



Annual Report

2022/23



Acknowledgement of Country

We acknowledge the traditional owners of this land and elders past, present and future. We recognise Aboriginal people as the original custodians of the Northern Beaches.

Northern Beaches Council

Dee Why

725 Pittwater Road
Dee Why, NSW. 2099
Entry via Civic Drive

8.30am - 5pm
Monday - Friday

Manly

1 Belgrave Street
Manly, NSW. 2095

8.30am - 5pm
Monday - Friday

Mona Vale

Village Park
1 Park Street
Mona Vale, NSW. 2103

8.30am - 5pm
Monday - Friday



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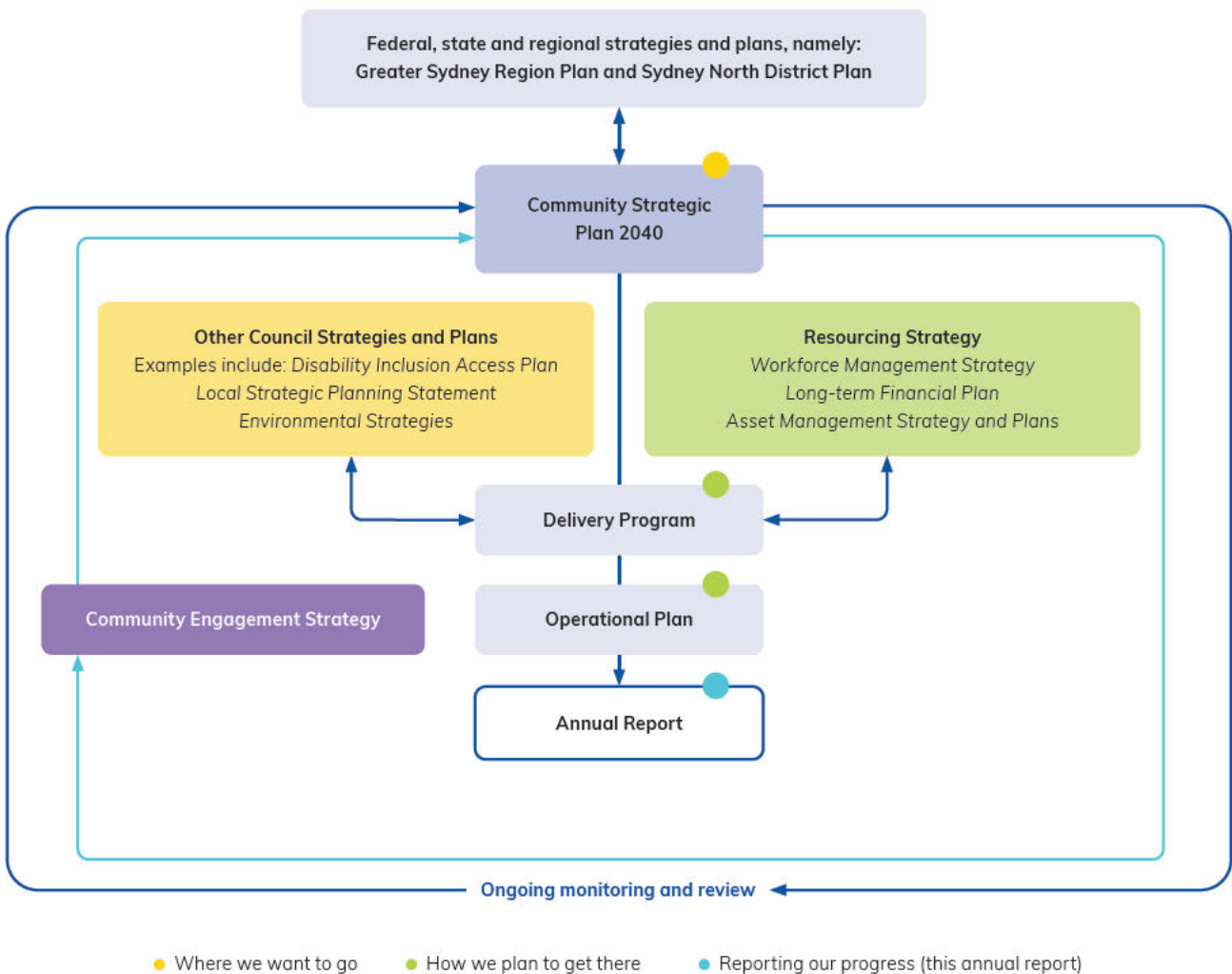
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1 July 2022 to 30 June 2023	

About this report

Welcome to Council’s annual report for the 2022/23 financial year. This document reports on the principal activities undertaken by Council to meet the goals of the Community Strategic Plan 2040 during the last year.

The Annual Report 2022/23 is an important part of Council’s legislated planning and reporting framework as shown in Figure 1.

Figure 1
Integrated planning and reporting framework



Community engagement

Community engagement is an essential part of good governance at the Northern Beaches Council, enabling us to make better decisions and deliver more aligned outcomes for our community.

The engagement for the draft Delivery Program and Budget 2022-2026 was planned, implemented, and reported in accordance with Council's Community Engagement Matrix.

A delivery program project page was established on our Have Your Say website with information provided in an open, inclusive, and accessible format. This included:

- a breakdown of 12 local areas into summary snapshots of projects and initiatives
- fact sheets on the road resheeting and footpath program, environmental program and recreation program, along with a fact sheet on 'how your dollar is spent'
- capital works program with a summary animation of highlights and online map of capital projects
- four stakeholder meetings (two face to face and two online).

The public exhibition was promoted through our regular community e-newsletter and social media channels to ensure our community was aware of the opportunity to have their say, resulting in 12,363 visitors to the online project page and 507 views of the supporting videos.

Feedback was captured through an online submission form embedded into the project page with a total of 69 submissions received from our community. Staff consolidated all feedback into a community engagement report and assessed ways to incorporate findings into the final program. The program and budget were both adopted by Council in June 2022.

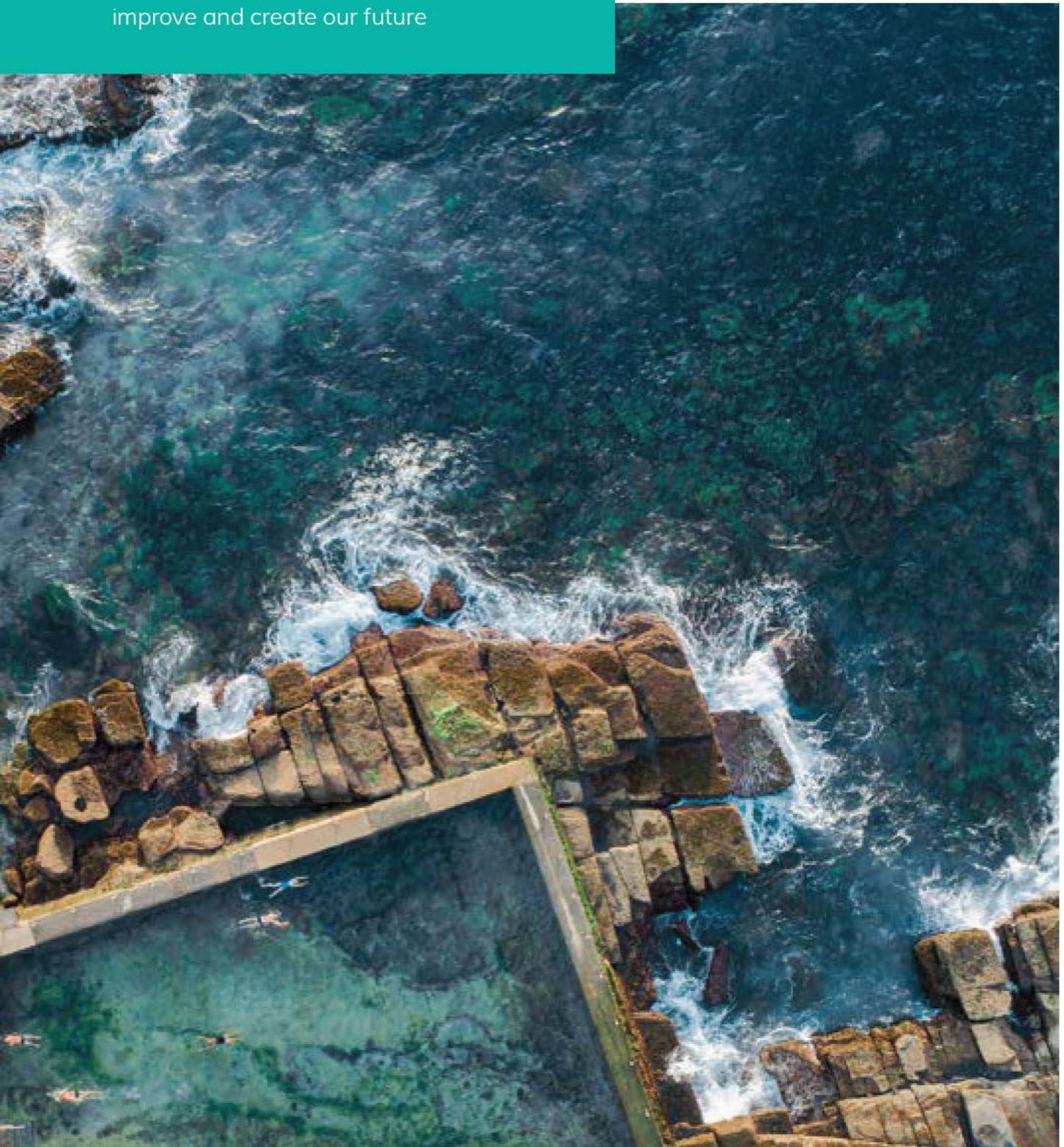
Listening and responding to what our community and stakeholders have to say is all part of our commitment to putting our community at the centre of everything we do.

Our Community's vision for the Northern Beaches

a safe, inclusive and connected community that lives in balance with our extraordinary coastal and bushland environment

Our Purpose

Partnering with the community to protect, improve and create our future



Corporate Values

Trust

being open brings out our best

- Be transparent and honest through open two way communication
- Be sincere by actively listening to others and encouraging a shared understanding
- Be courageous by taking and sharing accountability
- Be adaptable and receptive to change

Service

we care as custodians for the community

- Be focused on delivering the highest quality service in everything we do
- Be proactive and take ownership of the service provided internally and externally
- Be dedicated to making a difference to our community, protecting our environment and encouraging innovation
- Be proud to promote our vision and values

Integrity

we are proud of doing what we say

- Be reliable by honouring promises and meeting goals and deadlines
- Be honest by taking responsibility for your decisions and actions
- Be confident towards challenge in the pursuit for excellence
- Be familiar with policies and procedures and act lawfully at all times

Respect

valuing everyone is how we make a difference

- Be inclusive and culturally aware of others
- Be polite and have a genuine concern for the wellbeing of others
- Be prepared to give and receive feedback
- Be aware of your personal impact on others

Teamwork

working together delivers

- Be caring by thinking of the needs of others
- Be flexible to focus on a common goal by considering the diverse views of others
- Be loyal, supportive and helpful towards other people to develop harmonious relationships
- Be open to share knowledge and to recognise the contributions of others

Leadership

everyone has a leading role

- Be encouraging of others to enable problem solving and innovative ideas
- Be inspiring by fostering a workplace that supports continuous learning and efficiency
- Be work safe
- Be a role model of the values and behaviours



The year in review



Message from the Mayor

The last 12 months has been one of recovery, optimism and teamwork. By working closely with our partners and community we have delivered some highly valued projects that will serve the Northern Beaches for years to come.



I must acknowledge and express my deepest appreciation to the former Mayor, Councillor Michael Regan, and former Councillor Rory Amon. Both were successful in being elected to State Parliament in March 2023 as the Member for Wakehurst and Member for Pittwater respectively. Thank you for serving our community and your unwavering dedication to making the Northern Beaches the best it can be. I look forward to working with them in their capacity as two of our local State Members.

We've had a productive year, making strong inroads having completed some \$83m of capital works including 10.3km of road resurfacing, 5km of new footpaths, 4.1km of shared paths and 1.6km of footpath renewals.

Some of the capital works highlights from the past year include Long Reef Surf Life Saving Club with public amenities, café and community storage, and a new pedestrian and cycle bridge across Narrabeen Lagoon. The new bridge sits alongside the road bridge, providing pedestrians and cyclists plenty of space to safely cross the lagoon.

A new amenity building at Porters Reserve has provided a much needed female change room, toilets, and showers, first aid room, canteen, balcony area and seating for the community.

New Marine Rescue headquarters at Broken Bay (Bayview) have provided a home for a highly valued service. The new facility service was designed for water, energy and thermal efficiency, with excellent insulation, solar hot water, thermal windows, rainwater tanks and other sustainable features. A new Rural Fire Service Brigade building at Duffys Forest was also opened. In partnership with the Rural Fire Service, we demolished the existing building that was built in 1965 and built a new modern fit-for-purpose building enabling the RFS to continue their vital service to our community.

All these projects were made possible by joint funding with other levels of government and vast community support. These achievements serve as a testament to what can be accomplished when we work together.

The Sun Run saw a record number of 6,000 participants take part, which is the third highest in the event's history. Over \$110,000 was raised for 55 charities across NSW including Wheelchair Sports NSW/ACT.

The support of our volunteers is invaluable, and over the past year we've seen some 2,200 volunteers actively assisting Council teams such as Bushcare, Community Gardens, Cemeteries, Libraries, Meals on Wheels, Manly Art Gallery & Museum, Manly Environment Centre, Manly Visitor Information Centre, and the Aboriginal Heritage Office.

We are sincerely grateful for the support and teamwork from our volunteers, community and partners and look forward to making more progress in the coming year.



Sue Heins

Mayor

Message from the Chief Executive Officer

I am pleased to present the achievements of the 2022/23 fiscal year. Over the 2022-23 year, Council continued to remain focussed on delivering services and projects that benefit the well-being of our community and local businesses and ensure financial sustainability.



I thank the former Chief Executive Officer (CEO) Ray Brownlee for his leadership and commitment over the past 5 years. Under his guidance, Northern Beaches Council flourished, and his contributions have been instrumental in shaping our success. Ray's vision and dedication have left an indelible mark on the organisation.

I would also like to thank Louise Kerr for her exceptional work as interim CEO. The entire executive team has made significant contributions, and their collaborative support has been invaluable.

It was a huge honour for Northern Beaches Council to be awarded the AR Bluett Memorial Award by Local Government NSW. This award, dating back to 1945, has been described as 'the pinnacle of local government', recognising the most progressive metropolitan and rural council out of 128 across NSW. This is major achievement is reflective of the collaborative efforts of Councillors and all Council staff for their commitment to providing the highest quality service to the Northern Beaches community.

In May 2023, we experienced a change in leadership as Councillor Sue Heins was elected as the new Mayor of the Northern Beaches, following the resignation of Councillor Michael Regan as Mayor. I would

like to congratulate Mayor Heins on her appointment and leadership as Mayor, meanwhile acknowledge and express deep appreciation for the substantial contributions made by Councillor Michael Regan during his tenure as Mayor. His leadership and dedication have had a profound impact on our community, and we are grateful for his tireless efforts in serving our constituents.

We are thrilled to reflect on the successful outcome of a comprehensive nine-month audit of our development assessment processes completed by the NSW Audit Office. The review focused on the assessment and determination of 4,700 development applications with an estimated construction cost of \$1.8 billion. We are proud to report that no recommendations were made by the Audit Office. The audit confirmed the robustness, transparency, and efficiency of our processes, ensuring effective development assessment for the benefit of our community.

Northern Beaches Council continues to invest in and drive innovation for the benefit of our community and a key example of this is the official launch of Forestville Library 24/7 access. It is one of only a handful of 24/7 public libraries in Australia and the first metropolitan library in NSW. More than 1,200 members have signed

up for 24/7 access with 6,150 visits to the Forestville Library, out of standard hours since the service officially started.

In line with our MOVE Northern Beaches Transport Strategy, we remain steadfast in our goal to achieve a 30 percent reduction in vehicle emissions by 2038. Encouraging the uptake of electric vehicles (EV) is a crucial step in reducing carbon emissions. To support this initiative, we installed 20 additional EV charging stations, with many more in the pipeline. This effort has positioned us as one of the fastest-growing areas for EV adoption, contributing to a more sustainable future. We continue to work with the community to plan for the future of the area and adopted several key strategies and plans including the Youth Voice Action Plan 2028 – (Shaping the Beaches Future), Economic Development Strategy - (Business on the Beaches), Northern Beaches Resilience Strategy – (Withstand. Adapt. Thrive)

and Community Engagement Policy and Community Engagement Strategy

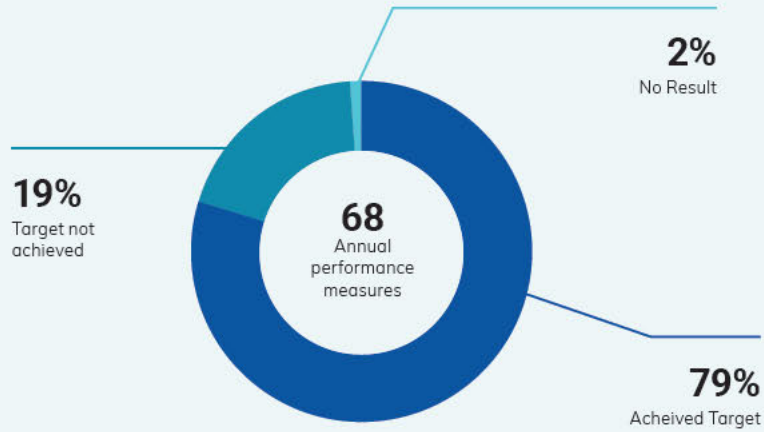
As we reflect on the achievements of the past year, we recognise the collective efforts of our Councillors, staff, and the community, who have been integral in this past year's achievements and continue to strive to achieve the best they can for our community.



Scott Phillips
Chief Executive Officer

Figure 2
Performance summary

Annual performance measures



Operational Projects

95%
completed or progressing
on schedule

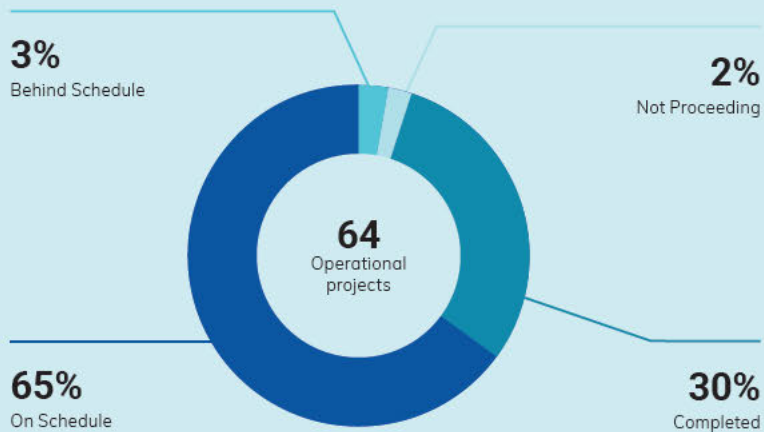
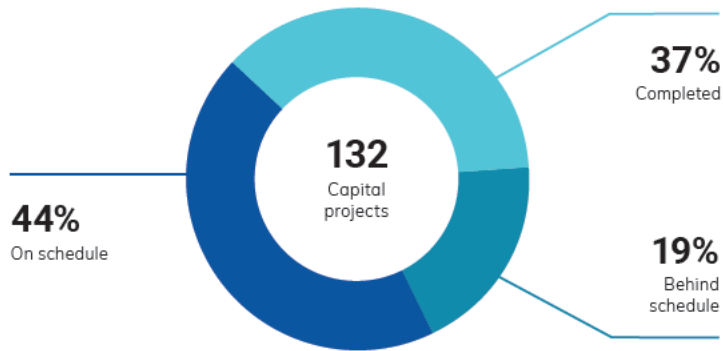


Figure 2
Performance summary

Capital projects

81%
completed or progressing
on schedule



2022/23 financial summary

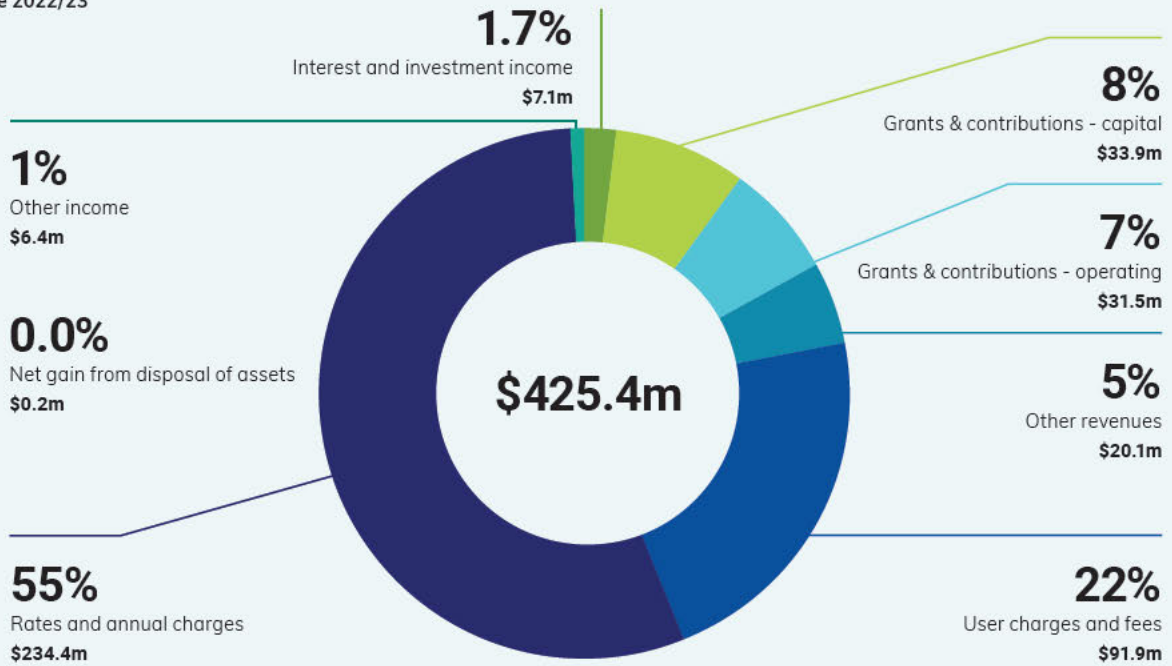
Council met all financial and asset performance benchmarks set by the Office of Local Government for the 2022/23 financial year and achieved an operating surplus of \$51.7m. After excluding grants and contributions received for capital projects, the operating surplus totalled \$17.8m. This contributed towards the funding required to deliver an \$82.9m capital works program and repay \$4.8m in loans. The operating surplus also includes funds restricted for future purposes.

Both income and operating expenses were higher than the previous year (income \uparrow \$17m (4.3%); operating expenses \uparrow \$27m (7.9%). This was largely due to:

- the turnaround in COVID impacted businesses which returned to pre-pandemic activity levels, especially aquatic centres and Sydney Lakeside Holiday Park
- higher interest and investment income (\$5.8m higher than the previous financial year) as a result of rapidly increasing interest rates (almost half of these funds are restricted)
- the timing of payments of the Financial Assistance Grant - \$1.0m more grant income was recognised in 2023 mainly due to changes in the portion of the grant that is paid in advance. Specifically, 25% of the 2023 grant was paid in the year (\$2.3m) along with 100% of the 2024 allocation (\$9.4m)
- a \$3 million net increase in the Emergency Services Levy - the levy increased by \$1.4m to \$7.8m and no grant was received from the NSW Government in the financial year to assist in offsetting the cost (the \$1.6m grant was paid in June 2022, and so was recognised as income in that year)
- lower capital grants and contributions – the prior year included several COVID-stimulus grants.

