



PORT STEPHENS
COUNCIL

Six month progress report January to June 2021

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The Six month report January to June 2021 has been prepared in accordance with the requirements of Section 404(5) of the *Local Government Act 1993*:

"The general manager must ensure that regular progress reports are provided to the council reporting as to its progress with respect to the principal activities detailed in its delivery program. Progress reports must be provided at least every six months."

Acknowledgement

Port Stephens Council acknowledges the Worimi People as the traditional custodians of the land of Port Stephens. We also pay our respect to Aboriginal Elders past, present and future.

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General Manager's message

Dear Councillors,

Once again the past 6 months have been interesting times, with lockdowns in other states and closer to home in Greater Sydney. This has impacted our Local Government Area on a number of fronts.

It has been a very busy and productive period with:

- an exponential increase in the number of grants and projects coming online. Resulting in a greater than the normal number of capital works
- finalising the financial year end, with our figures showing that we've balanced our budget and made an underlying financial surplus
- nearing the Council term end, producing an end of term report on achievements in progressing the communities priorities in the Community Strategic Plan
- a March storm event which caused significant infrastructure damage across our region
- significant place activation underway including the Medowie Makeover and Public Domain Plan prepared for Raymond Terrace
- development applications being determined within a net median turnaround time of 26 days
- and much more.



Wayne Wallis

Wayne Wallis, General Manager

Principal Activities

Key Priorities update

The following key priorities were nominated for investigation and progression over the Delivery Program period – 2018 to 2021. Over the past 6 months, we have investigated funding sources to resource these initiatives and infrastructure projects, with the progress achieved for the 6 months outlined below.

Accessible Port Stephens

Council has been working on the review of the Disability Inclusion Action Plan (DIAP), which will be incorporated into a Community Wellbeing Plan. Over the last 6 months we have:

- held internal workshops with key stakeholders
- attended various events as part of the targeted engagement requirements of DIAPs
- held workshops with service providers, carers and people living with a disability
- ran a 'Wheelchair Challenge' where staff spent a day in a wheelchair
- began drafting the Wellbeing Plan.

Council has also continued to make our communication channels user-friendly for all by writing in plain English, making our website and social media content accessible, and creating easy-read summaries for complex documents.



Williamstown Special Activation Precinct (SAP) (DAREZ)

The Williamstown Special Activation Precinct (SAP) was declared on 28 May 2020. Community consultation on the SAP began in December 2020 with a series of drop-in sessions at the Williamstown Community Hall. Council staff also briefed the SAP team and their consultants during a site visit. Council will continue to work with the State government as part of the SAP process to enable a defence and aerospace precinct at Williamstown.

In April a four-day Enquiry by Design (EBD) workshop was held with all the agencies and consultants involved in the SAP. This EBD aimed to define and test development scenarios and identify the opportunities and constraints.

At present, the SAP team are working on refining the draft structure plan (which outlines the sub-precincts and land uses) and draft technical reports which will inform the draft Masterplan for exhibition. This is likely to be exhibited later in September 2021.

Birubi Information Centre

Detailed design and construction drawings are well underway with tender documents for construction commencement on track for later in 2021.

The NSW Government has confirmed \$4.4m in the 2022 budget for this project.

A funding request has been made to the Federal Government to contribute to any funding shortfall if tenders for construction differ markedly from quantity survey estimates.

Council is in discussions with the Worimi Conservation Lands Board of Management and Worimi Local Aboriginal Land Council and National Parks to determine the use, management and funding agreements for the site once operational.

Once complete The Birubi Information Centre will provide an improved visitor experience and help ease congestion on Birubi headland.

Coastal Management Program

Port Stephens Council is currently working on a coastal management program (CMP), which identifies risks to the coast and sets a long-term strategy for managing these risks into the future.

In January 2020, Council received the initial expert report for stage 2 of the Coastal Management Program (CMP). The report includes detailed studies to assess coastal erosion, coastal inundation and sand dune transgression until 2120. As of June 2021, Council had received the final draft.

In the last 6 months, Council has undertaken community engagement for this plan at events such as Pizza for the Planet, the Hunter Surf Club board meeting, and the Stockton Community Liaison Group.

Council has begun preparations for Stage 3 and Stage 4 of the CMP including a work plan and a grant application with the DPIE Coast and Estuary grants team.

Stage 3 of the coastal management program is scheduled to begin later in 2021.

Cycleways, footpaths and beautification

The shared path along Waropara Road, Medowie was completed in late 2020.

Construction of the shared path alongside Medowie Road, Medowie has commenced, with completion anticipated July / August 2021. Shoal Bay Foreshore pathways are also under construction as part of the broader Shoal Bay Foreshore upgrade, with completion expected August / September 2021.

Planning is complete with construction anticipated to commence for paths alongside Nelson Bay Road through Fern Bay in August 2021, on Lemon Tree Passage Road missing link from Mallabula to Lemon Tree Passage in July 2021, and on the Avenue of the Allies in Tanilba Bay in July 2021.

Events



Picture – Nations of Origin

With the easing of COVID-19 restrictions Port Stephens welcomed a large number of events including the Peter Wilson Memorial Championships, WSL Port Stephens Pro QS 1,000 - 2021 (Men's & Women's), Spartan Port Stephens, Port Stephens Triathlon, Fingal Bay Twilight Markets, NSW Veterans Golf Matchplay Championships, Port Stephens Surf Festival, Sail Port Stephens, NSW Rugby U13, 14's and 15's Country Championships providing an estimated economic benefit of more than \$5.9 million to the local economy.

Sail Port Stephens returned to Port Stephens after being cancelled in 2020 due to COVID-19. This event contributing a \$1 million boost to the Port Stephens economy.

Funding investigations

From 2018 to 2019, as part of the Operational Plan, Council endorsed the investigation of other funding options for a range of major projects.

We will continue to seek a broader range of State and Federal Government grants. This can be challenging, as grant program priorities do not often match those of local projects. We keep Council informed through regular reporting of the status of grant applications.

Council continues to optimise its investment returns.

Gateway, location and town signage

Stage 1 of the gateway signage program was completed before June 2019 with no activity undertaken in the past 6 months.

Future stages of the signage program will look at each suburb as funding becomes available.

Key road projects

Council has a plan to deliver a number of key capital works projects. Over the past 6 months, the following has been achieved on these key projects:

- Church Street, Nelson Bay — Council has completed reconstructing the road pavement along the full length of Church Street to improve the ride quality and pavement strength, as well as improve the drainage and pedestrian accessibility.
- Fingal Bay Link Road (estimated cost is \$188 million) — The State Government has committed to providing funding for this project. Transport NSW will lead the planning and delivery and is currently undertaking project due diligence, reviewing options and consultation.
- Tanilba Road, Mallabula — Council has plans to reconstruct Tanilba Road from Bay Street to The Parkway Ave North including pavement widening, kerb and gutter construction and drainage upgrades. Construction is scheduled for the 2021 to 2022 financial year.

- Tomaree Road, Shoal Bay — Council is continuing with the full reconstruction of Tomaree Road between Marine Drive and Verona Road. This is to include pavement widening, kerb and gutter and footpath construction and drainage upgrades, utilising Council funding as well as Road to Recovery funds. Construction of stages 1 and 2 from Rigney Street to Verona Road is already complete. Council plans to complete stage 3 from Marine Drive to Rigney Street when funding is available.
- Duns Creek Road – Council will begin to undertake road safety improvements on Duns Creek Road including sealing of sections thanks to Federal Blackspot funding supplementing Council’s PS2020 funds. Works will include widening, sealing, addition of guardrail and correction of super elevation on curves. Planning has commenced, with environmental considerations progressing. The design is anticipated to be complete by mid-2021, with major roadworks planned for the 2021 to 2022 financial year.
- Swan Bay Road - Council completed an additional 1.1km stage of widening and sealing Swan Bay Road towards Morten Road including safety improvements to culverts along Swan Bay Road. Council is also progressing with the sealing of the unsealed end of Swan Bay Road with acquisitions and service relocations to allow for future roadworks.

