



Six monthly report

JULY TO DECEMBER 2020



PORT STEPHENS
COUNCIL

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The Six-monthly Report July to December 2020 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,

While the past 6 months have been a challenging time for us all — I am **proud of the resilience** we have all shown during this unpredictable year.

There's no doubt we've all felt the effects of COVID-19, but we've continued to get on with the job, thinking of alternate ways to deliver services and connect with the community — which has been more important than ever during the pandemic.

Despite the challenges, we have seen some excellent examples of collaboration across Council including the opening of the Koala Sanctuary, a new operator for Medowie Sport and Community Facility, smart parking in Nelson Bay, engaging with the community about the Raymond Terrace Public Domain Plan and carrying out our first liveability index (place census) to better understand what our community values and their priorities for improvement.

None of this would be possible without the work behind the scenes to keep us safe, financially sustainable, connected and our economy ticking along. Our teams have been busy across so many fronts, from helping our local businesses during COVID, to delivering a large capital works program and ensuring we balance our budget to remain financially sustainable.

I know that we are doing the right thing when both our **community satisfaction** and **employee engagement** scores have reached 80% and 81% respectively — ensuring our key stakeholders are satisfied and engaged is paramount in these challenging times.

In the past 6 months, we have also been recognised for the following awards showing that no matter what happens we will continue to deliver valued services to our community:

- Winner — NSW Local Government Excellence Awards – Roadside Environment Management Award
- Winner — NSW Local Government Excellence Awards – Community Development and Services Award
- Finalist — Federation Award 2020 – Community Service Delivery
- Finalist — 2020 Excellence in Family Day Care Awards – Port Stephens Family Day Care

Wayne Wallis

Wayne Wallis, General Manager



Highlights - July to December 2020

Our community highlights



39,081 childcare places filled



10,589 library enquiries



246,000 people visited our beaches (Sept-Dec)



Our **Incredible Place & Youth** strategies adopted

Our place highlights



Koala Sanctuary opening



Smart parking launch Nelson Bay



18,393 potholes repaired



484 Development Applications determined with a net median turnaround of 27 days and a total capital investment value of \$139 million.

Our environment highlights



915 sites inspected for priority weeds



3,351 trees planted



11,055 tonnes red bin waste

2,470 tonnes recycling yellow bin waste



732 tonnes green waste (536 t drop off days)

4,172 tonnes mixed Waste Transfer station

Our Council highlights



81% Employee Engagement rating



80% Community Satisfaction score

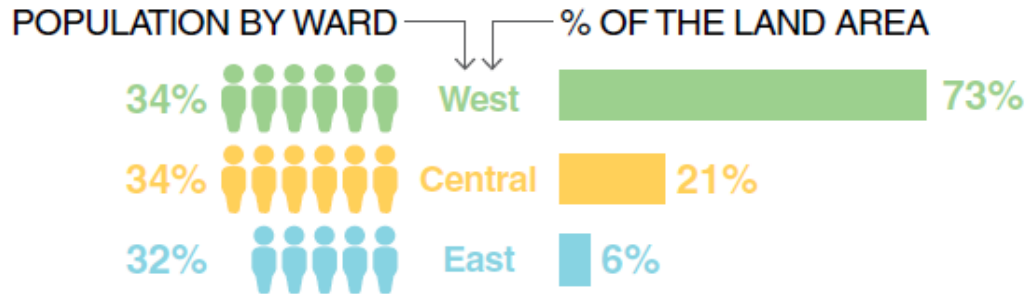
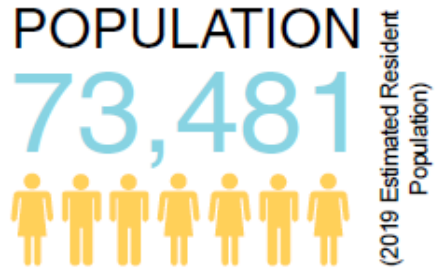


Breakeven underlying financial position (as at Dec 2020)

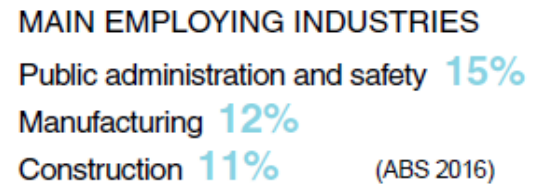
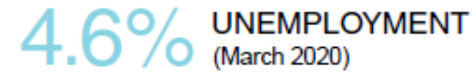
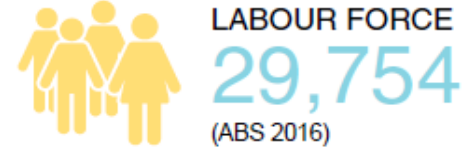


\$5.6 million grant funding secured

Our People



Our Economy



Source: Remplan 13 August 2020.



You can read more about Port Stephens in our economic and community profiles: portstephens.nsw.gov.au/your-council/port-stephens-profile

Our Council

Community's vision

A great lifestyle in a treasured environment.






Council's vision

Engaged and resilient people in strong healthy relationships, working collaboratively, enhancing community well-being.

Council's purpose

To deliver services valued by our Community in the best possible way.

Values

	Respect Creating a unique, open and trusting environment in which each individual is valued and heard.
	Integrity Being honest and inspiring trust by being consistent, matching behaviour's to words and taking responsibility for our actions.
	Teamwork Working together as one Council, supporting each other to achieve better results for everyone.
	Excellence Improving the way we work, to meet the challenges of the future.
	Safety Providing a safety focused workplace culture to ensure the wellbeing of staff, their families and the community.

Principal activities

Key priorities

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 completed a number of actions under the Disability Inclusion Action Plan (DIAP) and continued to provide ongoing support and services to ensure and promote inclusivity.

Over the 6 months, we have:

- Opened a new playground at Bagnalls Beach East with inclusive play elements and accessible pathways connecting the car park, playground and BBQ.
- Made access improvements to our public amenities at Raymond Terrace and Mallabula tennis club, which now include an accessible toilet, shower and adult change facilities.
- 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.



Williamtown Special Activation Precinct (SAP) (DAREZ)

The Williamtown Special Activation Precinct (SAP) was declared on 28 May 2020. Council staff have been working with the State government to prepare background studies for the SAP investigation area. Community consultation on the SAP began in December 2020 with a series of drop-in sessions at the Williamtown 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 Williamtown.

Birubi Information Centre

Council in partnership with the Worimi Conservation Lands, Worimi Local Aboriginal Land Council and NSW National Parks, has initiated the development of a business plan to guide the operations of this new tourism development.

Detailed design, construction drawings and tender documentation are underway through an external consultancy. A quantity survey will be undertaken to determine the detailed estimate for construction.

Once delivered it will be the focus of all tourism-related activities for the Worimi Conservation Lands from the Anna Bay entrance.



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 into the future.

In 2020, Council commenced working on stage 2 of the Coastal Management Program (CMP) and has undertaken a detailed study to assess the coastal hazards – coastal erosion, coastal inundation and windblown sand.

Stage 2 involved engagement with several internal and external stakeholders. Project Control Groups were established with internal Council staff, and consultation with the CMP Stakeholder Reference Group which includes State and private agencies i.e. Department of Planning, Industry and Environment. As a part of community engagement, a series of webinars with coastal technical experts was hosted in November 2020 to help locals learn more about the coast.

Stage 3 of the coastal management program is scheduled to be finalised later this year.

Cycleways, footpaths and beautification

The shared path along Waropara Road, Medowie was completed in late 2020. Minor cleaning up scheduled for January 2021, will see it ready in time for the return to school.

Planning is well underway for the shared path alongside Medowie Road, Medowie with additional grant funding awarded courtesy of a State Government Walking and Cycling initiative.

Planning also continues for paths alongside Nelson Bay Road through Fern Bay, Lemon Tree Passage Road missing link from Mallabula to Lemon Tree Passage, and the Shoal Bay foreshore.



Events

A number of events have either been cancelled or postponed as a result of COVID-19 restrictions, refer page 17.

As restrictions regarding regional events started to ease from October, some events such as the Peter Wilson Memorial Championships, WSL Port Stephens Pro QS1,000 - 2021 (Men's & Women's), Spartan Port Stephens, Port Stephens Triathlon, Fingal Bay Twilight Markets, Raymond and Terrace Aquatic Club Annual Race Day started to return to Port Stephens. Wedding applications, as well as enquiries and interest in markets, have also started to increase.