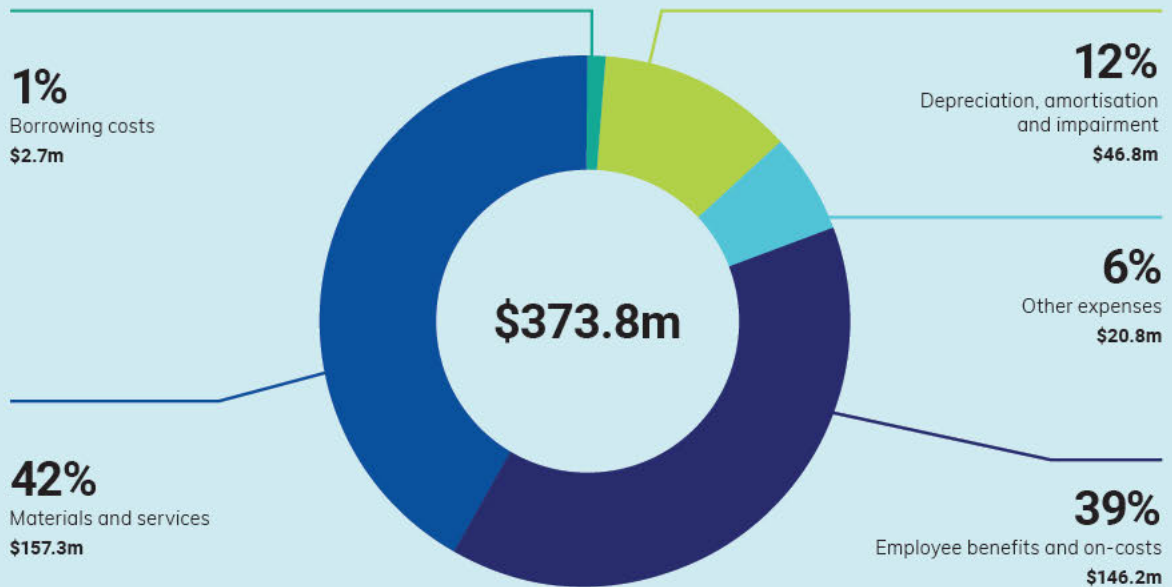
Please refer to the Financial Statements for more information on our financial position.

Income 2022/23



Numbers presented may not sum precisely to the total and percentages may not precisely reflect the absolute figures due to rounding.

Operating expenses 2022/23



Numbers presented may not sum precisely to the total and percentages may not precisely reflect the absolute figures due to rounding.

Working with partners to deliver better outcomes

We are proud to work with the NSW and Federal Government to deliver services and improved facilities to our community through one off grant funding received in 2022/23.

Grants secured



Australian Government

The following projects are being funded under a grant from the Australian Government:

\$1,548,300 under the Australian Government's Black Spot Program for the funding of five projects to improve the safety of roads and roadsides that have a higher crash risk.

\$1,000,000 from the Local Government Recovery Grants Program to reinstate the seawall at Taylors Point and implement land stabilisation works. This grant is delivered as part of the Disaster Recovery Funding Arrangements and is jointly funded by the Australian and NSW Governments.

\$30,000 from the National Australia Day Council towards a series of family friendly activations across the LGA that build on Council's "Celebrate Australia" program.



The following projects have secured grant funding and will be proudly funded by the NSW Government and Council:

Department of Planning and Environment

\$450,000 from the Metropolitan Greenspace Program to upgrade the playground and connecting walkways at Freshwater Beach.

\$343,702 from the Crown Reserves Improvement Fund to fund 11 projects including weed management initiatives at Wakehurst Parkway, Allenby Park, Griffith Park, and Governor Phillip Lookout.

\$327,200 from the Places to Swim Program to provide a shelter with accessible pathway connections in Manly Warringah War Memorial State Park.

\$300,000 through the Disaster Risk Reduction Fund for the employment of a Resilience Officer, implementation of a public facing disaster dashboard, improvements to Council's flood warning system, and an investigation into the impact of scour valves at Manly Dam.

\$200,000 through the Environment Protection Authority's Local Government Waste Solutions Fund to support key circular economy initiatives across the Northern Beaches.

\$97,350 from the Greening Our City Program to plant five thousand coastal plants and trees at the entry points of two popular walking and biking corridors.

\$96,000 through the Environment Protection Authority's WASM Litter Prevention Grant to develop a framework which supports the strategic implementation of Council's litter prevention initiatives.

Department of Communities and Justice

\$3,028,749 to upgrade Warringah Recreation Centre through the Office of Sport's Multi-Sport Community Facility Fund including the construction of new change rooms, public amenities, and squash and tennis facilities.

\$1,100,000 from the Office of Sport's Female Friendly Community Sport Facilities and Lighting Upgrades Program. The funding supports three projects which will revive local sport facilities and enable more women and girls to participate in sport.

\$1,000,000 from the Office of Sport's Partnership Program to improve the standard of Manly Life Saving Club's multi-sport facility which will result in increased community use.

\$150,000 from the NSW Football Legacy Fund to replace the existing floodlights at Kitchener Park, which will improve safety and increase local participation.

\$6,100 from the NSW Seniors Festival Grants Program to deliver two community expos for seniors that aim to reduce social isolation and increase connectivity.

\$4,781 to deliver a series of events as part of the Youth Week 2023 Grants Program to enable wider inclusion and participation of local young people.

Department of Transport

\$9,129,829 from the Regional and Local Roads Repair Program to support Council in undertaking urgent repairs to the road network, which has been significantly impacted by severe flooding, storm damage and persistent wet weather events.

\$5,671,128 from the Get NSW Active Program 2023/24 for two projects which provide new walking and cycling infrastructure and support active travel outcomes.

\$1,841,000 from the Get NSW Active Program 2022/23 for three projects which provide new walking and cycling infrastructure and support active travel outcomes.

\$42,440 from the Boating Asset Maintenance Program to deliver various wharf improvements and repairs across the Northern Beaches.

NSW Treasury

\$40,368 from the EV Fleets Incentive to support the upgrade of Council's fleet to electric vehicles and install new charging infrastructure.

\$5,000 from the Small Business Month Grant to deliver a networking event for businesses across the Northern Beaches that supports recovery and growth.

Awards and recognition 2022/23



National Local Government Customer Service Network (NLGCSN) Awards 2022

- Winner - Innovation of the Year - Customer Activity Tracker (The CAT)



The Communicator Awards 2022

- Winner – Talent Partnerships – Taste of Manly – Hayden Quinn
- Winner - Social Impact - Consumer Products and Services - Sharing the Road Campaign
- Highly Commended - General - Safety - Bare Creek Bike Safety Video
- Highly Commended – Campaign - Travel and Tourism - Play Manly



Australian Event Awards 2022

- Finalist - Best New Event (Virtual, Live or Hybrid) - Play Manly Festival



LG NSW Local Government Week Awards 2022 - RH Dougherty Awards

- Highly Commended - Excellence in Communication Award (population more than 70,000) - Delivering a Fairer Rating System.

LG NSW AR Bluett Memorial Award 2022

- Winner - Northern Beaches Council

LG NSW EXCELLENCE AWARDS 2023

- Winner - Innovative Leadership – Development of the Resilience Strategy – Withstand. Adapt. Thrive
- Highly Commended - Asset and Infrastructure over \$1.5 million - Mona Vale Surf Lifesaving Club and Beach Amenities
- Highly Commended - Special Project Initiative - Forestville Library 24/7
- Finalist - Asset and Infrastructure under \$1.5 million - Taylors Point Bank Stabilisation and Seawall Project
- Finalist - Community Development - It Takes a Village
- Finalist - Community Partnerships - Anti-Bias project - Rainbows on the Beaches
- Finalist - Customer Experience - Customer Service Quality Assurance Program
- Finalist - People, Workplace, Wellbeing - Thrive Wellbeing Program
- Finalist - Special Project Initiative for the Conservation Zones Review – Public Exhibition Application (C Zone App)
- Finalist – Environmental Leadership – ECC Dashboard

**LG Excellence in the
Environment Awards 2022**

- Highly Commended - Communication, Education and Empowerment - Simplifying Solar Program



**Banksia Foundation - NSW
Sustainability Awards 2022**

- Finalist - Net Zero - Protect. Create. Live: Towards Net Zero Northern Beaches



CIO Australia

- Winner - CIO50 - Best Government Project 2022 - Northern Beaches Council (Naren Gangavarapu)



NSW Architecture Awards 2023

- Winner - Robert Woodward for Small Project - Mona Vale Beach Amenities and Lifeguard Facility.



Our Northern Beaches



Environment

**80km**

Coastline

**17km²**

Council bushland

**250km**

Creek lines

**540**

Native animal species

**600km**

Stormwater pipes

**5**

Aquatic reserves

**0.8 km**

Stormwater networks renewed or upgraded

**13,000**

People attend environmental education programs annually

**>10m**

Domestic waste service bin lifts from residential dwellings each year (garbage, recycling and garden organics)

**1,460**

Native plant species

**320**

Environmental volunteers

**>260,000 tonnes**

Waste managed at Kimbriki annually

Social

**39**24 beaches and
15 rockpools**>1,100**Environmental health
inspections annually**5**Gallery, art and
performance venues**122**

Sportsfields

**254**

Playgrounds

**>770**

Volunteers

**2**

Aquatic centres

**>101,000**Visits to gallery, art and
performance venues annually**6**

Libraries

**39**

Community centres

**17,000**Meals on Wheels
services annually**9**Long day care/
preschool sites

Economic



\$ 18.41b

(GRP) Size of local economy



32,361

Local businesses



110,244

Local jobs
(NIEIR 2020)



>300

Clients for business support
advice annually



>13,000

Subscribers to Beaches
Biz News emails



>470

Leases and licences over Council
properties managed annually



39

Public wharves managed by
Council – harbour and Pittwater



117

Public Wi-Fi access
points supported



>7,200

Pay and display parking
spaces managed



>\$954m

Value of roads and transport
infrastructure managed



844km

of local roads



>83,000

public amenity cleaning
services annually

Civic



15

Local Councillors



21,000

On the community engagement register



83,000

Visits to Yoursay



11

Ordinary Council meetings annually



3

Budget reviews annually



5

Audit and Risk Committee meetings annually



>63,000

Records enquiries and actions from incoming correspondence annually



93%

Of correspondence replied to within 10 days



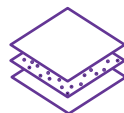
45

Major contracts over \$150,000 managed each year



7

People on the Audit and Risk Committee



>1,500

Layers of data on our spatial information platform



>70

Government Information (Public access) Act applications annually

Our Councillors

Councillors were elected in December 2021 to represent the community on Northern Beaches Council until September 2024. On 20 June 2023, the NSW Electoral Commission conducted a countback election to fill the casual vacancy in the Pittwater Ward following Cr Rory Amon's resignation on 16 May 2023. Karina Page was declared elected by the Returning Office.

Curl Curl Ward



Kristyn Glanville



First elected 2021



Sue Heins
(Mayor - elected May 2023)



First elected 2017



**David Walton (Deputy Mayor -
elected May 2023 - Sep 2023)**



First elected 2017

Narrabeen Ward



Bianca Crvelin



First elected 2021



Vincent De Luca OAM



First elected 2017



Ruth Robins



First elected 2021

Frenchs Forest Ward



Jose Menano-Pires



First elected 2021



Michael Regan



(Mayor Sep 2021 - May 2023)
First elected 2017



Stuart Sprott



First elected 2017

Manly Ward



Candy Bingham

[Redacted]

First elected 2017



Sarah Grattan

[Redacted]

First elected 2017



Georgia Ryburn

[Redacted]

First elected 2021

Pittwater Ward



Rory Amon

First elected 2017 -
Resigned May 2023



Michael Gencher

[Redacted]

First elected 2021



Miranda Korzy

[Redacted]

First elected 2021



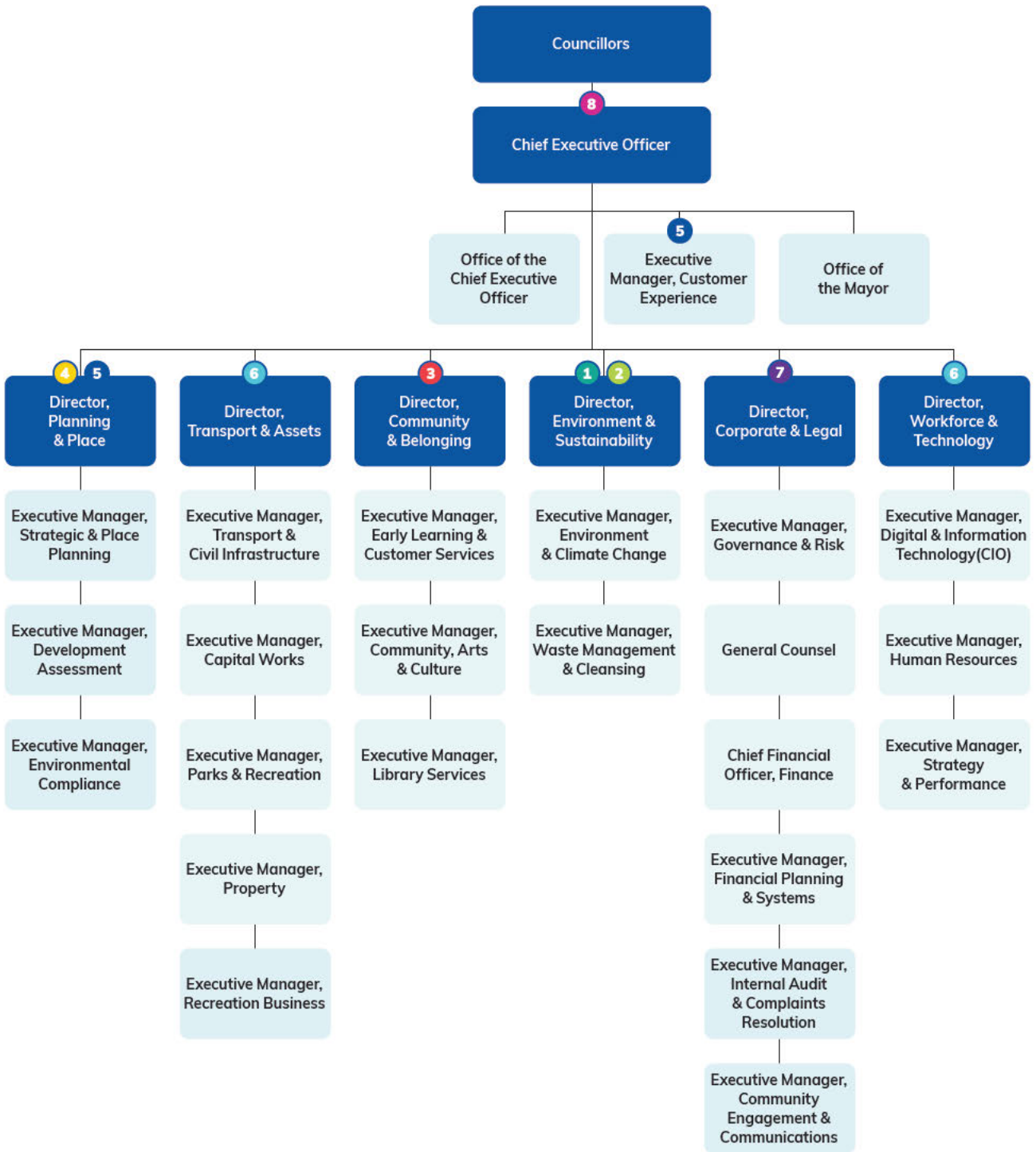
Karina Page

[Redacted]

Karina.Page

First elected June 2023





Community Strategic Plan Outcomes

- 1 Protection of the environment
- 5 Vibrant local community
- 2 Environment and sustainability
- 6 Transport, technology and connectivity
- 3 Community and belonging
- 7 Good governance
- 4 Housing, places and spaces
- 8 Partnerships and participation



Our Community Strategic Plan (CSP) is our roadmap for the future of the Northern Beaches. It defines the community's vision and sets a direction for everything we do to make the vision a reality.

The CSP identifies a strong shared desire to protect and enhance the natural and built environments, to create more connected and caring communities, to embrace our diverse sports and recreational culture, and to live more sustainably in balance with the environment. The responsibility for making the long-term community vision a reality rests with everyone – Council, government agencies, our community, local businesses and not for profit organisations.

The CSP 2040 has 20-year focus and was adopted by Council in June 2022.

Community Strategic Plan 2040 outcomes and goals

● **Environmental**

Protection of the environment	Environmental sustainability
<p>Goal 1 Our bushland, coast and waterways are protected for their intrinsic value</p> <p>Goal 2 Our environment is resilient to natural hazards and climate change</p> <p>Goal 3 Our community is well-supported in protecting and enhancing the environment to ensure safe and sustainable use</p>	<p>Goal 4 Our community is supported in the transition towards net zero emissions and a local circular economy</p> <p>Goal 5 Our built environment is developed in line with best practice sustainability principles</p> <p>Goal 6 Our Council is recognised as a leader in environmental sustainability</p>

● **Social**

Community and belonging	Housing, places and spaces
<p>Goal 7 Our diverse community is supported to participate in their chosen cultural life</p> <p>Goal 8 Our community feels safe and supported</p> <p>Goal 9 Our community is inclusive and connected</p>	<p>Goal 10 Our community has access to diverse and affordable housing options to meet their current and evolving needs</p> <p>Goal 11 Our local centres are vibrant and healthy, catering for diverse economic and social needs</p> <p>Goal 12 Our community has access to spaces that enable healthy and active living and allow for a broad range of creative, sporting and recreational opportunities to be enjoyed</p>

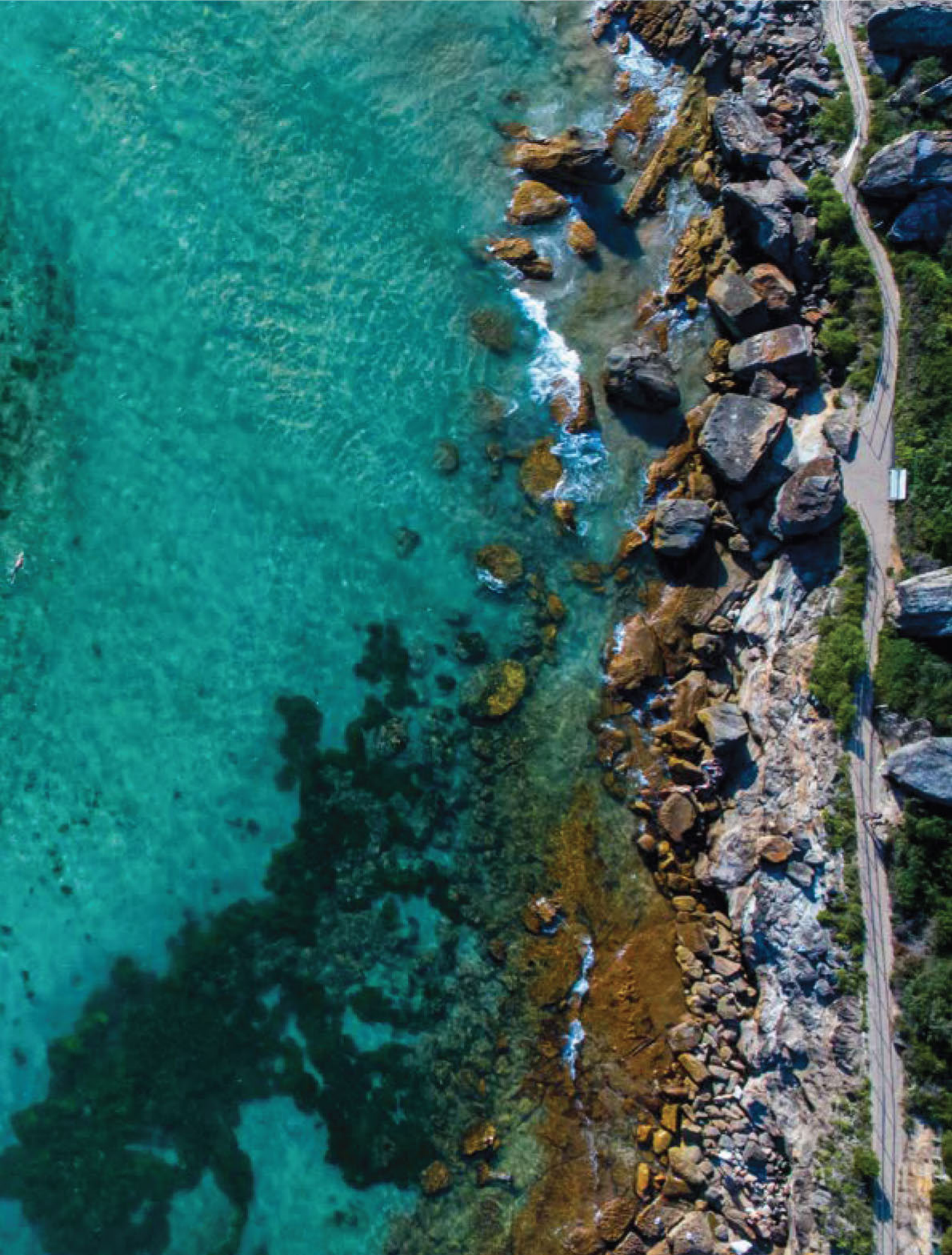
● **Economic**

Vibrant local economy	Transport, technology and connectivity
<p>Goal 13 Our businesses are resilient, well-connected and thrive in an environment that supports innovation, entrepreneurialism and economic growth</p> <p>Goal 14 Our economy provides opportunities that match the skills and needs of the population</p> <p>Goal 15 Our centres are sustainable, encompassing a diverse range of businesses that attract visitation and provide work, education, leisure and social opportunities</p>	<p>Goal 16 Our integrated transport network meet the needs of our community and reduce carbon emissions</p> <p>Goal 17 Our community can safely and efficiently travel within and beyond Northern Beaches</p> <p>Goal 18 Our community can easily connect and communicate through reliable communication technologies</p>

● **Civic**

Good governance	Partnership and participation
<p>Goal 19 Our council is transparent and trusted to make decisions that reflect the values of the community</p> <p>Goal 20 Our Council is proactive, and efficiently and effectively responds to, and delivers on, the evolving needs of the community</p>	<p>Goal 21 Our community is engaged in decision making processes</p> <p>Goal 22 Our Council builds and maintains strong partnerships and advocates effectively on behalf of the community</p>

Service Achievements



How to read this section of the report

Highlights from our 16 key services are presented in this section of the report with colour coding to demonstrate the connection between each service and the community strategic plan, as shown below.

