



Annual Report

2023 to 2024

Volume 3

Our Port Stephens 2021 to 2024 **Report.**

GUUDJI YIIGU

(GOO-JEE IK-KOO)

We welcome you to Port Stephens – part of the Worimi Aboriginal Nation. Port Stephens Council acknowledges the Worimi people as traditional owners and custodians of the lands and waterways on which we all live, learn, work and play.

We value and respect the Worimi people and the legacy 60,000 years of Aboriginal Nation traditions and culture brings with it. As part of Council's culture of acceptance, diversification and harmony we walk alongside the Worimi people on a journey of listening and learning.

Together we will strive to make this a better place for all people. As guardians of these lands, we ask that you tread lightly to help preserve the biodiversity and respect those who came before as well as those who will follow.

Artwork by Regan Lilley.



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We use the Integrated Planning and Reporting (IP&R) Framework in the Local Government Act 1993 (the Act) to report on Council's achievements in implementing the Community Strategic Plan. This report has been prepared considering Section 428 (2) of the Act and the NSW Government's IP&R Guidelines 2021.

We have made our best effort to provide the latest data available from external sources and Council's operations at the time of writing this report. The report has been prepared for the period ending 30 June 2024, with more detailed information on Council's financial and operational performance available in Council's Annual Reports available on it's website.

Despite our best efforts, Port Stephens Council makes no statements, representations or warranties about the accuracy, completeness or reliability of any information contained in the report. The Council disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages and costs you might incur as a result of the information being inaccurate or incomplete in any way, and for any reason.



General Manager's message

As we look back on the past three years, I'm filled with a strong sense of pride in the progress we've made together.

We began this term with the challenges posed by COVID-19 and like many others, the impacts of the pandemic took their toll on both our organisation and our community.

Income from our holiday parks, childcare centres and the Newcastle Airport was cut, while at the same time, construction, transport and insurance costs continued to rise. This was further impacted by a series of natural disasters, which affected our community, our infrastructure and our natural environment.

At this time, we were facing economic uncertainty. As an organisation, we needed to strike a balance between the needs of the community and our long-term financial sustainability.

In partnership with our Council, we developed a Financial Sustainability Strategy. We developed strategies to diversify our non-rate revenue and make sure we were ready to manage future challenges. We expanded our Smart Parking Program, made strategic commercial property investments, and conducted a thorough review of our surplus assets. We also maximized grant funding opportunities.

Internally we drove operational efficiencies prioritising our ongoing business improvement programs, helping us to better manage resources while improving what we do and how we do it. We also established a Resilience Fund to direct surplus non-rate revenue to significant infrastructure projects and increase services – all aligned to Council's strategic plans and priorities.

Following one of our largest ever community engagement programs, we were successful

in our application for a Special Rate Variation (SRV) of 9.5% per year for three years.

We remained committed to reconnecting our community and were successful in securing funding to deliver a variety of events and activations to bring people together. Events like Karuah By Night, Illuminate Raymond Terrace and Night at the Beach provided an opportunity for our community to come together and celebrate our incredible place.

Looking ahead, we focused on setting strong foundations for a sustainable and vibrant future. We finalized a number of important strategies including the Port Stephens Local Housing Strategy, the Coastal Management Program and our Emission Reduction Action Plan. We also developed several Place Plans and a Community Wellbeing Strategy, which works to ensure all people across Port Stephens no matter their age, background, or ability, lead happy, healthy and connected lives.

As always, roads remained a top priority for our community. We advocated for increased funding from the Federal and State governments

to improve our infrastructure. By securing external funding and redirecting resources, we were able to repair more potholes and rehabilitate key roads, taking big steps towards making the Port Stephens road network safer for all. The 2024-2025 budget has more funding than ever allocated to roads, with over \$37m, inclusive of Special Rate Variation funding, for road repairs and works.

The achievements over the last three years have set a strong foundation for Council and our community. I would like to thank our Mayor, Councillors and staff for their commitment and efforts through this term.

Together with our newly elected Council, we'll shift our focus to our future, and direct our efforts to building a vibrant and liveable place for generations to come.



Tim Crosdale

General Manager of Port Stephens Council



Karuah by Night

Our challenges



Throughout the term of Council, we've been working to address the challenges predicted in our 2022-2032 Community Strategic Plan Focus Areas - Our Community, Our Place, Our Environment, and Our Council.



