

Six-month progress report

July to December 2021





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The Six-month progress report from July to December 2021 has been prepared in accordance with the requirements of the Integrated Planning and Reporting Guidelines (September 2021) Essential Element 4.9.

‘The general manager must ensure that progress reports are provided to the council, with respect to the principal activities detailed in the Delivery Program, at least every 6 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

On behalf of our Council team, welcome to a new Council term!

This report provides an update on the progress of our Delivery Program 2018-2022 over the past six months, with previous reports available on Council's website.

We continue to ride the wave together with our community through the ongoing changes and challenges posed by COVID-19.



Financial implications

While Council historically has been able to consistently sustain a modest underlying surplus, recent impacts from COVID-19 and a general economic downturn have made the ongoing achievement of that goal difficult to realise. COVID-19 has significantly impacted almost every facet of our operations with revenue streams from Airport dividends, Holiday Parks, Child care services and parking revenue down all the while still needing to deliver to current standards.

We continue to do our best, with financial austerity measures in place, however, budget deficits of \$975,000 (as of December 2021 quarterly review) aren't sustainable. We're continuing to be cautious in our decision making but through careful budget monitoring and a sensible approach it's anticipated we'll be in a stronger position in the future.

Supporting our community

As the level of government closest to the community, we continue to provide support where our community needs us most. In areas such as online support for business, an additional \$3 million of priority road repair works, filling 31,118 potholes and delivering much-needed capital works like Foreshore Drive Bridge.

Despite the challenges of lockdowns, supply chain issues, resource constraints and continued wet weather events, we successfully delivered a number of major projects such as the Foreshore upgrade at Shoal Bay, Little Beach Boat ramp, amenities at Boyd Oval, Medowie and Stuart Park, Hinton.

We continue to engage in an integrated way with our community on matters such as waste, place planning, community wellbeing and more.

We've also been working on enhancing the experience of our customers by developing a Customer Experience Action Plan and transforming our website so it's more accessible and user-friendly.

Engaged team

A key element in delivering the most for our community in a challenging environment is having a highly engaged team that go the extra mile - we're proud of our employee engagement score which is at an all-time high of 83%.

I'm proud of what our Council team has achieved in the past six months and look forward to our journey together in the coming months and years.

Wayne Wallis

General Manager

Our highlights



Engagement
for the
**Community
Wellbeing
Plan**




82,529
Library items loaned

Collaboration on
Place plans



12 Workshops
103 participants



594
Development
applications,
worth **\$175.5
million**
development




**Waste Management
Strategy**
adopted

5696
Trees planted



**End of
Term
Report**
2017 to 2021



83%



Employee Engagement
Score 2021



Progress of principal activities

Key Priorities update

The following key priorities were nominated for investigation and progression over the Delivery Program period - 2018 to 2022. Over the past 6 months, we've 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've:



Image 1: Community member enjoying Cycling without Age at Fingal Bay

- Focused on improving Communications to be more accessible through alternative text in media releases and mapping accessible assets on layers within the website
- Facilitated Cycling without Age bikes for the elderly and disabled, where they can experience the joy of Port Stephens surroundings while being transported on a bike with a bucket seat in the front. These bikes will be housed at Fingal Bay Holiday Park for use by community groups and the public.
- Developing the seniors' atlas, a directory full of services and things to do, to increase community connection in the seniors' population. The atlas instils a sense of wonder regarding the diverse nature of our community and encourages seniors to get out and enjoy life to improve their wellbeing

- Promotion of International Day of People with a Disability with a pool party at Lakeside Leisure Centre.

Read more about our inclusive and access friendly community on [page 18](#).

Birubi Point Aboriginal Place Tourism Interchange

A sand management plan has been developed to minimise ongoing maintenance of the windblown sand. We'll seek a Construction Aboriginal Heritage Impact Permit (AHIP) once the detailed design and construction drawings are complete. Major works will commence in mid to late 2022 following approval of the Construction AHIP.

We've secured a further \$4million grant funding (Building Better Regions Funding) along with the previously approved \$5.4million Restart NSW Grant Funding. The total budget for this project is now \$9.97million.

Once complete, Birubi Point Aboriginal Place Tourism Interchange will provide an improved visitor experience and help ease traffic congestion at Birubi headland.

Coastal Management Program

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

In July 2021, Council received the final report for Stage 2 Hazard Mapping and Modelling studies. The report includes detailed studies to assess key coastal hazards, coastal erosion, coastal inundation and sand-dune transgression.

We've engaged coastal experts to begin preliminary work for Stage 3 of the CMP including a risk assessment of built and natural assets. Stage 3 is due to begin in early 2022 and will focus on identifying management options and their feasibility in the treatment of coastal hazards. Stage 3 will include extensive consultation with the community and other stakeholders to help us make decisions about management options and priority areas of action.

In November 2021, Council facilitated a workshop of Estuary Stakeholders with Mid Coast Council, Marine Parks and Department of Planning, Industry and Environment to collect data on the water quality of the Port Stephens Estuary. The outcomes from the workshop will be included in our Stage 3 work.



Cycleways and footpaths

Construction of the shared path alongside Medowie Road, from South Street to 300m north of Brocklesby Road, Medowie was completed in August 2021. These works combined with other shared pathways have resulted in a continuous shared path from Boundary Road to South Street. A short missing link remains on Medowie Road north of Ferodale Road which will be completed in the 2021-2022 financial year.

Shared pathways at Shoal Bay Foreshore were completed as part of the broader Shoal Bay Foreshore upgrades in September 2021.

Stage 1 of the paths alongside Nelson Bay Road through Fern Bay was completed in November 2021. Planning is well underway for stage 2 from Vardon Road to Bayway Village.

The missing link shared pathway on Lemon Tree Passage Road from Mallabula to Lemon Tree Passage is now complete with/ planning nearing completion for the shared pathway works on Cook Parade, Henderson Park to be delivered under the Public Spaces Legacy Fund. Shared pathway works were completed in the Avenue of the Allies in Tanilba Bay in October 2021. The application to upgrade the pathways between Nelson Bay Beach and Halifax under the Public Spaces Legacy Fund was successful with detailed planning currently underway for delivery in 2022 to 2023 financial year.

We're also working closely with NSW National Parks and Wildlife Service to complete the final planning and implementation of the Tomaree Coastal Walk from Birubi Point to Tomaree Headland.

Events

Sail Port Stephens returned to Port Stephens after being cancelled in 2020 and contributed a \$1 million boost to the Port Stephens economy.

It's On! - Nelson Bay - This place activation trial program commenced in July 2021 and included various activities in Nelson Bay including live music, kids zones, boot camps, Zumba classes and community group performances. This program of activities was supported by the Nelson Bay Smart Parking program and has seen over 1000 attendees participate so far. The trial program will continue until March 2022.

Funding investigations

As part of its Operational Plan, Council has endorsed the investigation of alternative funding options for a range of major projects. We're cognisant of the fact that we must continue to seek new opportunities, explore new funding pathways and remain flexible in our approach in order to pivot in promising directions when an opportunity is found. We maintain a sense of accomplishment in doing so as this contributes to the viability of both Council and the community.

We've employed a specialised grants officer who diligently seeks out a broader range of State and Federal Government grants on an ongoing basis. This can be challenging, as grant program priorities do not often match those of local projects and community needs. Despite the challenges that come with the role, a number of grants totalling more than \$2m in the period July - December 2021 were secured. Additionally, we've received various stimulus packages recently and have had success in generating external funding from various sources.

We keep Council informed of these achievements through regular reporting of the status of grant applications. Additionally, Council continues to optimise its investment returns through careful management and monitoring of market conditions.

Gateway, location and town signage

Stage 1 of the gateway signage program was completed before June 2019 with no activity undertaken since.

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 - reconstruction was completed in December 2020.
- Fingal Bay Link Road - State Government has committed to providing funding for this project. Transport for NSW will lead the planning and delivery and is currently undertaking project due diligence, reviewing options and consultation.
- Tanilba Road, Mallabula - construction is scheduled to commence in March 2022 to reconstruct Tanilba Road from Bay Street to The Parkway Ave North including pavement widening, kerb and gutter construction and drainage upgrades.
- Tomaree Road, Shoal Bay - we're continuing with the full reconstruction of Tomaree Road between Marine Drive and Verona Road. This includes pavement widening, kerb, 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 was completed in March 2020 and December 2020. We plan to complete stage 3 from Marine Drive to Rigney Street when funding is available.
- Duns Creek Road - construction work has commenced on road safety improvements for Duns Creek Road. The project scope includes widening, sealing and the addition of guardrail and correction of super-elevation on curves. Project completion has been delayed due to Ausgrid industrial action affecting power pole relocation. However, project completion is anticipated in April 2022.
- Swan Bay Road - in March 2021, we completed an additional 1.1 km stage of widening and sealing Swan Bay Road towards Morten Road including safety improvements to culverts along Swan Bay Road. We're 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 Port Stephens Koala Sanctuary is a purpose-built eco facility that includes the Port Stephens Koala Hospital, the Newcastle Airport Skywalk, the Sanctuary Story Walk, Fat Possum Café and deluxe 4-star glamping accommodation.

Port Stephens Koala Sanctuary celebrated one year of operations in October 2021.

The Sanctuary was also named as a finalist in the 'Start-up Superstar' category of Hunter Business Awards.