Key Service	CSP Goals							
Environment and Sustainability	G1	G2	G3	G4	G5	G6	G7	G22
Waste and Cleansing	G1	G4	G6	G8	G13	G20		
Kimbriki Resource Recovery Centre	G4	G6	G22					
Strategic Land Use Planning	G5	G7	G8	G21	G22			
Development Assessment	G5	G7	G8	G19				
Environmental Compliance	G1	G8	G11					
Parks and Recreation	G4	G5	G8	G9	G11	G20	G22	
Children's Services	G8	G9	G11	G12				
Community, Arts and Culture	G8	G9	G10	G11	G12	G22		
Library Services	G8	G9	G12	G18	G22			
Transport, Traffic and Active Travel	G6	G8	G16	G17	G22			
Economic Development, Events and Engagement	G8	G10	G11	G13	G15	G21		
Property and Facilities	G8	G9	G11	G13	G15	G19	G20	
Governance and Assurance Services	G19	G20	G21					
Customer Service	G11	G20	G21					
Corporate Support Services	G5	G18	G19	G20	G22			

● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

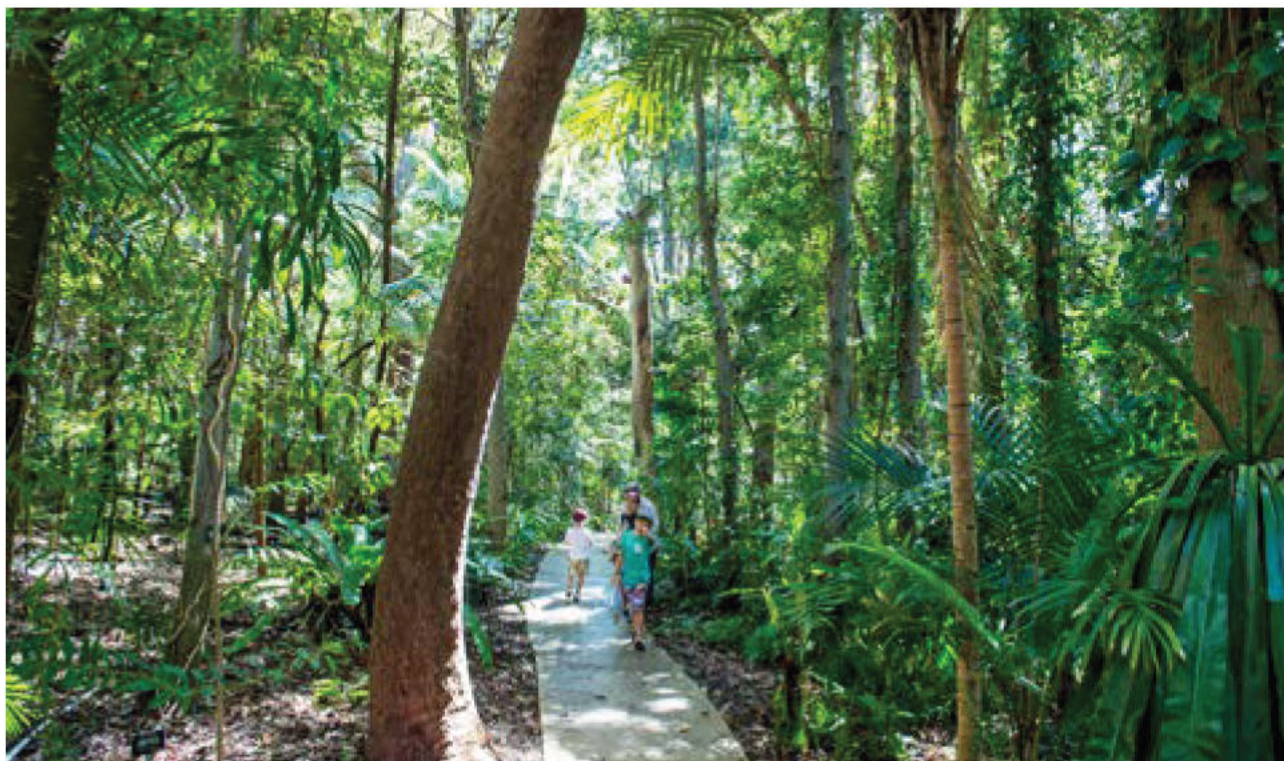
Good governance

Partnership and participation

For each key service area, we report:

- Service achievements
- Performance measures
 - indicating the result, targets and whether they were met
- Workload measures
 - indicating the result
- Projects
 - a summary of the progress of each operational and capital project





● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G1
- G2
- G3
- G4
- G5
- G6
- G7
- G22

Service achievements

Protecting our bushland and biodiversity

Essential work was carried out to protect our biodiversity, with scientific analysis and mapping of Conservation Zones, as part of the new Northern Beaches Local Environmental Plan. A new plan was developed to help manage our three Flying Fox colonies at North Manly, Warriewood and Avalon.

Bush regeneration works continued in over 260 sites, including planting 19,900 local native plants and over 2,800 trees. Biodiversity was also protected by 327 weed inspections on private property and responding to over 200 customer requests regarding feral and native animals. Over 1,000 feral animals were culled, including 971 rabbits and 69 foxes.

Other achievements include:

- condition mapping of Council's bushland, with over 150 reserves completed
- environmental assessment and consultation on the proposed dog off-leash trials at Mona Vale Beach (South) and Palm Beach (North)
- using the RSPCA's Keeping Cats Safe at Home grant to fund a camera survey of cat movements near North Head National Park and educating our community on responsible ownership, with a photo competition and 25 cat enclosures installed as prizes.

Council also partnered with the National Parks and Wildlife Service (NPWS) to survey Council land for the endangered long-nosed bandicoot at North Head and the endangered southern brown bandicoot near Ku-ring-gai Chase National Park. We're also working with NPWS and the Department of Planning and Environment on the feasibility of artificial nesting platforms for threatened ospreys in the Pittwater area.

Managing bush fire risk

The Bush Fire Danger Period commenced on 1 October, 2022 ending on the 31 March, 2023. Thankfully the Northern Beaches had below average fire conditions with no significant bush fire activity. In preparation, Council inspected and maintained the fire trail networks, with a supplementary green waste collection for offshore communities in January to reduce fine fuels. Over 60,000 copies of our Bush Fire Preparation brochure were mailed to residents with their October rates notice.

362 Asset Protection Zones were inspected and maintained, with numerous sites prepared for hazard reduction burns. Favourable weather conditions saw fire agencies carry out 49 burns over 71 ha of Council-managed land. This was supported by grant funding from the NSW Rural Fire Service.

We also continued to work closely with the Northern Beaches Bush Fire Management Committee to prepare a draft Bush Fire Risk Management Plan which was exhibited in June/July 2023. The plan uses the latest research on predictive bush fire modelling to better manage risks.

Lifting our sustainability act

Council's Climate Change Risk Assessment has been completed, with a climate risk register setting out controls, risk ratings and proposed adaptation actions. An online dashboard is now available on the Environment and Climate Change Strategy, which demonstrates how our environment and sustainability are faring over time as we implement the strategy. Work is underway on adding information about our bushland and biodiversity.

Reducing Council's water and energy use continues to be a priority. This included rainwater harvesting projects installed at the Cromer Depot and Dee Why Civic Centre, as well as installing smart online water monitoring at five sites to collect baseline data.

Warringah Aquatic Centre is also cutting its power use by upgrading its air handling unit. This is due to be completed in late 2023, with more energy-efficient fans installed. Over 750 lights were upgraded to more energy efficient

models at other Council sites including Balgowlah Depot, Collaroy Plateau Kindy, Cromer Community Centre Sports Hall and Avalon Recreation Centre.

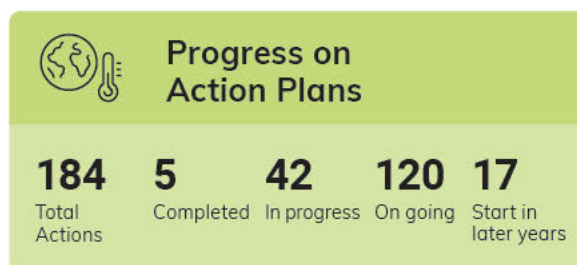
'Dark sky' friendly energy efficiency lights were installed at Governor Phillip Park, Palm Beach as part of the Urban Night Sky Place project. Events were also held to encourage our community to reduce their light pollution with better lighting practices - including a popular Lunar Eclipse night at Mona Vale Headland, with over 150 people attending.



**Environment and Climate Change
Strategy 2040 (Protect. Create. Live.)
- Progress Report**

**Key Achievements since adoption of
the strategy in December 2019**

- **Achieved two targets:** met two corporate emissions targets, nine years earlier than planned.
- **Reduced corporate emissions:** cut Council's emissions by 80% through energy efficiency projects and a seven-year deal for 100% renewable electricity.
- **Championed renewables:** over 3,840 people participated in the Simplifying Solar Program to support community uptake of solar and batteries.
- **Protected our bushland:** regenerated 1,225ha/year of bushland and dunes, with over 19,000 native plants.
- **Protected our waterways:** removed 9,200 tonnes of pollution and built a mini wetland at Fern Creek, Warriewood.
- **Conserved threatened species:** installed habitat tiles on our seawalls to support marine life; and protected the endangered White's Seahorse and *Grevilia Caleyi* in partnership with the NSW Government.
- **Prioritised resilience:** adopted the new Northern Beaches Resilience Strategy – *Withstand. Adapt. Thrive.* In the last year, 49 hazard reduction burns were carried out in 71ha of Council bushland helping to protect 3,196 nearby properties.
- **Created industry standards:** developed two industry-wide guidelines that help project managers choose more resilient, longer lasting materials for buildings and infrastructure.
- **Recognised for excellence:** attained silver member status in the NSW Government's Sustainability Advantage Program, a testament to our progress towards a more sustainable future.
- **Partnered with the community:** since 2016 over 92,000 people were educated through our environment centres; and 320 Bushcare volunteers gave over 38,000 hours to restore natural areas at over 50 sites.

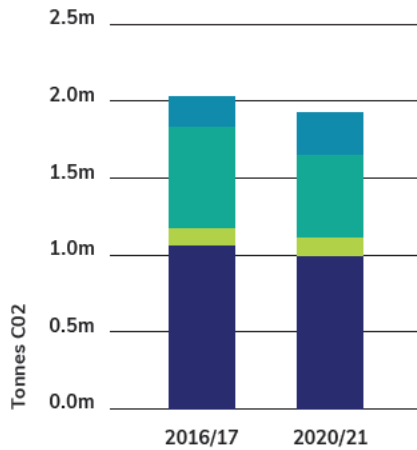


Want to know more?

Scan the QR code to view our dashboard and learn more about our Environment and Climate Change Strategy.

Figure 4
Emissions summary

Community Emissions 2020/21*

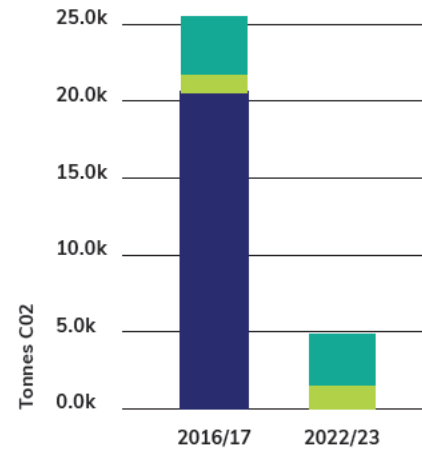


● Electricity ● Gas ● Fuel ● Waste**

*Community emissions take additional time to be calculated as they rely on utility data releases and statewide surveys etc.

** The figures here include residential waste as well as estimations for commercial and industrial

Council Emissions 2022/23



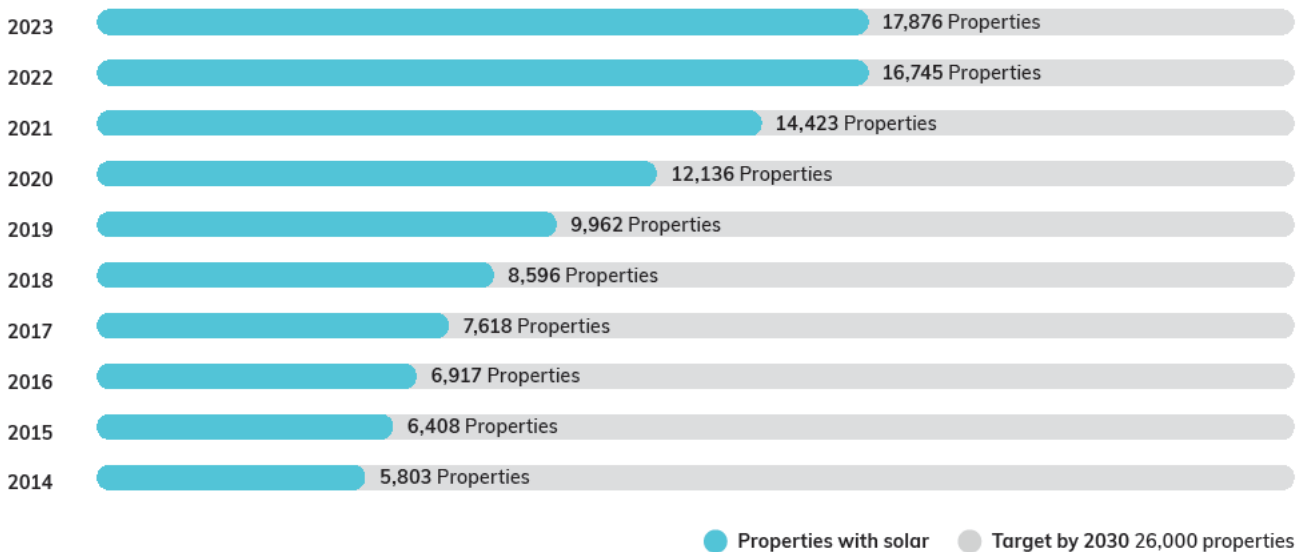
● Electricity*** ● Gas ● Fuel

***Moved to 100% renewable electricity in 2022/23

Note: Council's waste emissions are included in the Community emissions graph as it is collected with the residential waste

Figure 5
Solar installations

Solar installations on suitable premises (commercial / residential)



● Properties with solar ● Target by 2030 26,000 properties

Enabling our community

Our environmental volunteers continue to expand with close to 320 Bushcare volunteers performing incredible work in our natural environment, volunteering at over 50 sites. Around 50 Friends of Cabbage Tree Bay volunteers are also active. They keep a close watch from Marine Parade, Manly every weekend and educate the public on the local biodiversity above and below the water.

Our environment centres at Manly and Narrabeen continue their valuable work educating over 17,000 school-aged children and residents on sustainability, local habitats and wildlife. The popular wetland and intertidal rock platform walks were supplemented with additional programs at Manly Dam, Stony Range Regional Botanic Garden and Fairy Bower this year. Annual events included the Eco Awards, Ocean Festival, Day at the Bay, Project Penguin, Schools Tree Day and the Coastal Environment Centre's Open Day.

Council is actively educating our community about practical sustainability solutions and the transition to renewable energy sources. Examples of our community engagement programs include:

- over 730 registrations for our solar and energy saving webinars
- the Solar and Energy Roadshow, launched in February 2023, provided free drop-in sessions to 45 residents to discuss solar and energy efficiency
- 160 free Solar Conversations by phone, online and in-person
- education on Earth Hour and World Environment Day, with information stalls at the Taste of Manly event and the Coastal Environment Centre Open Day.

These activities are enabling our community to transition to renewable energy, with an increase of 2,662 solar installations this year (latest figures from the Australian PV Institute). This provided a further reduction of 23,200 tonnes of CO² emissions, equivalent to around 1% of community emissions or nearly 7,000 cars taken off the road. The Northern Beaches total solar penetration is now 21.9% residential PV density, with total installations to 17,876 premises.

Businesses are also supported by our Sustainability Business Network, with membership steadily increasing to over 200 active members. Initiatives for this network included:

- an evening on 'Waste and the Circular Economy' at Mona Vale Surf Club
- 'Towards Net Zero Carbon Accounting' at the Steyne Hotel
- over 100 attended lunchtime webinars on 'Renewable energy and an introduction to Power Purchase Agreements (PPAs) and 'Powering your savings: How solar, batteries and energy smarts can slash energy bills'

- presentations and information stalls for Small Business Month and Australian Conservation Foundation Sustainability Forum
- sponsoring the Sustainability Award for the Northern Beaches Local Business Awards.

Council also commenced a 100% renewable energy group PPA and successfully procured an aggregator in March 2023.

Building resilience

The Northern Beaches Resilience Strategy – Withstand. Adapt. Thrive was adopted in June 2022 and has driven more robust approaches to how we plan and deliver our services and works. The comprehensive strategy was recognised at the 2023 Local Government Excellence Awards, winning the top spot for the Innovative Leadership category.

The strategy also helped Council secure a grant from the NSW Disaster Risk Reduction Fund. This is supporting a Resilience Officer role for 18 months, as well as enabling a number of key projects to reduce disaster risk and improve our preparedness for emergency events. These include an upgrade to our flood information tool to improve predictions, timely warnings and responses; as well as analysis to optimise the management of water levels in Manly Dam. It is also funding the development of an online disaster dashboard for live alerts and updates for our community during a disaster event, including preparing for events before they occur.

Improving our coast and catchments

A key achievement was completing the Coast Action Plan and Waterways and Catchments Action Plan which will support Council's work in protecting and improving these vital areas. Planning for public coastal protection works at Collaroy Beach has progressed, and we continue to work with owners on their private development applications and associated works to protect Collaroy-Narrabeen Beach.

A constructed wetland in Warriewood Valley, that flows into Narrabeen Creek, is close to being completed. It will improve water quality, local habitat, community connectivity and scenic amenity. A floating wetland was also installed at Curl Curl Lagoon to improve water quality.

For the 11th consecutive year, all lagoons and the Pittwater estuary are being monitored for their health, building a valuable record to help manage them. The Lagoon Health Report Card 2011-22 was released on Council's website and summarises 10 years of results as well as outlining our catchment management practices.

Other progress included:

- a public exhibition of technical documents to support a new Northern Beaches LEP and DCP, such as the Estuarine Planning Level Studies for the Harbour and Cowan Creek; Watercourse, Wetlands and Riparian Lands Study and a Stormwater Study
- monitoring groundwater at Addiscombe Road Reserve, Manly Vale
- geotechnical monitoring and installing signs at key sites
- 93 hectares of regeneration and weed control in dunes, headlands, and riparian areas.

Managing stormwater and floodplains

The Narrabeen Lagoon Entrance Management Strategy was adopted by Council in September 2022. The draft Greendale Creek Flood Study was publicly exhibited, with a number of other flood studies underway including the Manly to Seaforth Floodplain Risk Management Study and Plan; the Middle Harbour Flood Study and the McCarrs Creek, Mona Vale, Bayview Floodplain Risk Management Study and Plan. Investigations were also progressed for the Brookvale Water Sensitive Urban Design; the Freshwater Water Sensitive Urban Design; and a flood impact assessment for upgrades at Collaroy Street, Collaroy.

Significant rainfall events occurred throughout the year, requiring monitoring and responses to prevent flooding around the lagoons. The entrances at each of the four lagoons were managed effectively, with berm heights actively maintained below flood levels at Dee Why and Curl Curl Lagoons on several occasions. As a result, these lagoons opened naturally prior to reaching flood heights. Manly Lagoon was mechanically opened during a rain event in February 2023 and Narrabeen Lagoon on a number of occasions.

We've improved our stormwater network in many locations that will help prevent flooding into residential homes. Examples include upgrades at Ankali Place, North Manly, Loquat Valley Road, Bayview and Myola Road, Newport. Stormwater pits were also upgraded at Freshwater, Collaroy


Plateau, Newport, Narrabeena, Beacon Hill, Allambie Heights, Dee Why, Seaforth and Balgowlah. Concept and detailed designs have been completed for other stormwater projects across the area, with community engagement to take place next year.

287 Water Quality Devices helped prevent pollutants from entering our waterways, with over 724 tonnes of waste removed this year. Three gross pollutant traps were upgraded around Sandy Bay Clontarf, as well as maintenance works at Lemon Tree Close and Perentie Close Basins.



Performance

Performance measures	Target	Result 2023	
Number attending sustainability education events	16,000	18,111	✓
Active Bushland management by contractors (ha)	1,200	1,225	✓
Stormwater network renewed/ upgraded in line with the Asset Management Plan (m)	800	981	✓
Required mitigation activity completed for natural hazards (flood, fire, erosion, landslip)	100%	100%	✓
Green House Gas emissions by Council (t CO ₂)	< 6,000	6,033*	✗
Total water use by Council (KL)	< 474,731**	440,910	✓

 Achieved target
  Target not achieved

*This year a change in the methodology for measuring Scope 3 emissions for fuel showed an additional 353 tonnes of emissions, though overall fuel consumption actually decreased.

** Based on a rolling average of the last five years' consumption, to cater for wet and dry years.

Operational projects

Completed

G1 G6	Develop and implement action plans and reporting to support the Environment and Climate Change Strategy
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On Schedule

G3 G4 G22	Expand and improve volunteer, sustainability and environment centre programs in response to community priorities
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G2 G12	Develop and implement a Narrabeen Lagoon Entrance Management Strategy
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G1 G2	Develop and implement coastal management programs
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G1 G2	Develop and implement a creek management strategy
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Behind Schedule

G2 G17	Investigate and implement viable options to reduce minor flooding on Wakehurst Parkway – Both Council's and TfNSW's Oxford Falls site projects are requiring further discussion. This will result in aligning community consultation plans, clarifying funding and formalising the partnership between the two organisations. The site projects are complementary and will impact both traffic and flood outcomes, with further planning helping to better align and synchronize them.
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Capital projects

On schedule

Coastal protection program

G2	Collaroy-Narrabeen Coastal Protection Works
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Stormwater program

G2	Planned stormwater new works
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G2	Planned stormwater renewal works
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G2	Reactive stormwater renewal works
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G2	Warriewood Valley Creek line Works
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G2	Gross pollutant trap renewal works
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Water and energy saving initiatives

G4 G5	Water saving and re-use initiatives
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G4 G5	Energy Savings Initiatives Program
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G4 G5	Energy Saving Initiatives Works Program - Special Rate Variation
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● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G1
- G4
- G6
- G8
- G13
- G20

This service delivers recyclables and household waste collection, as well as processing, recycling and disposal of collected material including bulky goods. The service includes community waste education and behaviour change programs. It also delivers litter removal, beach raking, graffiti removal, street sweeping and removal of illegally dumped rubbish.

Service achievements

Satisfying our customers

Council has received good customer feedback on satisfaction with our waste and cleansing services. All targets have been met for high satisfaction with the cleansing service (target 80%) and very low reports of missed waste and litter collection services (well below the 0.5% threshold).

We also undertook a benchmarking exercise against other councils and found our service compared very well, with the second-lowest number of customer requests for waste services.

Improvements continue to be made across strategic, operational and data monitoring functions.

Taking a strategic approach

Council has been developing a comprehensive Waste and Circular Economy Strategy to guide the long-term direction of waste management for the area and to transition to a more circular economy. We've tapped into our community for needs and ideas through workshops and surveys and will release the draft strategy later in 2023 for community consultation.

The draft strategy is underpinned by studies on needs and feasible local solutions for our future:

- a comprehensive study and feasibility analysis of options for waste in our red lidded bins, focusing on recovering food organics

- a benchmarking study on how current services are performing compared with similar councils
- bulky goods research and trials to recover more from our bulky goods waste e.g. timber for remanufacturing into cupboards and shelving
- polystyrene recovery for recycling and making things like decking, outdoor furniture, and picture frames as well as for use locally in the plant nursery industry
- a telephone survey of 600 residents in late 2022, with follow up targeted working groups and community engagement
- targeted engagement with key internal teams, business, and community stakeholders.

A soft plastics recovery and recycling trial was also conducted following the failure of the Redcycle supermarket soft plastic collections. This highlighted the difficulty in recycling soft plastics due to their diversity, complexity, and inability to find sustainable downstream recyclers for the collected material. We are currently evaluating the results of the trial.

The outcomes of these and other studies, along with upcoming community consultation will guide further development of the strategy.