In conjunction with our marketing partners, we have continued to work on various event hosting opportunities to secure events for 2021.

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.

Council has secured \$5.6 million in grants in the past six months.

Council continues 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. Council continues to optimise its investment returns.

Gateway, location and town signage

Stage 1 of the gateway signage program was completed prior to 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 now completed the reconstruction of road pavement of Church Street to improve the ride quality and pavement strength, as well as minor drainage improvements and pedestrian accessibility.
- Fairlands Road, Medowie - no activity was undertaken during the past 6 months, while we sought additional funding through the State Government's Fixing Local Roads' grant. Project initiation and design will commence in the next reporting period (January to June 2021) and construction in the 2021-2022 financial year if additional funds become available.
- Fingal Bay Link Road (estimated cost is \$188 million) - the State Government has committed to funding this project, with Transport for NSW leading the planning and delivery of the project.
- Tanilba Road, Mallabula - Council has plans to reconstruct the Tanilba Road from Bay Street to the Parkway Ave North including pavement widening, kerb and gutter construction and drainage upgrades. Project initiation and design have been deferred to commence in the next reporting period (January to June 2021), with construction scheduled for the 2021-2022 financial year.
- Tomaree Road, Shoal Bay - Council has now completed Stage 2 (Fingal Street to Verona Road) of the full reconstruction of Tomaree Road, including pavement widening, kerb and gutter and footpath construction and drainage upgrades. Construction of the remaining works Stage 3 (Marine Drive to Rigney Street) will be completed when funding is sourced.
- Warren Street, Seaham – Project initiation and design was completed in the reporting period with construction to commence in January 2021.

Koala Sanctuary

The Koala Sanctuary officially opened on 25 September 2020, with over 15,000-day visitors and 2,500 overnight guests welcomed during its first 3 months of operation.

Offering visitors a unique opportunity to see koalas in their natural habitat, the Koala Sanctuary supports their long-term rehabilitation and preservation.

The Koala Sanctuary includes:

- Koala Centre and Hospital
- Sanctuary Story Walk
- Newcastle Airport SKYwalk
- Elevated viewing platform
- Fat Possum Café
- Deluxe 4 star accommodation



koala sanctuary
PORT STEPHENS



Medowie Sport and Community Facility

Construction of the facility finished in February 2020 but our 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 the centre opening at the end of January 2021.

The centre provides:

- club facilities at Medowie Sporting precinct
- multiple community groups access to use the facility under a sublease agreement with the Medowie Sport and Community Club
- a restaurant, bar, event space, sporting facilities and meeting places.

Off-leash dog parks

Council has completed the dog exercise area in Boomerang Park, Raymond Terrace.

Council is also investigating the mapping of the dog exercise area in the Anna Bay, Fisherman's Bay and Boat Harbour areas with recommendations to be made to Council in 2021.

Placemaking

We prepared a draft Public Domain Plan to activate Raymond Terrace town centre and commenced implementation of the Nelson Bay Public Domain Plan.



We were successful in obtaining grant funding for placemaking activities in our main streets, including the installation of parklets at Nelson Bay.

Round 1 of the Community Funding Program opened in July 2020 and resulted in 17 successful recipients ranging from local businesses to artists being awarded funding to initiate placemaking activities including artworks, street performances, bush regeneration projects and music in the park. Round 2 is due to open in February 2020.

The Port Stephens Liveability Index has been completed and provides the council with a detailed understanding of the values and priorities of our towns and communities.

The Our Incredible Place Strategy was completed and provides the framework for the development of arts, culture and events activity across Port Stephens.

In December 2020 we rolled out Smart Parking in Nelson Bay, a new integrated smart parking system designed to identify available parking spaces, promote turnover and improve safety in the town centre.

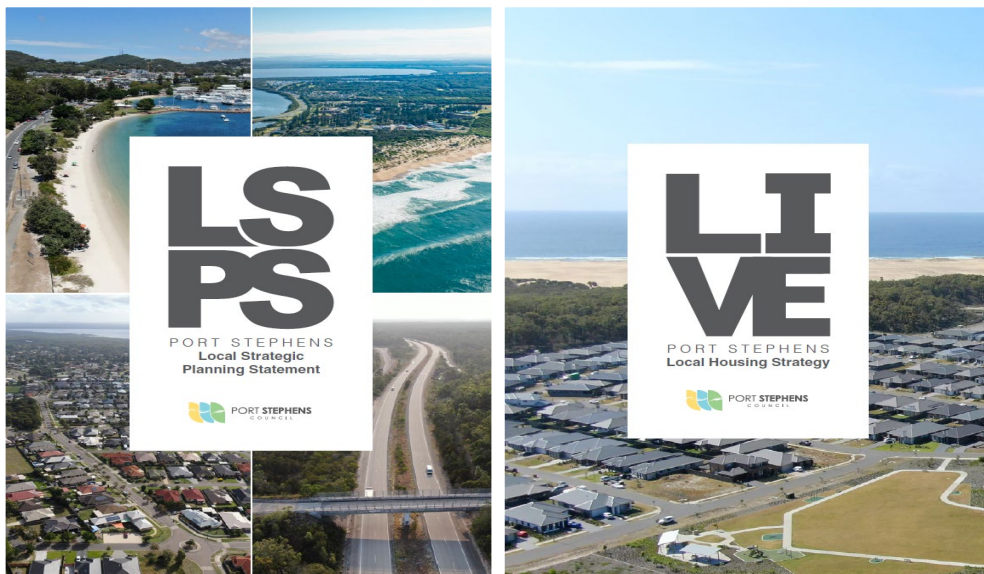
Port Stephens Council depot development

Councillors have been briefed with options and recommendation to rejuvenate the existing Raymond Terrace site and rationalise the existing Administration Building fit-out. This will allow for greater centralisation of staff as well as meet the needs of Council to supply services to the community.

The project is currently under architectural and functional design with detail engineering design underway. We propose to have all detail and construction details completed by July 2021.

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.

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 adapt, revise and re-baseline our work programs, diverting resources and planned projects to respond where necessary to the evolving circumstances.

Our progress made in the 6 months to December 2020 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:

- Continuing Thrive Kids award-winning streak, and meeting National Quality Standards for 3 services assessed by the Directorate of Early Education and Care. Supporting our families through various types of high-quality childcare, with 39,081 childcare places filled, 51 family day care educators, conducting 320 family day care compliance visits and 30 venue safety checks.
- Adopting the Youth Strategy 2020-2025 and grant funding to three youth programs through the Community Support Fund and Lively Spaces fund.
- Consulting the community on the draft Raymond Terrace Public Domain Plan that seeks to improve access within the town centre, increase walkability and enhance key places, refer page 7 for more on Council's DIAP.
- Adopting the Port Stephens Local Strategic Planning Statement and Port Stephens Local Housing Strategy which includes actions to plan for an ageing population. A number of actions have already commenced which include developing a liveability index and advocating for reforms to lifestyle villages and communities with better plans for ageing in place.
- Putting in place COVID Safe Plans for all halls and park groups along with recognising the valuable length of service for a number of our volunteers, some volunteers dedicating over 25 years.

SOCIAL CONNECTION

By creating a place where young people can express their views, skills, talents and ideas you are supporting the future of our local communities.

TAMARA — 15 YEARS OLD
Port Stephens Youth Plan 2020 to 2022 consultation



Key challenges include:

- A shortage of educators and relocation of Grahamstown OOSH service.

Highlights of what's next?

- Review of mobile pre-school services.
- Implementing the Youth Strategy Action Plan, including activities and services that meet the Council's Schedule of Targeted Early Intervention funding with the Department of Communities and Justice.
- Reviewing the DIAP.

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:


- The official signing of the Yabang Gumba-Gu Aboriginal Agreement demonstrating Council's commitment and partnership with local Aboriginal stakeholders to combine resources for welfare packs to isolated Aboriginal Elders.
- Collaborating with Birubi Point Aboriginal Panel to implement a short-term response to stabilise the frontal sand dunes at the bottom of the Birubi car park.
- Adopting 'Our Incredible Place Strategy' for Events, Arts and Culture to guide the development of local cultural activities.
- Responding to a large number of internal requests for heritage advice on Council projects.