A partnership between Council, the NSW Government and volunteer care group Port Stephens Koalas, the Koala Sanctuary is focused on sustaining and protecting the threatened species for years to come. The Koala Sanctuary offers tailored and educational tours from local guides on how we care for sick, injured and orphaned koalas to give them the best opportunity to return to the wild. In November, the first volunteer Ambassadors were welcomed to the Koala Sanctuary. This new volunteer program enhances the guest experience by bringing together visitors to the Sanctuary with Port Stephens locals who have a passion for Koala conservation

Over the past six months, despite lockdowns and weather events, the Sanctuary has welcomed more than 6,200 day visitors, 1060 overnight visitors, hosted several schools, Probus Clubs and other industry groups to the Sanctuary. Our Net Promoter Score, derived from guest feedback for the past 6 months was 89.89% which is an outstanding result and recognised as world-class.

To find more information about Port Stephens Koala Sanctuary, visit - portstephenskoalasanctuary.com.au

Medowie Sport and Community Facility

Construction of the \$6 million facility was completed in February 2020 with Medowie Social opening at the end of January 2021.

For more information about Medowie social, visit - medowiesocial.com.au

Off-leash dog parks

Recent changes to the dog exercise area mapping for Fisherman's Bay, Boat Harbour and Anna Bay have seen the trial period for Boat Harbour extended to the end of January 2022 following community feedback. A report will be prepared for Council in early 2022.

Fisherman's Bay and Anna Bay updates were well received with positive reviews.

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 to 5 years and support a community approach to the delivery of place outcomes.

Over the past 6 months, we've completed drafting and exhibition of the Karuah Place Plan. Following a review of submissions, the Karuah Place Plan will be updated and reported to Council in the coming 6 months. Consultation has also continued on the place plans for Shoal Bay, Medowie, and Anna Bay which are progressing towards drafting. Development of Place Plans for the Port Stephens Hinterland and a strategy for the Raymond Terrace Economic Zone, including the related consultation and engagement will also continue over the next 6 months.

Port Stephens Council depot development

Planning continues for the construction of the new Depot at Kangaroo Street, Raymond Terrace. Council has finalised the design and is currently tendering for the demolition and construction. Tenders will close in February 2022, with assessment and awarding of the contract to be completed in March and the contractor expected to be on-site in April 2022. We're expecting all work to be completed by mid-2023.

Strategic Planning Statement and Local Housing Strategy

Implementation of the Local Strategic Planning Statement (LSPS) and Local Housing Strategy (Live Port Stephens) have progressed since being adopted in July 2020.

This has included a wide range of actions including the commencement of an affordable housing delivery program, Raymond Terrace Economic Zone delivery program, and the preparation of place plans for Karuah, Shoal Bay, Medowie and Anna Bay.

A Housekeeping LEP has been prepared and is in the final stages of gazettal to enact outcomes of Live Port Stephens, whilst a Rural Economic Development planning proposal is underway to implement actions from the LSPS.

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 2021, 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. For more information, refer to our Operational Plan 2021 to 2022 on Council's website - portstephens.nsw.gov.au/council/our-performance2/integrated-plans

Williamstown Special Activation Precinct (SAP)

The Williamstown Special Activation Precinct (SAP) was declared on 28 May 2020. Community consultation on the SAP has been ongoing since December 2020 with a series of drop-in sessions at the Williamstown Community Hall and letter updates.

In April 2021, the second and final four-day Enquiry by Design (EBD) workshop was held with all the agencies and consultants involved in the SAP. The EBD aimed to define and test development scenarios and identify the opportunities and constraints.

The SAP final technical reports are currently being reviewed by Council internal staff and the other relevant SAP stakeholders. Once the reports are finalised, the SAP masterplan should be going on public exhibition in February 2022

There will likely be amendments to the State and Regional SEPP concurrently to allow for the lodgement of the SAP concept DA as a State Significant Development (SSD). The application will be lodged by Regional Growth Development Corporation and assessed by DPIE.



Delivery Program update

Despite all the challenges we've remained committed to delivering services to our community and continued our pursuit of excellence while remaining flexible and agile.

We've adapted, revised and re-baselined 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 December 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 2018-2022.



ON TRACK: Operational Plan Actions are on track to achieve the target



MONITOR: Operational Plan Actions are within 5% of the target



OFF TRACK: Operational Plan Actions are > 5% off the target





Our Community

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

C1 Community diversity

We've 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.

Operational Plan Actions

 **On track – 5**

Key outcomes include:

Childcare services - providing quality childcare services to support our community. With many families working from home, the number of children using care dropped. Fortunately, the federal government provided subsidies to help replace lost fee income.

We undertook a re-enrolment process for 8 Out Of School Hours (OOSH) services and also completed a mammoth task of manual data entry to transfer families from Newcastle Family Day Care to our rebranded Thrive Kids Family Day Care.

Youth support - providing a podcasting program in collaboration with Irrawang High School, which is going well. Other youth programs are developed and ready to be delivered however, COVID-19 has hindered implementation.

At the time of writing this report, expressions of interest were being sought for the Curious Giant Youth Program that will provide young people with an opportunity to work alongside professional artists to learn how to animate large scale, professional, puppets. The program is scheduled for late January 2022.

Community Wellbeing - completing community engagement and receiving positive feedback on our Community Wellbeing Plan. Engagement included a wheelchair challenge for staff.



41,940 childcare places filled
43 registered educators
246 compliance visits

We also continued to work on a review of the Disability Inclusion Action Plan (DIAP) which will be incorporated into the Community Wellbeing Plan and reported progress on delivery of the DIAP to the Minister for Disability Services.

Read more about our inclusive and access friendly community in the Key Priorities section on [page 8](#).

Volunteer support - involving volunteers in the development of new processes and adapting to new ways of accepting bookings for Halls and Community Centres via online booking systems -a significant change and process improvement.

Our volunteers have been engaged in reviewing the fees and charges and participating in workplace inspections to identify safety hazards.

Challenges include:

- Childcare services were impacted by the resurgence of COVID-19 cases in the region. Due to COVID-19 exposures, three OOSH services were closed at different times over the period.

What's next:

- Childcare services - enrollments for 2022 OOSH childcare services are quite strong. We're also working to set up two additional OOSH services in Clarence town and Raymond Terrace in January 2022.
- Ageing population - we've been working on a planning proposal to facilitate seniors' housing in the Port Stephens area and are expecting to complete it in the next 6 months.
- Youth services - we'll focus on the education and training for vulnerable young people as well as the positive integration of young people in delivering events and activities.

C2 Recognised traditions and lifestyles

We've 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.

Operational Plan Actions



On track – 4

Key outcomes include:

Local Aboriginal and Torres Strait Islander support - joining Port Stephens Hunter Police and Karuah Local Aboriginal Land Council (LALC) in distributing COVID-19 personal protective equipment (PPE) to community groups and frontline organisations across Port Stephens. The PPE will help some of our community's most vulnerable and will ensure some of our most vital organisations can continue to operate safely.

To find out more about our response to COVID-19 and support available for community and business, visit - <https://www.portstephens.nsw.gov.au/council/COVID-19-20>

Local cultural support - organising various cultural activities, including Terrace Reflections, new exhibition 'Blooming in History' and installation of artwork in Yacaaba Street by local artist, Chrissy McYoung.

Heritage Support - being provided through valued external advisory services for 9 Development Applications, 29 Council projects and 10 customer requests.

Our Library services

82,529 library collection items loaned

9,125 enquiries

7,791 printing jobs assisted

6,077 internet & Wi-Fi users

1,219 contactless home deliveries

622 new members

409 Click & Collect items

Library services - our libraries were closed to the public for 9 weeks due to the lockdown, however, our staff continued to work behind the scenes, adapting and adjusting to our modified program of service delivery to continue meeting the needs of the community. During this time we offered our 'Click & Collect' service, online resources and programs and also introduced contactless printing and a Home Delivery Service, all of which were greatly appreciated by our customers.

Our community was very happy when the libraries were opened to the public in October 2021 and the Mobile Library was back on road with the addition of free Wi-Fi service.

Challenges include:

- In October 2021 we were able to welcome customers back to our libraries, however in line with NSW Public Health orders, confirming vaccination status and check-in took additional time and were daunting for some.

What's next:

- We're looking forward to various cultural activities including the Aboriginal Strategic Committee annual joint dinner and Cultural Forum in February 2022 and Karuah Family Fun Day in April 2022.
- Library services are looking forward to resuming a more 'normal' level of service delivery, implementing a new Library Management System in April 2022 as well as recommencing our full range of programs, activities and events.



C3 Community partnerships

We've 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.

Operational Plan Actions



On track – 4

Key outcomes include:

Community services support - facilitating our first face to face/ online Community Interagency meeting and training session, with 2 guest speakers and 20 service providers.

Community financial assistance - providing \$30,000 grant funding as part of Round 1 Local strengthening fund applications to 6 community groups and not-for-profit organisations seeking support for projects, activities and events that address community and environmental needs. Round 2 of the fund will open in February 2022.

The Mayor (\$66,626) and Councillors (\$15,622) also made donations to a variety of projects to assist the community.

For more information about Local strengthening funds as well as other grants, funding and scholarships available, visit - portstephens.nsw.gov.au/community/grants,-funding-and-scholarships

Leisure and recreational services

- having COVID-19 Safety plans in place and actively updating these as per any changes to NSW Public Health Orders for all our venues.

Completing upgrades at our facilities including the Café at Lakeside Leisure Centre, pool liner replacement at Tilligerry Aquatic Centre and kiosk upgrade at Tomaree Aquatic Centre.

In the last six months, the number of beach visitations increased by 22% as compared to the same period in 2020.

Our beaches



281,825 visitations

18,594 preventative actions

12 rescues

106 first aid treatments

484 law enforcement actions

20,722 advice to public

Challenges include:

- Continuously changing Public Health Orders and lockdowns significantly impacted commercial operators and Aquatic Centres.

What's next:

- We'll continue to deliver valued services to our community as best as we can while ensuring COVID-19 safety for all.