Financial sustainability

Meeting day-to-day needs now and in the future for families, businesses and local government



Climate change and coastal impacts

We must work together to preserve our environment



Community voice

Capturing a representative voice of the community



Diversity, inclusivity and accessibility

Improved wellbeing is at the heart of our community life now and in the future



Housing affordability

Affordable and sustainable housing is required to meet the diverse needs of our growing community



Resilience

We need to be able to prepare, respond and recover from unforeseen events



Sustainable development

Mitigating the impacts on our natural environment of development and future visitor growth to Port Stephens

We've also experienced many unpredicted challenges throughout the 2021 to 2024 term of Council. These are expected to continue into the future.



Ongoing impacts of COVID



Supply and labour shortages



Austerity measures



Multiple extreme weather events

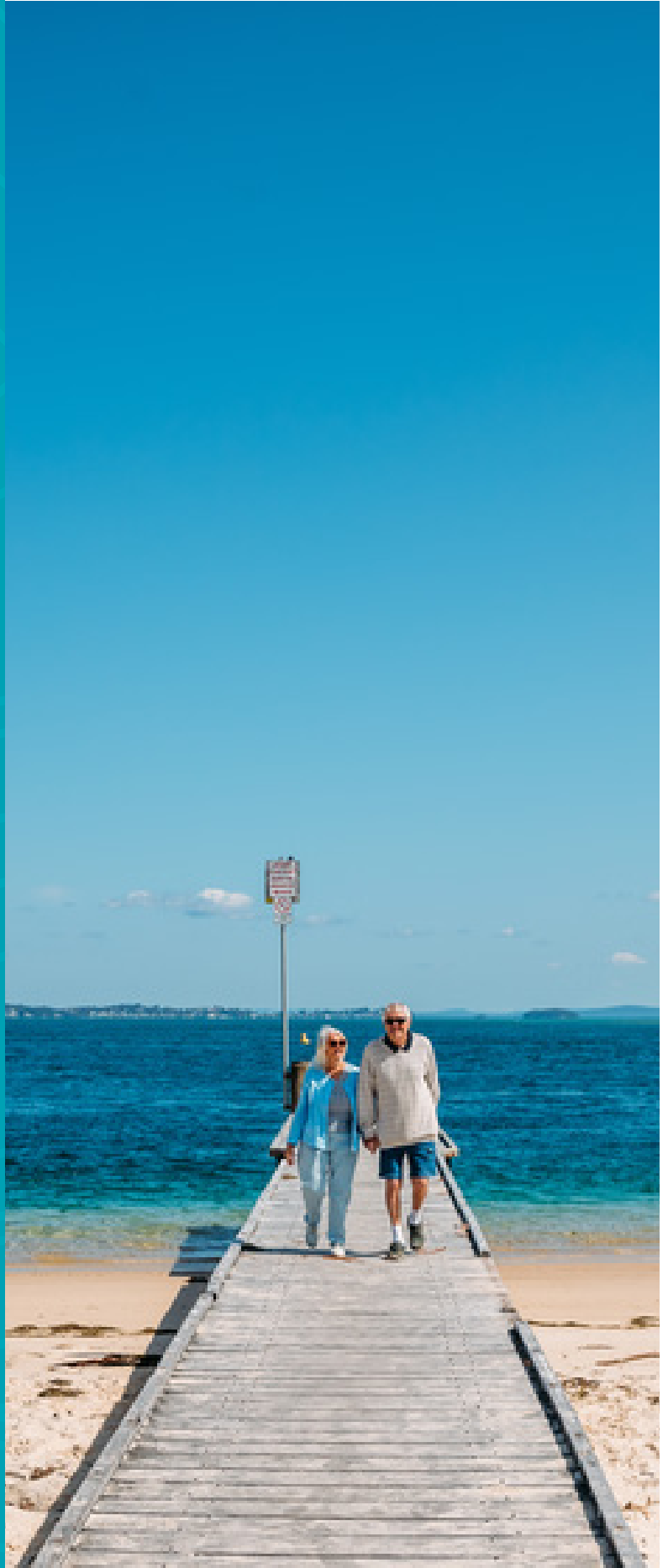


Inflation and rising costs of living



Workplace flexibility and a hybrid workforce

Our Community Strategic Plan



Our Community Strategic Plan has four Focus Areas to address social, economic, environmental and governance factors: Our Community, Our Place, Our Environment, Our Council. These Focus Areas and their 11 Key Directions help us achieve our shared community vision.