Koala Sanctuary

The Koala Sanctuary has been trading now for 9 months and has been very well received with over 15,000-day visitors welcomed in the period January to June 2021 with over 3,700 guests nights booked across the range of accommodation options on offer. All our visitors seem to enjoy the peace and serenity that is unique to Port Stephens Koala Sanctuary. Our Net Promoter Score, derived from guest feedback for the past 6 months was 76.42% which is an outstanding result and recognised as world-class. COVID 19 travel restrictions have undoubtedly impacted operations during this time with no international or educational markets realised however the Sanctuary has reached budgeted income targets for its first year of operation thanks to interstate and intrastate guests. The NSW Government’s Dine and Discover program rolled out in March has also been a great initiative to bring day visitors to the Sanctuary, so far over 4000 visitors have used their vouchers to visit and enjoy the sanctuary.

Medowie Sport and Community Facility

Construction of the facility finished in February 2020 but Council’s initial search for an operator was hindered by COVID-19. At the end of 2020 after a competitive expression of interest process, a suitable local operator signed a lease, with Medowie Social opening at the end of January 2021.

Medowie Social provides:

- function, events and meeting spaces for use by the Port Stephens community and beyond
- a fenced children's playground and outdoor seating
- a synthetic lawn bowls green to facilitate regular club use and weekend social use
- a restaurant, bar and live music venue.

Off-leash dog parks

Council has completed the construction of a fenced off-leash dog exercise area in Boomerang Park, Raymond Terrace. This follows the install of another fenced off-leash dog exercise area at Lancaster Park, Soldiers Point. These facilities supplement existing fenced off-leash areas at Coachwood Reserve, Medowie and the Fingal Bay foreshore park. Council has recently completed a review of the dog exercise area mapping for Fisherman's Bay, Boat Harbour and Anna Bay areas.

Placemaking

Place Plans collate all of the community values (Place Score) and actions relevant to individual places. They will provide a place filter over Council's strategies and documents, and provide clarity to residents, businesses, landowners and other community members on the direction for their place. These plans will deliver placemaking opportunities that will be delivered by Council and the community.

Each plan will include actions that are to be delivered over the next 3-5 years and support a community approach to the delivery of place outcomes.



Over the last 6 months, we have prepared draft Place Plans for Karuah, Shoal Bay, Medowie, and Anna Bay. Consultation and engagement for these place plans will continue over the next 6 months.

Port Stephens Council depot development

Planning continues for the construction of the new Depot at Kangaroo St, Raymond Terrace. Council has received 50% of the design plans and associated cost estimates. Construction is scheduled to commence December 2021 / January 2022 subject to contractor availability and all works programmed to be completed by mid-2023.

Strategic Planning Statement and Local Housing Strategy

The Local Strategic Planning Statement (LSPS) and Local Housing Strategy (Live Port Stephens) were adopted in July 2020. Implementation of these key planning documents has commenced by investing in a liveability index and amending the Port Stephens Development Control Plan to improve development assessment processes and reduce the cost of new housing.

Williamstown Management area

Department of Defence has prepared a project plan to manage ongoing PFAS contamination remediation.

Council is continuing to monitor the implementation of the Department of Defence PFAS contamination remediation program and will continue to liaise with relevant agencies, community groups and residents as appropriate.

In June Council resolved to continue the rate reduction for properties in the Williamstown Management Area for the 2021 to 2022 financial year. A special sub-category of rates applies a discount of 50% for residents in the primary zone, 25% in the secondary zone and 10% in the broader zone. Refer to our Operational Plan 2021 to 2022 on Council's website for more.

Delivery Program Objectives update

As with all businesses that have faced challenges during the COVID-19 pandemic we have remain committed to delivering services to our community in the best possible way while remaining flexible and agile if and when any challenges are thrown our way.

We have adapted, revised and re-baseline our work programs, diverting resources and planned projects to respond where necessary to the evolving circumstances.

Our progress made in the past six months to June 2021 reflects this approach.

In this report, we use the icons below to indicate the status of our Operational Plan actions, which form part of the Delivery Program 2018-2021.



ON TRACK (Operational Plan Actions on track to achieve target)



MONITOR (Operational Plan Actions within 5% of the target)



OFF TRACK (Operational Plan Actions >5% off the target)

Our Community

Port Stephens is a thriving and strong community respecting diversity and heritage

C1 Community diversity



We have continued to:

- provide facilities and services for children
- provide support for young people to build their confidence and contribution to the community
- encourage Port Stephens to be inclusive and access friendly
- support needs of an ageing population
- support volunteers to deliver appropriate community services

Key outcomes include:

- **Childcare Services** - continuing to provide quality childcare services to our community, with Grahamstown OOSH externally assessed and meeting National Quality Standards. The numbers of children attending our programs, in general, have returned to pre-COVID levels.
 - Childcare Customer Satisfaction rating of 92.7%.
 - 80,218 childcare positions filled for the year
 - 42 Family Day Care registered Educators
- **Youth support** - actively engaging youth through review of the Youth Advisory Program and prospectus, during Youth Week on discussions to protect our planet, and being recognised as a finalist in the Local Government Awards for the Live at the Alley project.



- **Wellbeing Strategy** – continuing work on developing a Wellbeing Strategy which incorporates Council's Disability Inclusion Action Plan and planning for the needs of an ageing population.
- **Port Stephens Seniors Festival** – holding the annual festival in April, providing several activities to engage seniors across Port Stephens.
- **Volunteer support** – recognising and acknowledging the key role that volunteers play in our community during National Volunteer Week - *'Recognise. Reconnect. Reimagine.'* Helping to keep our parks, reserves and cemeteries pristine, improve our natural bush areas and keep our local centres up and running. Our volunteers give their time and energy to make Port Stephens a better place — without them, many of our services and programs couldn't exist.



Key challenges include:

- Childcare – recruiting, retaining and filling shifts has been an ongoing issue along with ensuring that venues meet all the requirements of Childcare regulations and Council Health inspections.
- Engagement - during COVID restrictions, engagement had been challenging to carry out.
- Volunteer activity – has been limited due to COVID restrictions and declining volunteer involvement. The absence of a Volunteer Coordinator has reduced some support to the program.

C2 Recognised traditions and lifestyles



We have continued to:

- recognise and support local Aboriginal and Torres Strait Islander people
- support and promote local cultural activities
- recognise and support the heritage of Port Stephens
- provide public libraries as vibrant community spaces

Key outcomes include:



- **Aboriginal and Torres Strait Islander support** – continuing project planning for the rollout of the Gathang language project and NAIDOC week in July.
- **Local cultural support** – managing artists for the Terrace Reflections and William Street shade structure projects in conjunction with planning the Yacaaba Art Walk.
- **Heritage support** - being provided through valued external advisory services for 6 Development Applications, 10 Council projects and 4 customer requests. The heritage character and values of King Street Raymond Terrace have been recognised in the Raymond Terrace Public Domain Plan (PDP) and Streetscape Design Guidelines adopted by Council in February 2021.
- **Library services** – being involved in:
 - ✚ Library & Information Week
 - ✚ School Holiday programs (resuming face to face)
 - ✚ Tomaree Library Mural (by artist Jordan Lucky)
 - ✚ Mobile Library promotional video
 - ✚ Seed Library launch (for sustainable practices)
 - ✚ Cooperative Library Agreement development with Newcastle and Dungog

Key challenges include:

- Aboriginal support – with changes to the Local Area Land Council leadership, relationship building is essential.
- Library services - the March rain event affected both Raymond Terrace and Tomaree branches, with some of the collection lost and damage to the carpet.

C3 Community partnerships



We have continued to:

- assist community service providers to effectively deliver services in the region
- support local community events that highlight and foster the creative and diverse nature of our community
- provide recreational and leisure services
- support financially creative and active communities

Key outcomes include:

- **Community Services support** – continuing work on the Targeted Early Intervention program, Community directory updates, development of a Seniors Atlas, planning for Interagency training sessions along with preparations for NAIDOC week.
- **Leisure and Recreational contract services**
 - managing leases and licenses for our aquatic centres, surf lifeguards and other operators within agreed service levels
 - attendance increasing by almost 29% at our aquatic centres and 44% at our beaches from 2020 to 2021, with the lifting of COVID-19 State Government and public health order restrictions
 - Royal Life Audits at Tilligerry, Tomaree Aquatic Centre and Lakeside Leisure Centre being undertaken
 - Lakeside Leisure Centre renovations kicking off from Monday 28 June with a new café, entry area and more spaces to relax
 - Commencing the reassignment process of the commercial lease at Fingal Surf Club for Salt Water restaurant and Longboat Café back to council.



