

COFFS HARBOUR CITY COUNCIL
2013/2014 ANNUAL REPORT
SECTION 1 - SUMMARY REPORT
EXECUTIVE SUMMARY



www.coffsharbour.nsw.gov.au



Helping to achieve the 2030 Community Vision

This **Executive Summary** provides a very brief overview of Coffs Harbour City Council's **2013/2014 Annual Report**.

The full Annual Report is tabled in three sections and can be accessed in the Corporate Planning and Reporting pages of Council's website:

www.coffsharbour.nsw.gov.au The Annual Report refers to the period 1 July 2013 to 30 June 2014.

Section 1 focuses on Council's implementation of its Delivery Program and Operational Plan – the plans that are wholly Council's responsibility under the NSW Integrated Planning and Reporting (IPR) Framework. This looks broadly at the effectiveness of Council activities in implementing the strategies and achieving the objectives of the *Coffs Harbour 2030* Community Strategic Plan. The Significant Achievements detailed in this Executive Summary follow the thematic structure of the 2030 Plan.

In a separate document, Section 2 of the Annual Report includes information that is prescribed by the Local Government (General) Regulation 2005. It is considered important for the community to have access to this information so it can better understand how Council has been performing both as a service provider and a community leader.

Also tabled separately, Section 3 of the Annual Report contains Council's annual financial statements, as required by the Local Government Act 1993 - Section 428 (4) (a). The Annual Financial Statements were adopted by Council on 13 November 2014.

Coffs Harbour is a major regional city on the Mid North Coast of New South Wales, about midway between Sydney and Brisbane.

With a population of approximately 73,000, the city encompasses a total area of 1,174 square kilometres of land stretching from Red Rock, south to Bundagen and west past Brooklana and Lowanna.

The traditional home of the Gumbaynggirr people, Coffs Harbour was opened up by European settlers in the second half of the nineteenth century.

The humble agricultural centre has since evolved into a vibrant, coastal city with an expanding economy based on tourism, retail, manufacturing and construction, government services, education and the health industry.

The region is renowned for its ecological diversity – half of the Local Government Area is dedicated as reserves, parks, National Parks and State Forest holdings – and is bounded offshore by the Solitary Islands Marine Park.



FOREWORD TO THE 2013/2014 ANNUAL REPORT




Councillor Denise Knight,
Mayor of Coffs Harbour




Steve McGrath,
General Manager

Looking back, 2013/2014 is likely to be remembered as a turning point for Coffs Harbour City Council. During the year, Council committed to a bold new strategy aimed at securing the organisation's financial and operational sustainability to ensure it can continue to serve the Coffs Harbour community.

For more than a decade Council has been struggling with a dwindling resource base: rate-pegging, government cost shifting and increased community expectations have all impacted on our ability to meet the city's needs. We are not an isolated case – the same pressures are being felt by every council in NSW – but it is up to us to find our own way forward.

Building on our Service Review (initiated in 2011), we had a focus in the first half of 2013/2014 on community engagement for a multi-faceted approach to establishing a sustainable future for the organisation. The community told us not to cut services, and accepted that it would have to share the cost – through a staged, 3-year Special Rate Variation – of addressing an annual \$6M gap in funding for the renewal of city infrastructure. The Independent Pricing and Regulatory Tribunal (IPART) decision to only approve the first year of the SRV (for 2014/2015) means Council has more work to do on that front.

At the same time, Council has initiated the Transformation to Sustainability (T2S) project, a comprehensive review of the entire organisation to address an annual underlying operational deficit of \$1.8M. The T2S program is unprecedented at Coffs Council. Its implementation will represent a 'step change': re-designing processes and restructuring the organisation to deliver improved outcomes for the community while maximising efficiencies, productivity, savings and revenue. The opportunities and challenges presented by T2S will be a major focus for Council in coming years.

All that aside, it is gratifying to be able to reflect on Council's many significant achievements, reflected in this 2013/2014 Annual Report. Highlights during this busy year included the launch of the Coffs Harbour Economic Strategy; a new passenger traffic record at our Regional Airport; the fiftieth birthday celebrations for the Coffs Harbour Library Service; the completion of construction works for the city's new Museum; and major community events such as the Multicultural Harmony Festival, Youth Week, and the Japanese Festival of Children's Day. Council's CityWorks division commenced construction of the new Pacific Highway/Cook Drive intersection; a \$310,000 upgrade of Beach Street in Woolgoolga was completed; significant progress was made on the construction of the new Skate Plaza in Brelsford Park; and work began on the \$1.44M first stage of the long-awaited Jetty4Shores Plan.