Our Place

Port Stephens is a liveable place supporting local economic growth

P1 Strong economy, vibrant local businesses, active investment

We've continued to:

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

Operational Plan Actions



On track – 7

Key outcomes include:

Sustainable business development - assisting local businesses to navigate the uncertainty surrounding operations during COVID-19 through online sessions on topics relevant to businesses, providing resources and information via various channels (including BizLink and online) and through collaboration with business organisations.

We developed town centre contact lists for Raymond Terrace and Shoal Bay to facilitate improved communications with businesses. Next, we're developing the contact lists for Lemon Tree Passage, Anna Bay and Medowie. The lists will assist Council in effectively communicating with businesses about things that affect them, such as town centre development works, changes to waste management, business meetings and more.

To support and grow our local economy, we revised our Economic Development Strategy in consultation with business and community.

For more information about the strategy, visit - portstephens.nsw.gov.au/development/planning-guides-and-strategies/economic-development-and-tourism

Events - a total of 36 event applications, 46 wedding applications and 9 film applications were received with approximately 30,000 participants attending various events throughout the period.

Long-standing events such as Nelson Bay Family Carnival, Carols at the Bay, 16-19 Women's Country Cricket Championships, ParkRun, community markets and sporting events also returned to Port Stephens.

Visitation - increasing domestic visitation across Port Stephens in the lead up to the December - January NSW School Holidays. However, the visitor information centre was closed from August to November 2021 and saw a decline in consumer

confidence due to COVID-19, resulting in tour cancellations and a reduction in the number of visitors to our region.

Destination Port Stephens commenced projects on growing the visitor economy outside of traditional tourism areas, including a recent meeting with Raymond Terrace and the Rural West business community for ideas on product development in the west.

Community Funding - delivering the 2021-2022 Community Funding Program across 4 targeted funding streams for Vibrant Places. The new-look funding program resulted in improved strategic alignment and a greater diversity of applications. However, the number of applications was lower than in previous years due to the impacts from COVID-19 and the timing of rounds opening shortly after the easing of restrictions. The implementation of the new Smarty Grants platform resulted in greater customer satisfaction.

Community Funding Program (YTD):

\$44,750 grant funding provided

19 applications

14 recipients



Place activation - commencing *It's On!* - Nelson Bay Place as a place activation trial program in July 2021 including live music, kids zones, boot camps, Zumba classes and community group performances, all supported by the Nelson Bay Smart Parking program. The trial program will continue until March 2022.

Additional funding was also secured from the NSW Government Festivals of Place Summer Night Fund to deliver a 4-week activation program across various town centres including Raymond Terrace, Medowie, Lemon Tree Passage and Anna Bay from February to April 2022.

Challenges include:

- Community funding program - the total amount of funds were reduced for this financial year due to Restart funding no longer being available.
- Event uncertainty - the beginning of July 2021 presented a significant increase in event applications. Many events were approved but subsequently postponed or cancelled following additional COVID-19 Public Health Order restrictions in August.

What's next:

- Support local businesses - we'll continue to provide support through

these changing times. Visit our website for information about COVID-19 business support - portstephens.nsw.gov.au/business/COVID-19-business-support.

- Community funding program - round 2 will be released in March 2022 with an expectation that the number of applications will increase.
- Events - planning a review of the event licensing process to facilitate a quick and easy approval for low impact events. We'll also continue to work with major events that were postponed during 2020 and 2021 to welcome them back in 2022.

P2 Infrastructure and facilities

We've 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.

Operational Plan Actions

 **On track – 15**

 **Monitor – 1**

 **Off track – 2**

Key outcomes include:

Infrastructure planning and renewal

- commencing the 2021 -2022 financial year with a \$29 million civil road works program primarily due to grant funding, including \$1.9 million for 4 Black spots improvements, \$1.3 million for fixing local roads, \$220K from the School Zone Infrastructure Sub Program (round 2) and \$280K from the Australian Government's Local Roads and Community Infrastructure Program for a new and improved play space.

Continuing with recovery works and claims associated with the natural disaster in March 2021. In July 2021 Council endorsed a further \$3 million to go directly toward rehabilitating Port Stephens roads.

Commencing asset dashboards to enable understanding of asset condition, function and capacity.

Processing 91 out of 92 Flood Certificate requests, 96 out of 100 Development Application (DA) referrals and 207 out 229 DAs that

required development engineering assessments within required timeframes.

Commencing works and continuing investigations of various drainage projects from Nelson Bay to Salamander Bay.

Council fleet - progressing the 2021-2022 procurement plan including Bobcat, utes, trucks, mower and trailers.

Traffic engineering and road safety - delivering the 2021-2022 Road Safety Projects, funded by Transport for NSW, as per the program.

Convening the monthly Local Traffic Committee meeting online to discuss a variety of traffic and road safety matters including requests for changes to traffic control measures.

Launching the 2021 'Motorcycling in the Hunter' brochure and Holiday Time road safety campaign.

\$3 million Road Repair Program – completed repair works for East Seaham Road and Newline Road, Ferodale Road, Gan Gan Road, Lemon Tree Passage Road in Salt Ash, Port Stephens Drive, East Seaham Road and Newline Road. Repair works are in progress for East Seaham Road and Italia Road.

Little Beach boat ramp – launched a new and improved \$2.2 million boat ramp at Little Beach in Nelson Bay in November 2021. This is one of the most popular ramps in the state and is designed to prevent sand inundation.

Foreshore Drive – Repairs to the Foreshore Drive culvert and installation of the new locally manufactured bridge were completed in December 2021. The bridge creates a bigger channel for flood water to move through and offers safe pedestrian access with a 2.4m footpath.

Shared pathways – new 2.5km long and 2.5m wide shared pathways officially opened in Medowie. The pathway connects Ferodale Road to South Street, improving accessibility for pedestrians, cyclists, mobility scooters and prams.

Foreshore revitalisation – completed works at Shoal Bay to make it a more attractive, vibrant, liveable and accessible place for both visitors and locals. Work carried out included foreshore upgrades, new amenities, shared pathway, landscaping and park furniture.

Community, recreation and corporate assets - completing asset inspections on time along with risk assessments of our playgrounds, with the results indicating an improvement in this category of assets over the past 10 years. We've continued to deliver several key projects, refer to the Service Delivery section on [page 48](#).

Capital works program - we've continued to deliver our capital works program (from survey and design to construction) as outlined in the Service Delivery section on [page 48](#).

While we implemented financial austerity, 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, the capital works team remained flexible and responsive to these requests and supplemented resourcing from internally seconded staff as well as externally sourced contractors.

Road, roadside and drainage maintenance - filling 31,118 potholes along with our maintenance crew assisting with the delivery of capital works projects.

Building Trades have caught up on outstanding defects whilst the usage of facilities is down due to COVID-19.

Progressing asset inspections, maintenance, minor and major works on the state road network for Transport for NSW under the Roads Maintenance Council Contract (RMCC).

Open spaces, foreshores and building maintenance - due to the continuous rain events servicing of many reserves have been delayed. Our teams are continuing to fix the high priority defects.

Lack of usage due to COVID-19 has allowed our Building and Trades team to catch up with the defect repairs.

Cemetery maintenance - continuing to maintain our cemeteries over the period along with exploring opportunities to improve management and enhance the customer experience of cemeteries.

Challenges include:

- Monitor and Off-track - Operational Plan Actions:
 - P2.1.1 Plan and initiate civil assets - is being monitored as project initiation briefs are not meeting the targeted timeframes to commence capital works. This is due to a combination of resourcing constraints and a large influx of grants which have tight deadlines.

- P2.3.1 Provide roads maintenance - lower risk potholes were not repaired due to continuing weather conditions.
- P2.3.2 Provide roadside and drainage maintenance - intervention levels on open drains were not met due to staff shortages.

- Impacts of COVID-19 and Public Health restrictions have impacted our operations from supply chain issues to shortage of resources as well as re-prioritisation.
- Road and roadside maintenance has been particularly challenging due to continued wet weather and the diversion of resources to capital works projects.

What's next:

- Civil asset projects - completion of several projects including the scatter crossing at Victoria Parade, Nelson Bay and maintenance inspections for the Victoria Parade Bridge, Anna Bay Floodplain Risk Management Study and Plan, Lower Hunter Floodplain Cumulative Development Impact Study and Plan.
- Grant applications - several other grant applications have been submitted which we're awaiting determination, including \$5.3 million for 9 Black spots. A \$1.5 million grant application for the Local Roads and Community Infrastructure program is also being prepared.