 742 new library members

 10,589 (library) enquiries answered

 12,311 people reached through online 'Storytime' and 'Read and Rhyme' sessions

 Hosting a series of online events via Zoom including 'Stand up for Poetry'

 Donating items from 'Food for Fines' Amnesty campaign

 'Call & Collect' and homebound delivery services provided

Highlights of what's next?

- Improving processes with the local Aboriginal community for Council use of Aboriginal art and language.
- Improving processes for Council's Planning and Development Assessment areas to consult with Karuah and Worimi Local Aboriginal Land Councils.

C3 Community partnerships

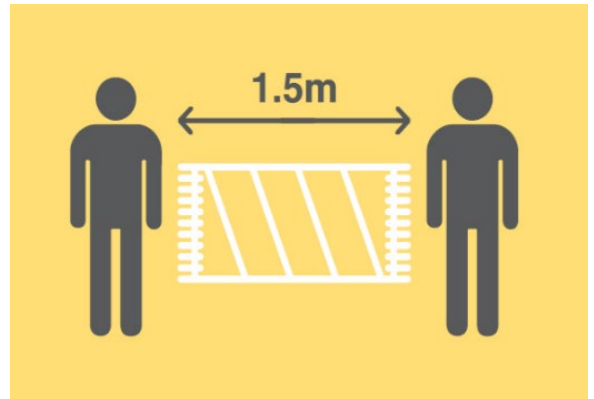



We have continued to:


- 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:


- Success in adapting our program to convene and support online inter-agency meetings especially for workers delivering outreach services.
- Working in partnership with Aboriginal health service providers to resource 150 welfare packs delivered to isolated Aboriginal Elders in the community during NAIDOC Week.
- Providing Mayoral and Ward funds to support the local community and running the first round of the Community Funding Program.
- Confirming our contract with NSW Department of Communities and Justice (DCJ) for funding of the Targeted Early Intervention (TEI) program.
- Delivering events in alternate ways during COVID, including live streaming NAIDOC flag raising and for Australia Day organising COVID safe pool parties at our pools.
- Re-opening our leisure centres in July 2020, when the NSW State Government public health order restrictions eased, with detailed COVID safe plans in place.
- Working closely with NSW Police, agencies and stakeholders to develop COVID specific beach safety plans. These included COVID: wardens, messaging PA system, signage etc. Bi-monthly risk audits of One mile, Fingal and Birubi beaches were also completed.




 19,274 preventative actions undertaken

 8 rescues performed

 760 law enforcement actions

 15,384 cases of info/advice to the public

 62 first aid treatments

Key challenges include:

- COVID-19 - limiting local events, gatherings and impacting the number of people attending Council's leisure centres (decreasing numbers by 22%).

Highlights of what's next?

- Focus on using the community Interagency meetings and partnerships to deliver place-based projects along with planning for outcomes in the TEI schedule with DCJ.
- Upgrades to cafes at Lakeside and Tomaree Aquatic centres.

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:

- Working with local businesses to assist with their development and implementation of COVID safety plans.
- Securing sponsors for the 2021 Port Stephens Mayoral Academic scholarship.
- Going live with the Port Stephens' Investor Concierge Service to provide investment information and services to businesses that are considering establishing, growing or relocating their presence in Port Stephens.
- Launching the Port Stephens Investment Prospectus via a series of small COVID safe events.
- Developing and holding the Visitor Economy Start House program to support and mentor locals in bringing their new business ideas to fruition.
- Issuing 83 private ceremony and event licences and securing 5 sponsored events.
- Implementing a new Events Register to improve the overall effectiveness of events applications.
- Increasing domestic tourism and visitor numbers has increased demand for accommodation and tour services at the Visitors Information Centre translating to increases in merchandise sales and revenue.
- Despite cancellations in events, in December 2020 13 new events have been secured and are due to be held in early 2021.

Key challenges include:

- COVID -19 - has presented ongoing challenges with uncertainty in the business community. COVID has also impacted the registrations for Zoom pitch night events and continued to present issues with implementing activation projects and events. The events team have managed 29 event cancellations/postponements including 12 sponsorship event cancellations. Council continues to provide the latest information and resources to help keep local businesses COVID safe.

Highlights of what's next:

- Continuing to engage with businesses in Raymond Terrace, with plans to recommence the popular Business Leaders' Lunch series and undertake the Business Health Check survey in May 2021.
- Council will continue to research possibilities to facilitate the Port Stephens Produce Market.

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:

- Successful trialling an online auction disposal methodology.
- Using reports from In-Vehicle Management System data for decision making, identifying trends and decreasing driver events.
- Completing a major asset revaluation task for our Roads asset class (including drains, pathways, barriers, kerb, etc.)
- Delivering the majority of the Smart Parking Infrastructure works package (including civil works, traffic circulation changes, smart cities technology, public registration portal scheme, upgrades to existing technology, community consultation and construction of public amenities).
- Securing external funding through the 'Streets as Shared Spaces' program to provide a safe pedestrian and cyclist link between Nelson Bay and Little Beach.
- Processing 70 Flood Certificate requests and drainage or engineering assessment requests for Development Applications.
- Constructing drainage improvement works in Nelson Bay.
- Commencing work on updating the flood hazard layers across the LGA, investigating catchment drainage issues at Salamander Bay and updating the Shoal Bay drainage model.
- Continuing work on the Anna Bay Floodplain Risk Management Study and Plan, Lower Hunter Floodplain Cumulative Development Impact Study and Plan and investigating catchment drainage issues at Little Beach.
- Progressing Councils 2020-2021 Road Safety Projects funded by Transport for NSW.
- Delivering projects such as the new Nelson Bay CBD public amenities, Bill Strong Oval Irrigation upgrades and working with the community on Korora Oval (Salamander Bay) Cricket facility improvements.
- Successful in grant funding applications for Little Beach Boat Ramp, Longworth Park amenities, Shoal Bay footpath and Mallabula Sports Complex.
- Adopting the Kings Park Sports Complex Masterplan and exhibition of the Place Space Strategy
- Registering assets transferred from 10 new subdivisions and updating Council's asset data systems
- Delivering and planning a number of Capital Works projects (including survey/cadastral, design, project management and construction) – refer page 32.



- Raising road safety awareness through both the 'Joe Rider' motorcycle safety campaign and Holiday Time Road safety campaign.
- Funding from NSW State Government's Fixing Local Roads grant for the upgrade of Fullerton Cove Road, Kula Road, Medowie Road and Newline Road. Funding also received for the construction of a shared path to be constructed between Ferodale Road and South Street Medowie.
- Maintaining 7 operational and historic cemeteries across Council's owned and managed land at Raymond Terrace, Pioneer Hill, Karuah, Anna Bay, Carumbah Gardens Nelson Bay, Birubi Point and Seaham cemetery.
- Repairing 18,393 potholes and 7,547 square meters of heavy patching to maintain our roads.
- Completing 764 defects and 959 routine inspections for roadside and drainage maintenance.
- Mowing 2,400 locations.
- Completing 1,411 building and trades defect requests and 8,574 testing and tagging of equipment across 99 sites.
- Completing 632 scheduled and unscheduled (break down) services
- The signing of a new Road Maintenance Council Contract with Transport for NSW to undertake road maintenance works on State Roads along with carrying out scheduled work as part of the contract.



Key challenges include:

- COVID-19 - changing needs for capital fleet procurement and supply chain issues with lead times extended up to 9 months for supply of utes/trucks and 24 months for specialist plant items.
- Due to an enhanced Capital Works program, Roadside and Drainage crews were diverted to a greater quantity of capital works, which resulted in more outstanding defects occurring, however, this will be the focus for the next 6 months. The workshop has also been in demand with more equipment requiring servicing.
- Wet weather in December resulted in a substantial increase in potholes and impacted the ability to carry out works.

Highlights of what's next:

- Completing Nelson Bay Smart Parking and investigating Smart parking implementation for Anna and Shoal Bay, updating the Pathways Plan and refining the Civil Asset Inspection Program.
- Submissions and awaiting results of funding through various grant programs such as round 2 of the Local Roads and Community Infrastructure Program, Round 2 of Fixing Local Roads Program and Federal and State Black Spots program.
- Delivering the remaining FY2020-2021 capital works program and continuing to expand the future works program through the availability of additional infrastructure stimulus grant funding.