There is much to be proud of, and the Annual Report gives us a chance to take stock of all Council has achieved. Importantly, it also allows us to recognise the dedication and initiative of our elected Councillors, staff and volunteers in enabling our organisation to help Coffs Harbour grow as a wonderful place to call home.

ELECTED MEMBERS

**Mayor,
Councillor Denise Knight**



**Deputy Mayor,
Councillor Rodney Degens**



**Councillor
John Arkan**



**Councillor
Nan Cowling**



**Councillor
Garry Innes**



**Councillor
Bob Palmer**



**Councillor
Keith Rhoades**



**Councillor
Mark Sultana**



**Councillor
Sally Townley**

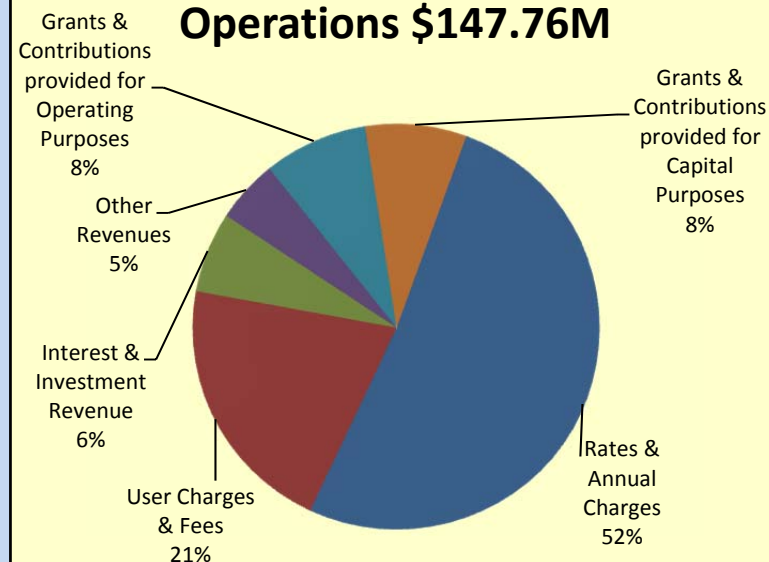


Income and Expenditure 2013/14

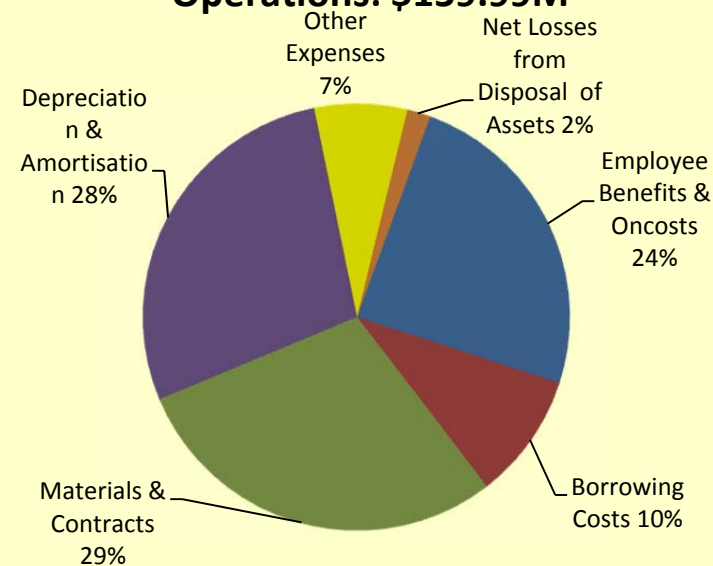
Coffs Harbour City Council – Income Statement for the financial year ended 30 June 2014				
Budget 2014 \$ '000	Income from Continuing Operations	Notes*	Actual 2014 \$ '000	Actual 2013 \$ '000
	Revenue:			
76,928	Rates & Annual Charges	3a	75,971	71,430
28,292	User Charges & Fees	3b	30,878	26,493
6,835	Interest & Investment Revenue	3c	9,449	15,419
4,873	Other Revenues	3d	7,386	7,365
14,209	Grants & Contributions provided for Operating Purposes	3e,f	12,198	17,388
17,061	Grants & Contributions provided for Capital Purposes	3e,f	11,878	11,143
148,198	Total Income from Continuing Operations		147,760	149,238
	Expenses from Continuing Operations			
28,353	Employee Benefits & On-Costs	4a	39,128	37,716
15,224	Borrowing Costs	4b	15,316	16,355
60,655	Materials & Contracts	4c	46,569	43,314
40,296	Depreciation & Amortisation	4d	44,941	45,479
5,980	Other Expenses	4e	11,203	10,781
0	Net Losses from the Disposal of Assets	5	2,830	2,419
150,508	Total Expenses from Continuing Operations		159,987	156,064
(2,310)	Operating Result from Continuing Operations		(12,227)	(6,826)
(2,310)	Net Operating Result for the Year		(12,227)	(6,826)
(2,310)	Net Operating Result attributable to Council		(12,227)	(6,826)
0	Net Operating Result attributable to Minority Interests		0	0
(19,371)	Net Operating Result for the year before Grants and Contributions provided for Capital Purposes		(24,105)	(17,969)