Equipping the community for a circular economy

Council provides an extensive program of waste recovery projects, trials, audits, training and communication, to help move towards a circular economy. Some of the highlights building our community's capability and resilience were:

- a reuse and recycling event which collected 21 tonnes of donations including clothing, accessories, nursery items, electrical items and bikes. These will be rehomed and recycled by our partner charities and recyclers.
- Avalon Car Boot Sale and the Bags to Riches second-hand markets
- Over 80 Clean Up Australia Day sites
- 11 workshops on home composting and worm farming, making food not waste, reusable nappies, fermenting food, Christmas ideas, preserving fruit and vegetables, and reducing plastic on a budget
- 158 Event Waste Management plans were assessed, and Council loaned portable water fountains to 28 community led events to reduce the use of disposable plastic water bottles
- the Swap for Good program continued with returnable cups and containers delivered to more businesses, and a corporate workshop delivered

local schools were supported with waste audits and Swap for Good canteen solutions

Getting a grip on graffiti

Council's new graffiti reporting portal provides a consolidated 'in-house' graffiti reporting one-stop shop for residents and businesses. This new system allows for rapid real-time reporting and dashboard integration, with new analytical functions for effective graffiti response. It also obscures private customer details, while allowing contractors to obtain job related information easily and quickly.

Making catchments cleaner

Following a service review, Council is moving its street sweeping program from a 50% contractor-provided service to one run completely in-house. This will be rolled out in two stages, with a dedicated staff team operating street sweeping machines to improve our streets and catchments. Stage One started in June 2023, transitioning our southern area to the in-house service. In late 2024, Stage Two will encompass the northern area.

Helping dog owners with solutions

Council provides approximately four million free dog waste bags to the community each year at off-leash dog parks and walking trails. We reviewed this program in December 2022 to consider alternative products with less environmental impact, and the number and locations of bags to meet demand. Following a six-month trial, we now provide bags made from home-compostable corn starch, suitable for our local climate.


The trial also found we needed to reduce the number of bags provided to align with actual demand and prevent misuse of the service. We're now stocking the dog park locations every 1-2 days and keeping a close eye on levels of use. This has reduced the annual number of bags provided, the cost of the service, and the likelihood and impact of bag pollution in our environment.

Getting rid of litter

We've comprehensively reviewed litter and public litterbins at various locations across our area. The study found the bin system captures 95% of litter, reflecting both the good practices of residents and visitors and the well-targeted and efficient service provided. It also highlighted areas where public place recycling was contaminated with non-recyclables. We have since installed new signage and restriction mechanisms on some bins, successfully reducing contamination by over 75%. Other signage on public bins is also being reviewed to help the public separate recycling.

Performance

Performance measures	Target	Result 2023	
Number of participating in education events on waste and circular economy solutions	5,000	20,410	✓
Domestic waste diverted from landfill (waste collected by Council)	65%	65%	✓
Domestic waste per capita (kg)	< 420	411	✓
Customer satisfaction with cleansing services	80%	80%	✓

 Achieved target
  Target not achieved

Operational projects

On Schedule

G6 G11	Manage contracts for cleaning of streets, pavements, graffiti, and bus shelters to provide clean public places
G6	Manage domestic waste contracts to maximise resource recovery and adapt to community needs
G3 G4 G6	Deliver waste programs and education to support Council's domestic waste collection services, including waste reduction and circular economy principles
G4 G6	Consult on and implement a new long-term waste and circular economy strategy
G4 G6	Promote opportunities to the community for separate collection of recoverable waste types

Capital projects

On Schedule

Waste and Cleansing Program

G11 G20	Public Place Bin Enclosures
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● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G4
- G6
- G22

Kimbriki aims to deliver long-term reliable, responsible, and sustainable waste management and recycling services to the local community. It receives over 260,000 tonnes of material onsite each year and around 80% of this is recycled. Over 4,000 people visit the Eco House and Garden each year for education on sustainability, and the Buy Back Centre which sells salvaged building materials and furniture.

Service achievements

Transforming waste into resources

Over 400,000 vehicle visits to Kimbriki were recorded for the year, with over 266,000 tonnes of material received, of which 80% was recovered for recycling or reuse. Our priority is to maximise the reuse of incoming resources and minimise the waste sent to landfill. Construction of the next lined landfill cell commenced in May and will be completed in late 2023.

Kimbriki ran several proactive trials to explore the viability of sending more waste streams for reuse. Four trial collections of polystyrene were well received with over 700 residents bringing polystyrene for recycling. A similar trial of soft plastics saw over 500 residents attend over three days. An engineered timber trial successfully recovered over 1,200 tonnes of material for recycling that previously went to landfill.

Building community skills and capability

Kimbriki's new social precinct 'The Hub' is expanding the various charities and not-for-profit organisations it hosts to promote reuse and waste reduction. This now includes Peninsula Senior Citizens Toy Repair Group, Bikes 4 Life, Boomerang Bags and Reverse Garbage.

The Eco House and Garden conducted an inaugural professional development day for over 30 local teachers. The aim is to enable K-12 teachers to confidently engage their students in sustainability and Indigenous perspectives within the curriculum.

Free sustainability workshops were also provided for over 2,000 local students, based on the NSW Department of Education and Training's cross-curriculum priorities on sustainability. Kimbriki's online education hub was launched to complement the workshops, providing resources to students and teachers.

Reducing impacts

Construction of the clean water diversion system continued and is due for completion within the next month or so. This will further reduce the site's environmental footprint and allow access to additional areas for landfilling to significantly extend its life.

Site conditions have been improved by sealing the internal road between the mixed waste transfer station and the outbound weighbridges, as well as the floor of the household problem waste. This has improved the customer experience and further reduced the generation of dust and sediment on site.

Performance

Performance measures	Target	Result 2023	
Total waste from all sources diverted from landfill on site	82%	80%*	✘
Waste diverted from landfill in the mixed waste section on site from all sources	10%	7.4%**	✘
Compliance with environmental requirements	100%	100%	✔
Reuse and recycling of household problem waste (tonnes)	600	630	✔

✔ Achieved target ✘ Target not achieved

*While close to target, this has been hampered by a persistent downturn in recyclable demolition waste, and an increase in home renovations and building works. This, combined with storm and flood damage, continued to result in unusually high volumes of mixed waste.

** This has been hampered by increased waste from home renovations and building works, and a persistent downturn in recyclable demolition waste. This, combined with storm and flood damage, continued to result in unusually high volumes of mixed waste. Kimbriki is planning further investment in sorting infrastructure to extract recyclable commodities from mixed waste to increase the recovery rate.

Operational projects

On Schedule

G4 G6	Research and develop improved resource recovery consistent with the endorsed Business Plan, reviewed annually
G4 G6	Expand the sustainability hub and enhance social enterprise opportunities

Capital projects

Completed

Kimbriki improvements

G4	Kimbriki landfill cell development area 4A
G4	Kimbriki landfill cell development mid-west landfill

On Schedule

Kimbriki improvements

G4	Kimbriki clean water diversion system
G4	Kimbriki future cell development
G4	Kimbriki gas capture system
G4	Kimbriki vehicles
G4	Kimbriki renewal program
G4	Kimbriki other



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G5
- G7
- G8
- G21
- G22

This service sets the land-use planning direction for the local government area via the Local Strategic Planning Statement – ‘Towards 2040’. We are responsible for the preparation and maintenance of local environmental plans and development control plans for the Northern Beaches.

We prepare structure plans and place plans to manage growth and development, along with responsibility for Council’s development contribution framework, European heritage management, Aboriginal heritage management, urban design, and assessment of planning proposals.

Service achievements

Northern Beaches Local Environmental Plan and Development Control Plan

Council undertook a three-month public exhibition of its Conservation Zones Review, finishing on 5 December 2022. The review assessed the use of environmental conservation zones in Council's current Local Environmental Plans (LEPs) and recommended a methodology to create a single set of Conservation Zones for the new Northern Beaches LEP based on mapping of hazards and ecological criteria, such as bushfire and flooding, threatened species and core habitats.

Council responded to hundreds of telephone and written enquiries during the exhibition period and completed a Submissions Summary Report on the 950 submissions received. Council is considering amendments to the Conservation Zones methodology to address the submissions received and has held several meetings with the Department of Planning and Environment. The next steps in the process will be determined by the outcomes of discussions with the Department.

Council has also met with the Department to discuss other proposed LEP provisions, including zoning tables and drafting of specific clauses on housing and environmental matters. Once these matters have been resolved, and the Conservation Zones methodology agreed, Council will be able to finalise a Planning Proposal for consideration by Councillors and subsequent public exhibition.

Work continues on Council's new Development Control Plan (DCP), incorporating Local Character Statements.

This has involved reviews of other Council DCPs, meetings with internal and external experts, and drafting of controls. It is proposed to exhibit the draft DCP together with the Planning Proposal for Council's new LEP.

Local Housing Strategy and affordable housing

Council's Local Housing Strategy is being implemented through key initiatives, including:

- the establishment of "Housing Diversity Areas" allowing for dual occupancy and boarding house development in limited areas around identified local centres as part of the new Northern Beaches Local Environmental Plan-making process
- separate "Structure Plan" processes either completed or in-train for Frenchs Forest, Brookvale, and Mona Vale to provide additional housing supply
- requiring a percentage of all new housing in areas re-zoned to permit higher residential densities to be given to Council for use in perpetuity as affordable housing units (including Frenchs Forest, Brookvale, and Mona Vale).

Morgan Road Planning Proposal (Lizard Rock)

In October 2022, Council received notice from the Department of Planning and Environment of a Planning Proposal by the Metropolitan Local Aboriginal Land Council to rezone land in Morgan Road, Oxford Falls Valley, to permit a 450-allotment subdivision of their land.

Despite detailed submissions by Council opposing the Planning Proposal, in December 2022 the Sydney North Planning Panel

determined that the Planning Proposal should be submitted to the Minister for Planning and Public Spaces for a “Gateway” determination.

In January 2023, Council resolved not to be the Planning Proposal Authority (PPA) for the proposal – that is, to be responsible for its governance including preparation, submission for a gateway determination, public exhibition, and finalisation. The Sydney North Planning Panel was subsequently appointed to this role.

In June 2023 the Department issued a Gateway Determination for the Planning Proposal to proceed to public exhibition, subject to conditions. Council continues to oppose the Planning Proposal and will make further submissions to relevant authorities during the public exhibition process.

Brookvale Structure Plan

The draft Brookvale Structure Plan has been prepared and provides the strategic land use planning framework for Brookvale over the next 15 years. The plan proposes the delivery of 1,300 new homes, 975 new jobs, and opportunities to provide a new town square and community facilities.

The revised draft Brookvale Structure Plan was exhibited from 1 December 2022 to 28 February 2023. Exhibition included a variety of online engagement methods including a project webpage, two webinar videos, one promotional video, and a question-and-answer forum. In person engagement activities included a Brookvale business briefing session and a community drop-in session at Brookvale Park. The project was promoted via Council’s social media channels, a public display at Warringah Mall Library, letterbox drops to owners, tenants and businesses, and notification letters to owners. Staff also met and spoke with key stakeholders, community groups and community members on request.

Over 300 submissions were received. A Response to Submissions Report is being prepared and will be reported to Council together with recommendations for proposed next steps in the process.

Manly Place Plan

The draft My Place: Manly Place Plan is progressing well. The draft document including the concept designs and its costings was circulated for internal stakeholder review and is now complete. The next step in the project will be public exhibition expected to be late 2023.

The focus of the place plan is to increase activation across the centre over a 24-hour period, leveraging its role as the only operating night-time centre on the Northern Beaches and renowned tourist destination for international and domestic visitors.

Mona Vale Place Plan

The draft Mona Vale Place Plan framework has been prepared and initial internal stakeholder review completed. Mona Vale is a strategic centre, therefore there is a requirement to investigate opportunities to increase housing and employment numbers. Increasing employment and housing in the centre will generate additional traffic movements. Further detailed traffic data and analysis is required to inform the finalisation of the draft Place Plan.

Avalon Beach Place Plan

The Avalon Beach Place Plan was formally adopted by Council at the July 2022 Council Meeting with two amendments:

1. Further community consultation is undertaken with regard to Action 52 (Beach Gateway terracing) of the adopted Plan. Action 52 is considered a long-term (5-10 year) activity. Consultation will be undertaken closer to the time of planning the design and implementation of this action
2. Further consultation be undertaken in relation to cycleways within Avalon Beach Village. This item had been removed from the Plan and it is recommended that it be re-investigated. Consultation is recommended to be conducted and reported back to Council within 12 months.

The Place Plan Implementation Steering Committee has been established to drive the implementation of the Place Plan with the following actions completed:

- recycling waste bins have been installed in strategic locations throughout the centre
- a temporary trial of a one-way shared zone on Old Barrenjoey Road north, between Avalon Parade and the entrance to Woolworths carpark, to inform permanent road and streetscape improvement
- an event 'how to guide' has been developed and placed on Council's website.

Heritage matters

The Local Heritage Fund is an annual small grants program of \$12,500 offered to owners of heritage items who undertake maintenance or repair works to their buildings. The fund is supported and partly funded by Heritage NSW.


The Local Heritage Fund was formally advertised from January to March 2023 and 12 applications for funding were received from property owners with six successful applications being funded.


Frenchs Forest Town Centre Contribution Plan

On 5 August 2022, Council's adopted Frenchs Forest Contributions Plan which was submitted to the Independent Pricing and Regulatory Tribunal (IPART) for review. This review is required to ensure that Council can levy the full residential contributions rates in the Contributions Plan above the current \$20,000 cap.

On 20 April 2023, IPART released its draft assessment report on the Contributions Plan. On 26 May 2023, Council forwarded its submission to IPART requesting amendments to its proposed recommendations. We await a final decision on the plan by the Minister for Planning and Public Spaces.

Performance

Performance measures	Target	Result 2023
Planning proposals assessed within 90 days (from lodgement to submitting report to Local Planning Panel)	80%	33%* 

 Achieved target  Target not achieved

* Two of the three planning proposals were not met due to the applicant's request to delay, and the timing of the meeting dates of the Northern Beaches Local Planning Panel.

Operational projects

Completed

G5 Frenchs Forest precinct planning for a sustainable area with Green Star Communities rating

G5 G10 Ingleside Precinct – work with Department of Planning and Environment on the potential land release

On Schedule

G11 G13 G15 Develop Place Plans for Avalon, Mona Vale and Manly and other centres on a rolling program

G5 G10 G11 G13 G15 Prepare Northern Beaches Local Environmental Plan, Development Control Plan and associated studies

G10 G11 G13 Complete Brookvale Structure Planning and Rezoning - to revitalise Brookvale Town Centre



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals



Council assesses development applications, modification applications and reviews of determinations in line with local and state planning controls. This service also provides a development advisory service to assist applicants in preparing and lodging applications as well as general planning advice to our community.

Service achievements

Assessing applications

This year saw a 9.25% decrease in the total number of applications lodged compared to 2021/22 with 1,641 development applications, 614 modification applications and 15 review of determination applications lodged for assessment. 145 pre-lodgement meetings and requests for advice were provided. Development within the Northern Beaches Local Government Area remains persistently strong despite the reduction in application volume and changing economic conditions.

This year the total value of development applications approved was over \$1.1 billion. This is an increase of 41% when compared to 2021/22 where the total value of approved development applications was \$777 million.

A focus on environmental outcomes

Applications are referred to internal teams within Council to provide specialist advice. A significant volume of applications were reviewed with a focus on their environmental impact, including:

- over 450 applications impacted by flooding issues
- 938 applications with coastal, catchment and water quality considerations
- 900 applications with biodiversity considerations
- over 1,400 with stormwater, vehicular access and infrastructure engineering considerations

1,000 applications for activities such as driveways, legal document authorisation, hoarding permits and subdivisions.

Exceptional audit outcome

The development assessment team was subject to a performance audit by the NSW Audit Office. The audit commenced in November 2021 and took place over a 12-month period covering the assessment and determination process of applications. Northern Beaches Council were one of three Councils selected for the audit.

In December 2022, the final audit report was tabled in NSW Parliament. The NSW Auditor-General made no recommendations for Northern Beaches Council concerning development applications or any process improvements. This exceptional outcome validates the robust, transparent, and efficient development assessment systems and processes in place at Northern Beaches Council. It is rare for a Council to not receive improvement findings or recommendations

Improving customer experience

Council continued to improve the customer experience with the development assessment service through a focus on upgrading and expanding digitisation of assessment processes.

Several successful digital enhancements were implemented including:

- the implementation of a building cost calculator to ensure accurate DA fees and development contributions are paid to Council. These fees ensure vital public infrastructure is provided to the community. The costs within the calculator are based on current industry cost guides
- Council's development application and modification lodgement requirements were restructured to provide better information to applicants surrounding lodgement, as well as more detail on documentation, reports, and plans required, as well of the addition of direct links to useful resources for applicants
- Council's application search tool was enhanced to include an additional search function 'advertised development', a page that lists development and modification applications which constitutes advertised development or development required by legislation to be published on Council's website during the exhibition period.
- the integration of Council's systems and assessment processes with the NSW Planning Portal which will greatly reduce the administrative burden on Council staff and allow those staff more time to work on further digital enhancements to development assessment services.

Performance

Performance measures	Target	Result 2023	
Average determination time of 90% of development applications, modifications and reviews (days)	<75	61	✓
Outstanding development applications, modifications and reviews older than 100 days (since application received)	<20%	25%*	✗

✓ Achieved target ✗ Target not achieved

* Target exceeded due to significant resourcing constraints encountered for a large part of the financial year.



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

G1 G8 G11

This service contributes to protecting the environment and keeping the community safe through education, regulation and enforcement activities relating to pollution, illegal development, fire safety, animal management, food safety and public health.

Service achievements

Environmental health

Council undertook an environmental audit campaign with the NSW Environmental Protection Authority (EPA), targeting micro plastics and nurdles in the Cromer industrial area. The inspection blitz focused on stormwater management controls at licensed and unlicensed premises within the Cromer Industrial Estate. The campaign has been initiated in response to concerns raised by the local community relating to microplastic and nurdle contamination of the beaches and lagoons in the area.

Inspections of fixed food premises were completed on target including catching up on the backlog caused by COVID-19.

Council's arbovirus surveillance program continued through 2023. The mosquito population was predominantly low with a small increase in numbers following the wet weather at the end of February. There have been zero arbovirus detections.

Ranger patrols

Council rangers provided services across the Northern Beaches with a visible presence in public spaces, reserves and beaches and a balance of resourcing with competing safety priorities, such as illegal parking in high-traffic areas, investigation of dog attacks and environmental pollution incidents.



Proactive ranger patrols were undertaken to improve responsible pet ownership with a focus on off-leash areas and seasonal patrols for penguins at Fairy Bower. Work continued with the RSPCA through the Cats Safe at Home program and the offer of reduced desexing fees for cats. Adoption cats were promoted on Council social media in conjunction with Council's pound.

The evening night patrols in Manly have continued with a focus on alcohol restrictions within East Esplanade Reserve, Shelly Beach and attending to safety related parking matters within the high-traffic areas. Officers have been equipped with body worn cameras to enhance safety.

Keeping the community safe

Council completed assessment and response to 131 requests on behalf of Liquor and Gaming and made determinations based on relevant consents conditions. Swimming pool safety inspections were undertaken for 332 properties and compliance action initiated with notices/directions issued. Management of make safe requirements for storm damaged properties including landslip effects was ongoing.

Performance

Performance measures	Target	Result 2023	
All mandatory food inspections completed	100%	87%*	
Reduction in high-risk food businesses	<350	306	

 Achieved target  Target not achieved

* Resourcing issues in the December 2022 quarter impacted the annual result. This was due to staff vacancies and extended leave, somewhat relieved by recent onboarding of a contractor for 3 months.

Operational projects

Completed

G8 G11 Review environmental compliance tools and procedure to improve customer experience



● Environment

Protection of the environment
Environmental sustainability

● Social

Community and belonging
Housing, spaces and places

● Economic

Vibrant local economy
Transport, technology and connectivity

● Civic

Good governance
Partnership and participation

Supporting CSP goals



This service manages and maintains recreational open space including playgrounds, sportsfields, rockpools, skate facilities, sports courts, public golf courses, commercial centres, town centres and villages, dog off-leash areas and gardens and parks . This includes Manly Warringah War Memorial (Manly Dam) and Narrabeen Lagoon State Park. Tree management and lifeguards are also included in this service.

Service achievements

Keeping everyone safe at the beach

The beaches were busier especially in the peak season following the downturn of previous years affected by COVID restrictions, bushfires and storms. There were over 10.4 million visitors to our beaches this year, kept safe by lifeguard with 1,245 rescues and 1,110 first aid treatments. There were also 230,452 preventative actions by lifeguards and volunteer lifesavers, directing swimmers to safety between the flags away from rips and directing board riders outside the flags.

All terrain vehicles and jet skis were used effectively across all beaches for preventative actions and critical incidents. Tailored approaches were also provided in response to local needs such as:

- at Shelly Beach an electric bike equipped with emergency equipment was used for rapid response to surrounding areas
- water safety education rolled out to staff and visitors at North Narrabeen Lakeside caravan park, to prevent incidents at both the beach and lagoon waters
- additional water safety measures at large and international events such as The World Surf League Challenger series at North Narrabeen.

Working with our community

Our Sport and Recreation Infrastructure Grants support sporting clubs to undertake various improvements. Projects supported by Council grants this year included:

- Manly Warringah District Cricket Club - to remove the two existing junior cricket wickets and install three new junior cricket wickets at Seaforth Oval
- Forest Hills Pony Club - to upgrade existing obstacles and install new obstacles at the cross-country equestrian course at the JJ Melbourne Hills Memorial Reserve, Terrey Hills
- Manly Croquet Club - to install a new reverse cycle air conditioning system in the Manly Croquet Club building at Keirle Park, Manly
- Beacon Hill Youth Club (Beacon Hill Football Club) - for a new awning and kitchen upgrade for the club house at Beacon Hill Reserve, Beacon Hill
- Bareena Park Tennis Club - to resurface tennis courts at the Bareena Park Tennis Complex, Balgowlah Heights.

We are also partnering with the community to manage Manly Dam - the Manly Warringah War Memorial State Park. This year three community members were appointed for the Advisory Committee and have addressed a range of operational and strategic matters. A review and community engagement on water-skiing was completed, following which Council endorsed the continuation of most approved times. New restrictions for ANZAC Day and Remembrance Day mean that no skiing activity will be permitted to allow quiet enjoyment of the park on these honour days.

The online bookings system for parks and reserves has been expanded and is easier to use:

- booking enquiries can be submitted for weddings and other events across the Northern Beaches
- check availability of venues, which can be reserved whilst a booking application is being assessed
- regular users such as schools can also access a specific online portal to make large annual bookings.

In response to three naming proposals from our community, new names were adopted by Council to honour community leaders. These were Brian Green lookout on Carrington Parade, Curl Curl; Purple Poppy Dog Park at the Forestville War Memorial Playing Fields; and the Irene Crump Reserve in Freshwater.

Enhancing sports facilities

Council managed both seasonal change overs from the winter to summer and summer to the winter with all sports starting as planned. The quality and safety of our sportsfields and recreation areas have been improved with a range of works:

- maintaining field standards by topdressing with over 5,000 tonnes of soil and 30,000 m² of turfing repairs
- lighting at Passmore Reserve, Manly Vale and upgrades to the existing system at Kitchener Park, Mona Vale. The Passmore Reserve lights have increased the capacity of the ground from 30 to 56 playing hours a week

- drainage systems on Frank Grey Oval Curl Curl, Kitchener Park fields 1 and 3 at Mona Vale and Beverley Job Park Narrabeena
- improvements such as the back nets at John Fisher Park, Curl Curl and North Narrabeen Reserve; and cricket net and wicket repairs across six sites at Newport Oval, Collaroy Plateau Park, St Matthews Farm Cromer, Hitchcock Park Avalon, Frank Gray Curl Curl, Harbord Park, Allambie Oval and Kitchener Park Mona Vale.

Improving the places you play

The Open Space and Outdoor Recreation Strategy and Action Plan – Let's Play was adopted by Council in December 2022 to guide improvements, management and future planning for the next 15 years. This will be through the staged implementation of over 200 actions.

Construction of the Wyatt Avenue Bike Park at Belrose was completed. Council also signed an agreement with the NSW Government for a future bike park on state land at Seaforth.