Attendance	January to June 2020	January to May 2021
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Aquatic Centres	52,151	67,060
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	January to June 2020	January to April 2021
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Beach Visitation (PSC patrolled beaches)	368,424	528,731
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Beach Safety Statistics (Birubi, Fingal and One Mile Beach January to April 2021):

- ✚ 68,343 preventative actions were undertaken
- ✚ 34 rescues performed
- ✚ 240 first aid treatments
- ✚ 854 law enforcement actions
- ✚ 37,921 cases of info/advice to the public

- **Community financial assistance** – 3 incredible women being awarded International Women’s Day Scholarships. \$55,157 in Mayoral funds and \$21,110 in Ward funds being donated over the period.



Key challenges include:

- **Leisure and Recreational contract services** - reduction in the number of ‘Learn to Swim’ teachers in the region, meeting visitor expectations whilst pools are closed for facility upgrades and ongoing management of public behaviour across beaches with lifeguards and volunteers lifesavers keeping people safe.

Our Place

Port Stephens is a liveable place supporting local economic growth

P1 Strong economy, vibrant local businesses, active investment

We have continued to:



- support sustainable business development in Port Stephens
- support and deliver services that attract sustainable visitation to Port Stephens.

Key outcomes include:

- **Business Support** – undertaking a Business Health Check Survey which will inform the current review of the Economic Development & Tourism Strategy. Operation of the Business Concierge Service has been important in reaching out to new, growing and relocating businesses, connecting them with information, making introductions and making their experience of doing business in Port Stephens easier.
- **Community Funding Program** - delivering the program across 5 targeted funding streams, with 101 applications, 51 recipients and a total of \$187,700 distributed across the community for 2020-2021. This new-look funding program has resulted in greater strategic alignment, with a more diverse range of funding streams tailored to the varying needs of the community.



Pictured: Artist Jordan Lucky working on public art in Nelson Bay

- **Place activation**

- delivering the Summer Fund program for Shoal Bay, funded by the NSW Government Festival of Place over March/April. Activities included music and street performances, roving entertainment and foreshore lighting.
- Launching “Its On” in Nelson Bay, on 24 June, with activities including live acoustic music, markets, kid’s activities and public art.

- **Events** - due to COVID-19 restrictions easing early on in the period and a large influx of events that were postponed in 2020, council received 54 event applications, 68 private ceremony applications and 19 film over the past 6 months. Refer to page 5 for more on Events.

- **Visitation** - following the impacts of the 2020 Covid lockdown, domestic visitation remained high. Commissions received from tour and accommodation revenue increasing by 10.5 % (based on 2019 data).

Destination Port Stephens provided a Council briefing outlining plans for the upcoming year and strategies to grow the visitor economy outside of traditional tourism areas.

Key challenges include:

- Business community uncertainty – with COVID continuing to impact operations.
- Event uncertainty – with COVID 19 impacting planning for events. The easing of restrictions earlier in the period saw an increase in applications demanding shorter timeframe assessment. However, new restrictions in June saw one of our largest events for 2021, Nations of Origin, being postponed.
- Changes to accommodation bookings - with Port Stephens being declared a natural disaster zone in March/April, and more recent changes to the public health order we have seen an increase in tour and accommodation amendments, cancellations, refunds and general enquiries.

P2 Infrastructure and facilities




We have continued to:

- plan civil and community infrastructure to support the community
- build Council's civil and community infrastructure to support the community
- maintain Council's civil and community infrastructure to support the community
- deliver road infrastructure services on behalf of Roads and Maritime Services.

Key outcomes include:

- **Infrastructure planning and renewal**
 - Grant opportunities for local and regional roads such as Fixing Local Roads round 1 and 2, Local Roads and Community Infrastructure phase 1 and 2, Roads to Recovery, Clarence Town Road have contributed to an increase in road infrastructure upgrades – refer to Service Delivery from page 36
 - delivering the Smart Parking Project - 65 meters, 950+ sensors, 7 digital signs, 3 apps, and parking enforcement vehicles
 - responding and recovery from the March storm
 - working on drainage improvement works in Nelson Bay, Anna Bay Floodplain Risk Management Study and Lower Hunter Floodplain Cumulative Development Impact Study
 - processing 94 Flood Certificate requests and 46 Development Application referrals within the targeted timeframes
 - Processing 140 development applications that required development engineering assessments. 88% were assessed within the targeted timeframe.
- **Council fleet** – completing our Fleet Health check and Chain of Responsibility internal audit report. The Check provided encouraging results with some recommended improvements to the system and the audit only including actions already on our road map to be completed. The capital purchasing plan was not completely fulfilled due to a purchasing pause and difficulty with supply chains during COVID.
- **Traffic engineering and road safety** – delivering Road Safety Projects and convening the monthly Local Traffic Committee meetings.
- **Community and recreation**
 - updating Council's Asset Management System through inspections for Sports Facilities and Electrical Periodic Certification program for priority assets

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- progressing the comprehensive review of Council's Plans of Management, the draft Place Space Strategy and the Community Infrastructure Sponsorship Policy
 - conducting our asset inspection program
 - delivering several key projects – refer to Service Delivery from page 36.
 - **Capital works program** – delivering our capital works program (from survey and design to construction) as outlined in Service Delivery from page 36. While we implemented financial austerity measures as a result of COVID, government infrastructure stimulus funding has also increased demand for the team. Given the 'stimulus' nature of the funding, many grants required projects to be fast-tracked, with the team remaining flexible and responsive to these requests and supplementing resourcing from internally seconded staff as well as externally sourced contractors.
 - **Road maintenance** - fixing potholes and heavy patching in line with service standards throughout January to March due to dry weather conditions, however following the March storm, our crew have been doing their best to maintain the number of potholes on major roads due to the continuing wet weather. This has meant that the smaller back streets have not been given the services they require in line with service standards and some high priority projects haven't been completed.
 - **Roadside and drainage maintenance** – throughout January to March our crews were heavily involved in delivering capital works projects, however, following the March storm, the team have been heavily involved in repairing drains, washouts and continuing complete capital works projects.
 - **Open space, foreshore and building maintenance** – continuing, with high priority defects being fixed however the number of lower priority defects are growing.
 - **Cemetery maintenance** – continuing maintenance of our 7 cemeteries.
 - **Maintaining RMS roads** - completing required RMCC quality documentation, including a successful review by independent audit and receiving a 'good' satisfaction score in the Transport for NSW annual survey.

Challenges:

- High profile projects - project management, delivery and communication is key to successful delivery.
- Staff shortages and grant stimulus funding - have put pressure on existing resources and meeting capital works timelines.

- RMS night works – significant night works requiring contractor supervision has been impacting our staff work/life balance.
- COVID – impacting full potential of road safety projects.
- March storm – put significant pressure on staff and infrastructure as they worked night and day responding and investigating the many drainage and flooding related enquiries. 98 storm damage assessments completed. This also hampered our service standards for mowing of parks and reserves due to the ground retaining water and therefore unable to mow.



P3 Thriving and safe place to live



We have continued to:

- provide land use plan, tools and advice that sustainably support the community
- enhance public safety, health and liveability through the use of Council's regulatory controls and services
- support the amenity and identity of Port Stephens
- support emergency services and protect Council assets from bushfires and extreme weather events.


Key outcomes include:

- Key planning progress – including:
 - endorsement of the Raymond Terrace Public Domain Plan by the Council in February 2021.
 - receiving an award from LGNSW Professionals for the 'Revamping Rezoning' project which has streamlined and accelerated our processes.
 - resolving long-standing rezonings to qualify Council for \$3 million in grant funding from the State government's Public Spaces Legacy Fund.
 - commencing place planning for local centres to respond to community values gathered in the Liveability survey (Place Score).
- **Development assessments** - consistently being under the targeted 40-day turnaround, determining 542 development applications, reducing the 100-day list to 25 and approving 133 construction certificates.
- **Environmental Health services** – including completing:
 - food shop surveillance, with 252 primary inspections and 27 re-inspections completed over the period, with 89% satisfactory at primary inspection. Regulatory action resulted in 14 warning letters, 9 improvement notices and 18 penalty notices.
 - inspections of On-site Sewage Management Systems, resulting in 710 primary inspections, with a 98% satisfactory result. The number of wastewater systems with major non-compliances remains very low.
 - skin penetration surveillance of premises, with 35 inspections conducted and overall compliance very good, at above 90%.
- **Land use compliance and ranger services** - including:
 - continuing to respond to alleged unauthorised land use, construction or other works in accordance with the Compliance Policy
 - 2 new temporary Rangers joining the team to assist with the bulky waste and illegal waste dumping program and parking enforcement

- an increase in the number of matters that were court elected
- rangers targeting campaigns for unlawful signage, compliance with disabled parking and promotion of school zone parking and safety
- Council now removing approximately 70% of all waste reported, with the remainder being managed by the offender or property owner.