This report reflects on our key achievements during 2021-2024 for each of our Focus Areas and Key Directions. It shows the challenges experienced, future opportunities for improvement and how we are tracking towards success. Through this reflection, we'll use this report as a foundation for reviewing the Community Strategic Plan 2025-2035, with our new Council.



Our Community



C1 – Community Wellbeing

Improved wellbeing for our diverse community supported by services and facilities.



Reflection

After multiple COVID-19 lockdowns, our focus became the wellbeing and liveability of our community. We worked with key partners to deliver programs and services that helped reconnect the community, fostering a sense of belonging and support. We adopted an integrated approach to our new Community Wellbeing Strategy to make sure Port Stephens is a place where individuals, regardless of their age, background or ability can lead healthy, happy and connected lives.



Challenges

- Connecting our community
- Appropriate support for those most vulnerable
- Responding to the values and priorities of our community



Opportunities for the future

- Improve wellbeing, inclusivity and accessibility across our community
- Provide facilities and learning options for children and families
- Ensure equitable and safe access to sports, recreational, cultural and leisure activities
- Support volunteers to deliver community programs and increase social connections

Key achievements



320,000

Childcare places*



360+

New citizens welcomed to Port Stephens



\$1.35M+

Community financial assistance and sponsorship

* Provided throughout Port Stephens. Places takes into account the total number of sessions delivered across each year. For example, if a child attended OOSH every morning and afternoon for 40 weeks of the year it would be counted as 400 places filled.

C2 – Recognised traditions and lifestyles

Our community supports the richness of its heritage and culture.



Reflection

We've worked in partnership with our Aboriginal Strategic Committee to deliver actions from Yabang Gumba Gu including our Aboriginal Protocols. We have provided more than \$60,000 in grants for projects that support our aboriginal community. Our community has enjoyed a rich program of events with arts and culture an important element in activating our town centres. We've also invested in our community's future by expanding our technology use in our libraries, introducing new collections and revitalising our Mobile library to support lifelong learning.



Challenges

- The diversity of our community is acknowledged, respected and celebrated
- Understand and respect cultural heritage
- Accessible spaces that enable connection and learning



Opportunities for the future

- Recognise and support the values and priorities of local Aboriginal and Torres Strait Islander People
- Support and promote local cultural activities
- Provide vibrant and inclusive community spaces to support lifelong learning

Key achievements



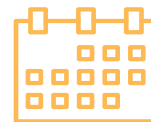
806,953

Library items
loaned



12

Grants awarded for
Aboriginal projects*



1845

Library programs
delivered

*Part of community financial assistance and sponsorship.



Our Place



Image credit: Destination NSW

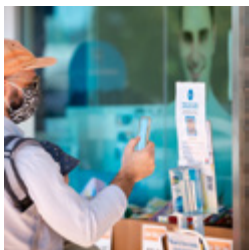
P1 – Strong economy, vibrant local businesses, active investment

Our community has an adaptable, sustainable and diverse economy.



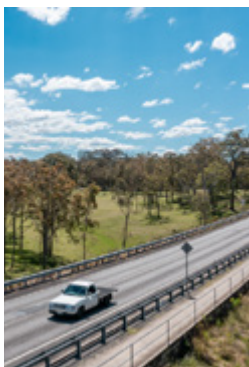
Reflection

We are committed to building a strong and resilient economy. We have actively supported the expansion of the Newcastle Airport and the growing defense, aviation and aerospace industries around Williamstown. We've supported local businesses with new procurement processes, grown awareness in the value of local spending and encouraged connections through training and networking events. We've also initiated a Commercial and Employment Lands Study to identify opportunities for economic growth and job creation.



Challenges

- Business sustainability in a challenging economy
- Seasonal fluctuations in the Visitor Economy
- External funding to support business, tourism and place



Opportunities for the future

- Invest in programs that support local business development, visitation and events
- Provide Strategic Funding Support for destination marketing
- Fund the delivery and maintenance of place based infrastructure
- Investment in Newcastle Airport to achieve international routes and significant industrial development

Key achievements



26%

increase in
number of
businesses*



2.5
MILLION
visitors nights**



\$783
MILLION
in visitor spend**



178
It's On!
events

* Trading in Port Stephens from June 2021 to April 2024. ** (TRA - year end March 2024)

P2 – Infrastructure and facilities

Our community's infrastructure and facilities are safe, convenient, reliable and environmentally sustainable.