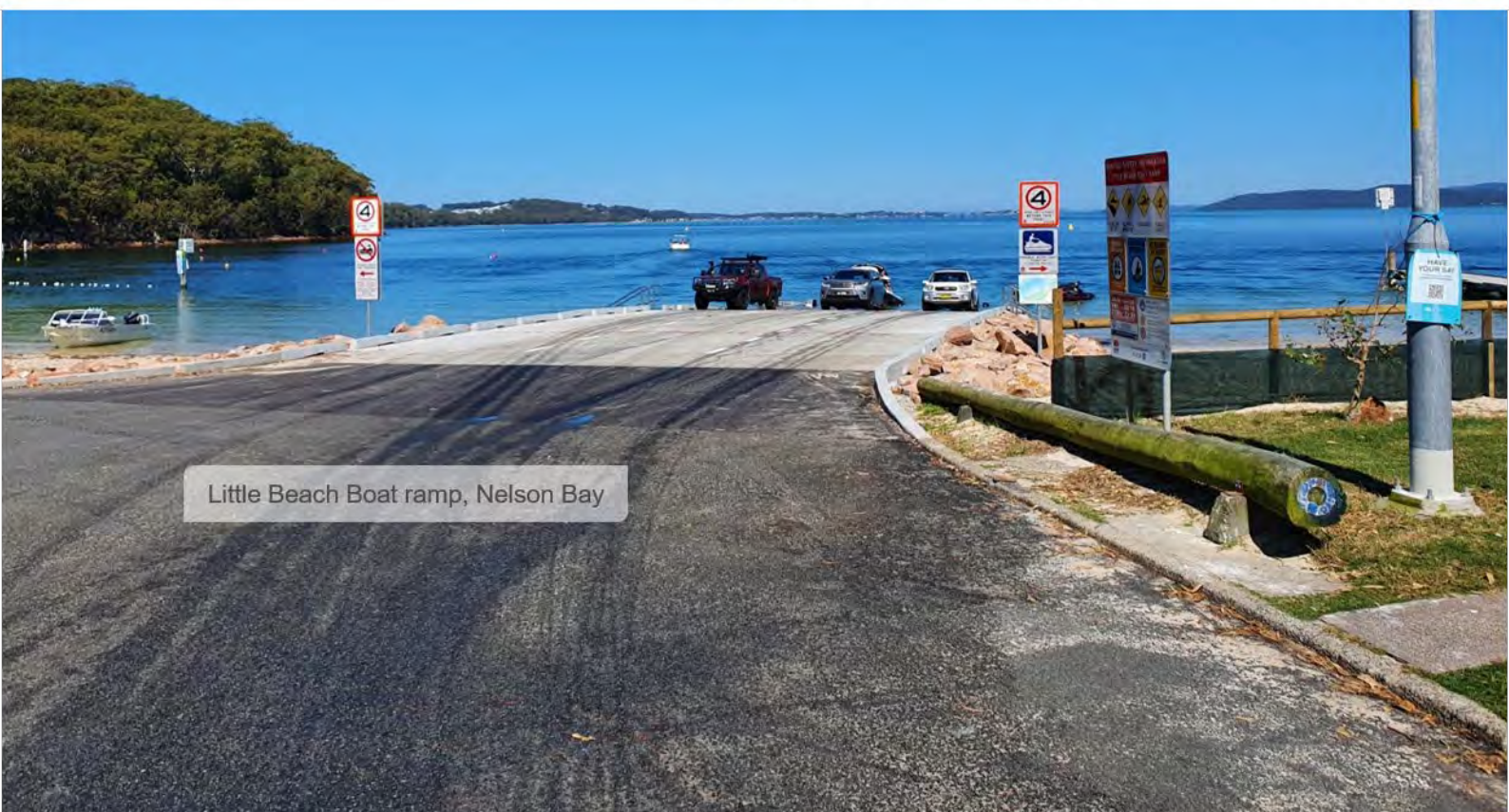
Boyd Oval amenities, Medowie



Nelson Bay Road Shared footpath, Fern Bay



Foreshore Drive bridge, Corlette



Little Beach Boat ramp, Nelson Bay

P3 Thriving and safe place

We've continued to:

- provide land use plans, 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.

Operational Plan Actions

 **On track – 10**

Key outcomes include:

Place plans - Significant work has been undertaken on developing the place-based approach to planning, which has been incorporated into the recent draft Hunter Regional Plan 2041.

Refer to the Key Priorities section on page 15.

Place plans – First in a new series of place plans designed to improve liveability, increase wellbeing and deliver economic growth, the Place plan for Karuah was on public exhibition during November 2021. The plan highlights opportunities for new housing and employment growth, with a focus on protecting the valuable biodiversity of this unique neighbourhood.

For more information, visit - <https://www.portstephens.nsw.gov.au/your-council/news/planning-for-the-future-of-karuah>

Development assessments - reducing our 100-day list to an average of 28 days, consistently being under the 40-day turnaround, determining 594 development applications worth over \$175.5M worth of development, and issuing 199 construction certificates.

As of December 2021, Council reached a milestone of 1000 DA's received, a 23% increase from the previous year.

Environmental Health Services - providing inspection and surveillance programs when able in accordance with the Public Health Order. The food shop surveillance program included large franchise food outlets, supermarkets and other outlets that were deemed to have suffered minor COVID-19 impacts. Completing 62 inspections and 2 re-inspections with 84% satisfactory results at primary inspection. Regulatory action resulted in 2 warning letters and 2 improvement notices.

Inspections of on-site Sewage Management Systems were performed, resulting in 271 primary inspections with 98% satisfactory results. The number of wastewater systems with major non-compliances remains very low.

The skin penetration premises were permitted to reopen under the Public Health Orders in November 2021. Surveillance of skin penetration premises with 11 primary inspections resulted in a high number of breaches and enforcement actions.

Land use compliance and Ranger services - continuing to respond to alleged unauthorised land use, construction or other works in accordance with the Compliance Policy.

Several targeted campaigns were carried out by our rangers including inspections for dangerous dogs and parking enforcement. Even though the bulky waste campaign was postponed due to COVID-19, we've recruited an additional ranger to assist with the bulky waste and illegal waste dumping program.

Supporting amenity and identity - in addition to developing place plans (read more on [page 15](#)), we conducted a series of community workshops to discuss the plans with our community. We also commenced the implementation of the Raymond Terrace Strategy through the Public Domain Plan.

Emergency support - ongoing challenges of local disasters and the pandemic have highlighted the need to ensure that our Emergency Management plans (EMPLANS), are maintained to the highest standard. We're reviewing the Port Stephens EMPLAN as per feedback from the Port Stephens Local Emergency Management Committee (LEMC).

Asset Protection Zones have continued to be maintained in accordance with the Lower Hunter Bushfire Risk Management Plan.

What's next:

- Environmental health services – we'll continue to focus on inspection programs for wastewater systems, food businesses, commercial premises and public swimming and spa pools. We'll also commence a new program for the inspection of the Underground Petroleum Storage System (UPSS).
- Construction certificates - we'll focus on delivering an expanded range of services including consultation services such as Building Code of Australia Compliance Reports and Bushfire Attack Level Certificates. We're also planning to further expand our fire safety program over the coming months and continue discussions with industry connections such as Hunter Joint Organisation.



Our Environment

Port Stephens environment is clean, green, protected and enhanced

E1 Ecosystem function

We've 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 environmental policies, strategies and information including:

- the Biodiversity Value Map (BV Map) review process adopted by the Council and Department of Primary Industries and Environment (DPIE) allowing for minor amendments to the BV map
- drafting the Koala Habitat Assessment Guide to assist environmental consultants in the assessment of planning applications
- finalising guidelines to inform the preparation of Biodiversity Development Assessment Reports
- drafting a brief for the Local Offset Policy to provide a framework that will allow the offsetting of vegetation loss once all other mitigations and avoidance principles have been exhausted
- benchmarking and scoping study for the Biodiversity Strategy was completed.

Nature conservation and environmental assessment programs -

Over the last 2 years, tree removal applications have increased by 20%. To improve our process and increase environmentally beneficial outcomes, we streamlined the Tree Notification system.

Regeneration and restoration of 42 hectares across 80 sites of environmental significance bushland including Mambo Wetlands, were undertaken with the engagement of 496 volunteers. Read more about the restoration and watch the celebration video -

pscouncil.info/mambo-wetlands

Operational Plan Actions

 **On track – 5**

 **Monitor – 1**

5,696 trees planted

42 hectares bushland restoration

496 volunteers

459 biosecurity inspections

136 priority weed control treatments

No space for weeds and pests - continuing to focus on the illegal sale of plants, flowers and foliage that put Port Stephens and NSW at risk. We inspected 459 sites for biosecurity compliance of priority weeds. We undertook 21 compliance and enforcement actions for breaches of the Biosecurity Act and treated 136 sites to control priority weeds.

Several pest control programs were also undertaken to focus on pigeons and rabbits.

Environmental education - delivering 2 environmental education events, producing 3 educational videos and installing 6 information signs to raise awareness about protecting our natural environment. 306 stakeholders received face to face engagement on invasive species.

Challenges include:

- Monitor - Operational Plan Actions:
 - E1.1.5 Develop a bio-diversity strategy (stage 1) - is being monitored as due diligence and preparation of the strategy was hampered by the resourcing constraints (financial and workforce). We're nearing the completion of recruiting to allow for this item to be progressed further in 2022.

What's next:

- In the coming months, we'll deliver several regional projects including Chinese violet, Hygrophyla, Groundsel Bush and continue the pest control program.



E2 Environmental sustainability

Operational Plan Actions



On track – 2

We've continued to:

- reduce the community's environmental footprint.

Key outcomes include:

Waste collected*:

14,288 tonnes garbage

2,775 tonnes recycling

397 tonnes green waste at drop off days

*Figures as of 31 December 2021

Local war on waste - developing the Waste Management Strategy 2021-2031 to address the challenges Port Stephens faces with managing solid waste in more sustainable ways. The Strategy was adopted by Council in October 2021 and will help us to align with the NSW Government's Waste and Sustainable Materials Strategy 2041 targets.

Improving Council energy usage

- by introducing an energy reduction program that will increase the solar panel portfolio and energy-saving lighting. 25 priority sites have been identified and detailed Solar PV scoping and costing completed for 14.

Energy-efficient LED lights were installed at Tilligerry Tennis Courts. Grant funding was secured for Medowie Football Club to replace existing field lighting with energy-efficient LED lights. The project will be delivered in February 2022 and is estimated to cost \$430,000.

Carbon neutral Council by 2025 – Port Stephens Council endorsed a Notice of Motion to commit to carbon neutrality by 2025.

Over the last few years, We've implemented several initiatives to reduce our carbon footprint including installing solar at some of our buildings.

We've also installed water-saving irrigation and energy-saving LED field lighting at our Ferodale Netball Courts. By committing to monitor our emissions regularly and working with our community to develop a plan for the future, We'll be tracking our success and developing the best outcome for our region.