- **Supporting amenity and identity** – including:
 - adoption of the Raymond Terrace Public Domain Plan which was a regional award winner from the Australian Institute of Landscape Architects
 - Medowie 7 Day Makeover held in May 2021 set a new record for the most volunteers in a single day and the highest number of sponsors of any town
 - receiving a \$3 million grant from the NSW Government's Public Spaces Legacy Fund which will be used to upgrade the Raymond Terrace town centre, create a new town square at Lemon Tree Passage, and shared paths along the foreshore at Lemon Tree Passage and Nelson Bay.
- **Emergency support** – including:
 - maintaining all Council Emergency Service assets within agreed levels and maintaining the RFS and SES facilities to the required standard
 - maintaining Asset Protection Zones and Fire Trails quarterly in accordance with the Lower Hunter Bushfire Risk Management Plan and Council's contract

- 
- reviewing the Emergency Management Plan which is scheduled for completion in August. The Plan was enacted during the March storm with a review of the Port Stephens Evacuation Centres completed and to be implemented in the plan update.
 - **New dashboard** to help manage disaster risk in Port Stephens - A new online disaster dashboard will provide real-time information to help the Port Stephens community be aware of, prepare for and respond to local emergencies. The disaster dashboard will be a key source of information for the community.

Having the right information straight from the source is so important. This dashboard provides our community with localised emergency updates, preparedness advice and seasonal awareness of potential risks. The Port Stephens community has experienced many emergencies — from floods, fires and storms to COVID-19. We know the impact these emergencies can have and how important it is to be prepared.

Key challenges include:

- Funding arrangements between State Government organisations and Council are proving problematic in managing the expectations of Emergency Service Volunteers and the levels of service they require in the Emergency Service Facilities.
- Community knowledge and expectations of APZ's continue to be a challenge.
- The Port Stephens LEMC is still awaiting an update of the Recovery template which in the past has been provided by Resilience NSW.
- Staff shortages - resourcing illegal dumping investigations remains a challenge, with the team ensuring that regulatory responsibilities were maintained during the period.

Our Environment

Port Stephens' environment is clean, green, protected and enhanced

E1 Ecosystem Function



We have continued to:

- protect and enhance the local natural environment
- re-educate the community about the natural environment

Key outcomes include:

- **Environmental policies and strategies** - continuing to develop and monitor several environmental policies, strategies and information including:
 - Biodiversity Offset Policy and the Natural Resources technical specifications
 - Sustainability Strategy and Action Plan
 - review of the guidelines and templates for flora and fauna
 - Biodiversity Development Assessment Report (BDAR) guidelines document
 - review of technical information for customers for the Biodiversity Conservation Act and the Biodiversity Offsets Scheme
 - reviewing the process of tree permits and tree self-certifications to make it simpler and easier
 - reviewing technical information about our street trees to enable us to effectively select trees that are appropriate to the areas being developed.
- **Nature conservation and environmental assessment programs:** - completing:
 - trees planted - 4087
 - tree permit applications - 84 assessed
 - tree notifications - 43 assessed
 - environmental assessments – 149 pre-lodgement assessed, 68 DAs assessed
 - 76.1 ha across 190 sites of environmental significance was regenerated and restored with the help of 957 volunteers
 - biosecurity compliance inspections - 573 sites for priority weeds. 22 compliance and enforcement actions. 311 sites treated to control priority weeds.

- **Environmental education** - continuing to:
 - raise awareness about protecting the natural environment through programs such as 'No Space for Weeds' campaign. Localising the campaign to Port Stephens with assistance from the NSW Department of Primary Industries, conducting 415 stakeholders face to face sessions.
 - complete the 2020-2021 Weeds Treatment and Inspection Program – doubling the numbers through our Business Excellence approach.



Pictured: Sticky nightshade is a new invasive species spotted in the west of Port Stephens.

Key challenges include:

- Resource constraints - restricting our ability to provide adequate investment for natural area management as well as delivery of workshops and education programs.

E2 Environmental Sustainability



We have continued to:

- reduce the community's environmental footprint

Key outcomes include:

- **Waste services**
 - 1999 tonnes of waste collected
 - 450 tonnes of recycling collected
 - 130 tonnes of green waste collected at green waste drop off days¹
 - promoting our local campaign - *Don't be a Tosser*.



- **Improving Council energy usage** - by sourcing funds to introduce an energy reduction program that will increase the solar panel portfolio and energy-saving lighting. Council adopted the program as part of the Community Strategic Plan in June 2021 and will implement it in the 2021-2022 financial year.

Key challenges include:

- Waste tonnage high - an increase in single-use items during COVID and damage from the storm event in March 2021.

¹ as at May 2021

E3 Environmental resilience



We have continued to:

- encourage community resilience to coastal hazards
- encourage community resilience to detrimental impacts from the environment
- encourage community resilience to the impacts of climate change.

Key outcomes include:

- **Coastal Management Program** - work continuing, refer to Key Priorities section of this report.
- **Supporting PFAS affected communities** – continuing to monitor the Department of Defence’s remediation plan and providing rate relief to ratepayers within the PFAS impacted area. Refer Key Priorities section of this report.
- **Monitoring decommissioned land-fill sites** - as per EPA compliance and responsible land use.
- **Climate Change Action** – Council endorsing the Climate Change Policy and requesting discussion on climate change with the community as part of the CSP review.

Our Council

Port Stephens Council leads, manages and delivers valued community services in a responsible way

L1 Governance



We have continued to:

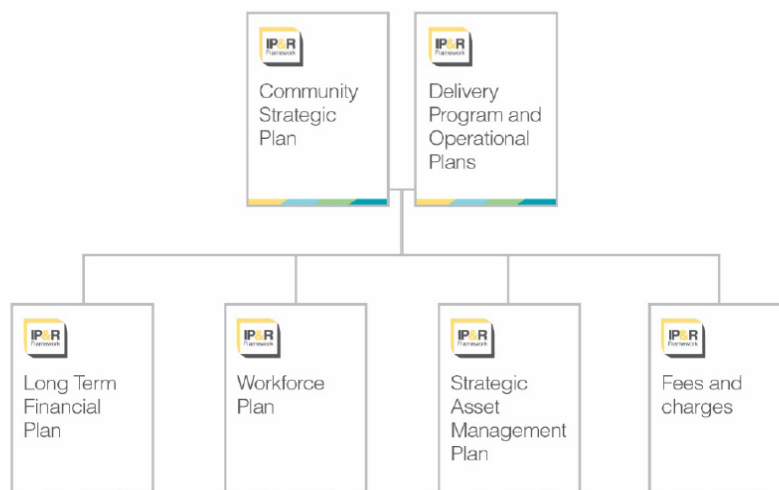
- develop and encourage the capabilities and aspirations of a contemporary workforce
- provide strong civic leadership and government relations
- provide a strong ethical governance structure
- provide strong supportive business systems for Council's operations
- reduce risk across Council.

