable a high strength road surface.





Renaming of the Airport. The airport was renamed and rebranded from Illawarra Regional Airport to Shellharbour Airport on the 26 August 2019. The updated name better reflects the ownership and locality of one of the city's most important assets and more accurately captures the airport's location within the Shellharbour City local government area.

New Airport Terminal. The new Shellharbour Airport Passenger Terminal was opened and welcomed passengers, less than 12 months after the project began. It has provisions for retail and café space, and the capacity for 200 passengers. The use of natural resources and a range of energy and water saving initiatives were incorporated and implemented during the design and build of the terminal and car parking facilities. The terminal and car parks represent a \$7.8 million investment into the airport upgrade project and is now considered a true regional hub airport, which can service the growing demands of the wider Illawarra, Shoalhaven and Southern Highlands communities.

Runway upgrades. Both the main and secondary runways at Shellharbour airport were renewed. Renewal of the main runway addressed the deteriorating surface. The new asphalt surface will provide a smoother more reliable surface for operations and maintenance. The secondary runway has been upgraded to facilitate use by larger aircraft as well as addressing existing surface issues and damaged pavement.

Property Strategy 2020-2030 was developed to ensure that Council's property portfolio is strategically aligned with its service delivery objectives and community expectations, in the context of delivering optimum commercial value from the management and development of property. Consistent with identified strategic priorities Council has:

- Enhanced the TechOne Property & Rating system to enable the leasing and licensing notification system.
- Conducted an audit of all leases at the Shellharbour Airport.
- Progressed the sale of land in Benson Basin.
- Stage 1 of land transactions with the Catholic Church has been completed.
- Acquisition of part 3 Yellow Rock Road for the purpose of footpath construction.

2.3 | Our City is connected through places and spaces

COMMUNITY INDICATOR	PROGRESS	TREND
Satisfaction with general appearance of the Shellharbour City Council area	Average overall satisfaction has increased 0.13 points scoring 4.0 out of 5 in the 2021 Community Survey. Continuing a general upward trend in satisfaction with the appearance of Shellharbour.	On track 
Satisfaction with toilet facilities	Shellharbour City Council maintains over 50 toilet facilities and has outperformed comparable councils with a benchmark rating of 54/100 with comparable councils benchmark rating of 50/100	On track 



economy



You said:

**Our City
plans, builds,
and manages
infrastructure
for the
community
(3.1)**

We did:

The [10 Year Asset Management Plan](#) was adopted in June 2020. The Plan identifies, examines and plans for Council's future level of service, maintenance, renewal and upgrades for both community and business assets. Throughout 2020/21 the following components of the AMP Improvement Plan were delivered:

- Data Inventory.
- Comprehensive schedule of condition inspection.
- Implementation of defect management system.

Each year the Asset Management Plan will be updated to reflect the actual figures of the completed financial year and subsequently develop revised forecasts for the 10 years ahead.

[Play Equipment](#), 11 projects totalling almost \$2M was installed across the City. These included:

- Farm themed play space at McDonald Park, Albion Park Rail.
- Mood Park, John Shepherd Park, Frasers and Keith Barnes Reserve, Albion Park.
- Little Park, Shellharbour.
- Dawes Park, Barrack Point.
- Skiway Park and Central Park Oak Flats.
- Flinders Green, Flinders.
- Reddall Reserve (opposite Windang Street), Lake Illawarra.

RENEWAL EXPENDITURE

2017/2018

\$13,003,674

2018/2019

\$13,653,611

2019/2020

\$21,169,332

2020/2021

\$13,853,021

VALUE OF THE DELIVERED CAPITAL WORKS PROGRAMS

2017/2018

\$38,759,718

2018/2019

\$16,753,776

2019/2020

\$34,882,809

2020/2021

\$30,117,444

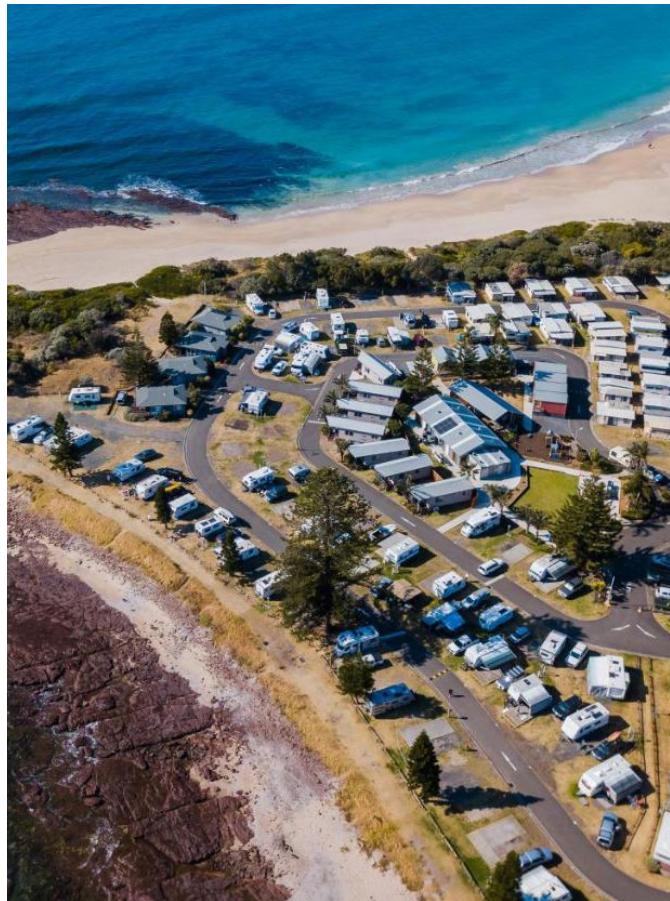
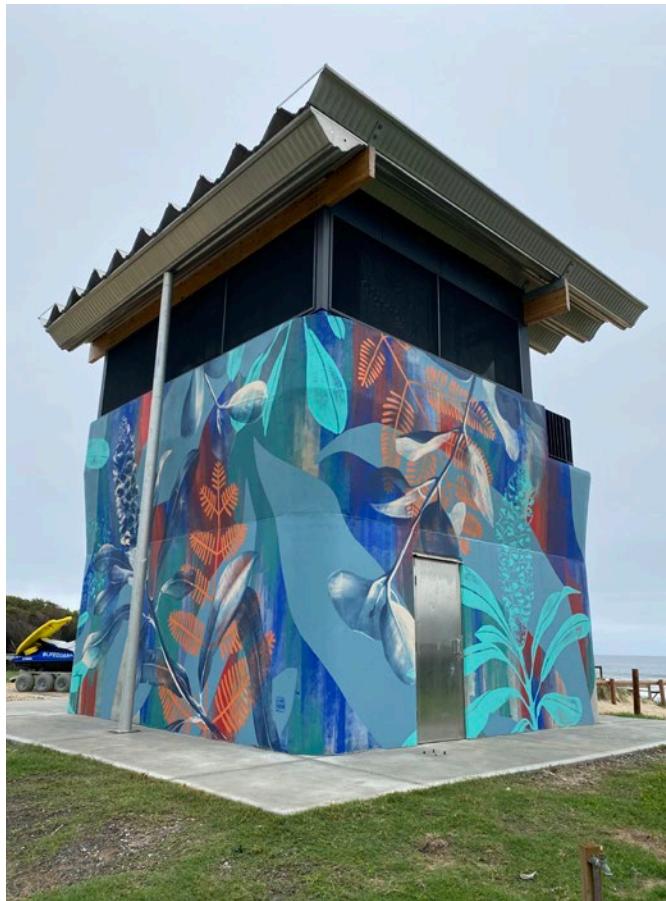