For more information visit: portstephens.nsw.gov.au/environment/sustainability-and-climate-change

Challenges include:

- It's been quite challenging to get contractors and materials for various projects including the installation of solar panels.

What's next:

- Council is working with various user groups, including Northern Hawks and Corlette Community Hall on energy reduction initiatives.



E3 Environmental resilience

Operational Plan Actions



On track – 3



Monitor – 1

We've 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 - refer to the Key Priorities section on [page 9](#) for more information.

Supporting PFAS affected communities - refer to the Key Priorities section on [page 15](#) for more information.

Environmental impacts from waste management - continuing to monitor and manage decommissioned landfill sites as per EPA compliance and responsible land use.

To read more about Port Stephens Council sustainability and climate change, visit - portstephens.nsw.gov.au/environment/sustainability-and-climate-change

Challenges include:

- Monitor Operational Plan Actions:
 - E3.3.1 Review Climate Change Adaptation Action Plan - is being monitored as the review was hampered by resourcing constraints (financial and workforce). We're nearing the completion of recruiting to allow for this item to be progressed further in 2022.

What's next:

- Climate Change Adaptation Action Plan - we've prepared a list of outstanding and ongoing tasks. We'll continue to work to complete these actions.





Our Council

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

L1 Governance

We've 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 -

Council's employee wellness program PSCare was announced as a finalist at the 2021 Hunter Business Awards in the 'Outstanding Employer of Choice' category.

We achieved our highest ever **Employee engagement score – 83%**

Over the period we've delivered several initiatives to achieve our Workforce Plan objectives including ratification of the 2021 Enterprise Agreement and development and delivery of internal training programs.

Civic leadership - continuing to support the Council and the executive team as well as preparations for the elections and on-boarding of the new Council. 3 virtual citizenship ceremonies were held to welcome 54 new Australians.

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.

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. Advocacy to the State and Federal Government continues for grant funding to assist with Code E air travel opportunities to the region.

Operational Plan Actions



On track – 14

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 and monthly meetings by the General Manager of Arrow Collaborative Services Ltd and Hunter Councils Legal Services Ltd. Arrow Collaborative Services 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.

Governance and legal services - completing 106 internal legal advice, 31 external advice, 5 subpoenas and an increase in requests for information.

Port Stephens Council was a **Right to Know – week champion** as part of the awareness campaign run by the NSW Information and Privacy Commission

Internal Audit program - completing 2020 to 2021 internal audit plan, with the 2021 to 2022 plan endorsed by the Audit Committee and PKF appointed as Council's internal auditors until 2024.

Community Satisfaction Survey 2021 - our community satisfaction rating dropped to 68% in the 2021 survey conducted in May/June. Over 2,000 responses were received, a statistically valid sample, however, not as a representative of the Port Stephens population in terms of demographics (population or location).

Read more about the results in the Scorecard section on [page 46](#).

The survey is one touchpoint for feedback from the community with community input also gathered from the place score survey and other sources which will be further analysed together when reviewing the Community Strategic Plan.

Service Reviews - completing 22 Service Reviews, 16 ADRI Reviews and 5 Structural Reviews of our service packages. This is the biggest program we've completed, resulting in a large number of improvements to how we deliver our services.

Corporate Improvement and Business Systems - continuing to provide remote support to our staff and delivering a number of improvement initiatives including:

- setting up work from home arrangements for staff
- webcasting of council meetings
- upgrading our key software (Authority and Share Point),
- online mapping, online services and data centre relocation

Integrated Planning and Reporting

- continuing to apply an integrated approach to planning across Council by establishing an Integrated Planning and Reporting Project Control Group. This group of key stakeholders (from Finance to Community Engagement) provides input and guidance across a range of Council projects, strategies and plans.

Our highlights include:

- Adoption of the Annual Report 2020 to 2021.
- Six Month reporting to Council on progress made on the Delivery Program 2018-2021 (January 2020 to June 2021).
- End of Term Report 2017 to 2021 noted by Council.
- Work program to review the Community Strategic Plan 2022 to 2032 including consideration of Liveability Index data.

For more information about Port Stephens Council's Integrated Planning and Reporting, visit - portstephens.nsw.gov.au/council/our-performance2/integrated-plans

Integrated Risk Management - COVID-19 challenges presented in this period encouraged Council to evolve traditional approaches to managing certain operational risks. This included risks associated with the wellbeing and safety of workers and the customers and community with whom the Council engages. The evolution of self-guidance tools and techniques for work-from-home and other remote environments supplemented the partnership and assurance activities undertaken by the Enterprise Risk Management team. Direct assurance activities in the period included:

- 825 Safety Observations, undertaken by management
- 6 Workplace Inspections
- 12 Ergonomic Assessments (in-person and online support/advice for work-from-home)
- 24 Safety Compliance Audits
- 24 Environmental Operational Compliance Inspections/Audits

Other initiatives undertaken in the period to support workforce wellbeing included the facilitation of skin checks for 170 workers. Read more about the Risk management maturity score on [page 55](#).



We won a **Gold Award** in the **Australasian Reporting Awards** for a transparent, accessible 2019 to 2020 annual report.

The Australasian Reporting Awards provide a benchmark for world best practice in annual reports and recognises those who achieve this high standard

Challenges include:

- COVID-19 has had a severe impact on the airport operations and NAPL was not able to provide its usual dividend to shareholders.
It also presented a number of challenges for the local government elections
- We adapted by continuing remote working arrangements (where appropriate) and made *Zoom* our new favourite tool for community engagement, delivering training, conducting interviews and more.
- Our community satisfaction rating dropped to 68% from 80% in 2020. Feedback collated will be used to improve our services to our community, with a particular focus on fixing our roads.

What's next:

- Office of Local Government will release the new Risk Management and Internal Audit Framework commencing in June 2022. We'll implement the new framework in line with the required timelines.
- Focusing on refining our internal leadership development program and developing an employee experience mapping process.
- Community Engagement on the preparation of the 2022 to 2032 Community Strategic Plan.
- 2022 Community Satisfaction Survey in May/June 2022.

L2 Financial management

Operational Plan Actions



On track – 4

We've continued to:

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

Key outcomes include:

Financial management - managing our budgets carefully and imposing budgetary restraints to maintain financial sustainability through the enduring trials that COVID-19 continues to present us. We secured grant funding of over \$2 million and lodged our annual financials with an unqualified audit report.

Property Management - maintaining a steady commercial investment portfolio with only a small number of tenant movements. Financial returns have remained strong with yields exceeding the All Australian Property Index and vacancy rates below the Newcastle average.

Eight land sales were completed along with several credit sales from the Karuah bio-banking site.



\$2 million
Grant funding
secured

Future-proofing – we purchased a total of 7.6 hectares of land, the key site identified in the 2016 Medowie Planning Strategy, located at Ferodale Road, Medowie. This is a critical step in the ongoing development of Medowie that will future proof and drive investment to cater for planned growth over the next 20 years.

Holiday Parks – whilst being affected by public health orders during the period, 76,543 guest nights were booked across the 4 holiday parks. Our Net Promoter Score (NPS) has remained high during this period at an average of 70.78%- an NPS above 70% is considered world-class.

For more information about our holiday parks, visit - portstephens.nsw.gov.au/community/community-venues/holiday-parks

Challenges include:

- Budget implications - the last 6 months have continued to present challenges with budget implications from ongoing COVID-19 impacts.
- Commercial property - the lockdown prevented some tenants from being able to trade, with staff shortages in the hospitality industry preventing some from returning to full trade in the recovery period.
- Holiday parks - continuing challenges from COVID-19 restrictions hampering guests visiting the parks.

What's next:

- Property management - we'll continue to work to maintain yields in line with the All Australian Property Index and vacancy rates in line with the Newcastle average.
- Holiday parks - occupancy rates for the next 6 months are looking strong at 31.34% and more than 95,000 guest nights already booked.



L3 Communication and engagement

We've 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 - continuing to provide customer service by phone and online whilst COVID-19 restrictions closed the customer service desk.

As part of continuous improvement, we've merged the Customer Relations and Visitor Information Centre teams as part of the new Customer Experience Team. A Customer Experience Action Plan has been drafted to facilitate this work which will be reviewed together with our Customer First Framework in the coming months.

Our communications:

48 media releases
720 social media posts
27 internal communications
47,960 website views

Council communication - working on the redevelopment of our Council website to provide the best digital experience for users and improve accessibility, functionality and searchability. Launching in early January 2022, Council's website is the centre of our communication receiving over 1 million views every year.

We've also seen an increase in the number of times our posts were viewed on social media platforms - Instagram (249%) and Facebook (40%) with more than 600,000 views.

Community engagement - conducting community engagement across 20 projects via online workshops, online mapping, surveys and emails. Some of these projects included:

- Place plan workshops for Medowie, Shoal Bay and Anna Bay
- Place and vision workshops for Raymond Terrace, Fern Bay and surrounds

Operational Plan Actions



On track – 4

Customer First:

24,665 phone interactions

13,291 Email interactions

1,048 Customer Requests

- Doggy Day Out event to promote new off lead rules at Birubi beach and trials at Boat Harbour
- Removal of amenities at Bettles Park, Raymond Terrace and ongoing vandalism at Mallabula Recreation Hub.

Challenges include:

- Regulatory requirements of the caretaker period from November to December presented challenges for creating media opportunities without Councillor presence.

What's next:

- Communication - in the coming months we'll commence phase 2 of the council website redevelopment and continue to create more communication opportunities, as well as improve communication regarding Council meetings. We're planning to conduct a brand audit and commence a centralised image library.
- We're working on the development of the Engagement and Communication Strategy to assist us with effective community engagement that actively shapes and influences the future of the Port Stephens area.