Key outcomes include:

- **Human Resources program** – continuing work on :
 - improving Cornerstone (Human Resource Information System), our approach to learning and development and rolling out initiatives to support psychological health.
 - successfully negotiating the 2021-2025 Enterprise Agreement.
- **Civic leadership** – continuing delivery of:
 - support to Council and the executive team on time and budget
 - citizenship ceremonies.
- **Newcastle airport partnership:**
 - with the Mayor and General Manager participating on the Board of NAPL and GNAPL (jointly owned by PSC and NCC) meeting on a bi-monthly basis.
 - operations are now getting back on track with the resumption of more normal travel patterns. However, COVID interruptions are likely to continue for some time. The Prime Minister recently announced funding of \$66M to enable programmed RAAF runway works to be extended to meet Code E (wide-bodied) plane standards.
 - planning is now underway to expand the airport terminal, runway aprons, car parking and ground transport infrastructure to accommodate international Code E travel - works are estimated at \$80M. We are advocating to the State Government for grant funding to assist with the Code E air travel opportunities to the region.
 - recognising completion of construction and official opening of Stage 1 of the Astra Aerolab aerospace business park by the Deputy Premier in December

2020. Considerable effort is being undertaken to attract suitable tenants to the business park.

- **Working with Hunter Councils** - continuing:
 - bi-monthly meetings by the Mayor with the Hunter Joint Organisation of Councils to address relevant issues of regional significance, including consideration of the Hunter 2050 Foundation.
 - monthly meetings of the General Manager for Arrow Collaborative Services Ltd and Hunter Councils Legal Services Ltd, subsidiary companies owned by Hunter Councils. Arrow Collaborative Services Ltd (formerly Strategic Services Australia Ltd) is undergoing a significant transformation program and has adopted a master business plan which will see the implementation of strategies to leverage the growth of its existing business and expand business investment opportunities to the benefit of shareholder members. Adopted new branding and marketing collateral as 'Arrow'.
- **Governance and Legal Services** – completing:
 - Governance Health Check score - 98.24%
 - 456 requests to access information, with only 32 formal applications required
 - 274 legal pieces of advice provided across the organisation
 - adopting the 2020-2021 Internal Audit Plan
- **Internal audit program** - 6 internal audits and 2 compliance audits completed and 14 actions identified.
- **2021 Community satisfaction survey** - the annual survey was carried out in May/June with a record 2,200 responses received. At the time of writing this report, the results have not been analysed as resources have been focused on legislative reporting to the outgoing Council. The results will be available in the coming months.
- **Integrated planning and reporting** – continuing with:
 - adoption of our annual Integrated Planning and Reporting (IPR) documents (Delivery Program, Operational Plan, Workforce Plan, Long Term Financial Plan and Strategic Asset Management Plan) and Fees and Charges for 2021 to 2022.
 - Six Month reporting to Council on progress made on the Delivery Program 2018-2021 (December 2020 and June 2021)
 - End of Term 2017 to 2021 reporting to the outgoing Council on 27 July
 - a work program to review the Community Strategic Plan 2022 to 2032 including consideration of Liveability Index data.



- **Service Reviews** – completing a record number of service reviews and mini check-in surveys resulting in increased benefits and reduced costs.
- **Corporate Improvement and Business Systems** – completing a new Corporate Systems and Data Management Strategy.
- **Integrated Risk Management** - completing the first phase of our Risk Development Program, initiating a multi-year program to mature the capacity and capability of intelligent risk management at Council. This extensive program has examined a number of key aspects of the risk management framework, including processes, systems, documentation and risk language. This approach is extending existing risk management practices to further integrate effective risk management in support of Council’s Community Strategic Plan. Refer to Risk Management under the Scorecard section of this report.

Key challenges include:

- HR - providing proactive preventative measures to combat increasing workers compensation issues.
- Newcastle Airport - COVID has had a severe impact on the airport operations and NAPL was not able to provide its usual dividend to shareholders in 2020 - 2021.
- Information and Privacy - keeping abreast of the legislative changes affecting local government.
- IPR - collating end of financial year data for the outgoing Council in a compressed timeframe when official figures have not been finalised.
- Business Systems – cybersecurity continues to be a challenge.

L2 Financial Management



We continue to:

- maintain strong financial sustainability
- maximise non-rate revenue and investment to support Council services.

Key outcomes include:

- **Financial management** – achieving a projected underlying surplus despite earlier predictions of a deficit, which is a testament to the skills, attitude and aptitude of every staff member of Council.
- **Property Management** – continuing with:
 - leasing a number of long term vacancies at significant commercial properties in Raymond Terrace and Newcastle.
 - completion of the final sale in Stage 1 of the Salamander Bay commercial land project. Development consents have been obtained for 2 long running 1 into 4 lot subdivision projects as well as one 1 into 2 lot subdivision. From those projects 2 lots have been sold, 4 are currently being marketed and the final 4 will be listed next financial year. 1 surplus site has been sold and contract preparation is underway on 3 other sites.
- **Holiday Parks** - with:
 - average occupancies across the Holiday Parks increasing by 9.69% from 45.19% in 2019 to 54.88% in 2021 (closed in 2020).
 - 156,723 guest nights booked (an increase of 9,265 since 2019).
 - strong performance reaching record income goals and increased visitation. With this came extra demands on staff and holiday park infrastructure, however, guests continued to be pleased with their choice to stay at the Port Stephens Holiday Parks with overall Net Promoter Scores (NPS) remaining high during this period at an average of 67.29%.
 - Koala Sanctuary achieving over 14,641 day visitors and 3,720 overnight guests with a NPS of 76.42%.
 - COVID restrictions impacting operations with no international or educational markets realised, however with the NSW Government Dine and Discover program over 4000 visitors have used their vouchers to visit and enjoy the Sanctuary.



Key challenges include:

- Financial management - the last 6 months have presented challenges with budget constraints and ongoing COVID related issues. Despite costs increasing in certain areas such as insurance and worker's compensation, we have delivered financial sustainability and maintained the budget.
- Leasing – ongoing works to fill vacancies in commercial buildings under current market conditions.

L3 Communication and engagement



We have continued to:

- promote a customer-first organisation
- provide information in a range of accessible formats
- strengthen Council's reputation
- provide a voice for the community.

Key outcomes include:

- **Customer First** – with:
 - the Customer First Action Plan underway
 - 28,424 calls received by the team
 - 200 calls being diverted from the Customer Relations Team direct to SUEZ to answer waste enquiries.
- **Council communication** – continuing with:
 - improving internal communication - providing Operational Updates to communicate changes to the way we do things here at PSC including 'working from home' and ensuring we're providing our employees with accurate, timely, relevant and engaging communications.
 - providing external communications – which has been in heavy demand over the period with some large annual campaigns such as the Community and Library Satisfaction surveys, Business Health Check, Volunteers Week and providing critical and up to date information during the March rain event.
 - Social media - focusing on prioritising publicity via our owned channels and allowing for two way conversation and more immediate access to information. The March rain event saw huge growth, being praised by our fellow emergency response agencies for our approach to clear, timely communication via Facebook.
 - Website - redevelopment of the website and the digital services improvement program. 519,372 page views and 165,063 users.
- **Community engagement** – continuing with Place Planning, Raymond Terrace William Street works, Raymond Terrace Levee path communications, Anna Bay Dog off leash review.



Key challenges include:

- Smart Parking - a high number of calls resulting from people registering.
- March rain event - proved to be a challenging time with approximately 1000 more calls received and heavy demand on communications compared to the previous month. Power outages and issues with the phone system have proved to be challenging during this period.
- Communications – balancing the consistent ratio of planned and reactive communications. Working closely with our key internal customers to ensure we're getting across key issues early.

Scorecard

Our seven key result measures underpin everything we do at Port Stephens Council:



Service Delivery

Target > 95% Integrated Plans delivered on time
Achievement: 97.6% of Operational Plan Actions on track



Community Satisfaction

Target > 80% Community Satisfaction
Achievement: 80% (Source: 2020 Community Satisfaction Survey)
2021 Community Satisfaction Survey results not available.



Employee Engagement

Target > 70% Employee Engagement
Achievement: 81% (Source: 2020 Employee Engagement Survey)



Governance

Target > 95% Governance Health Check
Achievement: 98.24% (as of June 2021)



Risk Management

Target > 80% Risk Management Maturity
Achievement: 86% (As of October 2020)



Financial sustainability

Target > underlying financial surplus
Achievement: \$316,000 (As of March 2021 QBR)



Infrastructure Backlog

Target: Reduction in the backlog
Achievement: \$13.83 m (As of June 2020)
2020-2021 financial statements not finalised.