Little Park in Shellharbour Village was officially re-opened in May 2018. Largely designed by children, the park is the culmination of a major community engagement process, including workshops with schools, online and social media feedback with more than 20,000 people sharing their ideas. The project cost was \$360,000 and included a 6 week construction program with additional time for heritage artefact assessments. It included the creation of additional seating and refurbishment of the amenities building and rotunda. The playground includes features such as:

- Accessible play equipment.
- Play tower with slides, flying fox, and swings.
- Nature play, tree fort with climbing activities.
- Rock climbing wall, climbing net, rope bridge.
- Musical play instruments, tactile play, in-ground trampoline.

Construction of Skate Park at Shellharbour Village. The skate park was renewed creating a fresh new layout that incorporates a number of new skate features such as a skate bowl, concrete vertical ramp, hob walls with metal edges, flat banks with hubba ledge and an additional kicker ramp. It was relaunched on 7 July 2018, with a large community open day attended by over 1,500 people. The event was a huge success and featured skate demonstrations, workshops, activities, music and give aways.

Skiway Park Promenade renewal was welcomed by the local community of recreational water craft users and casual observers of the fantastic view from the promenade to the west across Lake Illawarra. The fibre reinforced polymer material used for the promenade decking is highly durable, slip resistant and very high strength that will continue to service the community in this harsh marine environment for many years to come.



Construction of Warilla Lifeguard Tower, the tower is a year-round base for Council lifeguard service operations, supporting 40 lifeguards and 6 patrol locations. The tower provides increased foreshore visibility and shelter from the elements. It is the central storage location for 3 of Council's patrol areas (Warilla North, Warilla South and Warilla Central).

Holiday Park – NRMA Management of the Holiday Park by NRMA commenced in October 2020, the Holiday Park continued to successfully operate in accordance with NSW Government Public Health Orders and COVID-19 related travel restrictions until it was required to close in the latter part of June. Two new cabins were installed on the site.



Shellharbour Marina is centrally located on the New South Wales South Coast surrounded by two State Parks, Bass Point and Killalea Reserve. Shellharbour Marina is just (110km) 60 nautical miles south of Sydney Harbour, 30 nautical north of Jervis Bay by sea, and only 213km from Canberra. It is an ideal spot for a relaxing weekend holiday with family and friends or those that need relief from a busy lifestyle. The marina is located within The Waterfront, Shell Cove, a master planned community in a natural coastal setting surrounded by beaches, parks and wetlands but close to schools, transport and major centres. The 270-berth boat harbour and Shellharbour Marina next to the lively town centre featuring a retail precinct, with specialty shops and restaurants on the marina's edge. A hotel will be positioned adjacent to The Waterfront Tavern, children's beach, water play areas, library and community centre.

Bottom of the Harbour Walks were held in 24 February 2018 and 14 December 2019. These events were a unique opportunity for the community to 'Walk the Bottom of the Harbour' and view the progress of the harbour works first hand before the harbour was filled with water.

Shell Cove – Removal of sand bund. Shell Cove boat harbour was opened to the ocean with excavation of the sand bund and harbour channel entrance.

Filling of the Harbour the pumps that were keeping the Shell Cove harbour basin dry were turned off in December 2020. The now full harbour is a significant milestone that is a result of decades of planning and delivery.

Development of Shell Cove Strategic and Business Plan. The Plan guides the business development in and around the Shell Cove harbour precinct.

One of the most successful outcomes of the Shell Cove project has been the windfall for local businesses and the spectacular local employment outcomes achieved through the project. Significantly Council's portion of the estimated \$2 billion dollar overall project has been completed with over 85% local labour.

Marine Holdings Australia Pty Limited (MHA) was appointed as the operator of Shellharbour Marina. The new operator has secured an initial 15 year lease for operations of what will be a 270-berth marina and boat maintenance facility. MHA will help deliver the Shell Cove Business Plan's strategic goals associated with the marina's operation. Stage 1 of Shellharbour Marina will have 145 berths and be available in late July 2021, with boats expected to come into the marina soon after.

Shell Cove
harbour size is
30%
larger than
Darling Harbour
(water surface area)

3.1 | Our City plans, builds, and manages infrastructure for the community

COMMUNITY INDICATOR	PROGRESS	TREND
An increase in utilisation and satisfaction of our assets and facilities.	Satisfaction in the condition of local roads (excluding highways and main roads) increased from 3.0 out of 5 to 3.2 in 2021	On track 
Achieve our asset renewal ratio	Our asset renewal fluctuates from year to year. Council has met or exceeded the benchmark of 100% each year.	On track 

You said:

Our city supports and increases employment and business opportunities within a strong local economy (3.2)

We did:

The Academy – Resource for local business

Council brokered an Australia-first agreement, ‘The Academy’, with a leading commercial provider that makes available to local businesses an extensive array of business tools and information to assist their improvement and growth.

Shellharbour City Council was classified as a regional area following sustained representations by Councillors and staff, the NSW Government advised Council in May 2018 that Shellharbour City had regained its status as a region. This means that Council is now eligible to share in NSW Governments Regional Growth Fund and opened up new funding opportunities including the Stronger Country Communities Fund.

NSW Government Grant Funding Council received \$15.97 million funding from the NSW Government’s Growing Local Economies program, as part of the Regional Growth Fund, for additions and upgrades to Shellharbour Airport. It is believed to be one of the most substantial funding packages of its type in NSW and is expected to cover the cost of the majority of the project.