Scorecard

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



Service Delivery

Target: > 95% Integrated Plans delivered on time

Achievement: **93.9% of Operational Plan Actions on track** (as of 31 December 2021)



Community Satisfaction

Target: > 80% Community Satisfaction

Achievement: **68%** (Source: 2021 Community Satisfaction Survey)



Employee Engagement

Target: > 70% Employee Engagement

Achievement: **83%** (Source: 2021 Employee Engagement Survey)



Governance

Target: > 95% Governance Health Check

Achievement: **98.24%** (As of June 2021)



Risk Management

Target: > 80% Risk Management Maturity

Achievement: **87%** (As of August 2021)



Financial sustainability

Target: > underlying financial surplus

Achievement: **-\$975,000**
(As of December 2021 Quarterly Budget Review)



Infrastructure Backlog

Target: Backlog reduction

Achievement: **-\$640,000** (As of June 2021)



Asset Maintenance Ratio

Target: 100%

Achievement: 97% (As of June 2021)



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 measures 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.



1. Service delivery

From July to December 2021, we made the following progress on the 2021-2022 Operational Plan actions which contribute to the achievement of the Delivery Program objectives:

- **93.9%** (78 actions out of 83) on track
- **3** actions monitoring phase and **2** actions are off 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 2021. It's 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 2021
Lee Thompson Park, Salt Ash, bike track	\$34,518
Medowie Rd shared path, Ferodale Road to South Street	\$158,496
Lemon Tree Passage Road, Salt Ash, near Michaels Drive	\$512,681
Nelson Bay Road, Seg 340, Bobs Farm	\$654,595
Tanilba Bay shared path, Avenue of the Allies (PS2020)	\$404,134
Lemon Tree Passage & Avenue of the Allies roundabout beaut.	\$19,126
Lemon Tree Passage Road, missing link shared path (PS2020)	\$509,726
Nelson Bay Road, Fern Bay, shared path (stage 1)	\$401,816
Levee Bank, Raymond Terrace, shared pathway	\$225,992
TOTAL	\$2,921,084

Roads & Drainage projects in construction	Expenditure 1 July to 31 December
Foreshore Drive, Salamander Bay, bridge replacement	\$938,439
James Road, Medowie, road rehabilitation	\$140,934
Kula Road, Medowie, road rehabilitation	\$178,101
Gan Gan Road, Campbell Avenue, Anna Bay	\$337,441

Grahamstown Road, Medowie, (2nd seal & power pole scheduled for January 2022)	\$4,077
Clarencetown Road, Seg 270, Glen Oak	\$425,785
Clarencetown Road, Seg 130, Seaham	\$312,975
Warren Street, Seg 130, Seaham	\$420,762
Duns Creek Road (PS2020) - (deferred due to Ausgrid)	\$423,509
Clarencetown Road, Riverflat, 2nd seal scheduled for March 2022	\$155,643
Newline Road, Stage 2 Southern Bend - awaiting dry weather	\$160
Accelerated Road Pavement Program	\$600,000
TOTAL	\$3,937,826

Roads & Drainage projects in planning	Expenditure 1 July to 31 December 2021
Nelson Bay Drainage, Seabreeze Estate	\$295,774
Hannah Parade & One Mile Beach carpark upgrade	\$129,089
Stockton Street Pedestrian Crossing Upgrade	\$0
Victoria Parade, Nelson Bay, pedestrian overpass, investigation	\$0
Port Stephens Drive, koala crossing	\$158,249
Gan Gan Rd, Seg 160-190, One Mile, Road Rehabilitation	\$26,597
Tanilba Road, Mallabula, Road widening and kerb construction	\$331,020
South Street, Medowie, footpath and bus stop	\$8,563
Medowie Road shared path, Ferodale Road to Silverwattle Drive	\$3,250
Medowie Road, Seg 120, Campvale	\$130,486
Newline Road, Seg 290-300, East Seaham	\$88,649
Notts Creek Bridge, Oakendale Road, Glen Oak	\$71,995
Brandy Hill Drive, shared path	\$570
Six Mile Road, Seg 10-20, Eagleton, road rehabilitation	\$3,988

Nelson Bay Road, Fern Bay, shared path (stage 2)	\$161,683
Raymond Terrace shared pathway connection	\$0
Mustons Road, Karuah, culvert upgrade, road widening (PS2020)	\$18,508
65 Sturgeon Street, Raymond Terrace, pipe drainage upgrade	\$26,321
Swan Bay Road, Seg 160, road rehabilitation	\$16,534
TOTAL	\$1,471,276

Community & Recreational and Structures projects completed	Expenditure 1 July to 31 December 2021
George Reserve, Salamander Bay, replace irrigation system	\$5,773
George Reserve, Salamander Bay, playground upgrade (PS2020)	\$40,958
George Reserve, Salamander Bay, amenities (PS2020)	\$123,929
Shoal Bay Foreshore Park, furniture replacement & landscaping	\$0
Shoal Bay Foreshore shared pathway (PS2020)	\$377,825
Shoal Bay Tennis Club, lighting replacement/maintenance repairs	\$0
Nelson Bay Tennis Club, fencing and retaining wall replacement	\$128,164
Little Beach Boat Ramp, Nelson Bay	\$2,136,169
Tomaree Aquatic Centre, entry and café renovation	\$364,463
Tilligerry Aquatic Centre, pool liner replacement	\$194,833
Foster Park, Tanilba Bay, replace shelters and tables	\$27,416
Mallabula Rec Hub, new amenities	\$90,217
Mallabula Sports Complex, tennis expansion (PS2020)	\$184,102
Tilligerry Aquatic Centre, remediate balance tank membrane	\$24,898
Medowie CBD, amenities replacement (PS2020)	\$135,292

Lakeside Leisure Centre, replace 50m heat pumps	\$127,992
Boomerang Park, Raymond Terrace, replace irrigation system	\$4,148
Ross Walbridge Reserve, Raymond Terrace, amenities removal	\$11,068
Raymond Terrace Tennis Club, Lighting Replacement	\$0
Longworth Park Karuah, replace BBQs	\$16,561
Lakeside Leisure Centre, rehab leisure pool tank	\$191,200
Lakeside Leisure Centre, entry and café renovation	\$211,035
TOTAL	\$4,396,043

Community & Recreational and Structures projects in construction	Expenditure 1 July to 31 December 2021
Stockton Street Stage, Nelson Bay	\$40,521
Corlette Hall, external renovation	\$6,830
Tomaree Sports Complex Amenities (PS2020)	\$2,192,649
Mallabula Sports Complex, playground replacement	\$116,141
Mallabula Multi Sport Court	\$0
Tilligerry Skate Park, relocation and upgrade (PS2020)	\$292,500
Birubi Front Dune Stabilisation, stage 1 regeneration works	\$0
Boyd Oval, Medowie, construction of new amenities	\$1,161,359
Bettles Park, Raymond Terrace, playground upgrade	\$107,403
Stuart Park, Hinton, change room & amenities upgrade	\$594,749
Raymond Terrace Admin Building carpark	\$250,099
TOTAL	\$4,762,251

Community & Recreational and Structures projects in planning	Expenditure 1 July to 31 December 2021
Spencer Park, Soldiers Point, playground & amenities	\$25,030
Little Beach Reserve, replace retaining wall	\$3,150
Little Beach Reserve, playground update	\$0
Little Beach, Nelson Bay, amenities replacement (PS2020)	\$0
Mallabula Soccer / Athletics Building, amenities upgrade (PS2020)	\$1,288
Ferodale Road, Medowie, war memorial	\$11,030
Henderson Park, Lemon Tree Passage, shade sail installation	\$5,335
Robinson Reserve, Anna Bay, skate park (stage 2)	\$23,868
Boyd Oval, Medowie, demolition of old amenities	\$0
Birubi Information Centre	\$39,723
Raymond Terrace Activity Van Building, roof replacement	\$0
Kittyhawk Park, Raymond Terrace, playground and park furniture	\$20,090
King Park irrigation (PS2020)	\$16,820
Bettles Park, Raymond Terrace, amenities & signage	\$7,576
William Street, Raymond Terrace, Town Centre Improvements Stage 1, (PS2020)	\$41,283
William Street, Raymond Terrace, Town Centre Improvements Stage 2, (PS2020)	\$0
Raymond Terrace Depot, demolition and construction of new	\$469,917
TOTAL	\$665,110

2. Community satisfaction

Our annual Community Satisfaction Survey was conducted in May/June 2021. Only weeks after a natural disaster and amid the continuing impacts of COVID-19, this year's results are reflective of the challenging situation Council found itself in. Overall community satisfaction dropped from 80% in 2020 to 68% in 2021.

A detailed report is available on the Council's website - portstephens.nsw.gov.au/council/our-performance2/community-satisfaction-report

The survey is one touchpoint for feedback from our community, with community input also gathered from the place score survey and other sources which will be further analysed together when reviewing the Community Strategic Plan.