On track (target achieved or on track to be achieved)



Monitor (<5% off the target)



Off-track (>5% off the target)

We successfully balance these key metrics by:

- ensuring that we're delivering on what we say we're going to do
- ensuring our community is satisfied with the level of service
- ensuring our assets are maintained in an acceptable standard
- being financially sustainable
- having the right practices and governance in place
- having an appropriate risk maturity and
- having engaged employees



Image: Key result measures

1. Service delivery

From January to June 2021, we made the following progress on the 2020-2021 Operational Plan actions which contribute to the achievement of Delivery Program objectives:

- 97.6% (85 actions) on track

The following tables are a summary of individual road, community and recreation projects that were completed and are in progress as of 30 June 2021. It is not an exhaustive list of all Capital Works projects carried out during this period.

Roads and Drainage projects completed	Expenditure 1 January to 30 June 2021
Clarencetown Rd Seg 10, Woodville	\$217,624
Grahamstown Rd, Medowie	\$732,288
Warren St / Bus Interchange, Seaham	\$797,072
Masonite Rd, Tomago	\$43,404
Seaham Rd Seg 10, Nelsons Plains	\$435,597
TOTAL	\$2,225,985

Roads & Drainage projects in construction	Expenditure 1 January to 30 June 2021
Clarencetown Rd Riverflat, Seaham	\$1,464,031
Medowie Rd, Medowie Shared Path	\$595,862
Lemon Tree Passage Rd, Salt Ash (near Michael Dr)	\$610,833
Soldiers Point Rd, Salamander Bay	\$135,991
Port Stephens Dr, Anna Bay	\$121,564
TOTAL	\$2,928,281

Roads & Drainage projects in planning	Expenditure 1 January to 30 June 2021
Fern Bay Shared Pathway (PS2020)	\$2,880
Raymond Terrace Levee Bank Shared Path (PS2020)	\$5,298
William St, Raymond Terrace – Town Centre Improvements (PS2020)	\$14,972
Foreshore Drive, Salamander Bay	\$357,237
Kula Rd, Medowie	\$42,434
Gan Gan Rd, Anna Bay at Campbell Ave – Town Centre	\$56,202
Tanilba Bay Shared Path – Ave of Allies (PS2020)	\$62,009
Lemon Tree Passage Rd Missing Link Shared Path (PS2020)	\$5,197
Duns Creek Rd Nth Wallaby Cl, Duns Creek	\$45,463
Clarencetown Rd Seg 270, Glen Oak	\$44,536
Clarencetown Rd Seg 130, Seaham	\$47,858
Warren St Seg 130, Seaham	\$43,055
Newline Rd Seg 290-300, East Seaham	\$57,612
TOTAL	\$784,753
Community & Recreational and Structures projects completed	Expenditure 1 January to 30 June 2021
Shoal Bay West Amenities	\$126,777
Barry Park, Fingal Bay shelter replacement	\$8,564
Soldiers Point Revetment	\$291,221
Mallabula Hall, Flooring coverings & lighting upgrade	\$22,447
Tilligerry Arts Group, Replace roof coverings	\$32,144
Medowie Tennis Amenities	\$12,016
Peace Park, Tanilba Bay	\$2,569
Williamtown Hall, Switchboard and lighting	\$1,200
Longworth Park Amenities, Karuah	\$144,393
TOTAL	\$641,331



Pictured: Construction of new revetment rock wall at Soldiers Point



Pictured: New amenities at Shoal Bay

Community & Recreational and Structures projects in construction	Expenditure 1 January to 30 June 2021
Shoal Bay Pathway	\$142,159
Nelson Bay Tennis Club, Fencing & Retaining Wall	\$206,414
Tomaree Sports Complex Amenities	\$96,044
Nelson Bay CBD Improvements including Shoal Bay Parklets	\$76,414
TOTAL	\$521,031

Community & Recreational and Structures projects in planning	Expenditure 1 January to 30 June 2021
Robinson Reserve Playground	\$6,842
George Reserve Salamander Bay, Amenities	\$247
Little Beach Boat Ramp, Nelson Bay	\$32,632
Mallabula Sports Complex Playground Replacement	\$26,977
Mallabula Sports Complex Tennis Expansion	\$32,850
Tilligerry Skatepark	\$2,638
Henderson Park Lemon Tree Passage, Shade Sail	\$1,380
Boyd Oval Amenities, Medowie	\$68,839
Birubi Information Centre	\$31,479
Stuart Park Amenities, Hinton	\$26,404
Raymond Terrace Depot	\$180,770
TOTAL	\$411,058

2. Community satisfaction

We conducted our annual Community Satisfaction Survey in May/June 2021. The results from this satisfaction survey were not finalised at the time of drafting this report.

We achieved an overall satisfaction score of 80% in the 2020 Community Satisfaction Survey. This score meets the yearly target of 80% and was 4 percentage points higher than our 2019 score. A detailed report is available on the Council's website.

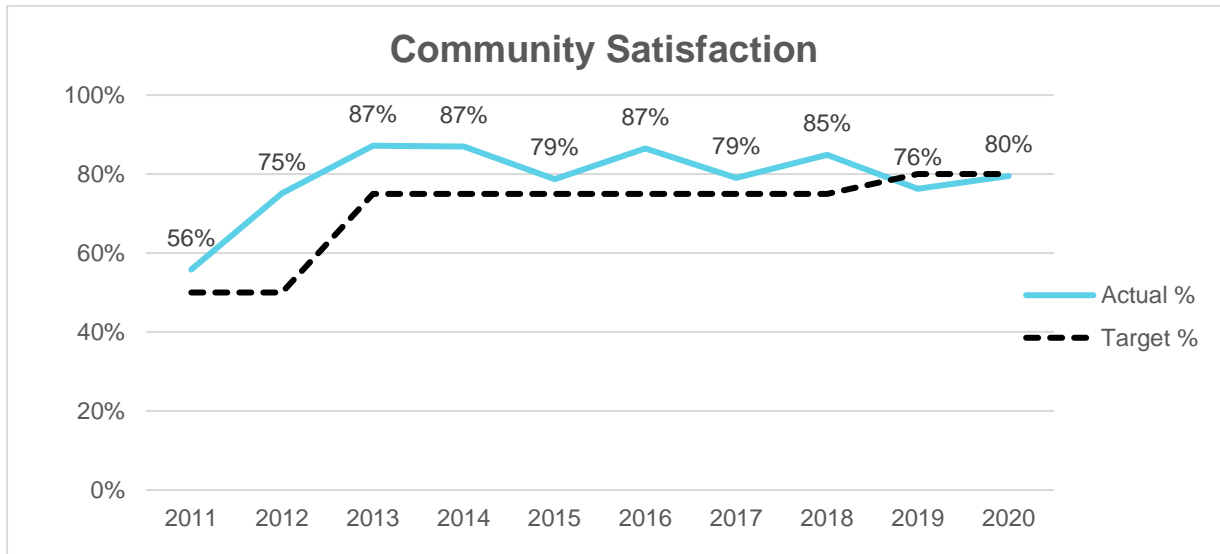


Figure: Community Satisfaction

3. Employee engagement

We conducted our annual Employee Engagement Survey in October 2020, resulting in our highest ever 81% engagement score.

For the second year in a row, we exceeded our ambitious target of 70%, which continues to place us in the top quartile of organisations in Australia and New Zealand. We continue to score significantly above the average Local Government score of 54%.

During the past 6 months, we have implemented a robust plan with key stakeholders to further improve and sustain effective strategies with short- and long-term milestones. The success of this program to date was confirmed in our recent Employee Check-In Survey, conducted in May 2021, which returned another engagement score of 81%.

There have been several improvements in all key areas, which we focussed on during the year and new issues identified which will form part of our focus areas for the next 6 month period.