*See Annual Report Section 3 – Annual Financial Statements

Total Income from Continuing Operations \$147.76M



Total Expenditure from Continuing Operations: \$159.99M



Significant Achievements in 2013/2014

In March 2014, Council officially launched the Coffs Harbour Economic Strategy, founded on the principle of fostering growth through localisation and love of the city.



In 2013, the Coffs Coast Growers Market – a key Economic Development Unit strategy to help revitalize the City Centre - marked ten years of bringing local fresh produce to the Coffs Coast community.

The decision by Qantas to introduce direct jet flights from June 2014 between Melbourne and

Coffs Harbour was welcomed as a massive endorsement for the Airport and the city.

Through its marketing and logistic support roles, Council played a key part in ensuring the success of



the Coates Hire Rally Australia, staged on the Coffs Coast in September 2013.

Council initiated a \$1.25m facelift for its Castle Street car park; the program of structural repairs and the installation of lifts and top-floor shade structures is aimed at extending the life of the facility and to free up more parking spaces for shoppers.

Coffs Harbour Library celebrated its 50th birthday in May; activities included launching a new website called '50 Years, 50 Stories' to promote the library's history and its impact on the community.



In August 2013, Council announced Coffs Harbour International Stadium was to be rebranded as C.ex Coffs International Stadium, as part of a five-year naming rights deal with the C.ex Group. The venue hosted 54 major events in 2013/14, injecting an estimated \$6.8M into the local economy.

Fast Facts	2012/2013	2013/2014	Status
Tourism Visitors to the Coffs Coast region (National Visitor Survey Data)	1.7M	1.94M	↑
Tourism Annual impact of tourism on local economy	\$468M	\$540M	↑
Botanic Gardens Visitors (Target: 50,000 annually)	48,207*	75,240	↑

*Note: No March Quarter 2013 figure available

Significant Achievements in 2013/2014

Council established a new funding pool - the Community Capital Infrastructure Grants Program - to help local groups create new facilities and refurbish existing ones to benefit the whole community. In the first round, a total of \$100,000 was shared between six groups for a variety of capital projects ranging from fire sprinklers to shade sails.



Events facilitated by the Community Services team - including NAIDOC Week, the Ageing Well Expo, Youth Week, Seniors Week and the Multicultural Harmony Festival – helped to bring together diverse cultural groups and ages to engage, share and learn.

In December, Council established a new CityWorks business unit to pursue external contract work in the private sector, expected to generate millions of dollars for the city's coffers.

Coffs Harbour Regional Airport set a new traffic record, with 377,397 passengers using the facility during 2013/2014 (up from 356,126 the previous year). The completion of the Bureau of Meteorology relocation project was one of the features of an extensive program of airport works undertaken during the year.



For the second year in a row, Park Beach Holiday Park won a TripAdvisor® Certificate of Excellence award; the accolade is only given to establishments that consistently achieve outstanding traveller reviews on TripAdvisor's online network.

An intensive community engagement initiative was launched to support an ongoing strategy to secure the financial sustainability of Council. A heavily promoted online 'Budget Allocator' survey tool

found the community is happy with the services Council delivers and wants to see them maintained. Council agreed to pursue an in-house 'Transition to Sustainability' (T2S) program and to consult further with the community about possible rate rise options.