The community requested improved lighting at some facilities for night use including Frenchs Forest showgrounds for dog walking and the Boondah multicourt at Warriewood.

Other key improvement projects were:

- North Curl Curl Community Centre precinct including carpark, playground, paths, entrance ways and water sustainable urban design features
- Jacka Park, Freshwater playground and war memorial, which was unveiled by the NSW Governor

- seawalls at Taylors Point Clareville and Snappermans Beach at Palm Beach
- landscape upgrades of West Esplanade Manly and Mona Vale Beach
- Little Manly upgrades to the seawall, boat ramp and sandstone bleachers
- new fitness stations at Lionel Watts, Frenchs Forest and Forestville War Memorial Playing Fields
- park upgrades at Poppy Park playground and Lindsay Reserve at Forestville; Allworth Reserve, Davidson and Anana Reserve at Elanora Heights.

We've also made it easier to get around by improving the walking trail through Deep Creek Reserve, Narrabeen; access stairs at Marine Parade, Manly; and a wider pathway at South Curl Curl rockpool carpark to improve the Coast Walk.

Loving the outdoors

Our commercial centres are maintained as pleasant places to venture, with attention to pavements, landscaping and furniture. Sites of major works this year were Mona Vale, Avalon and Manly Corso. There were large number of plants installed at Newport and Balgowlah villages.

Greening our City Grants and Tiny Forest projects saw the planting of nearly 500 trees in areas such as Manly Vale, Brookvale and Balgowlah industrial areas to beautify the streets and help reduce urban heat. Another 2,212 trees were planted across the Northern Beaches as part of our ongoing public open space tree planting program; plus 2,890 were planted in sand dunes and bushland areas.

Council responded to 5,240 requests regarding trees on public land, some damaged by storms, and 429 private tree applications to prune or remove trees on their property. Retaining the tree cover in our suburbs is a priority for urban quality with 74 applications refused and nearly 300 replacement trees to be planted.

Performance

Performance measures	Target	Result 2023	
Rockpools cleaned weekly during summer season and every two weeks outside of summer	95%	97%	✓
Sportsfields mowed weekly in summer playing season and monthly in winter	95%	98%	✓
Number of trees planted on public land per year	5,000	5,102	✓
Availability of sportsfields, out of school hours (playing hours/week)	4,405	4,579	✓

 Achieved target
  Target not achieved

Workload measure

Result 2023

Number of preventative actions by professional lifeguards on patrolled beaches

230,452

Operational projects

Completed

G5 G11 Develop an Iconic Tree Register for trees on public land

On Schedule

G12 G20 Implementation of the Open Space and Recreation Strategy and Action Plan

G12 G20 Development of the Indoor Sport and Recreation Strategic Plan

G12 Implement the Sportsground Strategy

Capital projects

Completed

Reserves and parks improvements

G8 G9 North Curl Curl youth facility

G8 G9 Wyatt Avenue Open Space, Belrose

G12 Lionel Watts fitness space

G12 Forestville War Memorial Playing Fields fitness station

G12 Oxford Falls bushland reserve

Playground Improvements

G8 G9 Little Manly Point Reserve playground upgrade

G12 Jacka Park playground upgrade

G12 Ashley Parade Reserve new playground

Sportsgrounds improvements

G8 G9 Connecting all Through Play - Active Play

Foreshore and building improvements

G5 G8 Long Reef Surf Life Saving Club new building works

G5 G8 Mona Vale Surf Life Saving Club new building works

G12 Mona Vale Beach upgrade

G12 Surf Life Saving Club minor renewals

Town centre and village upgrades

G11 G15 Commercial centre renewal program

G5 G9 West Esplanade activation plan

On Schedule

Reserves and parks improvements

G8 G9 Ivanhoe Park Masterplan implementation

Playground improvements

G12 Sports Club Capital Assistance Program

Foreshore and building improvements

G8 G12 Manly Life Saving Club design works

G12 Little Manly Beach masterplan implementation

G12 Rockpool renewal program

G12 Tidal pools refurbishment

G12 Clontarf tidal pool refurbishment

Playground improvements

G12 Griffith Park playground upgrade

G12 Playground renewal program

G12 Dee Why Beach (Michaela Howie) playground upgrade

Recreational trails

G12 G16 Manly Dam mountain bike trail upgrade

Town centre and village upgrades

G11 G15 Commercial centre upgrade program

Behind Schedule

Reserves and parks improvements

G12 Freshwater Beach Masterplan implementation – Delays in the detailed design of the project means procurement of construction contractors for the playground and construction over winter 2023 was not possible. The playground upgrade will be rescheduled to winter 2024 with the focus for 2023 being the construction of pathways to improve access and safety.

G12 Lynne Czinner Park, Warriewood – The project is currently behind schedule as detailed design took longer than anticipated. The tender for construction is expected to go to market in July 2023 to start late 2023.

G12 Reserves renewal program – Council appointed a contractor for the renewal of the Tyagrah Reserve bridge in Cromer with work planned to start in June 2023

G12 Frenchs Forest Precinct park upgrades – The project is delayed due to longer than expected time required for design development and site investigations. The tender for Brick Pit Reserve will be advertised in spring 2023.

Sportsground improvements

G12 Sportsfield renewal program – Work has been completed on the renewal of lights at Kitchener Park, Mona Vale. Work on the transport of the old surface of Cromer 1 to a recycling facility has been delayed.

Foreshore and Building improvements

G5 Foreshores renewal program – Delayed by nominated contractor availability to start works on the Wellings Reserve access road. The access road forms part of the Manly to Spit walkway and the renewal will improve safety, accessibility and environmental outcomes.

G12 Warriewood Beach foreshore upgrades – Due to significant delays by a design consultant for Stage 1 the project is behind schedule. Work on Stage 1 is expected to start in late 2023.

G12 Bayview seawall and path – Council resolved to negotiate with the preferred contractor at its meeting in June. It is expected that a contract will be executed in July and work will start in spring 2023.

G12 Dinghy storage - The dinghy renewal program is behind schedule due to the need for further consultation. Work will start early in the new financial year.

Recreational trails

G12 G16 Recreational trails renewal program – Work is behind schedule for this program due to procurement delays. Work is completed on the renewal of the Hudson Parade trail, Clareville. Work has commenced on the renewal of the Curl Curl section of the Coast Walk. Design work on the renewal of the bridge on the Manly to Spit Walk at Fisher Bay is ongoing.

G12 G16 Manly Dam Boardwalk – Council resolved to proceed with construction of this project and negotiations are ongoing with potential contractors. It is expected that work will start in late 2023.

G12 G16 McKillop Park Boardwalk – The project is currently behind schedule due to the need to undertake a design review to bring the project within budget. It is anticipated that a tender will be released to market in spring 2023 with work to start in 2024.





● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G8
- G9
- G11
- G12

This service provides early learning for young children at nine sites, including long day care and pre-school, as well as supporting family day care at up to 50 locations. The service also includes school holiday programs for children aged up to 11 years at four locations.

Service achievements

Implementation of the Children's Services Strategy

Actions in the Children's Services Strategy were progressed with highlights including:

- Delivering a program collaboratively with a centre and elder care service including Dee Why Gardens Retirement Village and Hardi Aged Care in Seaforth.
- Developing a business case for a new Council-run centre in the upper Northern Beaches and/or Frenchs Forest.
- Empowering and supporting educators to feel confident in articulating Council's early learning approach with continuous learning encouraged for all educators.

National Quality Framework

Family Day Care, Cromer Vacation Care and Brookvale Children's Centre received an 'Exceeding' rating under the National Quality Framework. Belrose and Roundhouse Children's Centres all submitted their self assessment in preparation for the assessment and rating visits conducted by NSW Department of Education.

The service took part in the Early Start Pilot Study (with the University of Wollongong) testing an online support tool for ways to improve nutrition and physical activity practices.

Environment commitment

Belrose Children's Centre worm farms and compost systems were audited as part of the 2023 School Waste Reduction Support Program in collaboration with Kimbriki - ECO House.

Narrabeen Children's Centre children's program was enhanced with an incursion for children by Pollution Solutions, who provided awareness of the need to care and protect our environment. The Centre also underwent an assessment of energy sources with a view to minimising use of gas in line with Council's sustainability goals.

Narrabeen Children's Centre children took excursions to the Mind Café in Narrabeen where they were able to collect coffee grounds as part of an environmentally aware care for the Earth campaign.

Narrabeen Children's Centre children also experienced African music with Shekere-Kindy who along with sharing his music, included stories about sustainability.

Community connections


Our quality services are made possible and maintained by the strong connections and partnerships within our community and families. The range of activities undertaken this year were extensive and varied and are detailed below.

- Participation in National Simultaneous Storytime where a picture book is read simultaneously in libraries, schools and pre-schools.
- A Special Friends afternoon tea in celebration of all mothers provided a forum for the educators and families to meet each other and form connections.
- Transition to school information evenings to share insights and strategies for the best outcomes for children being prepared for school.
- The early learning centres participated in the NSW Health initiative of free vision screening for four-year-old children.
- Council continued liaising with multiple agencies to support 91 children with additional needs enrolled across our services.
- Harbour View and Narrabeen Children's Centre invited their local fire brigade to visit enabling interaction with the truck, use of the fire hose and awareness of the danger of fire.
- Narrabeen Children's Centre held its annual Schoolies Return with approximately 20 families returning to catch up and continue friendships made at the centre.
- The Roundhouse Children's Centre had visits from Healthy Harold who discussed personal safety and the Taronga Zoomobile, where the children could engage and learn more about animals.
- Educators and parents attended an anti bias presentation by Alistair Gibbs on topics which included indigenous bias, gender bias, racial and cultural Bias.
- Narrabeen Children's Centre Pre-school Educators implemented a Spanish program reflecting both users and educators cultural background, supporting a "polylingual" approach.
- Manly Community Pre-school joined Camp Quality's Giggle Day to support children facing cancer. This project included writing and sharing jokes, riddles and rhymes throughout June to raise funds for Camp Quality.



Performance

Performance measures	Target	Result 2023	
Number of additional needs and diverse socio-disadvantaged children enrolled in childcare services	60	91	✓
Childcare services that meet/exceed standard for National Quality Framework	100%	100%	✓
Parent satisfaction with Children's Services	80%	94%	✓

 Achieved target
  Target not achieved

Operational projects

On Schedule

G8 G11 Implement the Children's Services Strategy
G12

Capital projects

Completed

Childcare buildings

G8 G11 Children's centres works program



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good Governance

Partnership and participation

Supporting CSP goals

- G8
- G9
- G10
- G11
- G12
- G22

Supporting our vision for a safe, inclusive and connected community through leading and enabling a wide range of community, social and creative initiatives. The activities of this service build social capital, community resilience and enhance the wellbeing of the Northern Beaches community.

We work to support and strengthen communities and the social and cultural sectors through the facilitation of programs and services that build

the capacity of the community, with a focus on priority populations that include older people, people living with disability and young people.

Our community centres, cultural facilities, arts and cultural programs, regional art gallery and museum and performing arts centre provide opportunities to contribute and participate in cultural activities that bring people together for a rich cultural and social life.

Service achievements

Socially sustainable Northern Beaches

The Better Together Leadership Group met throughout the year to focus on The Better Together 2040 Social Sustainability Strategy, which is now in its second year of implementation. A Better Together Forum was held in October 2022 with more than 50 representatives meeting to discuss the impacts on social sustainability on the Northern Beaches.

Work is now underway to deliver a Multicultural Inclusion Plan – Championing Diversity, with the first round of stakeholder engagement undertaken and draft plan development in progress.

Community Safety

The Community Safety Plan 2021 – 2026 continued throughout the year resulting in the following outcomes:

- the re-establishment of alcohol free zones and workshops for local service providers as part of the Local Drug and Alcohol Team (LDAT)
- the establishment of a Youth Outreach Working Group and a Sexual Assault Working Group
- a Northern Beaches LGBTQIA+ Working Group to identify strategies and actions to make the Northern Beaches a safer, inclusive and more welcoming place for all.

Empowering young people and families

The Youth Voice Action Plan 2028 – Shaping the Beaches Future was adopted in April 2023, setting a path for improving the lives of young people over the next five years across four directions - Connection and Resilience, Belonging and Safety, Skills and Knowledge and For Youth By Youth.

Council continues to develop the skills and capacity of young people through coordination of the Youth Advisory Group (YAG) that worked with the Beaches Leadership Team to host the second annual Have Your Say Day at Glen St Theatre.

The Adolescent and Family Counselling Service provided over 800 free client counselling sessions to young people and their families. The service also hosted parenting programs and a youth social club.

Council coordinated a variety of events in collaboration with local groups and services for National Youth Week, including celebrating the 20th year of the Northern Composure Band Competition along with forums on sexual and gender diversity and teen disengagement.

Community Development

The 2022/23 Community Development Grants were endorsed, providing support to 22 local groups and services to deliver initiatives. The It Takes a Village program continued to grow with 27 Meet Your Neighbour parties in local streets across the Northern Beaches.

Council completed a three-year funded project by the NSW Ministry of Health to provide targeted suicide prevention community gatekeeper training to over 1,000 community members including young people, men, seniors and emergency services.

Council worked with several Northern Beaches inter agencies to improve access to information and services relating to Mental Health Month, International Day for People with Disability and a memorial service for the International Day for the Elimination of Violence against Women. Council also coordinated a Harmony Day celebration with diverse cultures represented on the day.

Supporting seniors

Meals on Wheels delivered over 20,000 meals to older people in the community to enable them to live at home for longer and prevent social isolation. This included more than 680 community lunches and social outing meals.

Over 70 programmed activities were coordinated throughout the Northern Beaches for the Seniors Festival, in collaboration with local groups and services including the development of a new Dementia Friendly Organisation Action Plan for 2023–2024 and Culturally Inclusive Service Delivery training to 52 local aged care service providers.

Valuing volunteers

Over 2,200 volunteers actively supported the Northern Beaches community this year assisting Council teams such as Bushcare, Community Gardens, Cemeteries, Libraries, Meals on Wheels, Manly Art Gallery & Museum, Manly Environment Centre, Manly Visitor Information Centre and the Aboriginal Heritage Office.

Volunteers were recognised for their ongoing commitment to the community at events coordinated for International Day of the Volunteer in December and National Volunteer Week in May. The annual Australia Day Awards program recognised the achievements of the Citizen of the Year, Young Citizen of the Year, Senior Citizen of the Year, Sportsperson of the Year, Community Event of the Year, and 10 Outstanding Community Service Awards.

A volunteer management system, Be Collective, was developed and launched in June to further improve the volunteer experience and support the effective and efficient delivery of volunteering programs.

Arts and culture

Creative Open 2022, attracted over 9,000 visitors across 80 art, music, and design experiences at over 50 venues.

Avalon Creative Space, Curl Curl Creative Space and Mona Vale Creative Studios and Gallery collaboratively hosted 25 exhibitions and 112 workshops and events, welcoming 12,524 attendees throughout the year.

The Northern Beaches Studios and Eramboo Artist in Residence supported 20 artists and the Weaving Bridges program continued to engage the local community in First Nations culture and storytelling.

The Arts and Creativity Grants provided funding to support 16 local projects and the inaugural Emerging Curators program was awarded to local Noongar creative, Jodie Dowd.

The second Environmental Art and Design Prize featured 212 artists and designers whose works were selected for exhibition across three of our Northern Beaches cultural venues.

The Manly Art Gallery & Museum presented the work of 251 artists across a suite of exhibitions and the Environmental Art & Design Prize, with over 23,834 people visiting the Gallery.

The Aboriginal Art and Storytelling project, featuring artwork by Frances Belle Parker, was delivered across three sites and a new artwork by local artist Leesa Knights was delivered at Long Reef Surf Life Saving Club.

Glen Street Theatre

Glen Street Theatre staged 350 events for over 65,000 audience members with programming expanded to include a broader range of content, particularly in live music.

This year saw the ongoing strengthening of Glen Street Theatre membership and an increase in third-party offers. This provided members with discounts and special offers to a broader range of cultural products outside of Glen Street Theatre, including Night at The Barracks at North Head, Swan Lake at the International Convention Centre and Come From Away at Theatre Royal.

Glen Street Theatre was invited by the national peak body PAC Australia to present at the national training program for emerging presenters as leaders in programming in a local government environment.

Community centres

Over a million people attended community centres across the Northern Beaches local government area. Key improvements included an upgrade to the booking and information systems such as enhanced online information and enquiry functions, website virtual tours and QR codes for each of the centres.

In April 2023, Council in conjunction with the Department of Education and Mona Vale Public School, delivered the newly completed Mona Vale Performance Space. This state-of-the-art multifaceted facility is suitable for theatre, dance, speech nights, author talks, music, drama and other performing arts activities.

Performance

Performance measures	Target	Result 2023	
Number of volunteers who actively participate in ongoing Council programs	1,500	2,233	✓
Community centres: Number of people attending	1,000,000	1,034,284	✓
Community centres: hirer satisfaction (mean score of hirer's survey out of 5)	4.00	4.36	✓
Number of meal services	18,000	20,190	✓
Number of sessions for youth and family counselling	800	829	✓
Number of people attending community development activities	17,300	9,629*	✗
Number of people attending arts and culture events/performances	123,400	101,408**	✗
Number of networks and partnerships with community groups/organisations	15	31	✓

✓ Achieved target
 ✗ Target not achieved

* This year the service evolved to be more strategic and targeted, with less events. There was more focus on establishing new working groups on sexual assault, LGBTQIA+, youth outreach and a PCYC committee.

** While audience numbers have grown post-pandemic, demand is contained as the rising cost of living is affecting discretionary spend by the community, for ticketed live performances.

Workload measure

Result 2023

Number of information and referral enquiries

449

Operational projects

Completed

G12 G22 Deliver the Performance Space at Mona Vale Public School with the State Government

G8 G9 Implement Gatekeeper training program for suicide prevention

G7 G8 G9 Develop Youth Voice – shaping the Beaches' future

On Schedule

G11 G12 G7 Plan for an integrated community and cultural hub at Mona Vale

G7 G9 Implement the Coast Walk Public Art Strategic Plan

G7 G8 G9 Implement Better Together 2040 Social Sustainability Strategy and develop supporting action plans to address community priorities

G7 G8 G9 Develop a Multicultural Access and Equity Plan

G7 G8 G9 Implement actions from the Disability Inclusion Action Plan

Not Progressing

G7 G8 G9 Develop a mental health discussion paper. This project will not be proceeding, as mental health challenges are being addressed by other significant work already undertaken by Council and in partnership with other organisations.

Capital projects

Completed

Art works

G10 Gallery Artwork Purchases

G10 Theo Batten bequest purchases

Cultural improvements

G10 Glen Street Theatre renewal works

G10 Coast Walk - Aboriginal art and signage

Community centre improvements

G9 Community buildings works program

Cultural improvements

G10 Coast Walk - art trail

G12 Creative Arts Space - Mona Vale design works

Behind Schedule

G7 G12 Warriewood Valley community centre new works. This experienced some delays as further reviews were required before releasing the tender to the market. Outcome of the tender was presented to the June Council meeting. Negotiations with two potential contractors are in progress.

G12 Community centres minor works program - Improvements at Ted Blackwood Community Centre at Warriewood include lighting, cabling and storeroom. Structural repairs are now in progress following delays awaiting structural and geotechnical engineer advice on remediation options. Other works were completed at Manly Art Gallery and the Tramshed Arts and Community Centre in Narrabeen.



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G8
- G9
- G12
- G18
- G22

Northern Beaches Council operates one of the largest, well-used and respected public library services in NSW. The library network has six physical branch libraries across the Northern Beaches – Manly, Warringah Mall (Brookvale), Dee Why, Forestville, Glen Street (Belrose) and Mona Vale. Offering an extensive range of collections, events and services, the libraries support learning, creativity, digital inclusion, community wellbeing and resilience.

A unique aspect of the Northern Beaches library service is the support it provides to predominantly volunteer-led and managed community library services in Avalon, Terrey Hills, Seaforth and Freshwater, and to the Booklovers Club. Community Libraries are valued social and community assets, providing engaging opportunities for volunteering and contributing to community connectedness, social inclusion and resilience.

Service achievements

Valued Social Institutions

The Northern Beaches community visited their local libraries more than 792,400 times during the year. There were 65,000 active library members who regularly borrowed items, attended programs and events, volunteered, or browsed our local history portal 'History Hub'. Over 532 of our community members received a tailored home library service, with our volunteers delivering more than 25,600 items, providing valuable recreational and education material to those in our community unable to visit our libraries.

Community members borrowed more than 1.3 million items which was an increase of 20% from the previous year. Physical collections continue to be most popular with 971,500 loans and loans of eBooks, eAudiobooks and eMagazines at 358,400, demonstrating a continued interest in the digital format.

Draft Library Strategic Plan 2023-2028

The draft Library Strategic Plan 2023-2028 'Safe, Inclusive, Connected' sets a clear vision for the future of public library services on the Northern Beaches and provides clear directions for the development and delivery of community focussed services.

The focus over the next five years will be to reinforce the strength of the service, strive for innovation and continue to push the boundaries of what it means to be a modern library.

Experience – Explore and Engage

The 12 month period saw a concerted effort to re-ignite the event and programming calendar with libraries holding more than 1,890 programs or events including regular daily story time and rhyme time sessions, to new events such as World Pride, Seniors Festival and National Reconciliation Week.

The Young Writers Competition and the biennial Artists Book Awards continue to find enthusiastic participants, while local history talks continue to find popularity as has the re-introduction of Family History Fridays.

A new series of programs have also been introduced for after school activities including STEM (Science, Technology, Engineering, Maths) corner and the Little Bang Discovery Club. Regular programs for adults have also been introduced including Courtyard Connect, Cryptic Crosswords and Tech Help drop ins.

Connection – Belonging and Pride

In 2023, the very first Tibetan Language collection in an Australian public library was launched at Dee Why Library with celebration of Tibetan language, food and culture.

The Open Mic night series also commenced at Manly Library, providing opportunities for community expression and storytelling.

Our local studies team continues to focus on the preservation of our rich collections, with over 1,760 items digitised this year and a total 28,831 items accessible on the online History Hub portal.

Together – Partnerships and Collaboration

Our volunteers continue to take an invaluable role in the delivery of library services with 154 volunteers providing support to operate our Justice of the Peace service, Tech Help, Home Library service deliveries and Family History Fridays.

Predominantly volunteer-led and managed community library services in Avalon, Terrey Hills, Seaforth and Freshwater continue to provide valuable library services and contribute to social inclusion and wellbeing.

Ongoing partnerships with Dementia Australia have led to a suite of improvements and initiatives across branches after audits were conducted at all sites as Library Services continues to work towards dementia-friendly accreditation.

Commencing in 2023, a new partnership with Early Ed Cubby House Toy Library has provided the opportunity for a 12-month trial of a Toy Library service at Manly and Mona Vale Libraries.

Leadership – Excellence and Innovation

Northern Beaches Libraries continues to invest in and drive innovation for the benefit of our community. A key example of this is the official launch of Forestville Library 24/7 access in March 2023. It is one of only a handful of 24/7 public libraries in Australia and the first metropolitan library in NSW. More than 1,200 members have signed up for 24/7 access with 6,150 visits to the Forestville Library, out of standard hours, since the service officially started.

Throughout the year there have been some minor refurbishment upgrades at Glen Street Library, freeing up space for growing story time sessions and HSC study support. Dee Why Library was also refreshed with new shelving and layouts for improved borrowing opportunities.

Digital innovation continues to drive service delivery and our Northern Beaches Library app remains popular with more than 43,500 visits in the last twelve months. The library app allows you to access your library anywhere and at any time.