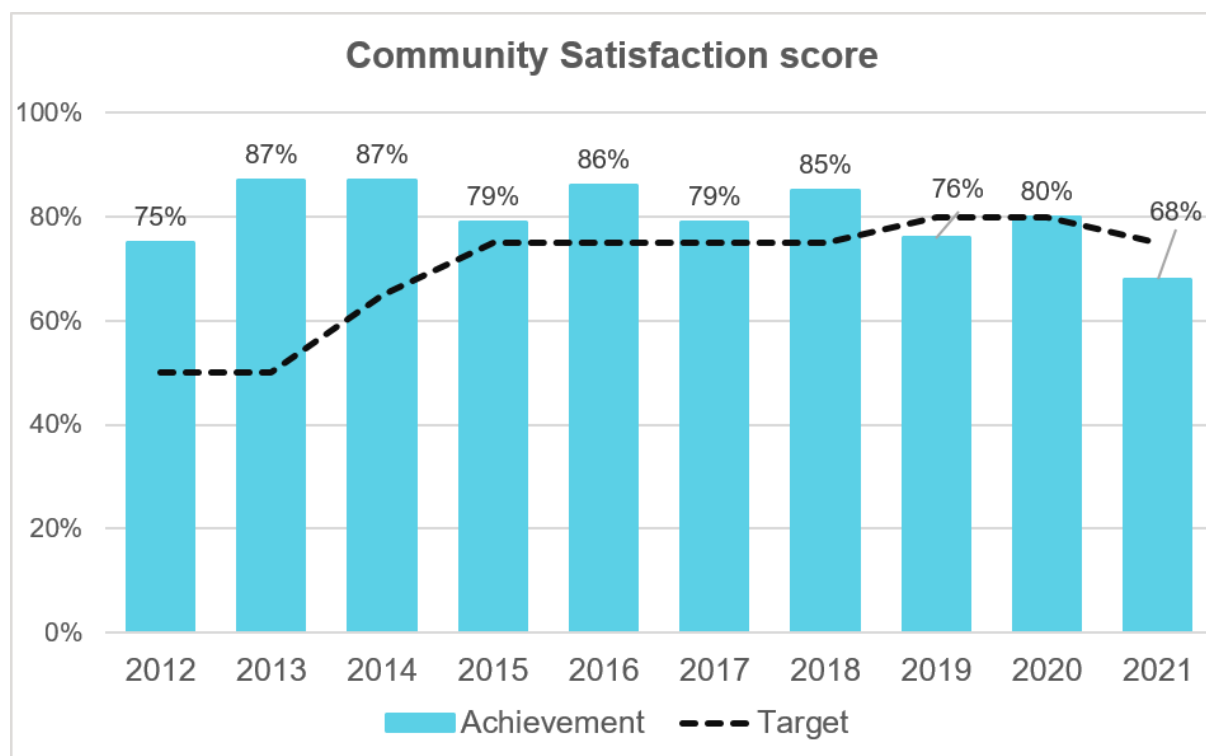


Figure 1: Graph Community Satisfaction Score

In December 2021 we reviewed our Community Satisfaction Score target revising the target to 75%. The updated target will be reflected in our future reports.

3. Employee engagement

Our annual Employee Engagement Survey was conducted in October 2021, resulting in our highest ever engagement score of 83%.

For the third 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%.

Staff are grateful for the balanced and supportive approach taken by the organisation in response to COVID-19. Key to this is the recently ratified 2021 Enterprise Agreement. Based on the principles of Business Excellence, the focus of the EA is to build and maintain a fair, balanced and cooperative relationship between Council, its employees and other stakeholders.

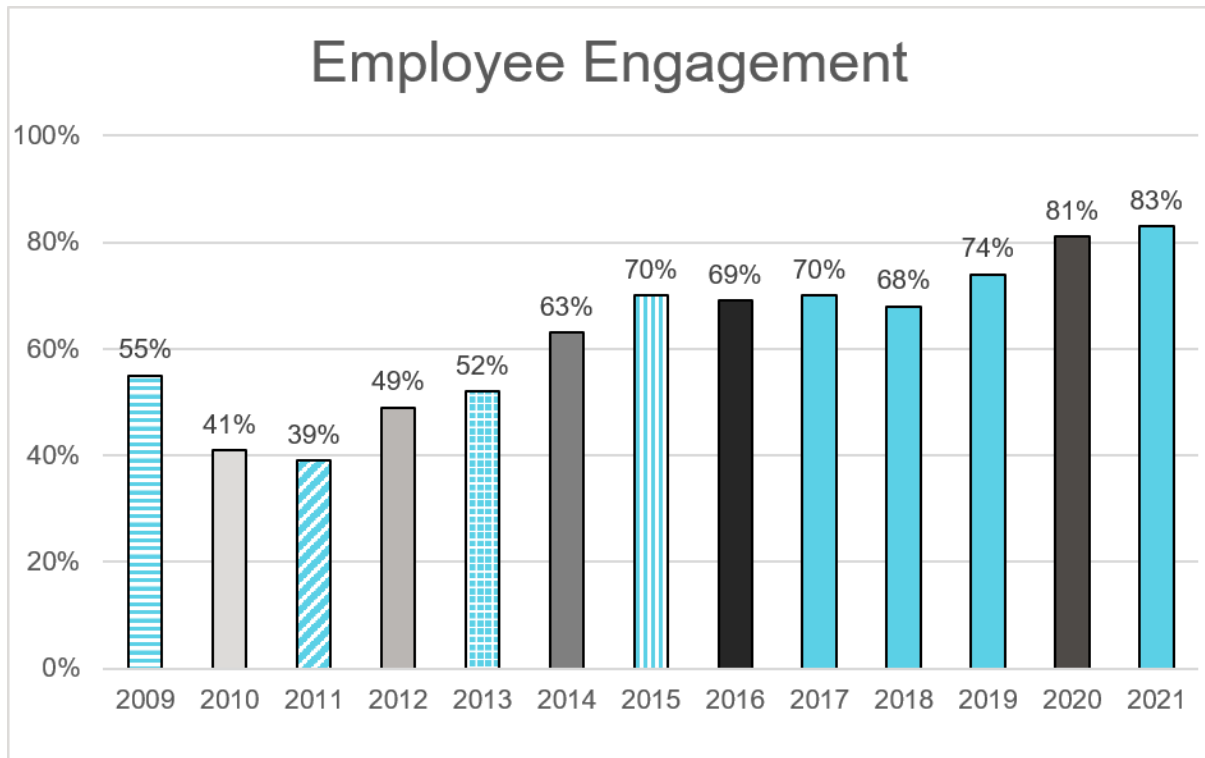


Figure 2: Graph Employee Engagement Score

In December 2021, we reviewed our Employee Engagement target, revising the target to 75%. The updated target will be reflected in our future reports.

4. Governance

Council continues to monitor its governance through a range of initiatives and actions; such as policy development, legislative compliance, internal audit program, workplace practices and providing opportunities for improvements.

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

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.

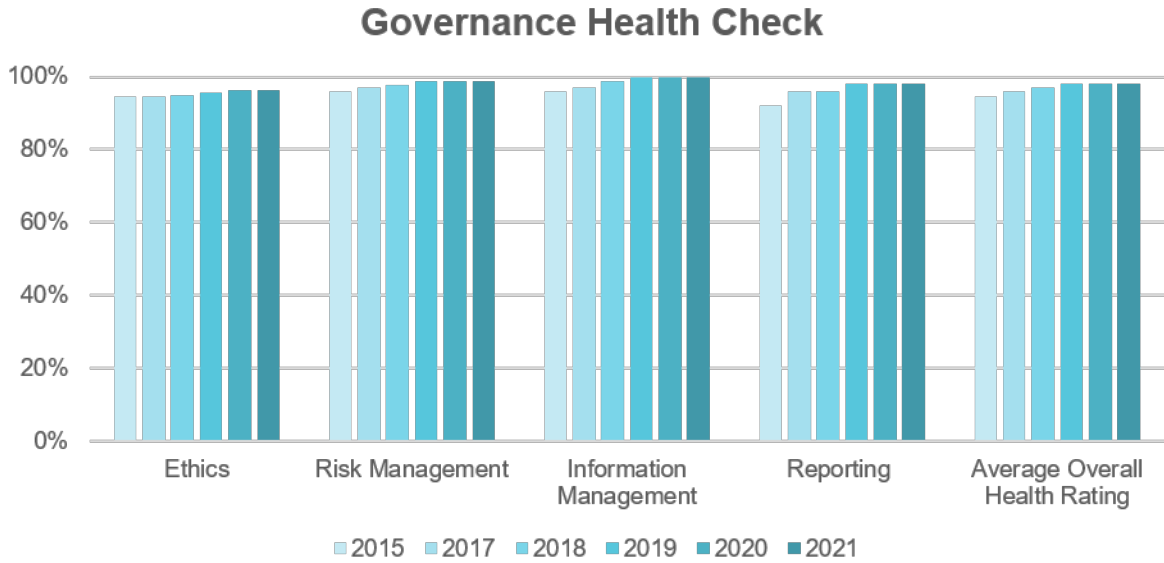


Figure 3: Graph Governance Health Check

5. Risk management

Council continues to mature its Risk Management Framework and embed it into decision-making. This includes continued focus on a risk-aware culture integrated with Council strategy. A key pillar of this risk maturity progression is the data-centric approach centralised through Council’s enterprise risk management system. This enables coordination and management of strategic and operational risks in an integrated approach for effective decision-making. Council’s risk management maturity score remains strong and well above target.