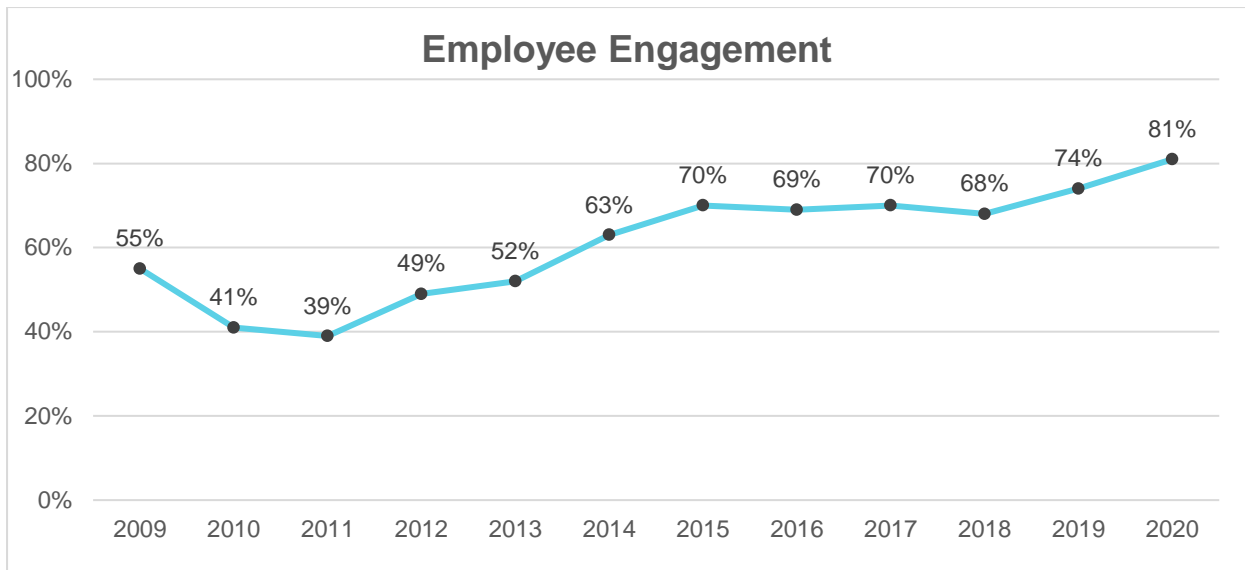


Figure: Employee Engagement

4. Governance

The annual Governance Health Check was completed in June 2021, with a score of 98.24% achieved. This result exceeds the target of >95%.

Council develops and monitors its governance through a range of initiatives and actions, such as policy development, legislative compliance, internal audit program and workplace practices.

The Governance Health Check is a tool to measure our governance and performance. It covers 4 areas – ethics, risk management, information management and reporting. The graph below demonstrates our progress in achieving our Governance Health Check scores from 2015 to 2021.

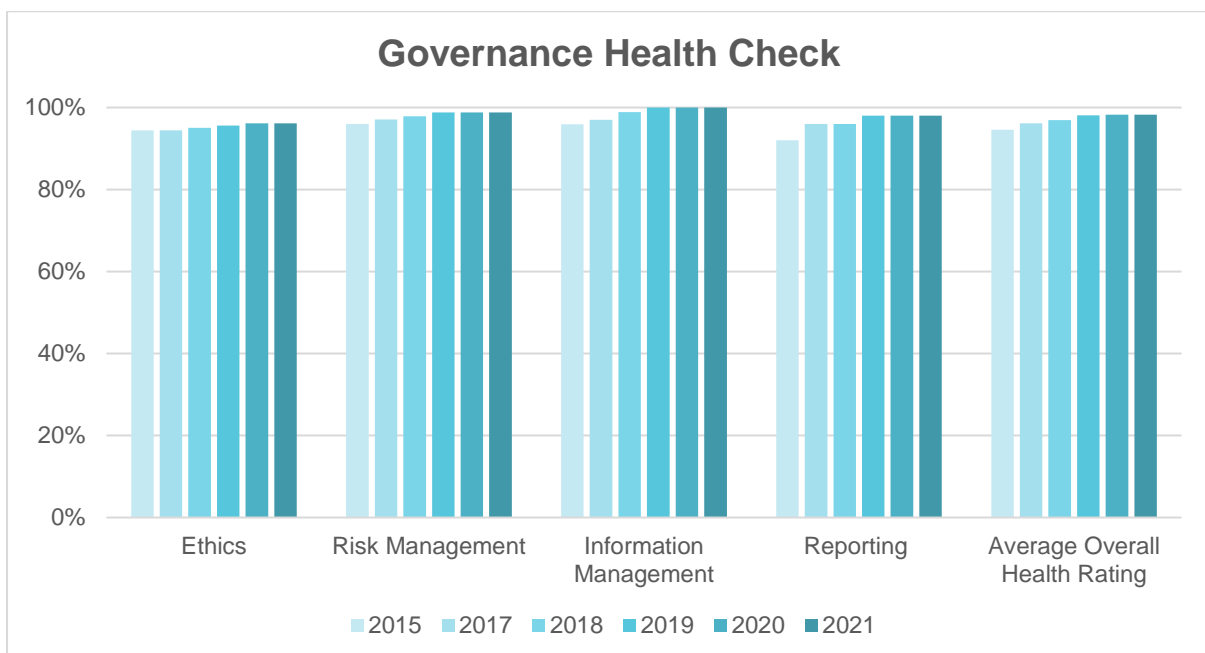


Figure: Graph Governance Health Check

5. Risk management

Council has updated the Risk Management Framework (RMF), which includes the risk management policy, appetite statement and plan. Key risk management practices have been reviewed and aligned to the revised RMF.

A new risk management technology system has been deployed to better support Council to identify and assess risks, capturing all relevant risk data in a single source for better risk decision making.

Council continues to support the safety and wellbeing of its workforce.

During the last 6 months Council has undertaken the following key health and safety outputs:

- 104 Ergonomic assessments
- 7 Workplace inspections
- 25 Safety compliance audits
- 767 Safety observations

Council continues to support its workforce wellbeing by facilitating over 110 worker hearing tests, over 140 workers to obtain the influenza vaccine, and over 60 workers to participate in respiratory testing.

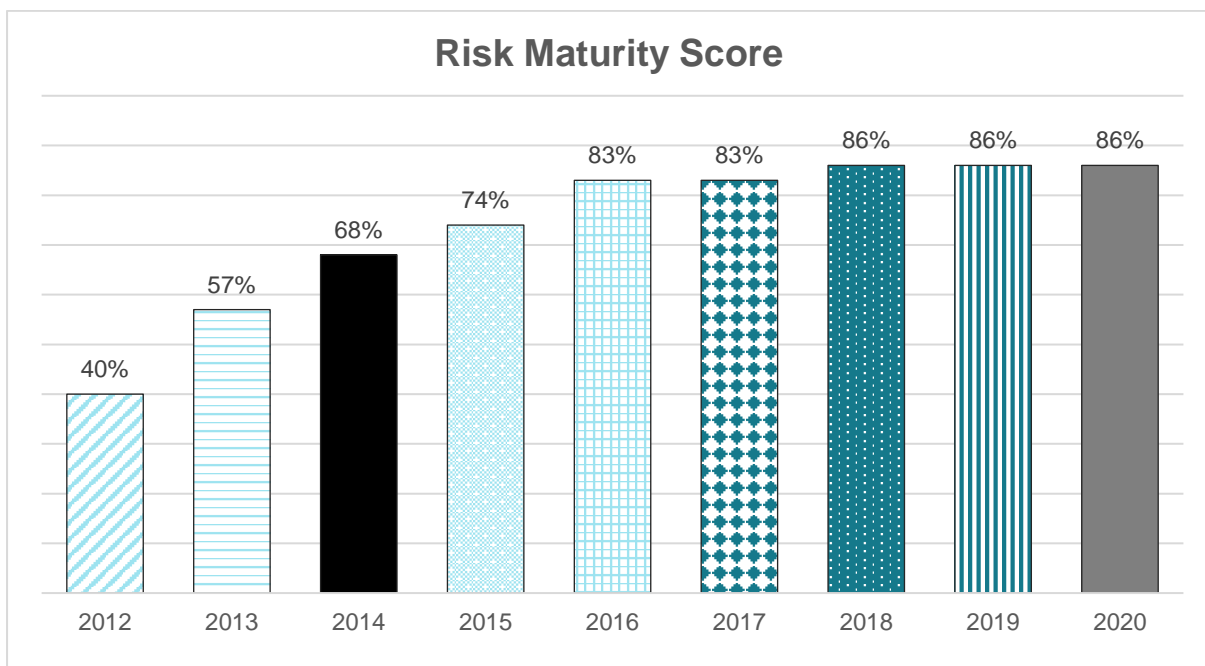


Figure: Graph Risk Maturity Score

6. Financial sustainability

Up to 2020, our Council has consistently delivered a modest 1% surplus — in part due to our diverse non-rate revenue streams.