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 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:

- Adopting the Port Stephens' Local Strategic Planning Statement and Local Housing Strategy refer to page 12.
- Currently assessing and processing 17 planning proposals to optimise land use to maximise social, economic and environmental needs of the area.
- Determining 484 development applications and reducing the 100-day list to 20.
- Approving 171 construction certificates with a net median processing time of under 5 days. Positive industry responses are being received on our refinement of the certification process
- Inspecting:
 - Food shops - 240 primary inspections and 29 re-inspections for the period, with 88% being satisfactory at the primary inspection. 3 warning letters, 7 improvement notices and 2 penalty notices were issued.
 - On-site Sewage Management Systems – 377 primary inspections with a 98% satisfaction result.
 - Skin penetration premises – 18 inspections with more than 90% overall compliance with routine health standards.
 - Public Swimming pools – the inspection program commenced in October 2020, with 77 inspections and 15 re-inspections conducted achieving 79% compliance.
 - Underground Petroleum Storage Systems (UPSS) – the inspection program commenced in October 2020, with 35 UPSS sites registered and 2 routine inspections performed.
- Investigating incidents of unauthorised development and land use and continued work to reduce outstanding complaints. 182 Customer Relation Management requests (CRMs) were received with 99 finalised. Several long-running compliance matters were resolved without the need to seek action in court.
- Rangers carried out several targeted campaigns including the Dinghy project, Illegal camping project, dogs on beaches, dogs with orders, building site inspections and investigated 31 dog attacks, resulting in 12 enforcement actions. Our Rangers were also actively involved in Council's emergency response to COVID-19 and management of large groups in public spaces (as authorised COVID marshalls) as well as parking enforcement surveillance at tourist hotspots and assisting with community engagement for Nelson Bay Smart Parking.
- Focusing on illegal waste and dumping customer requests, providing education and enforcement to identify offenders and prioritising illegal dumping investigations. Both kerbside waste collection requests (210 CRMs) and illegal dumping investigations slowed over the period.

- Public consultation and adoption of amendments to the Local Environment Plan (LEP) and Development Control Plan (DCP).
- Developing the draft Raymond Terrace Public Domain Plan (PDP) and Streetscape Design Guideline with wide community engagement and support.



- Ensuring the RFS and SES buildings are maintained within agreed levels, with Anna Bay and Soldiers Point RFS stations both having the main automatic roller doors replaced to ensure safe operation for the fire season.
- Asset Protection Zones (APZ) and registered fire trails on Council owned and managed land have continued to be maintained in accordance Council agreed service levels.
- Drafting a revised version of the EMPLAN (including updated evacuation facilities and Council's vulnerable facilities e.g. OOSH facilities) was undertaken in preparation of an updated template. It is proposed that this plan will be submitted to the Local Emergency Management Committee – Emergency NSW for endorsement by mid-2021.

Key challenges include:

- The Environmental Health team continues to work with IT and business improvement teams to develop a digital solution for capturing inspection data.
- COVID-19 restrictions presented challenges for community engagement about bulky waste and illegal dumping programs. The pandemic continues to test Port Stephens emergency management arrangements with Council continuing to work with LEOCON and NSW Health as the pandemic evolves. Wet weather has postponed some planned hazard reduction burns, which will be rescheduled once the weather clears.

Highlights of what's next:

- Submission of planning proposals to the Department of Planning, Industry and Environment for gateway determination and to give effect to the Port Stephens Local Strategic Planning Statement and Local Housing Strategy (Live Port Stephens).
- The Raymond Terrace Public Domain Plan (PDP) will be considered by Council in early 2021. Subject to Council approval, implementation of the PDP will commence in 2021 with grant funds already secured for minor works to be undertaken in areas identified in the plan.
- The newly commenced UPSS inspection program will focus on higher risk service stations.

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:

- Exhibiting and adopting the Tree Vandalism Policy and Environment Policy.
- Processing:
 - 44 DA referrals assessed for Environmental Impact Assessments
 - 117 tree removal applications assessed
 - 38 other referrals assessed
- Inspecting a record 915 sites (418 sites same period last year) for biosecurity compliance of priority weeds - 47 compliance and enforcement actions and 239 sites treated to control priority weeds.
- Developing a Natural Asset Register, which will align with Council's SAMP.
- Completing bushland assessments for all of Council's natural areas and detailed vegetation mapping.
- Regenerating 60.3 ha across 184 sites of environmental with the help of 1011 volunteers.
- Educating the community through the following programs:
 - Western LGA Koala Corridors
 - Birubi Sand Dune Rehabilitation
 - Flying-fox - Ross Walbridge Reserve
 - TAFE Presentations; Coastal Management Program, Biosecurity Act
 - Share the Shore videos
 - Council's Koala Sightings Map: Citizen Science Hub on the Department's SEED Portal
 - Backyard Birds
 - Tree DCP updates (tree fact sheets) - Arborist presentation
 - Sustainability and Climate Change Survey
 - Volunteers Intro to Bush Regeneration



Key challenges include:

- Complexities of assessing development applications where unauthorised clearing of vegetation has occurred, highlighting the need for policies and processes to account for this.

- COVID-19 restrictions have challenged our face-to-face education activities, however, we've managed to reach 760 community members educating them on biosecurity weeds.

Highlights of what's next:

- Development of a Local Biodiversity Offsets Policy to provide reasonable, flexible and pragmatic options for developers to offset habitat loss after avoidance and minimisation strategies have been employed.

E2 Environmental Sustainability

We have continued to:

- reduce the community's environmental footprint.

Key outcomes include:

- Initial community consultation on developing a Waste Strategy
- Coordinating waste collection services (refer to highlights on page 4).
- Presenting a number of options to Council (including the expansion of our solar panels, energy-efficient lighting and investing in solar farms) to reduce our energy consumption.

Key challenges include:

- Newline Road Advanced Resource Recovery Technology (AART) Facility was shut for 6 weeks whilst SUEZ completed stage one upgrades to the facility - waste was diverted to Summerhill during this time.

Highlights of what's next:

- SUEZ is currently accepting waste at the Newline facility and trialling new systems and product outputs. The new systems and products have been developed in response to changes to Mixed Waste Organic Outputs (MWOO) product being able to be used as a compost material by the EPA, and the aging digesters.
- Continuing to investigate feasible options to expand existing infrastructure to reduce Council energy consumption.



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:

- Preparing the first draft of the Stage 2 Coastal Management Program (refer to Key Priorities section on page 8).



- Completing quarterly monitoring of decommissioned waste landfill sites as per the schedule along with capping and rehabilitation of the former waste landfill at Newline Road, Raymond Terrace.
- Department of Defence has developed a remediation plan for the PFAS management zone and is progressively implementing remediation works.
- Completing the review of the 2009 Port Stephens Climate Change Adaptation Action Plan and commenced incorporating the upgraded treatment actions it into Council's processes along with integrating the high-level recommendations into our IPR framework.

Key challenges:

- Results of the BMT review of the Climate Change Adaptation Action Plan were that:
 - Progress of the 35 treatment actions has been ongoing – the Coastal Management Program is expected to drive completion of more actions over the next 18 months.
 - Updated climate data and modelling saw a moderate increase in risk level across 30% of priority risks, a minor increase across 65% and no change across 5%
 - We lead our peers across 14% of key performance areas, the average for 57% of operational activities, lagging in 29% of operations (dedicated climate change officers and total funding dedicated to climate change).

Highlights of what's next:

- Continuing work on the Coastal Management Program, refer to the Key Priorities section on page 8.
- Engagement of a new staff member and Project Control Group to ensure Climate Change Adaptation actions are implemented.

Our Council

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

L1 Governance



We continue 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:

- Staff continuing to respond to COVID-19 by adjusting work arrangements in line with NSW Health guidelines and the organisation updating the COVID staff scenarios document as necessary.
- Continuing our HR program of work, including improving our Human Resource Information System (Cornerstone), our approach to learning and development and rolling out initiatives to support psychological health.
- Delivering support to Council and the executive team on time and budget.
- As a joint owner of the airport, recognising the official opening and completion of Stage-1 construction of the Astra Aerolab Aerospace Business park.
- Considering the establishment of the Hunter 2050 Foundation (facilitated by the Hunter Joint Organisation of Councils which Council is a member of), which aims to grow the regional economy through targeted local investments and industrial development.
- Determining 142 requests to provide access to Council information and providing legal advice for 140 matters across Council for statutory and operational matters. A number of legal matters have concluded in the courts.
- 8 internal audits have been identified for this financial year.
- Meeting our Integrated Reporting Planning Framework requirements by:
 - providing Council with a six-month progress report on our achievements and challenges to June 2020.
 - providing the community with our Annual Report 2019-2020 on the year that has been.
- Providing a report and results of the 2020 Community Satisfaction Survey - refer to Community Satisfaction Scorecard on page 35.
- Completing 7 full-Service Reviews and 14 ADRI reviews concluding round 3 of the service review program.
- Continuing the Business Systems Program of work, improvements and upgrades.