Reflection

Safe roads and community infrastructure have been a top priority for our community. We've invested significantly in upgrading our local road network and secured \$10 million in State government funding for local repairs. We've delivered new sporting and recreation facilities across the region offering a diverse range of activities for everyone. Our town centres have been revitalized creating vibrant hubs, and we've introduced Smart Parking in busy beachside locations, improving parking accessibility, and funding sources for local projects by keeping the revenue in the areas it is collected.



Challenges

- Funding to undertake maintenance, repairs and upgrades of our Community's infrastructure and assets to acceptable condition
- Connecting communities through infrastructure and services
- Resourcing to support infrastructure delivery



Opportunities for the future

- Invest SRV funds into enhanced services (roads, drainage, natural environment, waterways and public space) and seek additional State/ Federal funding into infrastructure.
- Plan and advocate for improved connections between our communities (transport, roads and footpaths)
- Improve infrastructure delivery to strengthen workforce sustainability

Key achievements



100+ km

of roads resealed,
rehabilitated, reconstructed



550 HECTARES

of open space
maintained annually



12

new playgrounds and
upgraded public amenities

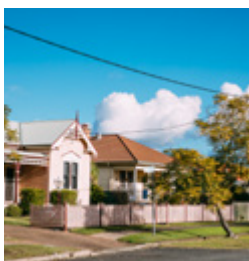
P3 – Thriving and safe place to live

Our community supports a healthy, happy and safe place.



Reflection

As the impacts of housing supply, diversity and affordability continue to affect our community; we've worked across Port Stephens to deliver the Port Stephens Housing Strategy, the Port Stephens Housing Supply Plan, Place Plans and coordinated the Port Stephens Homelessness Stakeholder Action Group. We've also completed projects to minimise the impact of disasters across our community including Foreshore Drive, Teramby Road landslip and Marine Drive.



Challenges

- Housing supply diversity and affordability
- Investment in place based infrastructure to unlock housing
- Community resilience to natural disasters and rising cost of living



Opportunities for the future

- Provide land use plans, tools and advice to support sustainable investment
- Work with the State and Federal government to assist with the housing crisis
- Enhance public safety, health and liveability through regulatory controls and services
- Create, advocate and support connected and vibrant places that attract residents, workers and business
- Prioritise emergency services, disaster preparedness and the protection of community assets from natural disasters