Performance

Performance measures	Target	Result 2023	
Number of library programs and activities	1,600	1,891	✓
Number of physical visits to libraries	700,000	792,413	✓
Annual growth in e-loans	20%	-3%*	✗
Satisfaction with library programs	80%	96%	✓
Satisfaction with Home Library Service	80%	99%	✓

* decrease

✓ Achieved target ✗ Target not achieved

* COVID restrictions from 2020 led to rapid growth in e-loans over 2 years, which has since plateaued. While this year there have been increased loans for e-books and e-audiobooks, this was offset by a larger decrease in e-magazine loans.

Operational projects

Completed

G12 Review and implement opportunities for 24/7 access to the physical library space

On Schedule

G7 G9 G12 Develop a library strategy

G9 Achieve dementia friendly accreditation across appropriate library services

Capital Projects

Completed

Library upgrades

G9 Library Bookstock

G9 Mona Vale Library - upgrades and new works

Community Space and Learning

G7 G12 Library local priority grant purchases

G9 Library books - replacement

On Schedule

Library upgrades

G9 Library buildings works program



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G6
- G8
- G16
- G17
- G22

This service manages and maintains Council’s local road network, including footpaths, kerbs and gutters, bus shelters, guard rails, bridges, pedestrian bridges, causeways, retaining walls, pedestrian crossings, roundabouts and bike paths. We also manage Council carparks and parking stations, wharves, boat ramps and tidal pools. Road safety and the Hop, Skip Jump community buses are also provided within this service.

Service achievements

Restoring our tidal pools and wharves

Council manages six operational tidal swimming enclosures across Pittwater and Sydney Harbour. This year Clontarf Pool was fully renewed with demolition of the dilapidated pool and construction of a larger, deeper one. Community consultation and design for the renewal of Paradise Beach Wharf and Tidal Pool is complete. This is scheduled to start construction in April 2024.

All 38 wharves across the area have been assessed to help plan our future maintenance and capital upgrade programs. Mackerel and Currawong Beach wharves have concept plans for improvements including size, accessibility and waste bin enclosures.

Helping you out and about

Need to find a parking space? You can find available spaces on the live Park'nPay app, as parking sensors have been installed in carparks at Shelly Beach, Little Manly Reserve, South Steyne, Sandy Bay Road and North Steyne. We have also started installing parking sensors in all disability accessible parking bays, with funding from NSW Department of Customer Service.

Considering an electric vehicle? Five Ausgrid distribution kiosks have been upgraded to JOLT electric vehicle chargers providing free fast charging for the first 7kWh. These are located in Dowling Street, Freshwater; 21 Oaks Avenue, Dee Why and Darley Street, Forestville and two in the Mona Vale Town Centre. Council is installing 11 additional 7kWh charges in Council administration buildings and depots. The upgrade aims to support the growing number of electric pool vehicles being added to the fleet.

Around 190,000 commuters used the Hop Skip Jump buses this year, across four services Monday to Friday and two services on weekends. This service links Seaforth, Balgowlah Heights, Clontarf, Manly Vale, Fairlight, Manly and Fairy Bower.

Our team of Public Place Officers have been active across town centres and villages keeping them safe, attending to trip hazard and barricades and lodging action requests on graffiti, shopping trolleys and other visual pollution. They also inspect every road across the Northern Beaches once a year, and daily inspections of public places such as commercial centres, parks, reserves, beaches and local streets to ensure these locations are clean and safe for residents and visitors. With regular major Council events such as Anzac Day, Taste of Manly, pro-surfing competitions and fun runs, we ensure that areas are safe and ready to welcome participants to enjoy their event.

Improving safety and skills

Council installed three new 3D pedestrian crossings in high traffic areas of Manly over the summer, the first such trial in NSW. The new crossings are at the intersection of South Steyne Road and Wentworth Streets and South Steyne Road near Victoria Parade. They create an optical illusion, appearing to rise up from the pavement, so the trial will consider their effectiveness in slowing motorists. If successful, they may be used in other hot spots for high pedestrian and vehicle traffic.

The Australian Government's Black Spot Program funded an upgrade of Gladstone and Bishop Streets in Newport to improve pedestrian and cyclist safety and reduce speeds.

The Avalon Streets as Shared Spaces project has been completed, providing a safer space for people to shop and relax. It included widening footpaths and enhancing outdoor dining areas, moving pedestrian crossings, installing planter boxes and seating and installing shade structures with charging stations.

Council has continued to implement traffic management works to reinforce the Manly 30km/h high pedestrian activity zone. Additional raised pedestrian crossings have been added on North Steyne, Wentworth Street and West Esplanade and median islands and 30km/h road marking 'patches' have been introduced to reinforce the lower speed environment and enhance pedestrian safety.

Road safety projects around local schools received \$8.4 million from the Federal Stimulus School Zone Infrastructure Program. This includes raised pedestrian crossings, safe walking and cycling connections and other safety improvements around schools such as Barrenjoey High and Seaforth Public School. We also engaged with all 80 schools in our area on road safety needs, behavioural issues and education, with an intensive audit at three schools.

Other highlights of road safety education include:

- free child car restraint checks for 269 families, ensuring the safety of 429 children as the checks found that 85% of seats needed adjustment
- bicycle safety workshops helped riders gain more confidence in riding and Council is collaborating with local police on e-bike and e-scooter safety
- 218 people trained as supervisors of learner drivers through the 'Driving off to a good start' online workshops. This education is vital to reducing accidents, as recent crash data found that drivers aged 17- 20 were involved in 26% of speeding accidents on the Northern Beaches.

Council also has a special role to help equip the Tibetan community of over 2,000 people, the largest Tibetan community in Australia. An interpreter assisted at a tailored workshop and education materials are being translated for programs such as child car restraints and supervisor of learner drivers.

Improving road conditions

Of the 844km of local roads that Council manages, over 10km were resurfaced across 40 streets. Major reconstruction included part of Pittwater Road, Church Point; Kevin Avenue, Avalon Beach; Ethel Street, Seaforth; and Myoora Road, Terrey Hills.

- Around two kilometres were treated with a new sustainable treatment called 'microsurfacing', a cost effective and low carbon alternative to conventional hot surfacing treatments. Other works completed included a raised pedestrian crossing on Cliff Street, Manly, an indented parking bay on Woorarra Avenue, Elanora Heights, a roundabout at the intersection of Ernest Street and Condamine Street, Balgowlah and introduction of landscaped kerb blisters in Herbert Street, Manly.
- Design work has been completed for road safety improvements to reduce crashes at Fisher Road and Lismore Avenue, Dee Why and Carawa Road and Alfred Street, Cromer. Works will start next year.

Expanding our active travel network

Pedestrian safety and connectivity are key outcomes of works on footpaths and kerb ramps, with 26 new footpaths completed this year across 6.2km. This has improved active travel options and connections to local destinations, public transport and schools.

Council is working hard to improve access for the elderly, frail and others in our community who use wheelchairs, walking frames and small-wheeled mobility vehicles. This includes improvements to:

- kerbs and ramps at 27 locations, including a pilot project to remove the invert 'dip' at 14 ramps
- three kilometres of new and renewed road kerb and gutters, improving drainage and safety
- 11 bus stops with changes such as new boarding slabs, steps and waiting seats for bus patrons

Council has also advanced shared paths and cycleways with works at:

- Abbott Road, Curl Curl
- Addiscombe Road, Manly Vale, also including a pedestrian and bike rider crossing in Kenneth Road
- separated cycleway project linking Freshwater Village to Curl Curl, with major work anticipated to commence in early October 2023

Restoring storm damage and drainage hazards

Following the storm disaster in March 2023, Council has been addressing many landslips and stormwater issues. This has included stabilising sites; liaising with TfNSW for funding, design and approval of solutions; as well as managing stakeholders and disputes. Our engineers continue to manage around 40 landslip remediation projects and submit applications to TfNSW for further Natural Disaster grant funding.

Priority works have also been completed to address stormwater issues affecting local residents:

- works to prevent stormwater flowing from the road into the lower properties in Loquat Valley Road, Bayview; Myola Road, Newport and Old Sydney Road, Seaforth
- works in St Andrews Gate Road, Elanora Heights to address stormwater, pedestrian and road safety issues adjacent the village. This involved the construction of 200m of kerb and gutter, footpath, stormwater pits and asphalt re-sheeting of the road
- works on 300m of road adjacent to Catherine Park on Scotland Island. Previously unsealed with minimal drainage, the drainage was improved and the road base was reconstructed and sealed.

These projects have received positive feedback from their local communities.

Performance

Performance measures	Target	Result 2023	
Number of community road safety events and sessions held	24	30	✓
Length of road pavement resheeted to address pavement condition (km)	10.0	10.6	✓
Condition of local roads (average pavement condition: % rated very good to satisfactory)	90%	94%	✓
Growth in active travel network - new works (km) - footpaths, shared path and bike paths	9.3	9.1*	✗
Length of active travel assets renewals completed (km) - footpaths, shared path and bike paths	3.0	2.1**	✗

✓ Achieved target
 ✗ Target not achieved

* The result was close to target, with 24 new footpaths and three shared paths completed. Progress on an active travel corridor along the water supply pipeline has stalled, awaiting Sydney Water approvals for this shared pathway

** Various site and supply constraints prevented the target from being met. Additional works on Barrenjoey Road, Avalon have been being rolled into 2023/24 and are in progress.

Operational projects**On Schedule**

G16 G17 G22	Develop transport plans to support the Transport Strategy
G16 G17 G22	Implement transport plans which support the Transport Strategy
G17	Implement the Walking Plan and Pedestrian Access and Mobility Plans
G17	Plan parking technology and infrastructure across the Northern Beaches

Capital projects**Completed****Active travel - cycleways and footpaths**

G17	Bike plan implementation - new works
G16	Church Point Masterplan boardwalk extension
G17	Narrabeen Lagoon pedestrian and cycle bridge
G16	Active Transport Corridor Project
G17	Streets as Shared Spaces: Avalon

Road and related infrastructure upgrades

G17	Scotland Island roads and drainage improvements
G16	Kerb and gutter renewal works

Wharf Upgrades

G17	Church Point commuter wharf expansion
G16	Carol's Wharf renewal works
G16	Bells Wharf renewal works

On Schedule**Active travel - cycleways and footpaths**

G16	Footpath new
G16	Triangle Park north - Dee Why Town Centre

Roads and related infrastructure upgrades

G17	New traffic facilities
G16	Accelerated traffic facility delivery
G17	Kerb and gutter new
G17	Church Point - new infrastructure
G17	Warriewood Valley - traffic and transport infrastructure
G16	Bridge renewal works
G16	Road resheeting program
G16	Bus stop renewal
G16	Retaining wall renewal works

On Schedule**Car parks and parking stations**

G16 Smart parking infrastructure project

G16 Carpark renewal works

G16 Multi storey carparks renewal works

Wharf upgrades

G16 Wharves works program

Plant and fleet

G16 Major plant renewal

G16 Light fleet renewal

Behind Schedule**Active travel - cycleways and footpaths**

G16 Footpath renewal works - Program slightly behind schedule due to contractor availability.

G16 Connecting Communities - footpaths program - Planning and investigations for the Newport to Avalon and Whale Beach Road sections of the Coast Walk are ongoing. Some delays resulted from the program of work exceeding the budget, leading to more time to re-scope the works, seek further funding and brief Councillors.

G16 Connecting Communities cycleways program - Meetings have been held with resident associations, and further community consultation is planned for mid 2023. Some delays resulted from the program of work exceeding the budget, leading to more time to re-scope the works, seek further funding and brief Councillors.

G16 Fern Creek bridge and shared paths, Warriewood - It is anticipated the bridge structure will be installed in late July/early August with works completed by early September.

G16 G17 Queenscliff Headland access ramp - Council has been unable to procure a suitable contractor to construct the works. Negotiations with potential contractors are in progress.

G16 G17 Dee Why Beach secure bike storage - This project is behind schedule due to a challenging location with multiple conflicting complexities. Design work is still ongoing, and project will be delivered in the 2023/24.

Road and related infrastructure upgrades

G17 Safer Schools infrastructure - Construction has been paused to allow a further round of community engagement with residents in Curl Curl. Funding is still confirmed for the project and a project extension has been granted by TfNSW.





● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G8
- G10
- G11
- G13
- G15
- G21

Supporting the vibrancy and success of 74 village and town centres and celebrating all facets of the community with a variety of events and festivals, and engaging with our community through the provision of information.

Our local businesses are supported by a Business Concierge Service and through strong partnerships with local business chambers. We promote the Northern Beaches as an exciting visitor destination and deliver effective and engaging visitor services.

We plan and deliver community engagement online and in person, to support good governance and effective decision making on a wide range of projects. The service manages Council websites, content creation, event and service promotion, media management, and provides in-house graphic design and signage management services.

Service achievements

Business Support Service

Council continued to run the Business Support Service which provides a one-stop-shop for businesses to help them navigate Council processes for starting or growing a business on the Northern Beaches.

Northern Beaches Economic Development Strategy

Council developed its first Economic Development Strategy - Business on the Beaches. It sets the directions to help local businesses recover from the impact of COVID and plan for a more sustainable and resilient economy in the future. Together with the business community and government agencies, the strategy aims to create the conditions for new businesses, nurture innovation, revitalise town centres and help businesses transition to a low carbon economy.

Following the resolution at the 13 December 2022 Council meeting to exhibit the draft Northern Beaches Economic Development Strategy, consultation on the draft strategy commenced on 30 January for 8 weeks until the 26 March. There were 23 submissions from the consultation, and a final strategy has been prepared reflecting this feedback for adoption by Council.

Activating local places

Council continued to support the activation of local spaces through a variety of initiatives across the Northern Beaches. Over the last 12 months, key activations have included:

- Wine and Dine in Killarney Heights encouraging locals to support cafes and restaurants in evening

- Newport Spring Festival – Fun-filled activities for the community including a live mural artwork installation
- Forestville Spring Festival - Children's entertainment, music, specials from local restaurants and cafes
- Festive Freshie in partnership with Freshwater Inc. provided live music and children's entertainment
- Australia Day – Music and roving entertainment at Manly, Collaroy and Dee Why Beach
- Midday Mix at Meriton in Dee Why provided music and entertainment to the plaza
- Partnering with Manly Business Chamber on a one-day health and wellness event at Manly beachfront with live fitness demonstrations and classes, panel discussions, health seminars and interactive stalls
- Manly Family Fun Fest - Family event held on the Corso and Sydney Road Manly.
- Manly Street Sale - Inviting local businesses to display their products on The Corso, along with petting farm and live music

Council supported the landmark Sydney WorldPride 2023 event in February, through the commissioning of two artworks in Manly and delivered a series of Halloween and Easter trails, as well as Best Dressed Christmas Window display competition.

Events for everyone

Council delivered over 50 events this year and supported a further 29 through our Event Grants and Sponsorship Program.

We returned to a full program of citizenship ceremonies with 1,617 people becoming citizens and delivered commemorations for Remembrance Day, Vietnam Veterans' Day, Battle for Australia Day and ANZAC Day that saw over 7,000 people attending.

We hosted several events in January, including Aboriginal Heritage Walks, a Food Truck Party, Australian Made Markets and Australia Day Pool Parties.

Council hosted family events including live interactive shows at two Picnic in the Park activities, two Open Air Cinema events and two ever popular Christmas events, the Choral Concert at Manly and Christmas by the Beach at Dee Why.

More than 25,000 people gathered on our shores and reserves to welcome in the New Year, while thousands of people came through the gates at Taste of Manly in May boosting overall visitor spending throughout Manly that weekend.

Manly Jazz returned in full swing over three days and four stages, with more than 70 artists performing for crowds of more than 20,000.

The Sun Run saw a record number of participants since Council took over the running of the event, and the third highest in the event's history. Over \$110,000 was raised for charities across NSW including Wheelchair Sports NSW/ACT.

International Women's Day 2023 saw another sell out breakfast event and a Women's Day Market with over 50 stallholders representing local women creators.

We delivered three major partnership events, including New South Wales Surf Life Saving (SLSNSW) State Championships, World Surf League (WSL) Sydney Surf Pro and Night at The Barracks. All events driving increased attendance and economic benefit to the region.

Community engagement

Community engagement strengthens the links between Council and the community, enabling the elected Council to be informed and responsive to the concerns and aspirations of our local community. The new Community Engagement Policy and Community Engagement Strategy were adopted by Council on 22 November 2022 providing a clear framework for how we will engage and promote community participation in project delivery. Through the engagement we attracted 162,870 unique visitors to the Your Say website, with 242,540 Your Say website visits, and 30% of traffic active on the site for at least one minute.



Performance

Performance measures	Target	Result 2023	
Decisions on all Council project engagements are communicated to the community within 30 days	85%	100%	✓
Satisfaction with Council's key community events	80%	91%	✓
Satisfaction with Council's business events	80%	N/A*	

✓ Achieved target
 ✗ Target not achieved

* NSW Small Business Month is a joint annual program, and while a post-event survey was conducted, it is not able to provide a separate result for Council's contribution

Operational projects

Completed

G15 Implement the Northern Beaches Destination Management Plan

On Schedule

G13 G14 Develop and implement an economic development strategy
G15

Capital projects

Completed

Town and village centre activations

G12 Avalon Place Plan implementation



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G8
- G9
- G11
- G13
- G15
- G19
- G20

This service maintains Council's community and civic buildings, including surf clubs, aquatic centres, library buildings, community centres, arts venues, offices, public toilets, holiday accommodation facilities at Sydney Lakeside Holiday Park and Currawong and two cemeteries. We also manage leases and licences of public land including outdoor dining.

Service achievements

Facilities

Improvements to facilities completed in 2022/23 include:

- North Steyne Surf Club - ladies public amenities and beach change rooms
- Balgowlah Bowling Club - installation of sound barrier fence
- Cromer, Civic and Balgowlah depots – rainwater tank upgrades
- Collaroy Surf Club – external painting of building
- Manly Library – installation of public defibrillator
- Rural Fire Service Terrey Hills Headquarters – upgrade of fire service
- Scotland Island Kindergarten - bathroom and kitchen upgrade/renovation
- Solar system inspections/assessment across a range of Council sites
- Various building lighting upgrades
- Stony Range Cottage refurbishment
- New cleaning and hygiene contracts making improvements to the cleaning regime, including the addition of day time cleans.

Currawong

Upgrades to a further four cabins and remedial works to two cabins were completed in time for the busy Christmas 2022 holiday period. All nine cabins have now been improved over the past two years.

Sydney Lakeside Holiday Park

Several cabins have been upgraded to improve the visitor experience at the site. The boom gates were also upgraded.

South Narrabeen Surf Club training room

The new training room addition to the South Narrabeen SLSC has been completed and is proving to be a popular space for the club activities.

Marine Rescue, Rowland Reserve

A new purpose-designed base for the highly valued and life-saving service that Marine Rescue provides was opened in March 2023. The building, which has been designed for water, energy and thermal efficiency, replaces the existing demountable building that had come to the end of its useful life. The project was funded by both Council and State Government and will provide a fantastic base of operations for Marine Rescue for years to come.

Porters Reserve sports amenity, Newport

A new amenity building, and kiosk was completed at Porters Reserve in Newport. The reserve is home to Newport Breakers Rugby Club and Newport Junior Rugby Club. The focus of the new amenities building is a female change room with toilets and showers, a first aid room, accessible amenities, canteen and balcony area.

Long Reef Surf Club

The new Long Reef Surf Life Saving Club building was officially opened in February 2023. The beautifully designed facility includes a new clubhouse, associated storage, training and gym spaces, along with the public amenities, kiosk and a Council lifeguard space. The buildings sit around a central courtyard with the entire precinct designed to sit respectfully into the natural environment, earning a national landscaping award.

Duffys Forest Rural Fire Service

Council, in partnership with the Rural Fire Service, constructed a new modern fit-for-purpose building designed to better house the growing number of brigade members which includes a multi-function room, kitchen, cleaning area, utility room, accessible bathroom facilities and media room. There is parking for up to four fire trucks and 10 vehicle parking spaces added outside the station.

Forestville public amenities

The new modern fit-for-purpose facilities include an accessible toilet and an ambulant toilet, doubling the capacity of the previous building. Bike racks and a water bottle refill station were also installed.

Future of the North Manly recreation space

In August 2022, Council endorsed a proposal to enter a Public Private Partnership with the Manly Warringah Gymnastics Club (MWGC) to transform the former North Manly Bowling Club site (corner of Kentwell and Pittwater Roads) into a 3,000sqm indoor gymnastics centre. The MWGC will submit a development application for assessment.

Mona Vale Surf Life Saving Club and public amenities

The impressive new surf club on the edge of Mona Vale Beach was completed in 2022. Set over two levels, the purpose-built clubhouse is designed to withstand the harsh coastal environment, including solar panels and rainwater tanks to minimise its environmental footprint. The venue provides a base for the 1,300 club members and offers community venue space that anyone can hire. The facilities are family-friendly and accessible with a new café, first aid room, nippers facilities and storage.

Mona Vale Surf Club restaurant and cafe

Two new food and beverage establishments opened before Christmas in Council's newly built Mona Vale Surf Life Saving Club. The Basin Dining Room has had fantastic reviews since opening in late November, while The Brightside Cafe opened on Christmas day to serve great coffee and food.

Aquatic centres

The facilities had a combined attendance of 896,415, made up of 283,730 at Warringah Aquatic Centre and 612,685 at Manly Andrew Boy Charlton (MABC). This is the highest combined attendances since opening. Warringah Aquatic Centre successfully maintained swim school numbers and hosted 48 swimming carnivals. While MABC Aquatic Centre significantly increased swim school numbers and gym memberships to its highest level to date.



Performance

Performance measures	Target	Result 2023	
Availability of Council buildings: % available for use by the community (not programmed for maintenance/ upgrade)	100%	99.8%*	✘
Total visitation to swim centres (Manly and Warringah aquatic centres)	842,840	896,415	✔
Learn to swim attendance (Manly and Warringah aquatic Centres)	90,400	129,469	✔

✔ Achieved target ✘ Target not achieved

*Sailing club building in Jamieson Park is unavailable due to a fire in 2021 with the insurance claim not yet been paid.

Operational projects

Completed

G12 G15 Currawong Cottages and surrounds - refurbishment, modernisation and environmental works

On Schedule

G12 Focused improvement of Surf Life Saving Club facilities

G9 G12 Implement priority accessibility improvements to property assets

G11 G12 Continue to improve the provision and cleanliness of public amenities

G19 Implement the Northern Beaches Property Management Framework and associated actions

Behind Schedule

G12 Deliver the new Warriewood Valley Community Centre - this experienced some delays as further reviews were required before releasing the tender to the market. The tender was presented to the June Council meeting and negotiations with two potential contractors are in progress.

Capital projects

Completed

Emergency buildings program

G2 Terrey Hills Emergency Services Headquarters

G8 Duffys Forest Rural Fire Station new works

G8 Marine Rescue Broken Bay building

G2 G8 Emergency Buildings Works Program

Civic building and compliance works

G12 Currawong Cottages - new cottages, games room and amenities

G5 G12 Beach Buildings Works Program

G5 G9 G12 Building Code of Australia compliance works (BCA)

G5 G12 Sydney Lakeside Holiday Park renewal works

G5 G6 Cromer Depot Improvement Plan works

Public amenities improvements

G9 Forestville Town Centre new amenities

G12 Porters Reserve clubhouse change space, Newport

Aquatic centre improvements

G9 Warringah Aquatic Centre renewal works

G12 Manly Aquatic Centre renewal works

On schedule

Civic building and compliance works

G5 G6 Operational buildings works program

G5 G12 Pittwater Golf Driving Range renewal works

Cemetery Works

G20 Mona Vale Cemetery Works Program

Public amenities improvements

G8 G12 Public Amenities Works Program

Aquatic centre improvements

G12 Warringah Aquatic Centre renewal works

G12 Manly Aquatic Centre renewal works

Behind schedule

Civic building and compliance works

G5 G12 Sport buildings works program - improvements for Pittwater Rugby Park have now been designed but works are rescheduled to later year(s) subject to further funding. Improvements at Boondah Reserve Warriewood are designed but been rescheduled to fund for Frank Gray Reserve amenities upgrade.