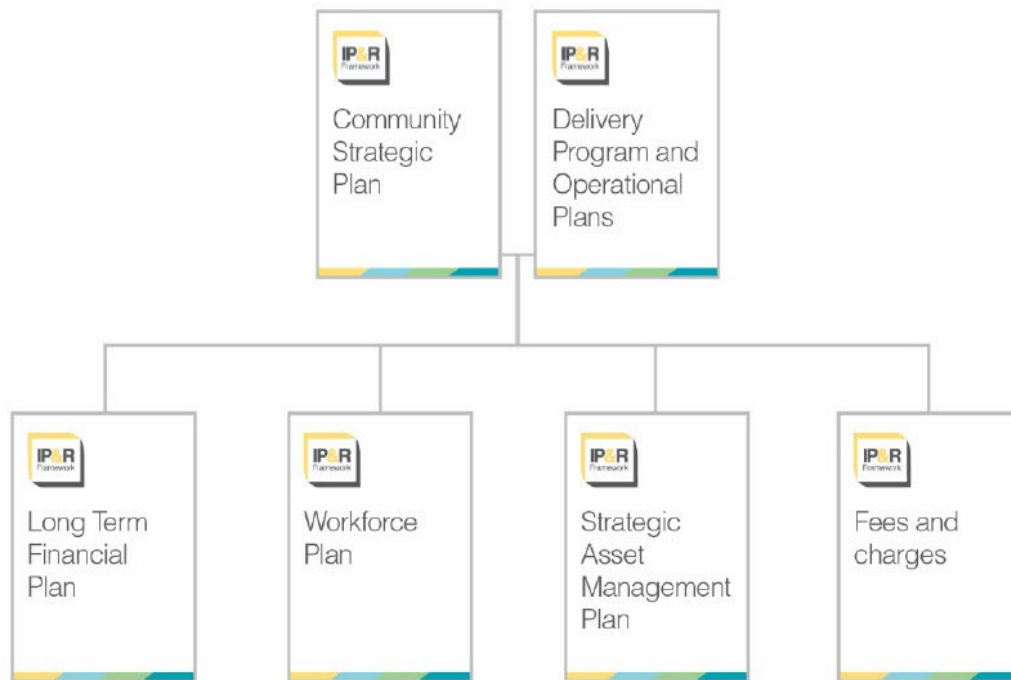
- Supplying changes required to technology to enable working from home, working remotely and via zoom locations as well as technological support for the Koala Sanctuary.
- Awarding a contract to develop and implement a new Enterprise Risk system.

Key challenges include:

- COVID-19 had a severe impact on the airport operations and NAPL was unable to provide its usual dividend to shareholders in 2020 - 2021.

Highlights of what's next:

- Reviewing the 2021 Enterprise Agreement.
- Preparing our Integrated Planning and Reporting (IPR) documents for the 2021-2022 financial year (including Delivery Program 2018-2022, Operational Plan 2021-2022, Workforce Plan 2018-2022, Long Term Financial Plan 2021-2031, Strategic Asset Management Plan 2021-2031 and Fees and Charges 2021-2022 for Council consideration in April 2021).
- Reviewing the Community Strategic Plan for 2022 to 2032.



- 22 conferees are scheduled to have their citizenship conferred on Australia Day.
- Round 4 of the Service Review program will commence for the period 2021-2024 with a focus on streamlining process efficiencies and innovative improvements to achieve soft savings where available.
- Improving the organisation's approach to data management and cybersecurity.
- Automating key workflows using the CRM tool.

L2 Financial Management



We continue to:

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

Key outcomes include:

- Continuing to maintain our financial sustainability, achieve key metrics and securing \$5,579,653 in grant funding in the past six months.
- Working towards centralised purchasing.
- Renegotiating 70 leases and licences securing \$2,100,000 in rent.
- Completing scheduled Administration building upgrade works.
- Preparing an Asbestos Management Plan for several properties, as identified in the Asbestos Register.
- Completing 75% of sales for the newly created Medowie lots, lodging development applications for subdivision of Council owned land at Soldiers Point and Raymond Terrace, finalising the acquisition of the former Raymond Terrace Fire Station site and purchasing a property in Nelson Bay CBD.
- Opening the Koala Sanctuary in September 2020 (Refer to Key Priorities section on page 10).
- Average occupancy across our Holiday Parks increasing by over 4% (to 49.47%) compared to the same period last year. 145,642 guest nights were booked during the reporting period an increase of 15,500 at the same time last year.

Key challenges include:

- COVID-19 - has impacted our financial situation, refer to Scorecard on page 38. Due to the introduction of new Federal and State legislation governing lessee and lessor obligations through the pandemic, we received 46 requests for rent relief totalling \$340,713 (9% of annual rent). Council agreed to defer \$301,684 (8%) until 2021 and waived the balance. Repayment agreements have been issued and will commence as soon as the legislation permits.
- COVID-19 – has impacted the Holiday Parks, being exceptionally busy during October school holidays and impacted by cases locally and within the state at other times over the period.

Highlights of what's next:

- Managing Council's finances as COVID-19 evolves.
- Auditing the commercial leasing portfolio to ensure agreements are binding, tenants are complying with lease terms and conditions, properties are maintained as per requirements and we are achieving a 7% return from our commercial assets.
- Finalising Bagnall Avenue and Dawson Road subdivisions, the remediation of Squire Street, as well as formulating a Property Strategy to guide future decision-making.

L3 Communication and Engagement



We continue 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:

- The Customer Request Management system remediation project is 90% completed with 33 of 37 categories now using streamlined workflows. Daily customer interactions have also increased due to the roll-out of the Smart Parking program.
- Updating our dedicated COVID-19 webpage to ensure our community has quick access to information they need about services, restrictions and how our Council is helping business and the community.
- Launching the Port Stephens Investment Prospectus microsite to encourage investment in the Port Stephens LGA. The first of its kind for our Council it is an example of how key projects, which require significant marketing investment, can benefit from a microsite.
- Producing Facebook Live events for :
 - the Waste Strategy – reaching over 23,000 people with women aged 35 to 45 years being the largest demographic group.
 - the NAIDOC ceremony – reaching over 2,000 people with the largest demographic being women aged 25 to 34 years.
- Increasing focus on communications planning to ensure we take a strategic approach to communicate with our community, communicate clearly and via the appropriate channels to meet community needs. A project manager has been appointed as a key contact for each project.
- Marketing, communications and design for various projects including the Koala Sanctuary opening, smart parking, Annual report 2019-2020, a new operator for the Medowie Sport and Community Facility, launching a revised grant program to help community and business with COVID-19 adaptations, continuing COVID-19 summer safety messaging, rock fishing and Joe Rider safety campaigns for fishers and motorcyclists respectively.
- Community engagement for the Place Score Liveability index, the launch of Smart Parking Systems, Raymond Terrace Public Domain Plan, Tilligerry projects and the Coastal Management Program.

Key challenges include:

- While COVID-19 has proved a challenging time for our community and our Council, it has forced us to think digital-first and has put an increasing focus on online service delivery and communication.

Highlights of what's next:

- Complete the Customer Request System remediation project and develop an approach for redeveloping the website to align with other corporate systems so that customers can find what they need when they need it streamlining registered customer requests.
- Finalising the Website Strategy and continuing to communicate with our community and keep them involved during COVID-19 through live streaming events, online consultation and creating more videos to promote our works.
- Developing a Communications Strategy for Port Stephens Council to ensure all of our external communication has a clear purpose and is aligned with the Community Strategic Plan.
- Delivering the annual Australia Day event - with some changes to ensure we are keeping our community safe during COVID-19 pandemic.
- Using the Place Score liveability index data to prioritise resources to areas of greater community need.