Key achievements



2,400

development
applications approved

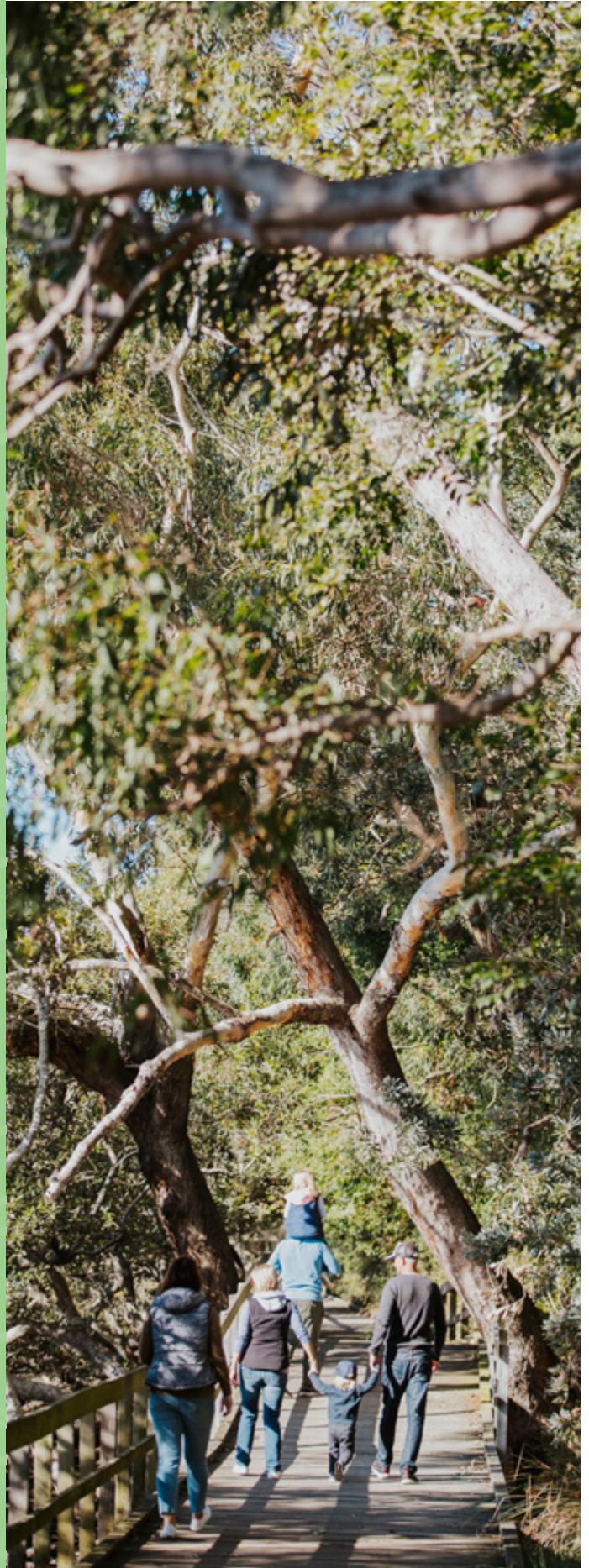


WEATHERED
4 declared
natural disasters



\$6 MILLION
in disaster funding
secured

Our Environment



E1 – Ecosystem function

Our community has healthy and dynamic environmental systems that support biodiversity and conservation.



Reflection

To ensure our natural environment is protected for future generations, we’ve been safeguarding our koala populations through the Port Stephens Koala Strike Project, implementing our Comprehensive Koala Plan of Management and supporting the Port Stephens Koala Sanctuary. We’ve focused on keeping our environment healthy by controlling weeds and supporting traditional ‘cool burn’ practices. We’ve also fostered community involvement through education programs and volunteer initiatives dedicated to protecting wetlands and endangered species.



Challenges

- Maintaining continued and ongoing volunteer support
- Complexity of environmental legislation
- Balancing the demand for housing with the protection of our environment



Opportunities for the future

- Communicate the value of the natural environment
- Improve data and mapping accuracy to provide a better understanding of our environment
- Build better frameworks that enable a more proactive approach to environmental sustainability

Key achievements



OVER
\$4 million

in environmental grants/
funding received



449.5
HECTARES

regenerated



7,330

volunteer hours
dedicated to natural
area maintenance



21,000+

trees planted,
thanks to the help of
volunteers

E2 – Environmental Sustainability

Our community uses resources sustainably, efficiently and equitably.



Reflection

To protect and enhance the incredible natural beauty of our area we've focused on reducing landfill and greenhouse emissions and adapting to our changing climate. We've developed a Waste Management Strategy and implemented key actions to reducing landfill waste such as a new garden organics service, expanded polystyrene recycling, and a permanent drop-off for hazardous waste. We've also completed our Emissions Reduction Action Plan to guide our organisation to reduce our carbon footprint.



Challenges

- Changing regulatory environment for waste management
- A consistent approach to environmental sustainability regarding carbon emissions across all layers of government
- Enabling technology to support emissions reductions



Opportunities for the future

- Deliver actions that support renewable energy and alternative fuel use
- Invest in programs that improve resource recycling and reduction of waste
- A regional approach to waste management and renewal of waste collection and processing contract

Key achievements



33,000 recycling bins collected fortnightly

36,000 red lid bins collected fortnightly



40% reduction in carbon emissions from Council Operations*



32,000 garden organic bins collected fortnightly



7,000 tonnes of garden organics reused, diverting from landfill through the introduction of Garden organics bin

* From 2020-2021 to 2021-2022 financial years

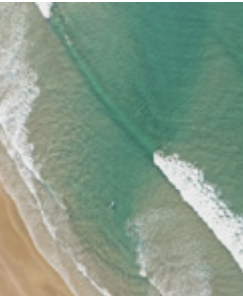
E3 – Environmental Resilience

Our community is resilient to environmental risks, natural hazards and climate change.



Reflection

Our environment is constantly changing and we’ve developed a Coastal Management Program to identify how we can protect our greatest coastal asset from coastal inundation, tidal inundation, coastal erosion and dune transgression over the next 10 years. We’ve also been working with partners across the Hunter region to develop the Hunter Estuary Coastal Management Program for our inland and river locations.