Shellharbour Regional Economic Development Strategy 2019-2020 The Strategy sets out a long-term economic vision and associated strategy for the economic development of the Shellharbour area. It builds on the endowments and economic strengths and specialisations of the Region to guide investment. Consistent with identified strategic priorities in the Strategy, Council has:

- Supported the decision of the NSW Government to build a new Shellharbour Hospital that will be an acute hub for the central part of the Illawarra Shoalhaven Region and has provided land for the site of the facility.

- Delivered further upgrades to Shellharbour Airport to enable the growth of both tourism and aviation-related enterprises that will contribute to regional economic development.
- Continued to focus on the development of the regional economy by supporting and assisting existing businesses to develop and grow sustainably through the Economic Gardening Illawarra business development program and the activities of the Shellharbour City Business Network.
- Addressed the shortage of high quality tourism accommodation through the establishment of hotel facilities at the Waterfront and the further development of varied accommodation types at the Shellharbour Beachside Holiday Park – to grow overnight visitation to Shellharbour City.
- Continued its collaboration with the NSW Government to deliver an extension of the M1 Princes Motorway that will bypass Albion Park Rail for the benefit of residents, visitors and those passing through the City.

Council's adoption of the Shellharbour Business Centres and Surrounding Residential Lands Study (the Study). The Study reviews planning controls for centres and adjoining residential areas, and aims to facilitate a greater diversity and mix of dwellings in and around centres. Key findings and recommendations of the Study apply to numerous centres and surrounding residential lands and identify; additional land for proposed medium density residential zonings; increased capacity for apartment development in certain parts of existing business zonings; and increased capacity for mixed residential with commercial/retail development in certain parts of existing business zonings. Stemming from the Shellharbour Business Centres and Surrounding Residential Lands Study, background work and further studies are being conducted to inform the preparation of a planning proposal to facilitate the delivery of smaller and more diverse housing on various sites with excellent access to facilities and services.

3.2 | Our City supports and increases employment and business opportunities within a strong local economy

COMMUNITY INDICATOR	PROGRESS	TREND
An increase in the number of local businesses and jobs.	There are 3,549 businesses in Shellharbour, this is an increase of 481 businesses since 2016. The number of jobs in the region also increased from 18,509 (12.89%) to 18,589 (12.93%)	On track 

You said:

**Our city
welcomes,
engages and
attracts
visitors (3.3)**

We did:

Development of the Shellharbour Destination Management Plan (2018-2022). Tourism Shellharbour works closely with Destination NSW and Destination Sydney Surrounds South on regular marketing campaigns and have achieved a number of successful marketing campaigns both in collaboration and independently;

- “Love Shellharbour” – part of the DNSW Love NSW campaign.
- “The Long Road” – an initiative from DNSW to increase the drive market.
- Shellharbour has been featured on Sydney Weekender.

Participation in the ‘Unspoilt’ marketing campaign in partnership with Destination NSW and neighbouring councils to deliver Unspoilt South Coast, the south coast’s first “whole-of-region” tourism marketing campaign. “Unspoilt” contributed to record increases in visitor numbers and more than one million leads to south coast tourism businesses. The campaign was the most successful of its type in NSW for 2018/19.



Shellharbour 'Get Around It Campaign' launched in September 2020. It is a local campaign by Tourism Shellharbour to raise awareness of Tourism to the local community, increase the Visiting Friends and Relatives market and drive business back to local operators following the first lockdown in 2020. A second phase of this campaign ran in 2021 and the campaign has been entered into the NSW Tourism Awards – Marketing and Promotion category.

3.3 | Our City supports and increases employment and business opportunities within a strong local economy

COMMUNITY INDICATOR	PROGRESS	TREND
Increase in visitors to the City.	Visitors to the City have increased from 429,000 visitors in 2017/18 to 462,000 in 2019/20. Overnight stays also increased from an average of 3 nights to an average of 4 nights.* (2019 data)	On track 
An increase of tourism enterprises that encourage people to stay and play in Shellharbour.	Tourism output, value added and jobs have all increased.	On track 



leadership



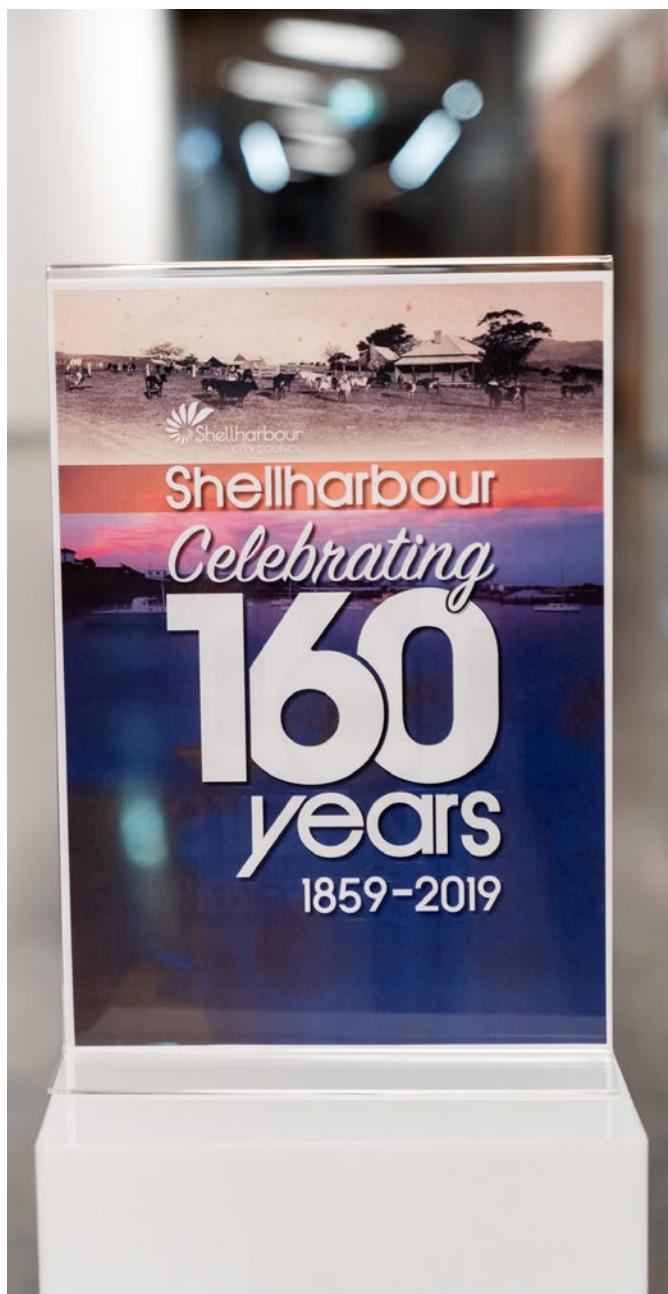
You said:

Our city is led through collaboration

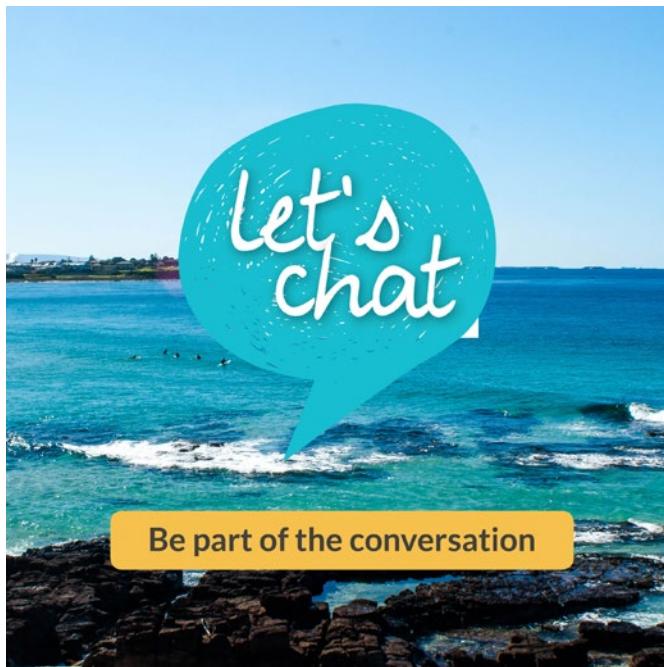
(4.1)

We did:

Celebration of 160 Years, June 2019 marked 160 years since the proclamation of Shellharbour as a Local Government Area. To celebrate this milestone, Council hosted a series of events across various locations. The celebrations featured walking tours, museum exhibition, community art exhibition, workshops and much more.



Communications and Engagement Strategy 2020- 2024 builds on Council's strong foundation of Communication and Engagement. The actions and goals outlined within it helps Council to deliver innovative and responsive communications to our 4C's.....Community, Councillors, Customers and Council.



Introduction of 'Lets Chat' online engagement platform provides multiple online options for engagement in a highly visual and appealing way where the community can actively participate in the development of plans and projects in the City. Since its introduction there have been over 92,612 visitors to the page engaging on over 81 different projects.

- Playground renewals and upgrades
Visitors 12,761

Imaginations were running wild across the city, with the Playground renewals and upgrades project page receiving the highest amount of engagement. This page has been created to engage with stakeholders on new play spaces across the city. To date there have been 12,761 visitors to the page and over 400 contributions received.

- Reddall Reserve Master Plan in action
Visitors 7,059

This project page was originally established to seek feedback and ideas on the long term planning of the space. Stakeholders provided ideas, aspirations and even dislikes, this all informed the final Masterplan. The page continues to have followers and high levels of traffic as individual projects identified in the Masterplan are set up as project pages for future information and engagement.

- New Warilla Library
Visitors 3,058

Responding and delivering the Libraries and Museum Strategy 2024, the new Warilla Library Project was a major milestone. Engagement with the community aimed at gaining an understanding of what the community wanted to see in the new library and how they would like to use it.

- Tripoli Way Extension Project
Visitors 2,088

A significant long term project, this project has used a wide variety of engagement tools. The Let's Chat project page provides information on the project and has also provided a forum for residents and the community to find out more detail or provide insight to current difficulties in the area.

- What's new in our libraries?
Visitors 1,935

This engagement project focused on the upgrades for Oak Flats Library. Stakeholders were informed and kept up to date with the project and invited to share ideas and feedback. The upgrade improved accessibility with a new courtyard entry complete with automatic doors and the provision of an accessible toilet. Stakeholders shared ideas that informed programming of the new space.

Ideas Lounge, Council introduced the 'Ideas Lounge', a drop in session at the Civic Centre set up like a lounge room, where the community can informally chat to Council staff and Consultants. The 'Ideas Lounge' provides a unique opportunity for stakeholders to provide feedback, ideas, issues and suggest solutions about a specific issue or concept.

NUMBER OF VISITORS TO THE LET'S CHAT PAGE

2017/2018

1,500*

*estimate

2018/2019

8,250

2019/2020

16,250

2020/2021

23,543

NUMBER OF PROJECTS

2017/2018

18

2018/2019

22

2019/2020

19

2020/2021

22

Aboriginal Advisory Committee 20 Year Anniversary. In December 2018, the Aboriginal Advisory Committee (AAC) celebrated its 20 year anniversary. The occasion was celebrated by a special presentation and afternoon tea at the Civic Centre and the launch of the new Aboriginal Culture Collection in the City Library.

Bushfire Assistance. Following the devastating 2019-20 fire season, Council reached out to the neighbouring Councils to offer assistance to help them get back on their feet during this hard time. Council provided a range of assistance to fire affected local government areas of Wollondilly, Wingecarribee, Shoalhaven and Emergency Services Organisations. Council provided specialist skills to the Picton Incident Management Team on recovery works, Environmental Health Officers and Tree Management crews to carry out day to day operations and clean up works to restore communities back to normal operations.

Australian Local Government Women's Association (ALGWA) NSW Branch Annual Conference. Council organised and hosted the Australian Local Government Women's Association (ALGWA) Conference from 18 – 20 March 2021 at the Shellharbour Civic Centre.

Performance of Councillors - Overall satisfaction with the performance of Councillors outperformed comparable councils in NSW.

Performance of Councillors

There were
372,482
visits to Council's
website in
2020/2021

3.1 in 2016

3.2 in 2019

3.5 in 2021

4.1 | Our City is led through collaboration

COMMUNITY INDICATOR	PROGRESS	TREND
Increased confidence in our City's elected representatives.	<p>In total, 48 percent of residents were satisfied overall with the performance of Councillors. Results combined for a medium average overall satisfaction score of 3.46 out of 5.</p> <p>Overall satisfaction with the performance of Councillors outperformed comparable councils in NSW.</p>	<p>On track</p> 
Increased community participation in community engagement opportunities.	<p>Participation in community engagement in Council's online engagement platform has increased from 1,500 visitors in 2016 to 16,652 visitors in 2021.</p> <p>Facebook followers have also increased from 3,079 to 15,550.</p>	<p>On track</p> 

You said:

**Our city
is supported
by a council
that is
responsive,
accountable
and
financially
viable (4.2)**

We did:

Core Values, to help determine “who we are and how we see ourselves” the Core Values Program was as identified as a high priority and a large investment was made to involve all staff. The program entailed:

- Establishing shared values.
- Setting out expected behaviours.
- Providing an opportunity to “reboot and refocus” after a long period of disruption and uncertainty.
- Ensuring everything we do benefits our four Cs – Community, Councillors, Customers and Council.