Scorecard

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



Service Delivery

Target > 95% Integrated Plans delivered on time

Achievement: 100% of Operational Plan Actions on track

(as at 31 Dec 2020)



Community Satisfaction

Target > 80% Community Satisfaction

Achievement: 80% (Source: 2020 Community Satisfaction Survey)



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 2020)



Risk Management

Target > 80% Risk Management Maturity

Achievement: 86% (As of October 2020)



Financial sustainability

Target > underlying financial surplus

Achievement: Breakeven (As of Dec 2020 QBR)



Infrastructure Backlog

Target: Reduction in the backlog

Achievement: \$13.83 m (As of June 2020)



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 metrics

1. Service Delivery

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

- 100% (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 31 December 2020. It is not an exhaustive list of all Capital Works projects carried out during this period.

Roads and Drainage projects completed	Expenditure 1 July to 31 December 2020
Lemon Tree Passage Road, Salt Ash	\$621,959
Tomaree Road Shoal Bay — Stage 2	\$984,489
Church St, Nelson Bay	\$433,036
Fullerton Cove Rd, Fullerton Cove	\$636,159
School Drive, Tomago	\$179,349
Swan Bay Rd Seg 30-50, Swan Bay (PS2020)	\$549,098
Clarencetown Rd Seg 40, Woodville	\$553,303
TOTAL	\$3,957,393

Roads & Drainage projects in construction	Expenditure 1 July to 31 December 2020
Masonite Rd, Tomago	\$542,064
Newline Rd, Raymond Terrace	\$706,062
Port Stephens Drive, Anna Bay	\$129,894
TOTAL	\$1,378,020

Roads & Drainage projects in planning	Expenditure 1 July to 31 December 2020
Clarencetown Rd Seg 10, Woodville	\$59,014
Clarencetown Rd Riverflat, Seaham	\$500,378
Grahamstown Rd, Medowie	\$204,500
Warren St /Bus Interchange, Seaham	\$245,529
Medowie Rd, Medowie shared path	\$16,035
Lemon Tree Passage Rd, Salt Ash (near Michael Dr)	\$231,759
Fern Bay Shared Pathway (PS2020)	\$95,870
Raymond Terrace levee bank shared path (PS2020)	\$17,541
William St, Raymond Terrace - Town Centre Improvements (PS2020)	\$71,399
TOTAL	\$1,442,025

Community & Recreational and Structures projects completed	Expenditure 1 January to 30 June 2020
Conroy Park Foreshore Improvements	\$184,291
Salt Ash Hall Amenities	\$17,102
Medowie Skatepark Infrastructure	\$32,269
Seaham Park path	\$35,500
Nelson Bay CBD Amenities (PS2020)	\$103,902
Robinson Reserve, Anna Bay	\$77,638
Koala Sanctuary, One Mile	\$104,275
Bill Strong Oval, Nelson Bay	\$71,902
TOTAL	\$626,879

Community & Recreational and Structures projects in construction	Expenditure 1 July to 31 December 2020
Medowie Tennis Amenities	\$65,840
TOTAL	\$65,840

Community & Recreational and Structures projects in planning	Expenditure 1 July to 31 December 2020
Little Beach, Nelson Bay - Amenities Replacement (PS2020)	\$8,384
Tilligerry Skatepark	\$44,515
Stuart Park Amenities, Hinton	\$35,466
Boyd Oval Amenities, Medowie	\$28,103
Tomaree Sports Complex Amenities	\$287,742
Raymond Terrace Depot	\$725,618
Birubi Information Centre	\$289,749
TOTAL	\$1,419,577

2. Community Satisfaction

We conducted our annual Community Satisfaction Survey in May/June 2020 yielding an overall satisfaction score of 80%. This score meets the yearly target of 80% and is 4 percentage points higher than our 2019 score.

A detailed report is available on the Council's website.

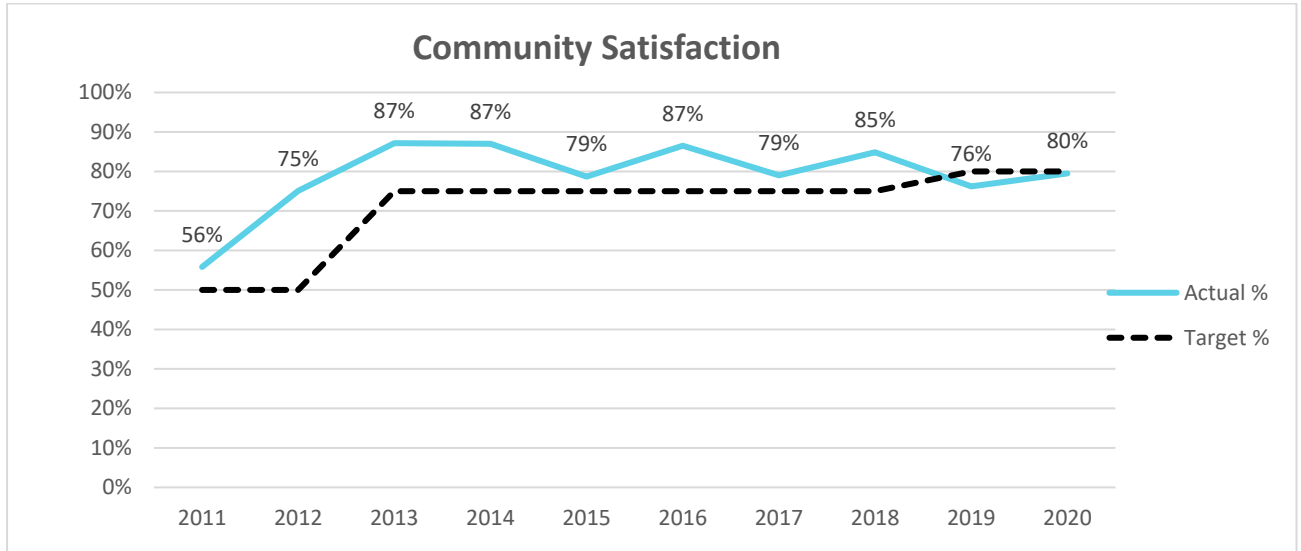


Figure: Community Satisfaction

3. Employee Engagement

We conducted an 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 Council in the top quartile of organisations in Australia and New Zealand.

We continue to score significantly above the average local government score of 54%. There have been improvements in all key areas, which we focussed on during the year.

Over the next 6 to 12 months, we will implement a robust plan with key stakeholders to further improve and sustain effective strategies with short- and long-term milestones.

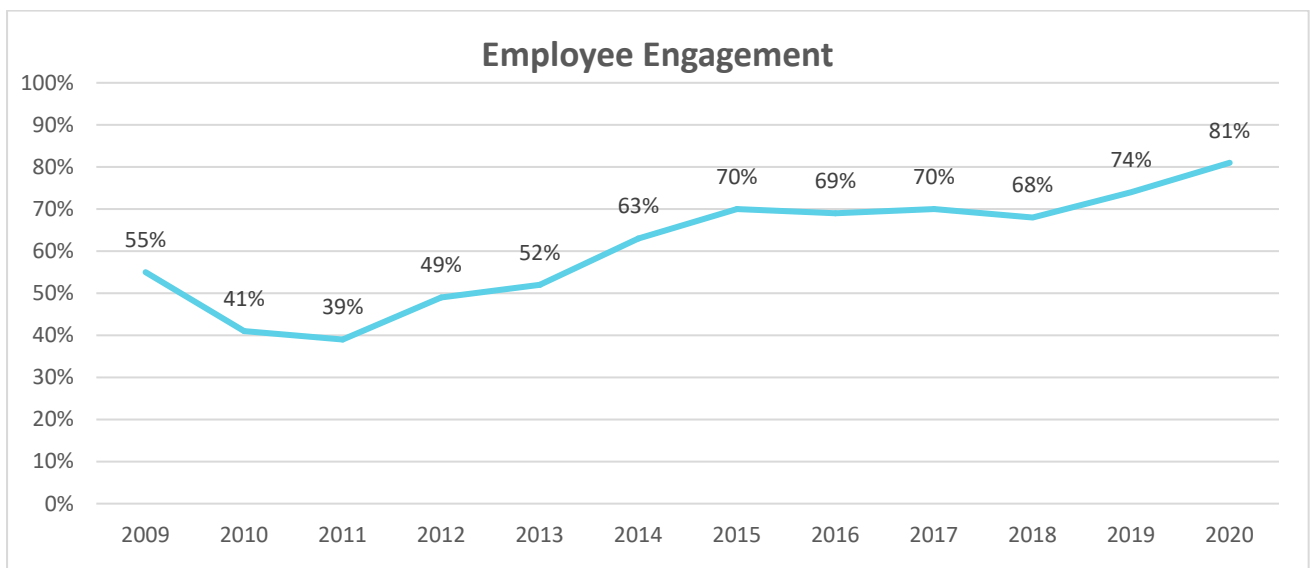


Figure: Employee Engagement

4. Governance

We conducted the annual review of the Governance Health Check in June 2020, resulting in a 98.24% score.