Challenges

- Protecting our coastline and waterways from natural disasters and longer term coastal processes
- A shared approach to asset protection
- Government funding to support environmental resilience



Opportunities for the future

- Seek funding from the State Government for the delivery of the Coastal Management Program to improve environmental resilience and asset protection
- Drive collaboration between coastal Councils to ensure better environmental outcomes
- Advocate for permanent protection high risk infrastructure in active coastal erosion areas such as Shoal Bay beach

Key achievements



\$4 million

in storm repair works
on our coastlines



Endorsed

Coastal Management Plan in
June 2024



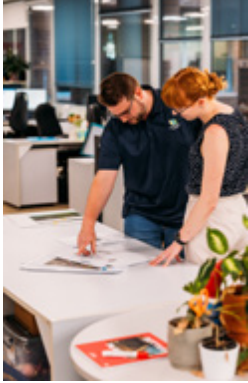
Port Stephens Drive Koala
Vehicle Strike Project
received a **Highly
Commended Award** at the
2024 NSW Local Government
Excellence Awards

Our Council



L1 – Governance

Our Council's leadership is based on trust and values of Respect, Integrity, Teamwork, Excellence and Safety (RITES).



Reflection

The State and Federal Governments recognize Port Stephens as a regional economic driver. We've been advocating to State and Federal Ministers to raise awareness around key issues impacting our community, making sure Port Stephens is at the forefront of their planning. We have also strengthened our employee value proposition and continuous improvement program, to ensure we have engaged staff delivering the best value for our community.



Challenges

- Workforce attraction and retention
- Community Advocacy
- Increasing complexity of legislation and changing technology to support service delivery
- Increasing community satisfaction with Council services



Opportunities for the future

- Develop and encourage the capabilities and aspirations of Council's workforce
- Provide strong leadership, advocacy role and government relations
- Provide a strong ethical governance structure and systems for Council
- Invest in digital technologies to improve Council performance and support to customers

Key achievements



72

new online forms developed



60

service reviews completed



24

Apprentices, trainees and cadets employed

L2 – Financial Management

Our Council is financially sustainable to meet community needs.



Reflection

We projected an \$80 million budget shortfall over the next 10 years due to COVID-19, natural disasters and rising operational costs despite providing the same level of service. We developed a Financial Sustainability Strategy focusing on increasing income and allocating resources wisely and successfully applied for a Special Rate Variation. With a strong focus on non-rate revenue we rolled out smart parking, focused on the performance of our investment portfolio and worked hard to attract grant funding. We've established a Resilience Fund which will be supported from the dividend we receive from our 50% share in the Newcastle Airport and will be used to invest in significant strategic projects across Port Stephens.



Challenges

- Financial sustainability
- Optimizing our investments
- Reliance on external funding sources



Opportunities for the future

- Enhance non rate revenue
- Optimise our investments
- Ensure Financial Resilience

Key achievements



5.06%*

Cash and investment portfolio return for the last 12 months



Underlying result better than budget for the last

3 YEARS



<5%**

outstanding rates and annual charges

* 69 basis points better than Ausbond Bank Bill index

** Benchmark is <10%

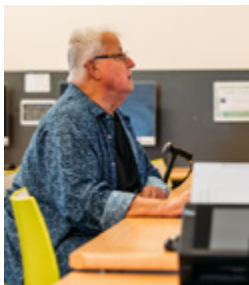
L3 – Communication and Engagement

Our Council is committed to enabling an engaged and informed community.



Reflection

We focused on transparent and timely communication, involving our community in meaningful community engagement. We've developed a Communications and Engagement Strategy to build trust and community participation in decision making of our place. We introduced the Communication and Engagement Advisory Group to provide input into how we engage with stakeholders for our major projects and created new opportunities for our community to connect with our Councillors with our Community Catch Ups. We've also improved the digital experience and online services to better reflect the diverse needs of our community.



Challenges

- Community expectations for meaningful participation in Council decision making
- Expanding our reach to a more diverse and representative audience
- Increasing demand for online services



Opportunities for the future

- Grow a customer first organisation through best practice processes and technology
- Provide genuine opportunities for the community and stakeholders to actively participate in council decision making

Key achievements



111

community
engagement
opportunities



514,488

users of the
website*



70,760

Customer Service
requests lodged



21,348

uses of text to
voice software on
our website

* For the period 1 July 2022 to 30 June 2024



PORT STEPHENS
COUNCIL

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