As part of the ongoing rejuvenation of the city



centre, Council joined with youth radio station CHYFM to stage the Summer Nights Music Festival. The events featured local bands in free live performances in Coffs Harbour's City Square on the first Saturday of the month during the summer period.

Civic Activities included the Australia Day celebrations, Civic Receptions for the Pittwater to Coffs Yacht Race and the Australia Red Cross Centenary, Japanese Festival of Children's Day, and Citizenship ceremonies for 277 people from over 25 countries.

The \$650,000 redevelopment of the Coffs Harbour Regional Museum – at the Old Court House in Harbour Drive – made significant progress during the period with the construction team handing over the site to Council in late June.

In a coup for Council’s Sports Unit, the Sydney Swans held a pre-season training camp in Coffs

Harbour in January at the C.ex Coffs International Stadium; the 3-day program featured an AFL Superclinic for young local players.

In May, Council adopted a public consultation strategy to find out the community perception of the need for a purpose-built performance space, central library and regional art gallery in Coffs

Harbour. The strategy also aims to establish a clear understanding by the community of the financial cost of building, maintaining and running such facilities, as well as how willing ratepayers are to contribute to the construction and ongoing operational costs.

Fast Facts	2012/2013	2013/2014	Status
Lifeguards: Participation of Yr4-10 students in the LGA in school beach safety programs. (Annual Target 2,000)	2,191	2,292	
Customer Service: Response against timeframes to Customer Requests in Electronic Content Management system (Target 100%)		98%	
Development Assessment: % Development Applications (DAs) processed within 40 days (Target 100%)	86%	77%	
Civil Contracting: Achieve a gross margin of 15% on all private works.		20.7%	
Environmental Laboratory: % profit relative to turnover (Target 20%)		22%	
Holiday Parks: Percentage Increase in parks revenue relative to previous financial year (target 5%)	8.3%	8.3%	
Cultural Facilities: Bunker Cartoon Gallery Visitors	6,231	5,422	
Cultural Facilities: Regional Art Gallery Visitors	11,147	13,238	
Cultural Facilities: Coffs Harbour Museum Visitors	Nil*	Nil*	
Cultural Facilities: Jetty Memorial Theatre Visitors	16,052	19,514	

*Museum under redevelopment on new site.

Significant Achievements in 2013/2014

A new Climate Change Policy was adopted in November 2013, outlining Council actions for coming years. Measures already adopted include capturing methane gas at the Englands Road landfill site, being the first Council in NSW to introduce energy-efficient street lighting across the local government area, carrying out energy-efficient upgrades to Council buildings and the installation of solar power and solar hot water at some of Council's facilities.



In June, Council invited residents to nominate specific local trees to be included in a proposed Significant Tree Register. The register is one of the tools outlined in Coffs Harbour's recently adopted Local Environmental Plan to help manage and protect significant trees in our local government area.

Council launched a new sustainability program called 'Living Lightly'. A partnership with the Coffs Regional Community Gardens, the monthly workshops help householders reduce environmental impacts through energy initiatives, reducing waste, local food production and increasing biodiversity in backyards.

There was joint recognition for Council, the Coffs Coast Regional Park Trust Board and the NSW



National Parks and Wildlife Service in August when the Solitary Islands Coastal Walk won the Gold Award for New Tourism Development at the 2013 Country Link North Coast Tourism Awards. The 60-kilometre walk from Sawtell to Red Rock was officially opened in November 2012.

A total of 18 local schools and childcare centres were awarded funding for environmental projects under Council's 2014 Green Schools Sustainability Grants Program. The scheme allocates grants of up to \$1,500 per school, with funding made available through Council's Environmental Levy.

In September Council joined a national scheme to help residents dispose of old TVs and computers in an environmentally responsible way through the Coffs Coast Resource Recovery Facility. The



National Television and Computer Recycling Scheme recovers valuable materials from obsolete hi-tech hardware and processes any residual waste, diverting a significant amount of material from landfill.

The Regional Botanic Garden again played host to hundreds of students from schools as far afield as Port Macquarie and the Clarence Valley with the staging of the eighth Australian Biota Study Day series featuring experts from Taronga Zoo and the Australian Museum. Coffs Harbour and Dubbo are the only venues for the Australian Biota Study Days program outside Sydney.