We implemented further improvements in the area of - managing working with children policy and procedures. As a result of these improvements, the Governance Health Check score has exceeded the Council's target of 95%.

The Governance Health Check is a tool to measure our governance and performance. It covers four areas - ethics, risk management, information management and reporting. The graph below demonstrates our progress in achieving our Governance Health Check scores from 2015 to 2020.

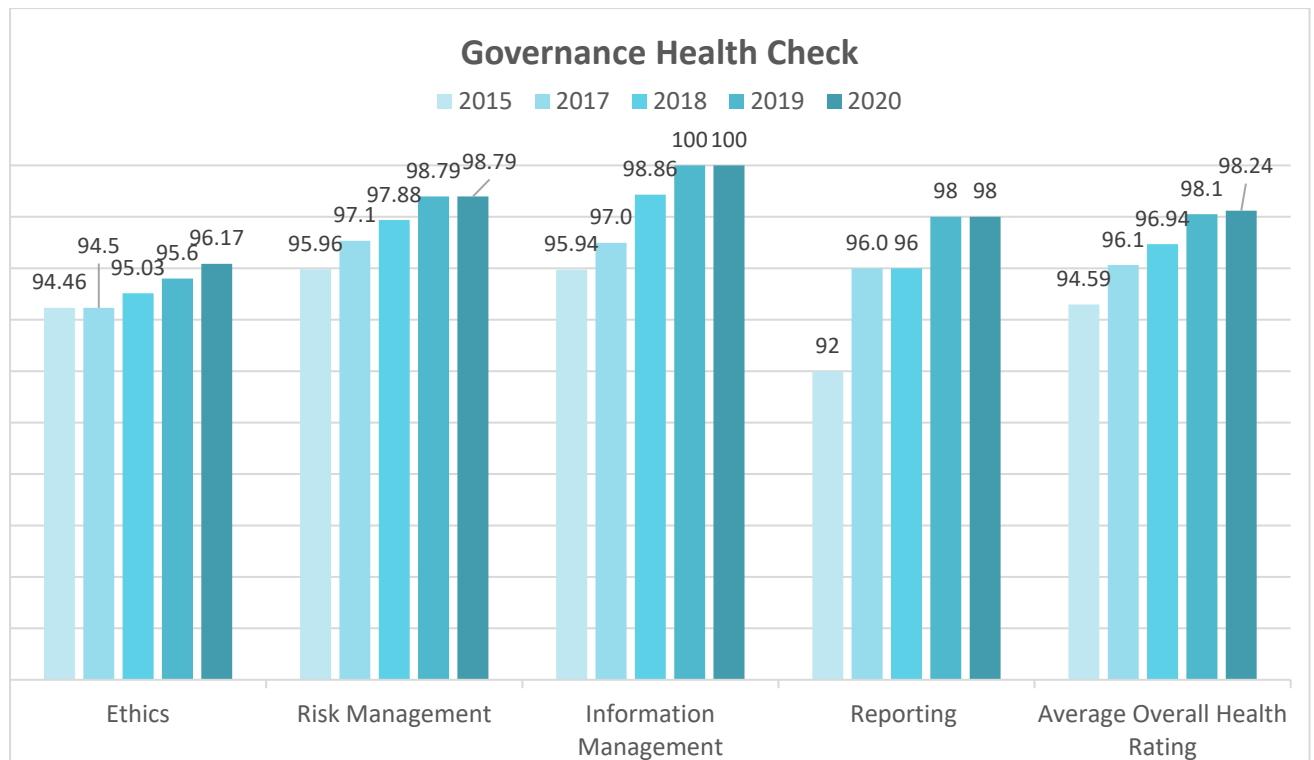


Figure: Graph Governance Health Check

5. Risk Management

We reviewed our risk maturity score in October 2020, achieving a rating of 86% against a target of 80%.

Consistent with the Council's business excellence philosophy, the Enterprise Risk Management team initiated a review of the Risk Management Framework and established a multi-year program to mature the capacity and capability of intelligent risk management at Council. This extensive program examines all aspects of the framework, including processes, systems, documentation and risk language. This approach will extend existing risk management practices to further integrate effective risk management in support of Council's Community Strategic Plan.

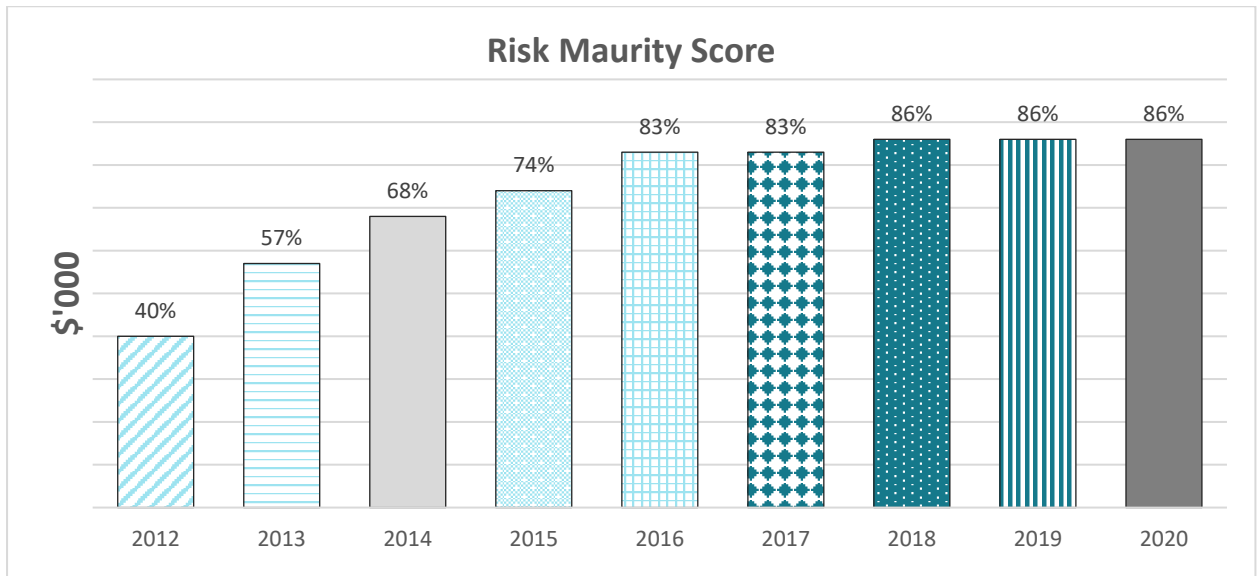


Figure: Graph Risk Maturity Score

Environmental Management System

Council's Environment Policy, a foundation document of the Environmental Management System, was reviewed and adopted by Council in December 2020. In October 2020, Council was announced as the overall winner in the Local Government New South Wales (LGNSW) Excellence in the Environment Awards 2020, for our work on Roadside Environmental Management. Council's winning project, Discovering Mahony's Toadlet – a journey to expand the Hunter and Central Coast Roadside Environmental Marker Scheme was in partnership with the Hunter Joint Organisation and supported through a Local Government NSW grant.



Image: Mayor Ryan Palmer, Kirily Sheridan, Environmental Management System Manager and Chris Hilkemeijer, Enterprise Risk Manager

In 2016, Mahony's Toadlet (*Uperoleia mahonyi*), was discovered in the Port Stephens Local Government Area (LGA).

The newly discovered species was listed as threatened the following year. This project undertook ecological surveys of Council's roadside environments to assess likely habitat for Mahony's Toadlet. This also included addressing potential impacts of the Council's roadside maintenance activities on the species and inclusion into our Environmental Management System.

Council also integrated this project into the existing Hunter Joint Organisation Regional Roadside Environment Marker Scheme, which is ready to use by other road authorities across the region. Council is progressively rolling out the marker program for our roadside maintenance activities.