G5 G9 Disability access compliance works (DDA) - passenger lift and the construction of accessible amenities are planned at the Avalon Bowling Club. The works are delayed due to the long lead time for the supply of the lift and the works are expected in next financial year.

Cemetery Works

G20 Manly Cemetery Columbarium new works – works were delayed by stonework fabrication and revised shipping dates. Minor delays in concrete works have delayed completion to the first week of July 2023.

Public amenities improvements



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

G19 G20 G21

This service provides secretariat and high-level administrative functions, claims management, in-house legal and advisory services to Council. Sub committees and the Audit, Risk and Improvement Committee are also supported. We deliver the internal audit program and manage complaints about staff behaviour and Council processes.

Service achievements

Internal audit and complaints resolution

Council provided completed audit reports and complaints reports to the Audit Risk and Improvement Committee (ARIC) and presented a revised Internal Audit Charter to the ARIC and Council, which was adopted.

Governance

Council held 11 ordinary meetings and three extraordinary meetings over the financial year. All agendas and minutes were placed online in accordance with the established timeframes. The Audit, Risk and Improvement Committee (ARIC) met five times over 2022/23.

Elections, Councillor Support and Committees

This year Council undertook the election of the Mayor and Deputy Mayor. We also onboarded a new Councillor (Karina Page) following a countback election resulting from the resignation of Councillor Rory Amon.

Council revised its Committee Framework and adopted a new Appointment of Committee Members Policy. It also undertook an expressions of interest process for a vacancy on the Audit, Risk and Improvement Committee.

We entered contractual arrangements with the NSW Electoral Commission in planning for the September 2024 local government elections.

Performance

Performance measures	Target	Result 2023	
Enterprise risk registers reviewed and current	100%	100%	✓
Internal audits undertaken in line with the strategic Internal Audit Plan	80%	95%	✓
Compliance with Governance Framework to meet Governance statutory requirements	100%	100%	✓

✓ Achieved target
 ✗ Target not achieved

Workload measures	Result 2023
Number of complaints	261
Number of compliments	148

Operational projects

Complete

G19 G20 Deliver an effective complaints management and resolution framework

G19 G20 Provide organisational and targeted corruption risk management training

On Schedule

G19 Deliver the Internal Audit program in line with the Internal Audit Strategic Plan



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

G19 G20 G21

Customer Service is a one stop shop for Council information, providing a friendly and professional service for management of customer requests and transactions. Everyone is welcome at our customer service centres and our phones are staffed 24 hours a day, seven days a week.

Service achievements

Calls answered within 30 seconds

The target service level of 80% of calls answered within 30 seconds was exceeded, achieving 85% for the full year. Customers continued to embrace digital offerings, taking advantage of new online applications and payment options enabling resources to re-focus on other projects and process improvement initiatives. There were 5,343 online parking permits issued over the last 12-month period.

Customer Call Satisfaction

Customer satisfaction results for the 2022/23 year was 91.8% obtained via an automated survey offered to customers after each Customer Service phone interaction.

There were 115,117 telephone enquiries resolved on first call, equating to 82%.

This level of customer satisfaction has evolved with a team focus on training, call evaluations and sharing of knowledge from other business units to support customer satisfaction.

Innovation of the year award

Customer Service was awarded winner of the National Local Government Customer Service Network Award for Innovation of the Year for our Customer Activity Tracker (CAT). This was developed in-house by the Customer Service and IT teams. This 'real-time' dashboard helps optimise resourcing and enhance the customer experience by reducing wait times. While the Customer Service Quality Assurance Program submission, has been chosen as a finalist in the category Customer Experience for the NSW Local Government Excellence Awards.

Performance

Performance measures	Target	Result 2023	
Telephone enquiries resolved on first call	75%	82%	✓
Satisfaction with customer service calls	85%	92%	✓
Satisfaction with customer online requests (on lodgement)	80%	87%	✓

✓ Achieved target ✗ Target not achieved

Operational projects

On Schedule

G20 Improve and review the customer portal to enhance accessibility

G20 Enhance the customer experience across the organisation

G20 Develop and implement a consistent feedback approach across all customer contact channels



● Environment

Protection of the environment

Environmental sustainability

● Social

Community and belonging

Housing, places and spaces

● Economic

Vibrant local economy

Transport, technology and connectivity

● Civic

Good governance

Partnership and participation

Supporting CSP goals

- G5
- G18
- G19
- G20
- G22

Corporate support services enable the rest of the organisation to deliver effective and efficient services and build capability to be an agile, high performing Council. Ongoing programs include integrated planning and reporting, financial and workforce planning, project management, business excellence,

continuous improvement and service reviews. It also delivers digital, information and communications technology required to operate the Council.

Service achievements

Securing grants for community infrastructure and programs

Council secured \$26.4m in grants for high priority projects, with \$24.8m in NSW Government funding and \$1.6m from the Australian Federal Government. Most funding was for infrastructure projects such as:

- local road repairs across the region and five Black Spot road safety projects
- walking and cycling projects in Queenscliff, Mona Vale, North Avalon, and Manly Vale, and new footpaths in Mona Vale town centre
- upgrade of Warringah Recreation Centre and sporting facilities upgrades and/or lighting at Pittwater Rugby Park, Frank Gray Oval, Abbott Road sportsground, Manly foreshore community and sports facilities at Kitchener Park
- Disaster Recovery Funding for Taylor's Point seawall and land stabilisation
- improvements to Freshwater Beach playground
- shelter provision with accessible pathway connections at Manly Dam.

Some of the funds were also allocated to enhance services:

- 11 weeding and bushland restoration projects

- planting 5,000 native plants at Curl Curl and Mona Vale
- support for circular economy initiatives and litter prevention
- funding a Resilience Officer, an online disaster dashboard, improving the flood warning system, and investigating the impact of scour valves at Manly Dam, improving our resilience
- events for Australia Day, Youth Week, seniors, and local business networking and growth.

A full list of grants received, and funding bodies are listed in the Working with Partners section on page 20.

Business excellence

Council continued to implement its IGNITE program (Inspiring Great New Ideas Towards Excellence), building a culture of continuous improvement. Over 930 staff have now completed one of more of IGNITE training programs – including Business Excellence Induction, Introduction to Business Excellence and Continuous Improvement, Business Process Management, Brainstorming, Program Solving and How to Identify Improvements. This has enabled staff to identify and implement continuous improvement opportunities, and enhancing the services delivered to our community. Since the program commenced over 500 improvements have been implemented.

Service Review Program

We have implemented 154 recommendations from Phase One of Council's Service Review Program, which undertook a high-level review of all 57 services that Council delivered since 2020. Council has now commenced Phase Two of its Service Review Program, conducting detailed reviews of individual services. A review of the Building Maintenance Service was completed, identifying 23 improvement recommendations across data, processes, resourcing and triage management. These recommendations will be implemented by the Property Business Unit over the next two years.

Benchmarking Program

Council commenced several benchmarking exercises to better understand our delivery of selected services, compared to other local government authorities. The key findings were:

- Customer Service - A number of opportunities were identified to enhance the service, including online service functions, customer interface improvements, call centre response rates, training, process improvements and signage.
- Environmental Health - Several opportunities were identified to enhance the service for pollution control and food inspections. These focus on Council's processes, resourcing, and community education.

- Domestic Waste Management Service
 - The review showed that our waste service compares favourably with other councils, with relatively low charges and low customer service request rates. The service outcomes are also good with a high recycling yield and high diversion rate from landfill. While the service is currently resourced adequately, for the longer term we are reviewing the strategic staff needed to successfully implement longer-term waste strategies and introduce separate food collections.
- Bushland Management - in progress.

Integrated Planning and Reporting Framework updated

Our Integrated Planning and Reporting framework captures our community's vision and aspirations for the area, and what we will deliver to address them. Key parts of the framework were revised this year in consultation with the community and the elected Councillors, including:

- 10-year Long-Term Financial Plan
- 4-year Delivery Program
- annual Operational Plan and Budget

Together these ensure we are financially sustainable and have the resources to deliver on community priorities.

Improving financial governance

Council reviewed and developed several policies related to Council's financial operations, including:

- adoption of a revised Procurement and Contracts Policy
- development of a Modern Slavery Framework to comply with the requirements of the NSW Modern Slavery Amendment Act 2021
- development of new schedules for Council's tender and quotation templates to address Environmental and Social Sustainability in accordance with the revised Procurement and Contracts Policy
- adoption of a revised Investment Policy
- adoption of a new Operational Policy for accounts receivable and debt management – sundry debtors
- adoption of a new Operational Policy for Receipting and Cash Handling
- adoption of a revised Operational Policy for Corporate Credit Card

Training was developed and rolled-out for an introduction to Council's procurement and for the contract management system.

A new expense management system was implemented for corporate credit cards and an automated workflow was implemented for accounts payable invoices.

Two online tools were developed and implemented on Council's website to assist our community:

- enquiry tool to show the impact of valuation changes and an estimate of rates based on the new land valuations provided by the NSW Valuer General
- new search tool for fees to improve access to information on Council's fees.

Improving online services and digital tools

Information and Digital Technology service management improvements resulted in several successful upgrades, delivering enhancements to customer experience, improved efficiency and service delivery for staff. Some highlights include:

For customers

- New online forms and payments
- Online payments for area permits and parking stations
- Online tool for searching fees and charges
- Upgraded library hardware and secure public computers
- Better reporting for stormwater and graffiti

Equipping for excellence

- Cyber security improvements
- Machine learning to improve incident resolution times
- Improved hardware and connectivity across offices and Council Chambers

For staff efficiency/ service delivery

- 65 iPads for children centres
- DAs improved technology and process
- New business intelligence reports for 10 teams
- GIS enhanced for conservation zones, land revaluation, new remote sensing

Cybersecurity is a top priority for Council, both for customers and the organisation. Improvements this year included:

- implementing Application Whitelisting, which has secured Council against malicious cyber-attacks and unwanted network penetration, and only allows Council-approved applications to be used on Councils devices. This project improves Councils compliance with the Australian Signal Directorate (ASD) 'Essential 8' controls, in line with Councils strategic direction and cyber security roadmap.
- improved IT controls and safeguards by introducing new technology to prevent staff and public from accessing illegal, malicious, and offensive material on the internet.
- a cyber incident simulation held for the Executive Leadership Team to further enhance Council's cyber security posture.

Supporting a talented workforce

Our Workforce Management Strategy better positions our workforce with the capacity and capability to deliver on our community's needs and priorities. One of the key achievements this year included implementing the LG NSW Capability Framework as a sound foundation for workforce planning, tailoring roles, recruitment, learning and managing performance. New learning programs were also developed to support new employees and people leaders.

A diversity, equity, inclusion and belonging working group was established, with related training piloted with staff. A Youth Employment Action Framework is being developed to encompass placements, internships, traineeships and career pathways, and a staff wellbeing program provided a range of activities and tools to improve staff wellbeing, resilience and community volunteering.

Other positive results this year included:

- a high level of favourable responses to staff surveys, higher than the metropolitan Local Government sector benchmark
- positive survey comments about a range of staff support programs
- over 3,000 staff recognitions for great service, collaboration and leading the way in their achievements.

Performance

Performance measures	Target	Result 2022/23	
Correspondence replied to within 10 working days	90%	91%	✓
Operational projects on schedule	80%	95%	✓
Capital projects on schedule	80%	81%	✓
Quarterly, annual and statutory reports submitted to Council on time	100%	100%	✓
Voluntary staff turnover rate	≤13%	17%*	✗

Financial performance measures	Target	Result 2023	
Operating performance	>0%	4.46%	✓
Unrestricted current ratio	>1.5x	1.92x	✓
Own source operating revenue	>60%	84.6%	✓
Debt service cover ratio	>2x	7.65x	✓
Rates and annual charges outstanding	<5%	3.57%	✓
Cash expenses cover ratio (months)	>3	6.13	✓
Building and infrastructure renewal ratio	>100%	130.77%	✓

✓ Achieved target ✗ Target not achieved

* The workforce recorded a higher than usual voluntary staff turnover rate, reflecting a return to the workplace post-COVID including a catchup on career movements in line with the wider job market opening up.

Workload measure

Result 2023

Number of service review actions implemented	66
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Operational projects

Completed

G19 G20 Develop the Delivery Program and Annual Operational Plan

G19 Review the Long-Term Financial Plan and explore financially sustainable options to support the Community Strategic Plan

On Schedule

G19 Present Council's quarterly Budget Review Statement, Annual Report and Financial Statements

G19 G20 Implement the Workforce Management Strategy to attract, identify and develop high performing leadership talent for the future

G19 G20 Implement the Workforce Management Strategy to build future workforce capacity by developing a capable, agile and resilient workforce

G19 G20 Implement the Workforce Management Strategy to integrate safety and wellbeing solutions for staff resilience

G19 G20 Implement the Workforce Management Strategy to shape a desired organisational culture aligned to the customer experience

G19 G20 Implement the Service Review Program

G20 Embed the Australian Business Excellence Framework into Council's management practices and service delivery

G20 Expand the practice of continuous improvement through the implementation of key improvement projects

Capital projects

Complete

IT improvements

G20 IT Infrastructure - new works

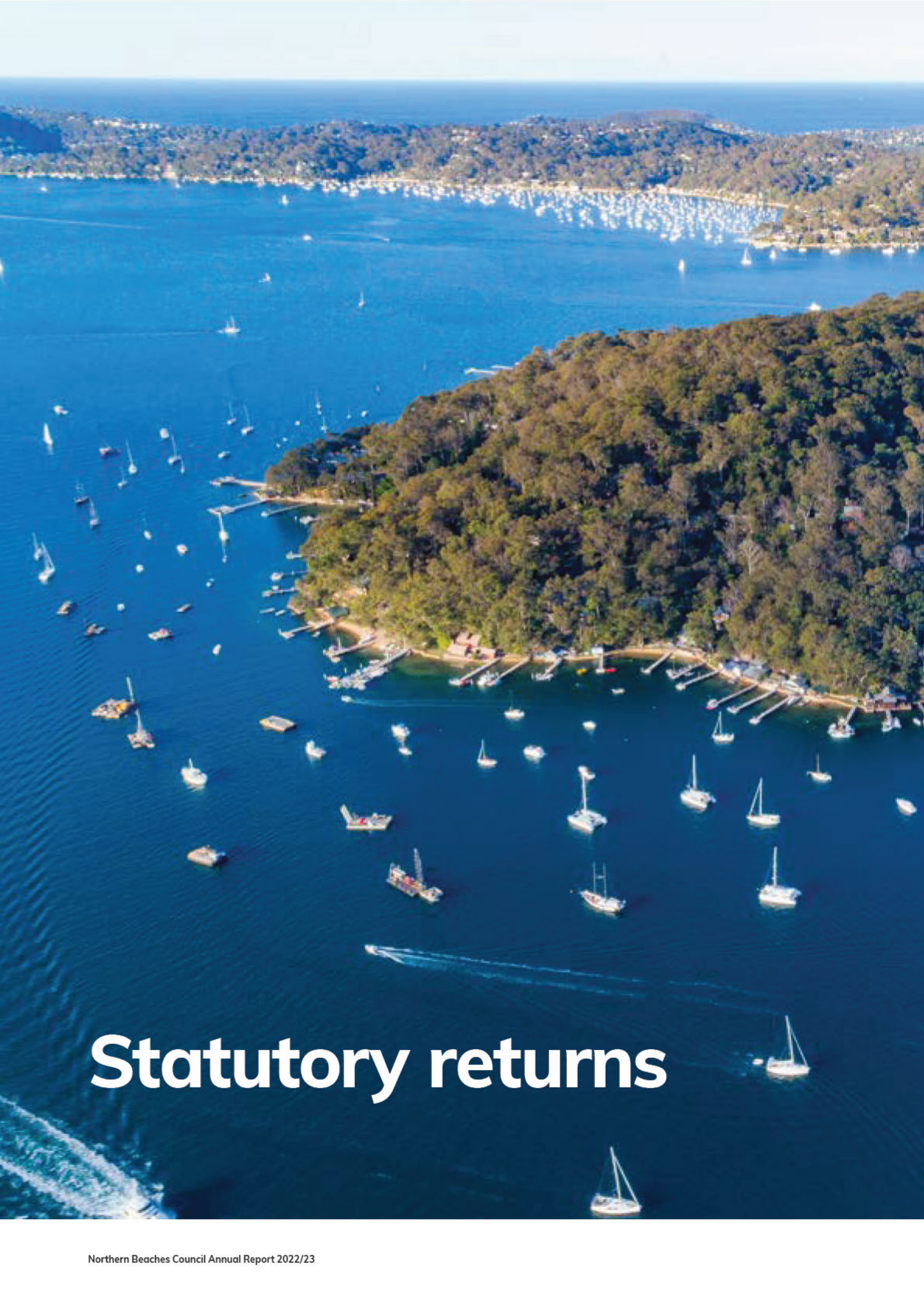
On Schedule

IT improvements

G12 IT Software – new works

G20 IT Infrastructure - replacements

G20 Computers, laptops and mobile devices - replacements



Statutory returns



Section 428 (3) Preparation of report

This annual report has been developed in accordance with the Integrated Planning and Reporting Guidelines issued by the Office of Local Government in September 2021, the Local Government Act 1993 (s406), the Local Government (General) Regulation 2021 (s217), and the Office of Local Government Annual Report checklist (published on 30 June 2023).

s428 (4) (a) Financial statements

Audited financial statements for the year 2022/23 are at page 190 of this annual report.

s428 (4) (b) Other information

This report includes other information in line with the Integrated Planning and Reporting Guidelines, the Local Government Act 1993, and other legal requirements.

s428 (4) (c)

No issues concerning the operations of Northern Beaches Council were raised by the Anti-slavery Commissioner during the 2022/23 financial year.

s428 (4) (d)

In the 2022/23 financial year, Council has taken the following steps to ensure that goods and services procured by and for the Council during the year were not the product of modern slavery within the meaning of the Modern Slavery Act 2018:

- Developed a Modern Slavery Framework. The framework details a range of steps that will be taken to ensure that goods and services procured by and for Council are not the product of modern slavery within the meaning of the Modern Slavery Act 2018.

- Executed a Modern Slavery Prevention Statement.
- Updated Request for Quotation and Tender templates to include modern slavery related criteria requesting that suppliers wishing to work with Council provide information on the assessment of their supply chains.
- Updated Council contract terms to include clauses to address modern slavery in the supply chain.
- Adopted a revised Procurement and Contracts Policy in December 2022, which includes Council's commitment to ensuring that it does not knowingly contribute to the occurrence of modern slavery.
- Commenced raising staff awareness of modern slavery by inclusion in staff procurement updates.

s428 (5) Send to the Minister

A copy of this annual report is on Council's website and a link provided to the Minister.

s54P (1) Particulars of any environmental upgrade agreement entered into by the Council

Council did not enter into any environmental upgrade agreements in the 2022/23 financial year.

Special Rate Variation Guidelines 7.1**- Implementation of special rates**

Special variations are approved increases to rates or additional special rates established for a specific purpose. Income raised is restricted by Council for expenditure on these purposes, with any balance of the funds held in a reserve for projects in future years.

Special Rate - Manly Business Centre Improvement

This special rate applies to properties in the Manly Central Business District (CBD) area, to provide for ongoing and proposed capital and maintenance works in the Manly Business Centre, The Corso and beachfront.

During 2022/23 the income raised was \$1,305,614. An amount of \$1,090,539 was spent on the following projects:

Project	\$
Maintenance and cleansing	
Mowing, vegetation and streetscape maintenance - The Corso and reserves	112,985
Cleansing - including high pressure paver washing, cleaning of street furniture, litterbins and beach raking and cleaning	390,580
Tourism and business support	
Manly Visitor Information Centre, Manly mainstreet place and tourism management	279,849
Events and marketing	
Manly Christmas decorations	77,035
Major Manly events – including Taste of Manly and Manly Jazz	92,442
Activations and workshops	47,091
Digital marketing, targeted advertising, trade shows, wayfinding signage	90,557
Total	1,090,539

Opening balance of reserve	35,412
Special rate income	1,305,614
Expenditure (above)	(1,090,539)
Closing balance of reserve	250,487

Special Rate - Balgowlah Business Centre Improvement

This special rate applies to properties in the Balgowlah commercial area, to provide for ongoing and proposed capital and maintenance works, including the off-street carparks in Condamine Street.

During 2022/23 the income raised was \$88,932. These funds will be held in a restricted cash reserve and accumulated to undertake future town centre works.

Projects	\$
No projects were undertaken in 2022/23	-
Total	-
Opening balance of reserve	117,175
Special rate income	88,932
Expenditure (above)	-
Closing balance of reserve	206,107

Former Pittwater Council Special Rate Variation

In June 2011, IPART approved the former Pittwater Council's application for a special rate variation. This resulted in an increase in rates over three years (2011-2014). These funds were for infrastructure works and environmental programs to be delivered over a 10-year period. The remaining projects under this program are currently being delivered.

In 2022/23 an amount of \$8,133 was spent in the former Pittwater Local Government Area on the following capital project:

Project	\$
Scotland Island roads and drainage improvements	8,133
Total	8,133

Opening balance of reserve	236,206
Expenditure (above)	(8,133)
Closing balance of reserve	228,073

Additional special rate variation – 2022/23

In June 2022, IPART approved a permanent additional special variation (ASV) for a 2.4% increase in rates 2022/23 (instead of the 0.7% rate peg). The ASV raised \$3,014,468 in additional income above what otherwise would be available under the rate peg (\$1,241,251).

The Office of Local Government established the ASV pathway as a one-off process for the 2022/23 financial year as such a low rate peg in a high inflationary environment would result in financial difficulties for NSW councils. The ASV enabled Council to maintain its expected level of rating income and expenditure program including planned infrastructure works, bush regeneration projects and an extension of the outdoor dining fee subsidy for local businesses.

**Local Government (General)
Regulation 2005
Clause 132 Rates and charges written off
for the period of 2022/23**

	\$
Rates abandoned (postponed)	24,199
Interest abandoned (postponed)	6,385
Interest abandoned (other)	5,581
Mandatory pension rebate	2,329,218
Voluntary pension rebate (rates)	132,183
Voluntary pension rebate (waste)	566,398
Total	3,063,964

Clause 186 Councillor induction training and professional development

(a) There were 57 induction training programs or refreshers in 2022/23 made up of:

- 44 Councillor Briefings and induction training sessions
- 11 Council meetings
- 2 Extraordinary Council meetings.

(b) The following Councillors participated in ongoing professional development by engaging in these activities:

Participants	Program
Cr Robins Cr Grattan Cr Walton Cr Heins Cr Ryburn Cr Crvelin	Membership - Australian Institute of Company Directors (AICD)
Cr Korzy Cr Heins Cr Robins Cr Bingham	Australian Local Government Women's Association (ALGWA) Conference – hosted by Fairfield City Council 7 - 9 July 2022
Cr Heins	Australian Local Government Women's Association (ALGWA) Conference – Forbes 27 - 29 April 2023
Cr De Luca	National Suicide Prevention Conference 2023 – Canberra 2 - 4 May 2023
Cr Bingham Cr Walton Cr Menano-Pires Cr Korzy Cr Sprott Cr Heins Cr De Luca Cr Gencher Cr Robins	LGNSW Annual Conference – Hunter Valley NSW 23 - 25 October 2022
Cr Ryburn Cr Gencher Cr Regan Cr Korzy Cr Robins Cr Grattan Cr Heins Cr Walton	LGNSW Destination & Visitor Economy Conference – Manly 29 - 31 May 2023

Cr Robins	Australian Local
Cr Menano-Pires	Government
Cr Bingham	Association (ALGA)
Cr Walton	– National General
Cr Regan	Assembly – Canberra
Cr Grattan	13 -16 June 2023
Cr Heins	Webinar – Cyber Security Online Training 10 November 2022, 22 March and 15 June 2023

(c) The professional development and induction activities councillors undertook during the financial year are detailed in parts (a) and (b) above.