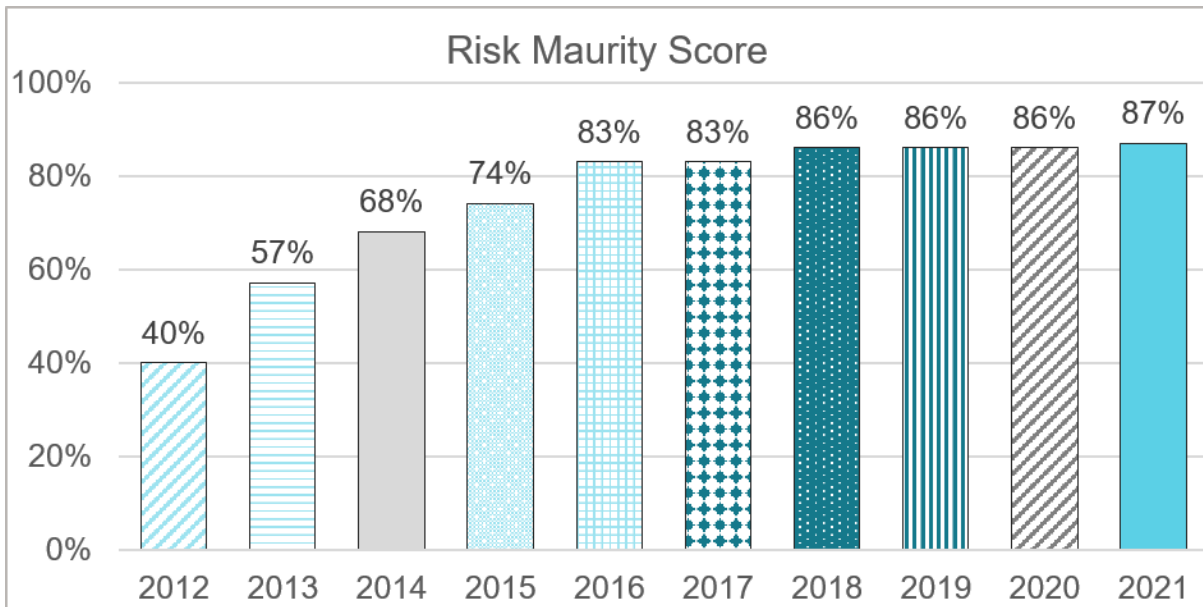


Figure 4: Graph Risk Maturity Score

In December 2021, we reviewed our Risk Management Maturity target, revising it to 85%. The updated target will be reflected in our future reports.

6. Financial sustainability

While Council has been able to consistently sustain a modest underlying surplus of 1% for a number of years, recent impacts from COVID-19 and a general economic downturn have made the ongoing achievement of that goal very difficult to realise.

COVID-19 has significantly impacted almost every facet of our operations, however, through careful cash flow management and reprioritising our expenditure we did achieve a small underlying surplus after the 2020 - 2021 financial year. This was a particularly pleasing result when earlier forecasts had predicted a substantial underlying deficit of \$4.4 million.

Due to the ongoing global pandemic and difficult economic conditions, we'll continue to face significant issues in the near future. While levels of caution and frugality must dominate financial decision making, it's anticipated that through careful budget monitoring and a prudent approach to expenditure we'll be able to resume a stronger position in the future.

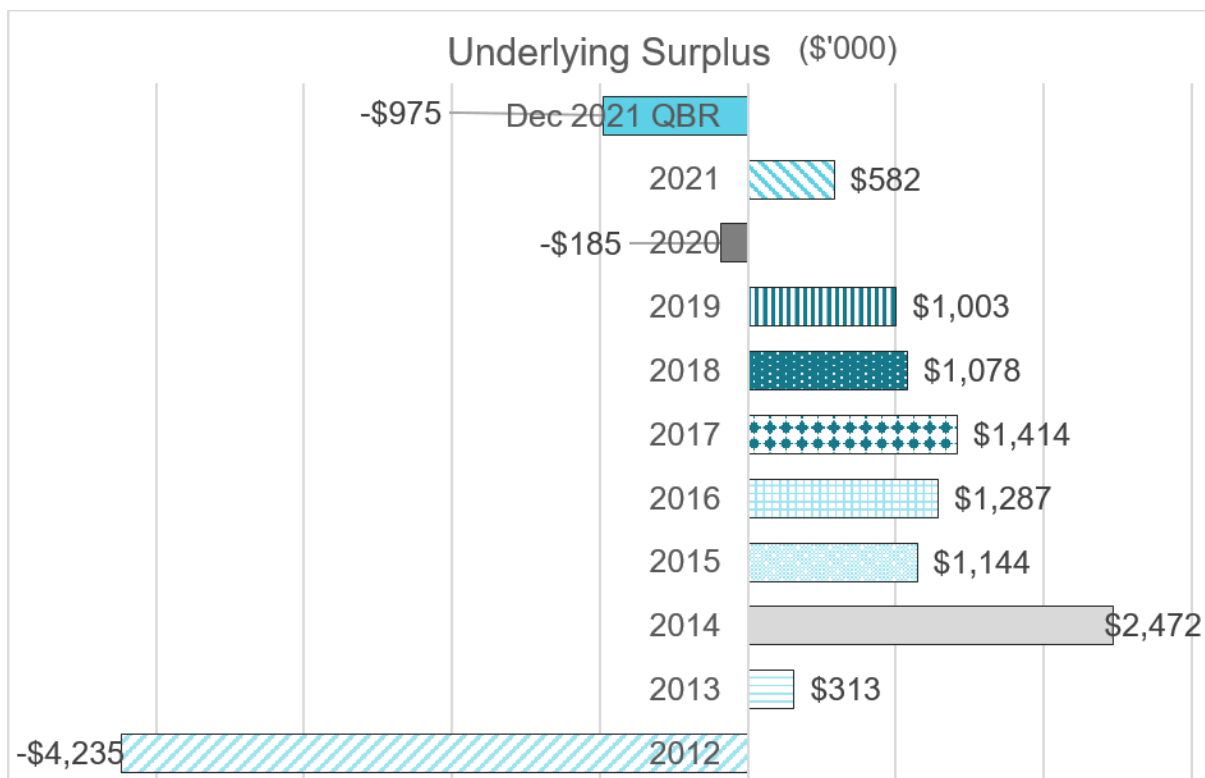


Figure 5: Graph Underlying Financial Surplus

In December 2021, we reviewed our Financial Sustainability target revising it to 'underlying result better than budget'. The updated target will be reflected in our future reports.

7. Infrastructure Backlog

Understandably, the natural disaster widened our infrastructure backlog from \$13.83 million at 30 June 2020 to \$14.47 million as of 30 June 2021. Other contributing factors to the widening included increased costs due to COVID-19 and additional works discovered during inspections.

In December 2021, we reviewed our Infrastructure Backlog measure and updated it to reflect our Asset Maintenance Ratio, with a target of 100%. Expenditure on asset maintenance is essential to ensuring assets continue to meet their service delivery requirements. If actual maintenance expenditure is less than the estimated required annual maintenance a council may not be investing enough funds within the year to stop its infrastructure backlog from growing

$$\text{Asset maintenance Ratio} = \frac{\text{Actual asset maintenance}}{\text{Required asset maintenance}}$$

This measure and updated target will be reflected in our future reports.

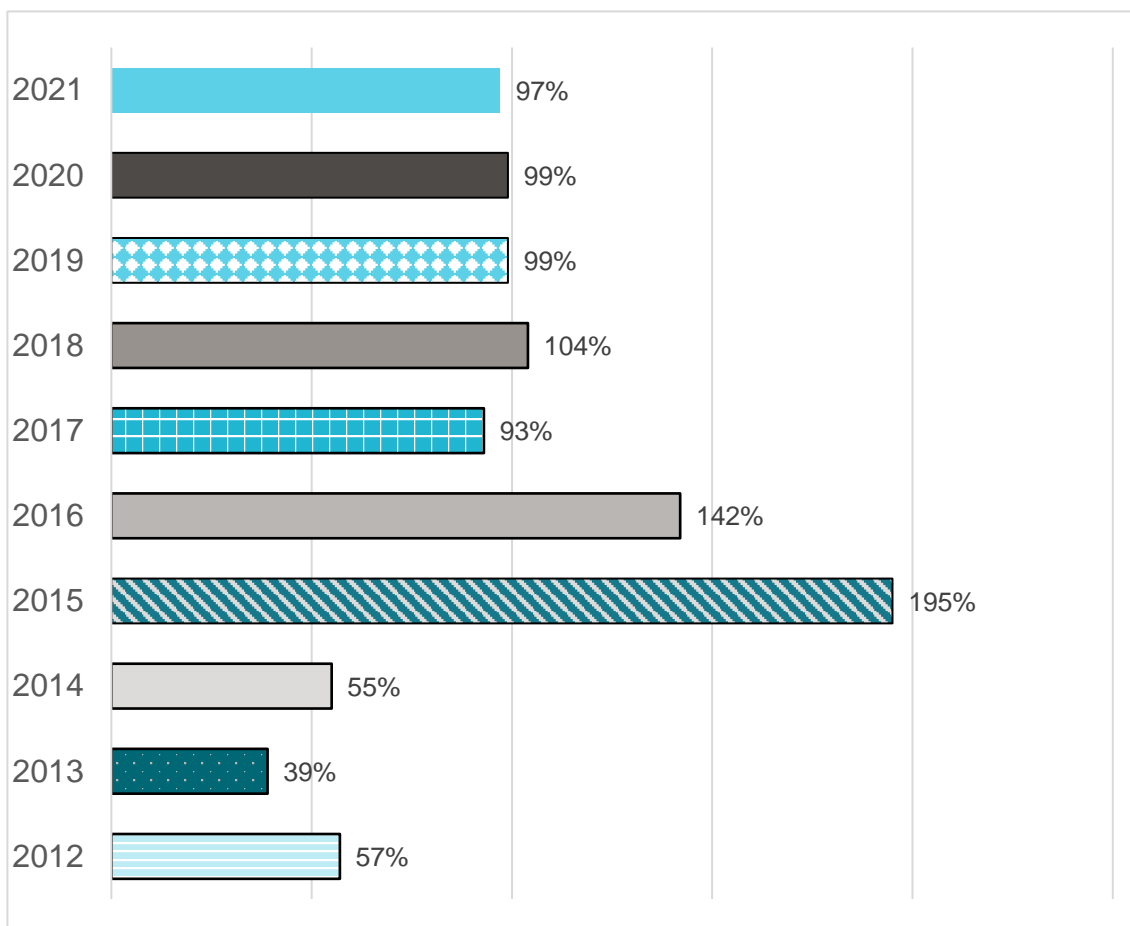


Figure 6: Graph Asset Maintenance Ratio



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