Council continued to deliver on key deliverables of the Coffs Harbour Biodiversity Action Strategy 2012 - 2030 including the adoption of the High Value Habitats of the Coffs Harbour LGA and the finalisation of the draft Coffs Harbour Corridors report and spatial consultation layer. Other key actions have been progressed through the Jaliigirr and Orara River Rehabilitation projects.

In May 2014, Council added its voice to opposition to a NSW Government proposal to allow commercial netting in some of Coffs Harbour's creeks. Council argues the proposal threatens the future of Boambee Creek, Newports Creek, Bonville Creek and Pine Creek as popular recreational waterways, important fish-breeding areas and vital habitats for many species including turtles.

Fast Facts	2012/2013	2013/2014	Status
Environmental Management: Council greenhouse gas emissions (<i>tonnes CO₂-e</i>). <i>Just over 70% of the measured emissions comes from electricity usage.</i>		20,542	
Health: % pollution incidents responded to within 2 days (Target: 100%). <i>Reduced staff numbers impacted on core function capacity.</i>	100%	79.5%	
Sewer: % of reclaimed water consumed against total treated.		23.32%	
Waste Services: Volume of waste to landfill (tonnes)	34,062.85	30,245.81	
Waste Services: Volume of material recovered (tonnes)	83,771.32	96,748.68	
Waste Services: Tonnage of park and street bin waste collected		499	
Waste Services: Tonnage of material recycled from park recycling bins.		66.7	

Significant Achievements in 2013/2014

A council campaign to reduce the accident rate on a notorious stretch of Coramba Road/Orara Way west of Coffs Harbour received a significant boost with the Federal Government announcing a \$402,000 road upgrade through its national Black Spot program.



Airport upgrade works progressed according to schedule. They included the commencement of the Airport Rescue and Firefighting project (operational by January 2015), the completion of the Runway and Terminal Upgrades, and final design work for the Eagle Copters development.

The ongoing pressure for transport infrastructure renewal was highlighted in May when Council had to impose weight limits on Powiks Bridge on Central Bucca Road and Kelletts Bridge on Island Loop Road

due to the deterioration in the condition of the two structures. Works programs were adjusted so the two bridges could be replaced by the end of 2014.

Work was initiated to substantially improve traffic flow along the Pacific Highway near the Cook Drive



and North Boambee Rd intersections, on the southern approach to the city. Funded by the NSW Government, the twelve-month, \$8.5 million upgrade was undertaken by Coffs Harbour City Council's CityWorks and NSW Roads and Maritime Services.

Council continued to promote initiatives to combat drink driving in the city. In August, a six-month trial was launched providing a free bus service to take party-goers home to the Northern Beaches on Saturday nights. The trial is modelled on Council's

successful Nightrider bus services that operate during the Christmas holiday season and on Coffs Cup raceday.

Major upgrade works to Beach Street in Woolgoolga were undertaken during the period.



The \$310,000 improvements included upgraded drainage, new kerb and guttering, road surface renewal and the construction of a shared pathway/cycleway on the south side of Beach Street.

As part of its ongoing focus on road safety Council sponsored a free workshop in March aimed at helping to keep motorcycle riders safe on Coffs Harbour roads. The program was made possible thanks to an NRMA Motoring and Services grant.

The promotion of cycling as a healthy and environmentally-friendly transport alternative continued with Council staging its annual 'On Ya Bike Day' at City Square on September 18. Annual local surveys indicate an increasing number of people are choosing to cycle as a means of getting around the city.

Completion of the Bridge Works program included the reconstruction of Secombs Bridge on the Dairyville Road, Upper Orara, and Davies Bridge on Upper Bobo Road Eastern Dorrigo; construction of the James Small Drive footbridge, Korora; replacement of the timber deck on the Bobo

Bridge, Lower Bobo Road, Eastern Dorrigo; and cathodic protection of Harry Jensen Bridge on Hogbin Drive, Coffs Harbour.

LOCAL ROADS 2013/2014 WORKS PROGRAMS

Local Roads Program (Various Locations*)	2013/2014 Budget (\$)	2013/2014 Actual (\$)
Moonee Beach Road Reconstruction	134,147	
Reseals	1,412,700	1,451,868
Road Resurfacing	154,500	149,782
Gravel Patching / Preparation for Reseal	154,500	175,195
Roads Rehabilitation	996,265	975,946
Unsealed Roads Gravel Resheeting	110,200	120,337
BRIDGE PROGRAM (Funded from 2008 Rate Variation)	822,371	806,967

Significant Achievements in 2013/2014

After intensive community consultation, Council applied to the Independent Pricing and Regulatory Tribunal (IPART) for a three-year, staged rate rise to meet a funding shortfall for infrastructure maintenance and renewal. IPART's decision to approve the rate rise for only 2014/2015 means Council will have to again review its level of services into the future.