With the support of experienced third parties, Council continues to explore its understanding of specific climate change threats to our operations and long-term delivery

of services. This is being examined through scenario analysis on the impacts climate change has on different functional areas of Council, including long-term planning and resourcing. This analysis will help to inform Council's ongoing approach to adapting to the challenges of climate change.

Work Health and Safety

The health, safety and wellbeing of workers is a priority at Council and is reflected in our proactive Work Health and Safety (WHS) program. During the last six months, Council has undertaken the following key health and safety outputs (including actions to prevent or respond to the potential risk):

- 63 Ergonomic assessments (97 Actions),
- 17 Workplace Inspections (130 Actions),
- 70 Safety Compliance Audits,
- 884 Safety observations (94 Actions), and
- Over 160 people participated in Skin Checks

Council's ongoing and continued efforts in workplace health and safety were acknowledged by its Workers Compensation Insurer, StateCover Mutual Ltd, by way of a partial rebate received in the period.

6. Financial sustainability

For the past 5 years, our Council has been consistently delivering 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. With a downturn in revenue because of the pandemic, our projected underlying result moved to a deficit of \$185,000 in June 2020. As at the December Quarterly Budget Review, we anticipate our underlying financial position will be break-even.

By carefully managing our cash flow and reprioritising spending, we have still been able to meet our Council's financial obligations while keeping people employed in meaningful work.

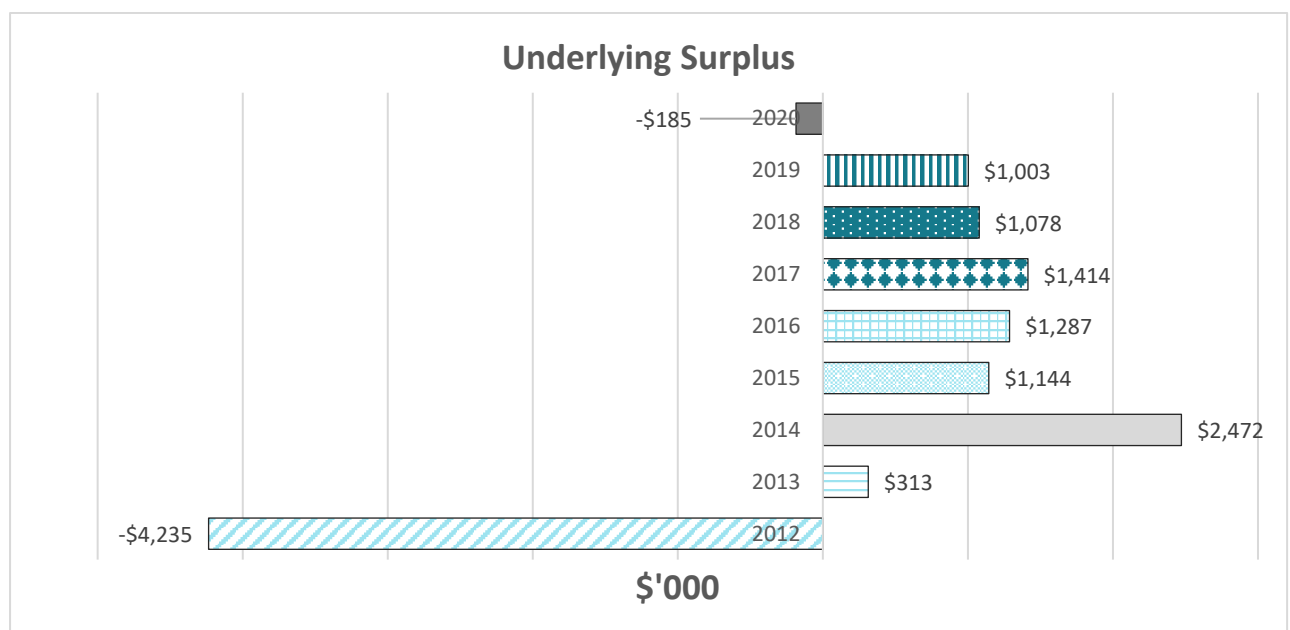


Figure: Graph Underlying Surplus

7. Infrastructure backlog

The infrastructure backlog is a new measure introduced in the 2019-2020 financial year.

The target is to reduce the backlog, which occurred significantly from 2014 to 2015, remaining relatively stable for the past 4 years. The infrastructure backlog is reported on an annual basis in the Annual Report.

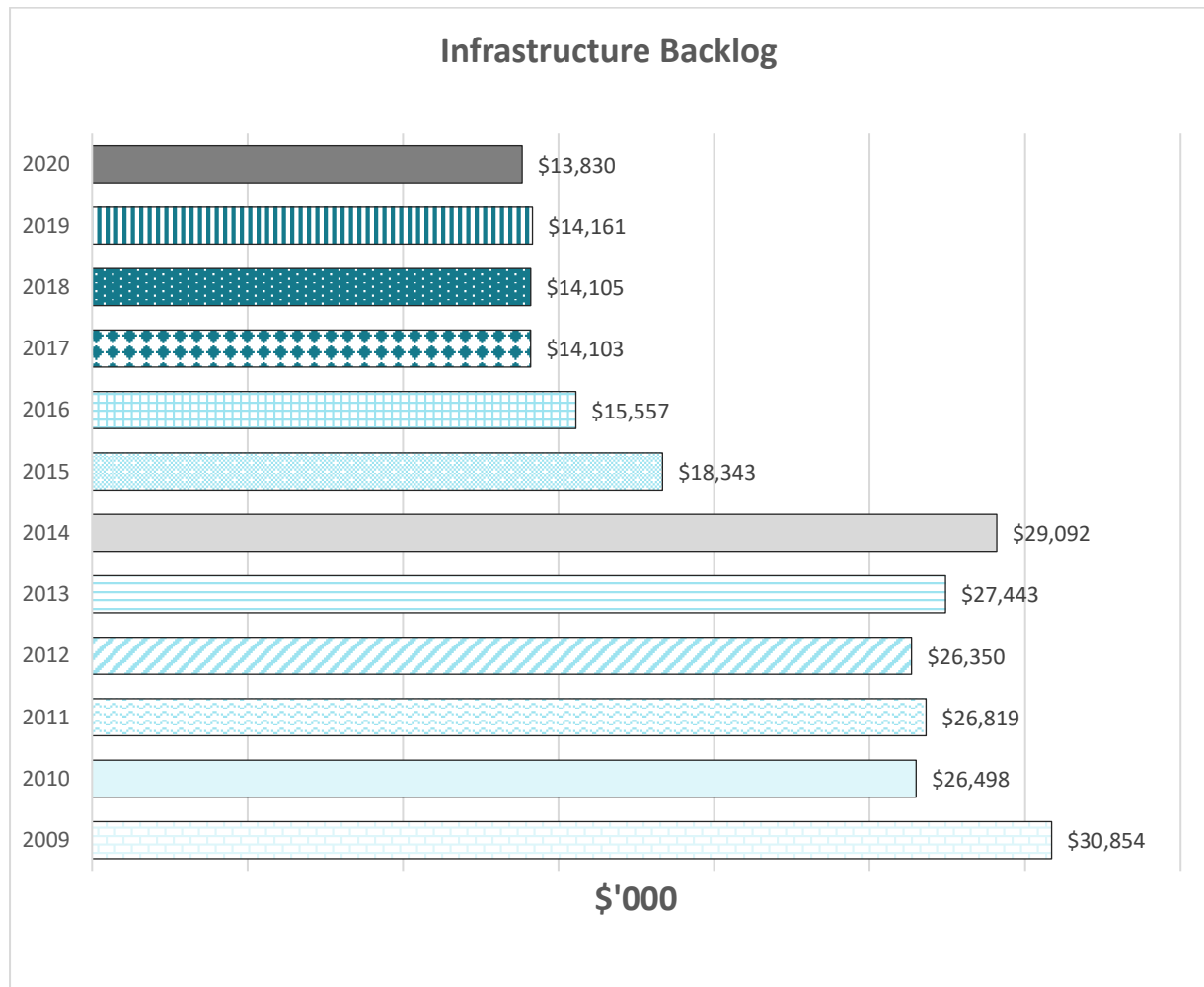


Figure: Graph Infrastructure backlog



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