Our Core Values journey has seen unprecedented staff involvement, with strong sponsorship from leaders and a willingness to address the “real” root causes of cultural issues. Interactive workshops were run giving staff the opportunity to improve the organisation by voicing their opinions. Conversations in this phase raised a number of real and important issues. The final values of Collaboration, Accountability, Integrity, Respect and Sustainability or “CAIRS” were democratically selected and we celebrated this achievement at a launch event attended by more than 250 staff. The Core Values Program has seen a marked shift in the way we do things, breaking down silos and setting foundations for a positive work culture.



Council's Vision in March 2021, approximately 50 staff from across the organisation participated in a Vision Discovery Workshop, ran by Colin Ellis. This led to the development of our organisational vision – Inspiring People, Enabling Growth.

Sustainable Financial Strategy was adopted by Council in June 2018. The strategy contains four key principles which have attached Objectives, Actions, Outcomes and Performance Measures. As a result Council was one of only five local governments in NSW to have achieved all five 'Fit For the Future' ratios included in the Report on Local Government 2018. It was also one of only five councils to achieve all 11 of the Office of Local Government's performance indicators.

Customer Service Charter was produced to provide clarity to what a customer can expect from Council in regards to their customer service experience. The Charter outlines the standards and measurement of performance to be used to deliver professional, reliable and consistent customer service. Since the introduction of the Charter, key outcomes have included:

- Customer Service training facilitated to over 400 Council staff providing them with skills and confidence in enhancing internal and external customer relationships.
- Mystery Shopping was undertaken on the Customer Service team with the use of a questionnaire specifically developed to measure against Councils' published benchmarks and align to Council's Core Value behaviours. Results were very positive with Council receiving an overall score of 90% based on 115 evaluations conducted.
- Detailed reviews of the way in which Council receive, manage and respond to customer requests and correspondence enabling Council to provide succinct reporting in evaluating performance against the standards of the Charter.

Business Improvement Program. Council focused on clarifying accountabilities, improving the customer experience and increasing performance by publishing, improving, and reviewing business

processes. Council achieved the milestone of publishing 227 business processes, relating to customer, community, Councillor and operational services. A suite of targeted business process improvement initiatives were also implemented to streamline and improve the performance of high-volume customer and community services.

Introduction of Vault Software a cloud based software solution that allows staff to capture events such as injuries, incidents, illness, near misses and observations. The advantage of the Vault system is firstly that it can be used by both desk based staff, through the web based Vault portal or through applications on mobile devices, this flexibility means that outdoor staff can report any incidents immediately and secondly that escalations can be set up in the system that ensure that the WHS team, supervisors, managers, group managers and directors are notified the moment and incident is submitted. This ensure that action can be taken by immediately contacting the employee to provide assistance and support.

As well as incident management Vault also has a number of other modules to assist the safety management system these include: Injured worker return to work, audit and checklist management, training register and tracking of incident investigation.

The benefits to Council as a result of having this software are substantial. There has been a significant increase in not only the number of events submitted, but how quickly post event the staff are submitting them. Council can also now track the incident investigation, audit and inspections corrective action status.

The Feedback Series, Customer feedback plays a critical role in Council's commitment to delivering high performing and sustainable outcomes for the community. To strengthen community relationships Council developed a new video series that explores Council's process of what happens after receiving customer feedback. Since its implementation feedback videos have been developed on Public Toilets, City Museum, Bush Regeneration and Arts and creative initiatives

4.2 | Our City is supported by a council that is responsive, accountable and financially viable

COMMUNITY INDICATOR	PROGRESS	TREND
Maintain compliance with the requirements of the Office of Local Government guidelines and legislation.	Council has maintained compliance with the Office of Local Government guidelines and legislation.	On track 

Same Service, Delivered Differently

March 2020 - August 2021

Council's COVID -19 Response

Council responded to the COVID-19 pandemic by delivering the same service differently. Field-based staff including Parks and Gardens, Civil, Construction and Maintenance crews continued to work under Council's COVID-19 Management Plan.

This entails daily risk assessments, segregation of work teams, modification to work processes and additional Personal Protective Equipment (PPE) utilised to keep teams working safely and productively.

Council's digital transformation over the past few years enabled Council to deliver seamless online customer service. It also allowed all non-field based staff usually located in the Civic Centre or other locations to work from home. This includes staff in Customer Service roles, Finance, Planning, Human Resources, Communication, Governance and more.

Council meetings were still able to be publicly viewed. They were conducted online remotely via Zoom so that the community had both visual and audio access. Further to this community members were still able to speak at public participation in the same manner.

Council took advantage of the closure of some of its assets to get important work and maintenance done.

Activation of Council's Business Continuity Plan

Council's Business Continuity Plan was activated on 20 March 2020 in response to the COVID-19. As a result, Council established a Crisis Management Team to coordinate its response to the crisis. The Crisis Management Team established 3 key response objectives, those being:

- Maintain the health and wellbeing of Council staff,
- Ensure continuity of critical business functions and

Maintain satisfactory levels of customer service. An employee Well-being Information pack was distributed to all staff. The pack provided information on how to protect yourself and others, exercise, diet, mindfulness, social and financial wellbeing.

Financial Relief Package

To help residents and businesses experiencing hardship caused by the economic impacts of the COVID-19 pandemic, Council provided significant financial relief through packages endorsed by Council in April 2020. A large proportion of the first relief package was provided in the 2019/20 year, with some relief being provided in the 2020/2021 year. The second relief package will be provided in the 2021/2022 year.

Shellharbour Food Hub

Council assisted to establish a food hub at the Civic Centre to help residents affected by the economic crisis caused by the COVID-19 pandemic. The Shellharbour Food Hub initiative is a partnership with OzHarvest, NSW Health and Healthy Cities Illawarra / Food Fairness Illawarra. The program ran for 6 weeks with over 360 parcels of food being distributed to Shellharbour City households in need.