Construction of the new Skate Plaza in Brelford Park progressed significantly, including the completion of a skate bowl to rival some of the best in the country. The Skate Plaza and Community Space development was on track to be officially opened by the end of July.

During the period, Council secured a \$1.9m grant from the NSW Government to assist with the construction of the Spagnolos Road flood detention basin as part of the city's ten-year Flood Mitigation Program. The detention basins work by capturing

the water runoff created during a storm event and then releasing it slowly into the watercourse so it reduces the impact of the deluge downstream.

The Woolgoolga Headland Viewing Platform was officially opened in July 2013. Identified as a priority project by the Coffs Coast Regional Park Trust Board, the deck features timber decorative posts with stainless steel cable and railings, decorative



concrete, a large seating area and extended viewing area, interpretive signage and links to the Solitary Islands Coastal Walk.

Years of work culminated on 27 September 2013 when the NSW Government gazetted Council's new Local Environmental Plan (LEP) – the planning document that outlines exactly how land can and can't be used in the entire Coffs Harbour local government area.

In September, Council completed the second stage of a \$249,000 makeover for the main access area to

Park Beach. Funded from developer contributions and a grant of \$165,833 given to Coffs Harbour Surf Club by the NSW Department of Sport and Recreation, the works improved emergency access and provided better access for visitors with disabilities, attractive landscaping, beach showers, statement seating and public art.

In August 2013 Council completed the construction



- on time and on budget - of a 75-metre long pipe bridge across Boambee Creek to carry sewer and reclaimed water pipelines between Sawtell and the Coffs Harbour Water Reclamation Plant.

In February, Council launched a comprehensive community engagement process to help develop the Woolgoolga Town Centre Masterplan. The ongoing consultation has included a Community Vision Night, a Business Confidence Survey and an interactive WoolgoolgaWow website to help locals have a strong say in the future of their town.

Council's Place Making and Events Program continued to support local community projects including Woolgoolga Curryfest, Emerald Beach Fair and Sawtell Chillifest.

Landscape and Urban Design resources targeted the continued development of Jetty4shore concept design plans and detail planning for Jetty4Shore Stage 1 works, the implementation of Brelsford Skate Plaza plans, Arrawarra and Diggers Beach

Reserve plans, and the City Square Design competition and Design Brief.

After extensive work, including a three-month community consultation process, the Jetty4Shores Concept Plan, implementation plan and preliminary budget estimates were adopted by Council in October 2013. Construction began in June on the \$1.44M first stage comprising carpark, walkway, lighting and landscaping improvements.

Construction commenced on new public amenities at Arrawarra Headland, for completion ahead of summer 2014/2015.

Council assisted in the development and enhancement of many community facilities during the year including an energy-efficient court lighting upgrade at Sportz Central, improved furnishings and new carpet at Bayldon Community Centre and improved signage at Woolgoolga Community Village.

Planning for Growth

The volume of development applications submitted to Council for determination in 2013/2014 increased by 9% compared to the previous year. The total value of applications also increased.

Development Applications (DAs) Submitted				
Type of Development	2012/2013		2013/2014	
	No.	Value (\$)	No.	Value (\$)
New Dwellings	217	62.8m	269	77.9m
Dwelling Alterations / Additions	326	15.1m	317	16.4m
New Multiple Occupancy	10	19.9m	14	22.9m
Swimming Pools	47	1.2m	56	1.5m
Commercial / Industrial / Retail	14	19.6m	17	26.7m
Commercial / Industrial / Retail Additions / Alteration	69	8.7m	42	3.6m
Other	278	25.1m	334	32.4m
Total	961	152.4m	1,049	181.4m

A number of significant development projects were submitted in 2013/2014. They included:

- Masters Home Hardware;
- Bunnings Home Hardware;
- Woolgoolga Tavern;
- The expansion of Coffs Central Shopping Centre; and
- A 230-lot Residential Subdivision, "The Elements" at South Coffs Harbour

These developments are expected to provide a positive stimulus to the local building sector during construction and longer term benefits to the community as a whole.