As outlined in our Annual Report 2019-2020, COVID-19 significantly impacted almost every facet of our operations, however through careful cashflow management and reprioritising spending we achieved a small underlying surplus as at the March 2021 Quarterly Budget Review*.

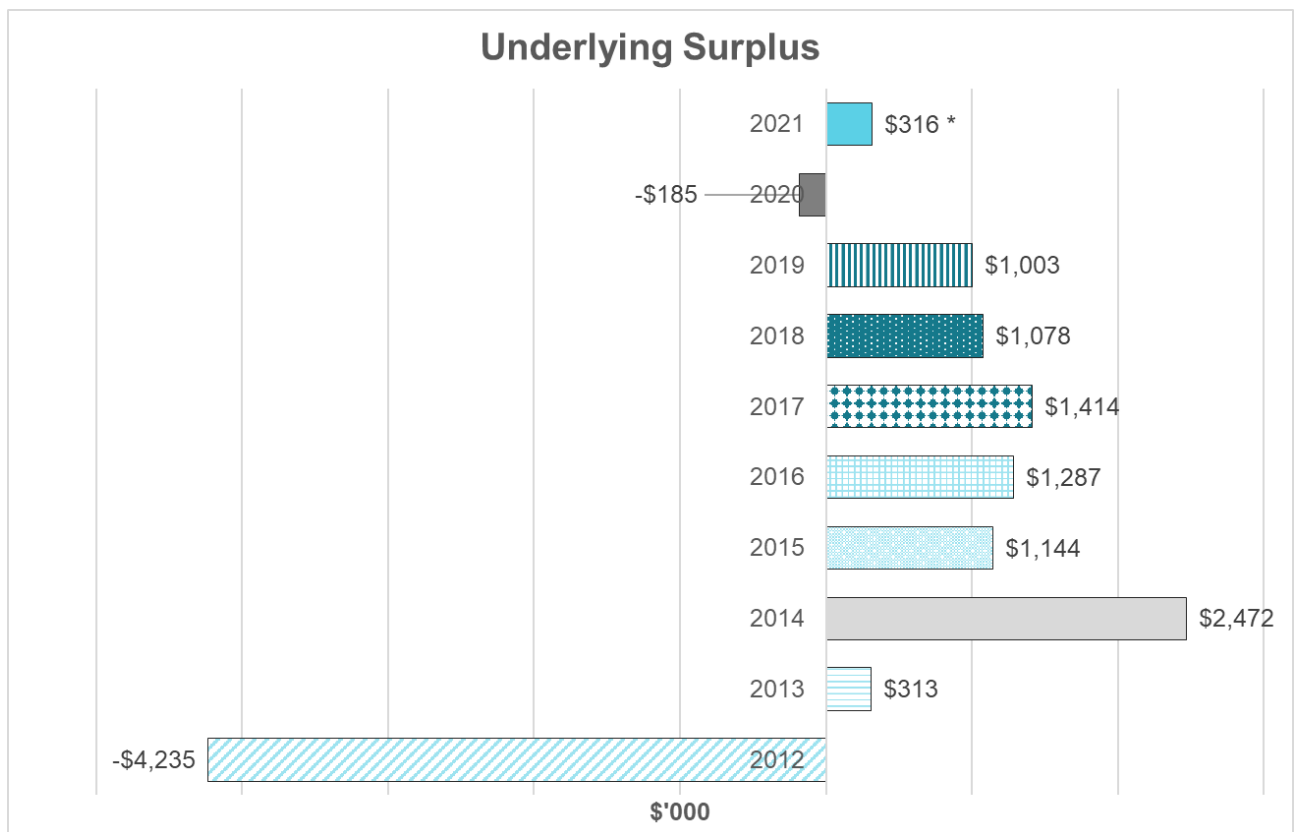


Figure: Graph Underlying Surplus

7. Infrastructure backlog

The infrastructure backlog is reported on an annual basis in the Annual Report, with results for 2020 to 2021 not available at the time of writing this report.

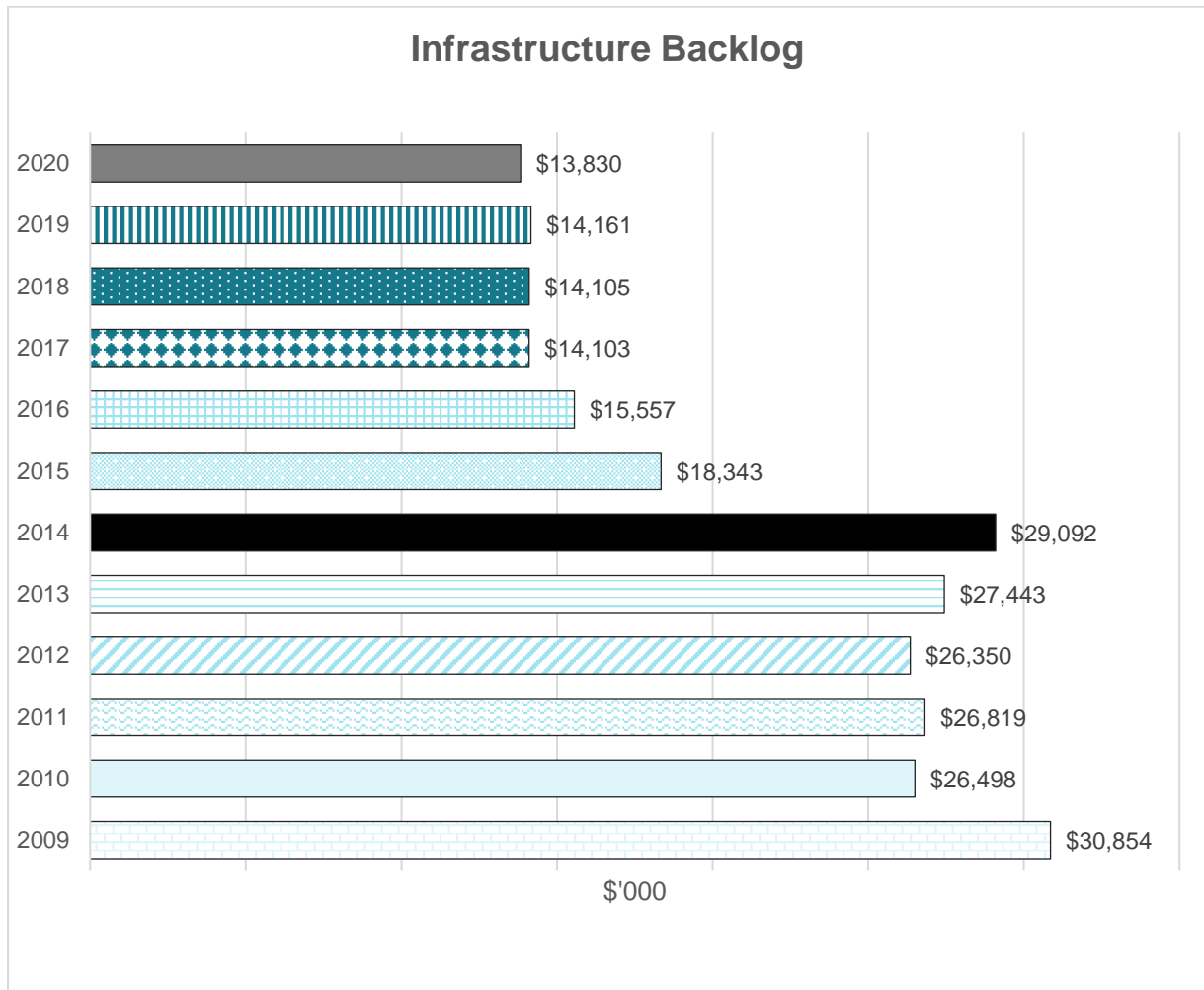


Figure: Graph Infrastructure Backlog



116 Adelaide Street | PO Box 42
Raymond Terrace NSW 2324
council@portstephens.nsw.gov.au
02 4988 0255

PORTSTEPHENS.NSW.GOV.AU
A row of four small, square social media icons: LinkedIn, Facebook, Twitter, and Instagram.