The PosARTivity Project

In light of restrictions on public gatherings due to COVID-19, Council developed a new online program called The PosARTivity Project. The PosARTivity Project is a new series of art projects and/or performances for online streaming from a virtual gallery. This project commissioned local performers, authors and artists to carry out events and programs online. The projects ran for 3 months with a total of 11 online events held including: Art lessons, fluid art resign workshop, comic workshop, circus video, music from local bands, 3D Artwork and writer's workshops.

Library At Home

The closure of Library buildings in response to the COVID-19 pandemic brought new challenges and opportunities for the delivery of library programs. Without physical spaces to deliver programs to our community, the library's immediate strategy was to move to an online model to sustain programming for an indefinite period. This was achieved through the development of a new initiative called Library At Home dedicated to the delivery of digital programs and activities.

The key objective was to keep our community 'feeling connected, engaged and inspired' at this challenging time. Library At Home enabled the continuation of the library's flagship programming for customers of all ages; such as Story Times and STEM activities for children or adult programs such as Brain Training. Each week a new Story Time page was added to the site and featured direct links to the e-Library and the Story Box Library resources. Book selections and suggestions were supported by free custom content including downloadable templates, videos and activities.

Special community events were also celebrated on Library At Home during the period including Easter, Law Week and Refugee Week, as well as a diverse range of activities during the autumn school holidays. Library At Home has uncovered new and exciting ways to engage a wider audience than ever through online delivery and has become an important channel for continued interaction between the community and their library. The library website was re-framed to become a one-stop digital branch – an online portal for the community to access e-Library services, information and digital programs.

Sustainable Shellharbour

As a result of COVID-19 Face-to Face delivery of the Sustainable Shellharbour program was put on hold and an online program was created. The program focused on developing a new self-guided nature walk, environmental resources and adapting to on-line workshop delivery.

City Museum

City Museum delivered the same service differently due to being temporarily closed to the public as a result of COVID-19 restrictions. The Museum engaged with the community through some successful social media campaigns. ‘Monday Nights at the Museum’ featured some of the Museum’s unseen collection items along with snippets of Shellharbour’s history. Historic photographs and stories of our city were also shared in ‘Flashback Friday’ posts on Council’s Facebook page and ‘Throwback Thursday’ on Shellharbour Airport’s Facebook page.

Cleaning Protocols

As a result of COVID-19 Council introduced a number of new protocols, this has included changing cleaning routines and procedures of the City’s infrastructure including the way staff move around the City.

Business Support

All business support events conducted by Council involving face-to-face contact remains cancelled until further notice due to the COVID-19 pandemic. However, an online webinar was held on 24 June on the topic Business & Tax Strategies Pre & Post COVID-19. The formal evaluation of the event was well received with a satisfaction level of 97% or either 4/5 or 5/5 for each of the evaluation questions.

Enliven

Council developed and implemented the new ‘Enliven’ series. Enliven is a series of diverse art programs, live music and immersive creative learning experiences developed to ‘Enliven’ Shellharbour after periods of lockdown. Enliven has been designed as a COVID-19-safe program with each event to be delivered at reduced capacity and adhering to the public health guidelines of the government.

Nursery

The Nursery closed its gates for face-to face sales on June 28 2021. Operating under COVID-19 restrictions servicing the landscapers and developers continued via appointment only and all retail at the nursery gate via a contactless sale. Council developed a sales promotion selling plant packs that was well received by the public and got the nursery back in the public eye.

Spreading Kindness

This involved sharing excellent community driven campaigns, establishing a social media campaign to share positive stories, replacing signage in the City with messages of kindness and assurance, and establishing a new online Art series (posARTivity) to ensure that artists and creatives were paid to develop new works of Art reflective of the messaging and the situation.

Youth Festival

Council presented a modified calendar of youth-focused events, activities and workshops through the Shellharbour Youth Festival. This included the holding the Shellharbour Youth Summit online via zoom, with 5 schools and 1 community organisation attending with a total of 57 young people given the opportunity to voice their priorities and plans for youth of our city.

Learner Driver Program

Council was at the forefront of trialling a Helping Learner Drivers Become Safer Drivers Workshop via Zoom. The success of the Workshop has consolidated funding for continued workshops on this platform.



2021 Community Satisfaction Survey Snap Shot*

Council undertakes a community satisfaction survey to measure the importance of, and satisfaction with, services and facilities provided by Council; identify future priorities for Council to focus on; and to assist in identifying service priorities for the community.

Overall satisfaction with Shellharbour City Council, its Councillors, and perceptions of value for money have continued to trend upward with all measures recording statically significant increases in average ratings.

Overall
satisfaction
with
Shellharbour
City Council

3.1 in 2017

3.5 in 2019

3.7 in 2021

Perceptions
of value for
money

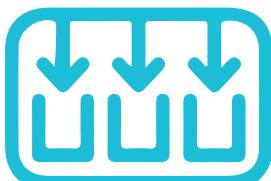
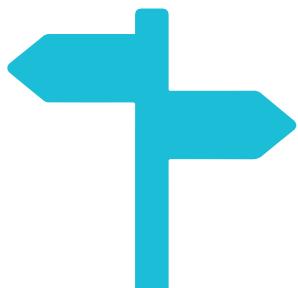
2.8 in 2017

3.1 in 2019

3.4 in 2021

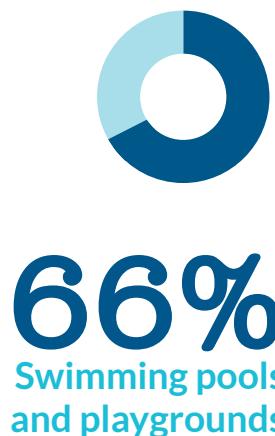
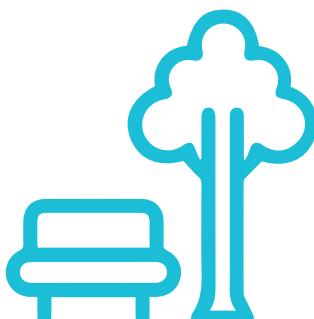
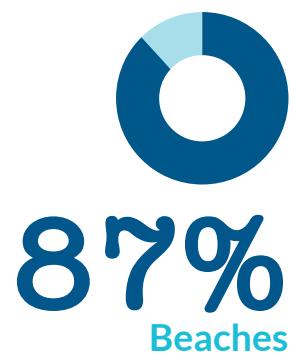
* A full copy of the 2021 Community Satisfaction Results is available on Council's web page

Top five Operational Facilities and Services most satisfied with*



*Percentages shown are those who indicated that they were satisfied with the facility or service

Top five Recreational facilities and services most satisfied with*



*Percentages shown are those who indicated that they were satisfied with the facility or service

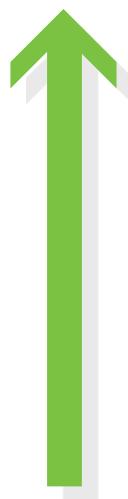
Appearance of
the Shellharbour
area

3.8 in 2016

3.8 in 2019

4.0 in 2021

A series of 30 Council services and facilities were presented to participants for rating on importance



Five most important facilities and services

- Parks, reserves and other open spaces
- Other community buildings
- Community/cultural events
- Traffic and parking
- Development and building approvals



Five facilities and services of lesser importance

- Health / hygiene of businesses
- Playgrounds
- Recycling
- Swimming pools
- Waste depot facilities

Council employees are highly professional

3.5 in 2017

3.6 in 2019

3.8 in 2021

Council makes an effort to understand community needs and expectations

2.8 in 2017

3.2 in 2019

3.4 in 2021

Council puts the community's needs first

2.5 in 2017

3.0 in 2019

3.2 in 2021

Community Indicators

In consultation with the community and staff, a number of community indicators and measures were developed to track our progress over time. Data provided in this report was sourced from within, as well as external to Council, and is based on information that is available as at 30 June 2021

1.1 | Our City is vibrant, safe, creative and inclusive

Measure - An increase in community members participating in community events, activities and organisations

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Satisfaction with community events and activities e.g. Carols, music events) (Community survey)	3.7	3.5	On track ▲	Influence

Measure - An improvement in the proportion of people who feel and are safe in our City.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Crime rates (BOCSAR data)		Below NSW rate	On track ▲	Influence
Homicide	Below NSW rate	No change in rate	On track ▲	Influence
Robbery	Below NSW rate	Increased	Not on track ▼	Influence
Sexual offences	Above NSW rate	Increased	Not on track ▼	Influence
Theft	Below NSW rate	Decreased	On track ▲	Influence
Malicious damage	Below NSW rate	Increased	Not on track ▼	Influence
Against justice procedures	Above NSW rate	Decreased	On track ▲	Influence
Disorderly conduct	Below NSW rate	Decreased	On track ▲	Influence
Drug Offences	Below NSW rate	Decreased	On track ▲	Influence

Measure - An increase in community members who are accessing and are satisfied with the range and quality of our community and cultural facilities.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Satisfaction with arts and creative initiatives (Community Survey)	N/A	3.3	No trend ■	Control
Satisfaction with libraries (Community Survey)	4	4.2	On track ▲	Control
Satisfaction with community centres and halls (Community Survey)	3.7	3.5	On track ▲	Control
Satisfaction with other public buildings (Community Survey)	3.4	3.5	On track ▲	Control

1.2 | Our City is active and healthy

Measure - An improvement in the proportion of people who are and feel healthy.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Prevalence of chronic disease *Diabetes mellitus *People with mental and behavioural health problems *Asthma *Chronic obstructive pulmonary disease *Arthritis (Social Atlas of Health)	Prevalence of chronic disease *Diabetes mellitus - 3,603 (6.9 ASR per 100) *People with mental and behavioural health problems - 8,528 (12.9 ASR per 100) *Asthma - 6,966 (10.5 ASR per 100) *Chronic obstructive pulmonary disease - 1,997 (3.0 ASR per 100) *Arthritis - 11,465 (17.1 ASR per 100)	Prevalence of chronic disease *Diabetes mellitus - 3,710 (5.0 ASR per 100) *People with mental and behavioural health problems - 16,123 (22.7 ASR per 100) *Asthma - 9,625 (13.5 ASR per 100) *Chronic obstructive pulmonary disease - 2,069 (2.8 ASR per 100) *Arthritis - 13,595 (18.4 ASR per 100)	Not on track ▼ Not on track ▼ Not on track ▼ Not on track ▼ Not on track ▼	Influence
Health risk factors *High or very high distress *High blood pressure *Overweight (not obese) *Obese *Current smokers *Consumed more than two alcoholic drinks per day (Social Atlas of Health)	Health risk factors *High or very high distress - 7,243 (14.1 ASR per 100) *High blood pressure - 12,676 (23.9 ASR per 100) *Overweight (not obese) - 17,037 (33.2 ASR per 100) *Obese - 17,118 (32.8 ASR per 100) *Current smokers - 10,914 (21.8 ASR per 100) *Consumed more than two alcoholic drinks per day - 8,964 (16.5 ASR per 100)	Health risk factors *High or very high distress - 7,857 (14.6 ASR per 100) *High blood pressure - 13,362 (23.9 ASR per 100) *Overweight (not obese) - 18,489 (34.3 ASR per 100) *Obese - 20,349 (37.2 ASR per 100) *Current smokers - 9,629 (18.1 ASR per 100) *Consumed more than two alcoholic drinks per day - 9,077 (16.8 ASR per 100)	Not on track ▼ Not on track ▼ Not on track ▼ Not on track ▼ On track ▲ Not on track ▼	Influence
Life expectancy at birth of: a. Males b. Females (Social Atlas of Health)	Males - 81.2 Females - 84.3	Males - 80.1 Females - 84.7	Males Not on track ▼ Females On track ▲	Influence
Percentage of people who have excellent, very good, or good self-rated health. (NSW Health data)	77.50%	76.2	Not on track ▼	Influence

Measure - Increased community participation in sporting and passive recreational opportunities.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Usage of services and facilities, including swimming pools and sportfields, including:				
Number of registered players	6,117	14,243	On track ▲	Control
Number of visits to pools	166,845	212,251	On track ▲	Control
Number of sports fields bookings	305	No data available	No trend ■	Control
Percentage of people undertaking adequate physical activity	41.60%	43.60%	On track ▲	Influence

Measure - An increase in community members who are accessing and are satisfied with the range and quality of our recreational facilities.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
90% of residential lots are within 400m walkable distance to an open space area.	94%	89%	Not on track ▼	Control

2.1 | Our City protects, promotes and enhances its natural environment

Measure - Improved standards of water quality for our creeks, waterways and oceans.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Suitability of the following beaches and lakes for swimming and other recreational activities.				Influence
North Shellharbour	Good	Good	On track ▲	Influence
Warilla	Good	Good	On track ▲	Influence
Lake Illawarra entrance	Good	Good	On track ▲	Influence
Average compliance across the LGA in relation to:				Influence
Bacteriological	82.50%	Data not available	No trend ■	Influence
Nutrient	69%	Data not available	No trend ■	Influence
Physiochemical	70%	Data not available	No trend ■	Influence
Number of pollution control devices	0	Data not available	No trend ■	Influence
Tonnes of waste collected	157.49 tonnes	Data not available	No trend ■	Influence

Measure - An increase in the number of residents who spend time caring for the natural environment.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Number of bushcare, landcare and parkcare groups/programs	8 groups 143 Working bees	8 groups 274 working bees	On track ▲	Influence
2. Number of volunteer hours in bushcare, landcare and parkcare programs	3,091	2,460	Not on track ▼	Influence

2.2 | Our City practices sustainable living

Measure - A reduction per capita of tonnes of waste to landfill.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. All kerbside waste material generated by households and collected by Shellharbour City Council.	183kg/person/ annum	1173kg/person/ annum	On track ▲	Influence
2. Kerbside recyclable waste generated by households and collected by Shellharbour City Council.	100kg/person/ annum	78kg/person/annum	On track ▲	Influence
3. Kerbside organics generated by households and collected by Shellharbour City Council.	168kg/person/ annum	157kg /person/ annum	On track ▲	Influence
4. Kerbside Resource Recovery Rate.	60%	57%	On track ▲	Influence
5. Satisfaction with waste depot facilities (Community Survey)	3.2	3.9	On track ▲	Control

2.3 | Our City is connected through places and spaces

Measure - Reduction on the dependence of vehicles within our City and promotion of sustainable transport options.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Percentage of people who used public transport to travel to work on Census day.	933 (3.1%)	No data available	No trend	Influence
2. Percentage of people who rode a bicycle or walked to work on Census day. (ABSCensus)	463 (1.6%)	No data available	No trend	Influence

Measure - An increase in community satisfaction with the quality of our community assets

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Satisfaction with general appearance of the Shellharbour City Council area (Community Survey)	3.28	4.0	On track ▲	Control
Satisfaction with community centres and halls (Community Survey)	3.7	3.55	Not on track ▼	Control
Satisfaction with libraries (Community Survey)	4	4.24	On track ▲	Control
Satisfaction with museum (Community Survey)	N/A	3.42	Not on track ▼	Control
Satisfaction with toilet facilities (Community Survey)	N/A	3.2	No trend	Control
Satisfaction with youth services (Community Survey)	3.9	3.37	No trend	Influence

3.1 | Our City plans, builds, and manages infrastructure for the community

Measure - An increase in utilisation and satisfaction of our assets and facilities.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Satisfaction with condition of local roads (excluding highways and main roads) (Community Survey)	3.0	3.4	On track ▲	Control
2. Satisfaction with condition of shared paths (Community Survey)	3.6 (cycleways)	3.5	On track ▲	Control

Measure - Maintain our asset renewal ratio

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Infrastructure renewal ratio	71.47%	100.01%	On track ▲	Control
2. Renewal Expenditure	\$24,634,000	\$13,853,021	On track ▲	Control

3.2 | Our City supports and increases employment and business opportunities within a strong local economy

Measure - An increase in the number of local businesses and jobs.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Number of businesses	3,068	3,549	On track ▲	Influence
2. Number of jobs and percentage of the region	18,509 (12.89%)	18,589 (12.93%)	On track ▲	Influence
3. Labour force participation rate	58%	No data available at this stage		
4. Output (\$ and % of the region) (Remplan)	\$4,818.358 million (11.21%)	\$5,207.248 million (11.09%)	On track ▲	Influence

3.3 | Our City welcomes, engages and attracts visitors

Measure - An increase in visitors to the City.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Visitor expenditure (Remplan)				
Domestic day expenditure	\$125	\$97	Not on track ▼	Influence
Domestic night expenditure	\$327	\$684	On track ▲	Influence
International expenditure	\$1,117	\$804	Not on track ▼	Influence

Measure - An increase of tourism enterprises that encourage people to stay and play in Shellharbour.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
Tourism output (Remplan)	\$105.828M	\$152.405M	On track ▲	Influence
2. Tourism jobs (Remplan)	602	889	On track ▲	Influence
3. Tourism value added (Remplan)	\$64.764M	\$76.4M	On track ▲	Influence

4.1 | Our City is led through collaboration

Measure - Increased confidence in our City's elected representatives.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Overall satisfaction with Councillors (Community Survey)	3.11	3.5	On track ▲	Control
2. Effective leadership of the area (Community Survey)	3	3.5	On track ▲	Control
3. Representing a broad range of community views fairly (Community Survey)	3.1	3.5	On track ▲	Control

Measure - Increased community participation in community engagement opportunities.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Number of visits to Shellharbour City Council's website	210847	372,482	On track ▲	Influence
2. Followers on Instagram	No data	3,245	On track ▲	Influence
3. Likes on Facebook	3079	15,500	On track ▲	Influence
	1,500 visitors to Have Your Say engagement platform	16,652 visitors to Let's Chat engagement platform	On track ▲	Influence
4. Community engagement in Council's online engagement platform				
5. Public participation at Council meetings	21	2	On track ▲	Influence

4.2 | Our City is supported by a council that is responsive, accountable and financially viable

Measure - Maintain compliance with the Office of Local Government guidelines and legislation.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Compliance with Department of Local Government's annual calendar.	100%	100%	On track ▲	Control
2. Financial ratios:				Control
a. Operating Performance Ratio	5.70%	14.24%	On track ▲	Control
b. Own Source Operating Revenue Ratio	80.50	66.74	On track ▲	Control
c. Unrestricted Current Ratio	2.65	1.75	On track ▲	Control
d. Debt Service Cover Ratio	17.46	11.94	On track ▲	Control
e. Rates, annual charges, interest and extra charges outstanding percentage	4.60%	5.24%	On track ▲	Control

Measure - Increase levels of customer satisfaction through the provision of accessible information.

COMMUNITY INDICATOR	BASELINE	PROGRESS	TREND	CONTROL
	2016/2017	2020/2021		
1. Information from Council staff was clear and easy to understand. (Community Survey)	3.6	4.21	On track ▲	Control
2. Information provided by Council staff regarding my enquiry was consistent. (Community Survey)	3.5	4.05	On track ▲	Control
3. Council staff dealt with my enquiry in a timely manner. (Community Survey)	3.5	3.96	On track ▲	Control



Enquiries and feedback should be made to:
The Chief Executive Officer
Shellharbour City Council
Dharawal Country
Locked Bag 155
Shellharbour City Centre NSW 2529

Telephone: (02) 4221 6111
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E-mail: council@shellharbour.nsw.gov.au

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