Clause 217(1) (a) Overseas visits

No overseas visits were made by Councillors, Council staff or other people representing Council in 2022/23.

Clause 217 (1) (a1) Payment of expenses of, and the provision of facilities to, Councillors in relation to their civic functions

An amount of \$178,354 was incurred for provision of fees, facilities and expenses for the Mayor and Councillors. Details are below.

Facilities and expenses	\$
Provision of dedicated office equipment	2,018
Communication charges made by Councillors	10,746
Attendance at conferences and seminars	41,050
The provision of induction training and professional development for Mayor and other Councillors	21,125
Training of Councillors and provision of skill development	7,727
Interstate visits by Councillors, including transport, accommodation, and other out-of-pocket travelling expenses	0
Overseas visits by Councillors, including transport, accommodation, and other out-of-pocket travelling expenses	0
Expenses of any spouse, partner or other person who accompanied a Councillor in the performance of his or her civic functions, being expenses payable in accordance with the guidelines for the payment of expenses and the provision of facilities for the Mayor and Councillors	1,750
Expenses involved in the provision of care for a child of, or an immediate family member	17,565
Other expenses	76,373
Total	178,354

Fee	\$
Mayoral	92,180
Mayoral superannuation	9,679
Councillors fee	471,963
Councillors superannuation	49,556
Total	623,378

During 2022/23 an amount of (not including the Mayoral and Councillors fees referred to above) was incurred by Council under this policy for the provision of facilities and payment of expenses

	178,354
Total overall	801,732

Clause 217 (1) (a2) Major contracts

The following table shows details of each contract awarded for amounts \$150,000 or greater including:

- name of contractor (except employment contracts – contracts of service)
- nature of goods or services supplied
- total amount payable.

Contractor	Description	Total value ex GST(\$)*
All Waterfront Constructions Pty Ltd	Scotland Island material supply and transportation	230,000
Ally Property Services Pty Ltd	St Andrews Gate road reconstruction	356,000
Ally Property Services Pty Ltd	Forest Way – shared path stage 1 – additional works	390,000
Ally Property Services Pty Ltd	New footpaths Sir Thomas Mitchell Drive, Davidson	150,905
Apunga	Burnt Bridge Creek bushland restoration contract	208,000
Artefact Heritage Services Pty Ltd	Little Manly Beach archaeological remains management	200,300
Australian Bushland Restoration Pty Ltd	Ingleside Chase bushland restoration	182,000

Contractor	Description	Total	Contractor	Description	Total
Australian Bushland Restoration Pty Ltd	Attunga Nareen bushland restoration	212,000	Codify Pty Ltd	Library infrastructure project	859,078
Australian Bushland Restoration Pty Ltd	Narrabeen Elanora bushland restoration	225,200	Co-Evolve Pty Ltd	SD-WAN project (ICT)	343,900
Australian Bushland Restoration Pty Ltd	Jamieson Park bush regeneration and hazard reduction	269,600	Complete Urban Pty Ltd	Design service for Frenches Forest Town Centre Park upgrade	465,272
Azbuild Pty Ltd	Snapperman Beach Reserve seawall reconstruction works	362,100	Crown Cabling Partnership	Dee Why Civic Centre cabling remediation	579,500
Bayteck Pty Ltd	Forestville public amenities	197,260	Data #3	Adobe user licence renewal	195,611
Carfax Commercial Constructions Pty Ltd	Demolitions and construction of a new Emergency Services Building	1,938,195	Dragonfly Environmental	Forestville & Killarney area contract	274,500
CC Pines Pty Ltd	Design and construction of Morgan and Oxford Falls Road Bridge	367,592	Elfhelp Pty Ltd	Christmas decorations	189,000
Civil Survey Solutions Pty Ltd	Provision of ongoing Autodesk Software Services	904,634	Empire Contracting Trust	Cromer Depot asbestos cleaning	200,000
Civotek Pty Ltd	Proposed stormwater improvement works, Park Street & Pittwater Road	393,085	Enviro-LCS Pty Ltd	Hygiene services to Council buildings	434,270
			GHD	Addiscombe Road ISMP groundwater monitoring and reporting process	199,642
			Green Options	Turf wicket and sports field maintenance	2,633,880
			Haskoning Australia Pty Ltd	Mona Vale Beach outlets upgrade	198,125
			Health @ Work	2023 Flu shots and related services	250,000

Contractor	Description	Total
JBS&G Australia Pty Ltd	Asbestos hazard hygienist engagement	160,000
Kelbon Project Services Pty Ltd	Abbott Road North Curl Curl – footpath and associated works	156,200
Kelbon Project Services Pty Ltd	New footpath - Crescent Road, Newport – stage 1 and 2	264,960
Kelbon Project Services Pty Ltd	Shared user path and associated works – Addiscombe Road, Manly Vale	424,993
Kelbon Project Services Pty Ltd	Woolworths Carpark renewal Avalon	171,640
Landmark Products Ltd	Tygarah Bridge renewal	308,190
Meridian Urban Pty Ltd	Conservation zones review public exhibition assistance	156,680
Modplay Group PL	Forestville War Memorial Poppy Park Playground renewal	330,000
Murphys Remedial Builders P/L	Training room at South Narrabeen Surf Life Saving Club	409,055
Murphys Remedial Builders P/L	Cromer Depot warehouse roof replacement	602,067

Contractor	Description	Total
National Trust Of Australia (NSW)	Minor reserves and powerful owl project	162,000
Optus Billing Services Pty Ltd	Mobile phone services (voice and data)	1,321,769
Ozpave (AUST) Pty Ltd	New footpath – Annam Road, Bayview	150,312
Public Works Advisory and Manly Hydraulics	Proposed upgrade of NSW Rural Fire Service's Fire Control Centre	157,500
Pure Security Pty Ltd	Cyber Security services	1,157,995
REES Electrical Pty Ltd	Kitchener Park lighting renewal	376,000
Reino International	Northern Beaches parking and technology project and panel	334,485
Robert Walters Pty Ltd	6 Month Network Engineer	150,000

Contractor	Description	Total	Contractor	Description	Total
Rogers Construction Group Pty Ltd	Shelly Beach public amenities renewal	739,568	Marsupial Landscapes Pty Ltd	Parks and reserves mowing services	1,380,000
RP Infrastructure Pty Ltd	Mona Vale Community Cultural Precinct operational modelling	152,200	Standby Forty-Six Pty Ltd	Parks and reserves mowing services	1,085,350
Sentient Dynamics Pty Ltd	DA Online API Integration	169,500	Steelworks Engineering Pty Ltd	Design and construct of Fern Creek pedestrian bridge	618,310
Skilled Plumbing Drainage and Gasfitting Pty Ltd	Sewer and stormwater pumping stations planned maintenance and servicing	165,912	Suez Recycling & Recovery (NSW) Pty Ltd	Provision of waste services – Sydney Lakeside Holiday Park	185,000
SMC Marine Pty Ltd	Design and construction of Clontarf Tidal Pool	542,156	Sunshine Linen Services	Provision of laundry service – Sydney Lakeside Holiday Park	186,000
Space Services Pty Ltd -	Warringah Aquatic Centre – air handling unit's replacement	201,231	TCM Construction Group Pty Ltd	Porter Reserve clubhouse change space	800,511
Specialised Pavement Services Pty Ltd	Street sweeping in former Pittwater	429,821	Terroir Pty Ltd	Manly Life Saving Club and precinct redevelopment project – architect appointment	2,366,149
Skyline Landscape Solutions	Parks and reserves mowing services	1,026,000	Thomas Duryea Logicalis Pty Ltd	Nutanix hardware and software maintenance renewal	152,645
Image Property Detailing	Parks and reserves mowing services	1,630,361	Toolijooa Pty Ltd	Deep Creek area reserves project	182,000

Contractor	Description	Total
Turf Drain Australia	Kitchener Park, Frank Gray Oval, Mike Pawley Oval design and construct drainage systems	373,905
Twenty Four Seven	Accessible and female amenities at Avalon Bowling Club	198,193
Vocus Pty Ltd	Starlink (backup network link)	1,160,000
Waratah Eco Works	Seaforth-Balgowlah Heights bushland restoration project	244,228
Whittaker Civil Pty Ltd	Garden Street – headwall replacement	236,443
Whittaker Civil Pty Ltd	The Corso stormwater rectification	300,000
Whittaker Civil Pty Ltd	Ankali Creek project	291,911
Whittaker Civil Pty Ltd	The Corso drainage repairs	425,316

Contractor	Description	Total
Total		\$35,951,165

*Contract costs include the original term of the contract, extension options are not included.

Clause 217 (1) (a3) Legal proceedings

During 2022/23 the following expenses were incurred on legal proceedings:

	\$
Total Expenditure	1,136,327
Costs Recovered	(181,441)
Net	954,886

The following matters were finalised:

Matter	Court	Result
Application against GIPA decision	Civil and Administrative Tribunal	Dismissed
37 McCarrs Creek Road, Church Point	Class 1 Land and Environment Court	Discontinued
28 Bangaroo Road, Balgowlah Heights	Class 1 Land and Environment Court	Discontinued
12 Boyle Street and 307 Sydney Road, Balgowlah	Class 1 Land and Environment Court	Discontinued
16-18 Ralston Avenue, Belrose	Class 1 Land and Environment Court	s34 agreement
26 Iluka Road, Palm Beach	Class 1 Land and Environment Court	s34 agreement
27 Karloo Road, Newport	Class 1 Land and Environment Court	s34 agreement

Matter	Court	Result
Kenneth Road, Manly	Class 1 Land and Environment Court	s34 agreement
20 Kevin Avenue, Avalon Beach	Class 1 Land and Environment Court	s34 agreement
2506 Bundaleer Street, Belrose	Class 1 Land and Environment Court	Discontinued
62 Myoora Road, Terrey Hills	Class 1 Land and Environment Court	Discontinued
40 Pine Street, Manly	Class 1 Land and Environment Court	Appeal upheld with amended plans
214 Hudson Parade, Clareville	Class 1 Land and Environment Court	s34 agreement
11 Ocean Road, Palm Beach	Class 1 Land and Environment Court	s34 agreement
70A Willandra Road, Narraweena	Class 1 Land and Environment Court	Dismissed
397 Condamine Street, Allambie Heights	Class 1 Land and Environment Court	s34 agreement
27 - 29 North Avalon Road, Avalon	Class 1 Land and Environment Court	s34 agreement

Matter	Court	Result
29 - 31 Moore Road, Freshwater	Class 1 Land and Environment Court	Appeal upheld with amended plans
10 & 12 Loquat Valley Road, Bayview	Class 1 Land and Environment Court	Appeal upheld with amended plans
5 Skyline Place, Frenchs Forest	Class 1 Land and Environment Court	s34 agreement
54 Francis Street, Manly	Class 1 Land and Environment Court	s34 agreement
55 Woolgoola Street, North Balgowlah	Class 1 Land and Environment Court	s34 agreement
27 Nullaburra Road, Newport	Class 1 Land and Environment Court	Appeal upheld with amended plans
16 Addison Road, Manly	Class 1 Land and Environment Court	s34 agreement
4 Collaroy Street and 1 Alexander Street, Collaroy	Class 1 Land and Environment Court	s34 agreement
2 The Circle, Narraweena	Class 1 Land and Environment Court	Appeal upheld with amended plans

Matter	Court	Result
43 Iluka Road and 1105 Barrenjoey Road, Palm Beach	Class 1 Land and Environment Court	Dismissed
82 - 84 Bower Street, Manly	Class 1 Land and Environment Court	s34 agreement
24 Lancaster Avenue, Collaroy	Class 1 Land and Environment Court	s34 agreement
111 Bower Street, Manly	Class 1 Land and Environment Court	s34 agreement
16 Wyatt Avenue, Belrose	Class 1 Land and Environment Court	Appeal upheld with amended plans
14 Wyatt Avenue, Belrose	Class 1 Land and Environment Court	Discontinued
42 North Steyne and 75 The Corso, Manly	Class 1 Land and Environment Court	Appeal upheld with amended plans
27A - 29 Pine Avenue, Brookvale	Class 1 Land and Environment Court	s34 agreement
21 - 23 Mona Avenue & 120 Bassett Street, Mona Vale	Class 1 Land and Environment Court	s34 agreement
30 Fairlight Street, Fairlight	Class 1 Land and Environment Court	Appeal upheld with amended plans

Matter	Court	Result
8 Lady Penrhyn Drive, Beacon Hill	Class 1 Land and Environment Court	Dismissed
50 Lauderdale Avenue, Fairlight	Class 4 Land and Environment Court	Discontinued
91 Florence Terrace, Scotland Island	Class 4 Land and Environment Court	Consent orders
Unfair Dismissal	Industrial Relations Commission	Dismissed
Bellara Road, North Narrabeen – tree removal	Local Court	Conviction and fine
Appeal of dangerous dog order	Local Court	Control orders
Parking and traffic offence No. 1	Local Court	Withdrawn
Appeal of PIN for dog not under effective control	Local Court	Withdrawn
Nangana Road, Bayview – tree removal	Local Court	Withdrawn
Parking and traffic offence No. 2	Local Court	Charges dismissed

Matter	Court	Result
Winbourne Road, Brookvale – water pollution	Local Court	Conviction and fine
Georgia Lee Place, Clareville – tree removal	Local Court	Withdrawn
Dalley Street, Queenscliff – noise	Local Court	Conviction and fine
Personal injury claim – Manly Beach	District Court	Judgment for the plaintiff
Personal injury claim – Dee Why Parade	District Court	Judgment for the plaintiff
Personal injury claim – The Corso, Manly	District Court	Judgment for the plaintiff
Small claims – motor vehicle	District Court	Judgment for the plaintiff
Equity Claim – Ilya Avenue, Bayview	Supreme Court	Dismissed
5 Chard Road, Brookvale	Court of Appeal	Dismissed
Workers compensation claim	Personal Injury Commission	Decision for the applicant
Workers compensation claim	Personal Injury Commission	Discontinued

The following matters have not been finalised and are ongoing:

Matter	Court	Matter	Court
Appeal against GIPA decision	Civil and Administrative Tribunal	45 Warriewood Road, Warriewood	Class 1 Land and Environment Court
1 Alexander Street, Collaroy	Class 1 Land and Environment Court	5 Elvina Avenue, Avalon Beach	Class 1 Land and Environment Court
1 Gladys Avenue, Frenchs Forest	Class 1 Land and Environment Court	6 Dick Street, Freshwater	Class 1 Land and Environment Court
12 Birkeley Road, Manly	Class 1 Land and Environment Court	67 Seaforth Crescent, Seaforth	Class 1 Land and Environment Court
12 Clarence Street, Balgowlah	Class 1 Land and Environment Court	74 - 76 Willandra Road, Narraweena	Class 1 Land and Environment Court
17 Woods Parade, Fairlight	Class 1 Land and Environment Court	79 Riverview Road, Avalon Beach	Class 1 Land and Environment Court
20 Cabarita Road, Avalon	Class 1 Land and Environment Court	995 Barrenjoey Road, Palm Beach	Class 1 Land and Environment Court
21 Headland Road, Dee Why	Class 1 Land and Environment Court	36 Bardo Road, Avalon	Class 1 Land and Environment Court
228 Powderworks Road, Ingleside	Class 1 Land and Environment Court	7 Ruskin Rowe, Avalon Beach	Class 1 Land and Environment Court
231 Whale Beach Road, Clareville	Class 1 Land and Environment Court	13 Coles Road, Freshwater	Class 4 Land and Environment Court
257 Harbord Road, Brookvale	Class 1 Land and Environment Court	218 McCarrs Creek Road, Church Point	Class 4 Land and Environment Court
27 and 29 North Avalon Road, Avalon	Class 1 Land and Environment Court	40 Castle Circuit Close, Seaforth	Class 4 Land and Environment Court
29 Dobroy Head Road, Balgowlah Heights	Class 1 Land and Environment Court	Personal injury claim, Narrabeen Lakes	District Court
2A Allen Avenue, Bilgola Beach	Class 1 Land and Environment Court	Personal injury claim, Narrabeen	District Court
3 Gondola Road, North Narrabeen	Class 1 Land and Environment Court	Personal injury claim, Manly	District Court
30 Queens Parade, Newport	Class 1 Land and Environment Court	Personal injury claim, Freshwater	District Court
33- 35 Fairlight Street, Fairlight	Class 1 Land and Environment Court	Damages claim, Church Point carpark	District Court - Court of Appeal High Court
394 Barrenjoey Road, Newport	Class 1 Land and Environment Court	Personal injury claim	Dust Diseases Tribunal
40 Castle Circuit, Seaforth	Class 1 Land and Environment Court	11 - 27 Wentworth Street, Manly	Supreme Court
		218 McCarrs Creek Road, Church Point	Court of Appeal
		23 Palomar Parade, Freshwater	Supreme Court

**Clause 217 (1) (a4) and Act s67, 67 (2) (b)
Work on private land**

No work on private land was undertaken by Council in 2022/23.

Clause 217 (1) (a5) Grants

The total amount contributed or otherwise granted by the Council in 2022/23 under section s356 of the Act was \$2,907,045. A summary of the recipients of the grant by program is below.

Fund name	\$
Barrenjoey High School Performance Space (Stronger Communities fund – round 2)	1,188,756
Community development grants	155,559
Community library grants	117,000
Community financial assistance	252,500
Surf lifesaving subsidies	266,169
Arts and creativity grants	82,441
Covid-19 Performing arts support	37,381
Covid-19 – Property - outdoor dining	194,278
Heritage grants	12,500
Eco School grants	4,900
Environmental grants	40,500
Community event grants and sponsorship	450,800
Sport and recreation youth and infrastructure grants	104,241
Total	2,907,025

Clause 217 (1) (a6) External bodies that exercised functions delegated by Council

The Northern Beaches Local Planning Panel (NBLPP) operates independently to determine development applications.

The panel consists of the chair, two planning professionals and one community representative. During the year 24 meetings were held, where 100 matters were determined.

Clause 217(1) (a7) Council controlled corporations, partnerships, trusts, joint ventures, syndicates, or other bodies

Council holds a controlling interest in Kimbriki Environmental Enterprises Pty Ltd (KEE) as the major shareholder (96.16% of shares), with the remaining shares held by Mosman Council. KEE operates a recycling and waste disposal centre at Kimbriki Road, Terrey Hills – the Kimbriki Resource Recovery Centre. KEE commenced operation on 1 July 2009 following the necessary authorisations pursuant to sections 358 and 625 of the Local Government Act.

Clause 217(1) (a8) Corporations, partnerships, trusts, joint ventures, syndicates, or other bodies in which the Council participated during the year

Northern Beaches Indoor Sports Centre

Council is represented on the Board of Management of the Northern Beaches Indoor Sports Centre responsible for overseeing the operation of a regional multipurpose indoor sports centre at Narrabeen Sports High School. The Board is a limited guarantee non-profit company consisting of representatives from the Council, the Department of Education, the Department of Sport and Recreation and local sporting groups.

Aboriginal Heritage Office

Council supports this office and its work in conserving over 1,000 indigenous cultural sites across Northern Sydney. It plays an important role in education and awareness of the area's significant Aboriginal cultural heritage. The Partnership along with the Memorandum of Understanding is with North Sydney, Willoughby, Lane Cove, Strathfield, Kur-ring-gai and Northern Beaches Councils.

Environmental management

Council participates in partnerships to manage the environment and related incidents with:

- Sydney Coastal Councils Group (member)
- Grant projects funded by Local Land Services
- Grant projects funded by Department of Planning and Environment
- Grant projects funded by Crown Lands
- Northern Beaches Local Emergency Management Committee (member)
- Northern Beaches Bush Fire Management Committee (member)
- Narrabeen Lagoon State Park Advisory Committee (member)
- Currawong State Park Advisory Committee (member)
- Manly Warringah War Memorial State Park Advisory Committee (member) – Manly Dam
- Floodplain Management Australia (member and financial contributor)
- Regional Emergency Management Committee (member)
- Sustainability Advantage (member) – Department of Planning and Environment
- Resilient Sydney (member)
- Cities Power Partnership – Local Government network – part of the Climate Council
- Ausgrid – Beacon Hill, Warriewood Community Battery Trial
- Sydney Water – Sydney Water Business Partnership Program.

Council also supports two charitable environmental trusts that provide opportunities for funding important environmental projects.

- Pittwater Environmental Trust: established in 2006, this is managed and operated by the separate organisation being the Pittwater Environment Foundation to support important environmental projects in the former Pittwater Local Government Area.
- Warringah Trust for the Acquisition of Environmentally Sensitive Lands: established in 2011 the Trust collect funds from the public to promote the protection and enhancement of the natural environment. This includes the conservation of indigenous flora and fauna and key pieces of sensitive land to achieve this objective.

Clause 217(1) (a9) Equal Employment Opportunity activities

A diverse and inclusive workplace acknowledges the individual strengths of each employee and the potential they bring and is a key element to a successful, evolving workplace, and high performing culture.

Council is committed to building a diverse workplace where the skills, perspectives and experiences of our people are valued and respected. Our aim is for Council to be a great place to work, where our people feel valued and included, are treated fairly, and are supported to succeed.

Key achievements in this reporting year include:

- continued work to implement the deliverables within the Workforce Management Strategy 2022 -2026 in line with the broader Resourcing Strategy, with diversity, inclusion and belonging as a key theme and focus area
- a working group has been established to review and implement initiatives in this space
- a new Introduction to Council program was developed and incorporates disability awareness
- new diversity, equity and inclusion training was piloted
- Council attended the Northern Beaches Careers Expo to engage youth on work experience, traineeships, career opportunities and considering Council as an employer.

Other initiatives continuing to contribute to our ongoing commitment to EEO include:

- a working group in the process of developing a diversity, equity, inclusion and belonging 'plan on a page' outlining focus areas and associated activities
- consultation with key stakeholders on the draft Youth Employment Action framework, which incorporates placements, internships, traineeships and career pathways
- the design of inhouse recruitment and selection training that incorporates the topic of unconscious bias.

Clause 217 (1) (b) General Manager (Chief Executive Officer) Remuneration Package

The total remuneration package of the Chief Executive Officer is as follows:

	\$
Salary	513,380
Amount for employer's contribution to superannuation or salary sacrifice	27,738
Value of non-cash benefits	10,421
Fringe Benefits Tax paid	18,130
Other Payments	201,644
Value of annual leave accumulated at Council paid out on termination	
Total	771,313

Clause 217 (1) (c) Senior Staff Remuneration Package

The total remuneration of all senior staff members (other than the Chief Executive Officer) is as follows:

	\$
Salary	2,128,670
Amount for employer's contribution to superannuation or salary sacrifice	163,699
Value of non-cash benefits	13,866
Fringe Benefits Tax paid	62,665
Total	2,368,900

Regulation 217(1)(d) Labour Statistics

The number of persons who performed paid work for Council on 23 November 2022 was as follows:

	Number*
Persons directly employed on a permanent full-time basis	918
Persons directly employed on a permanent part-time basis	246
Persons directly employed on a casual basis	109
Persons directly employed under a fixed-term contract	110
Persons employed by the council who are 'senior staff**' for the purposes of the Local Government Act 1993	7
Persons engaged by the Council, under a contract or other arrangement with the person's employer, that is wholly or principally for the labour of the person	24
Persons supplied to the council, under a contract or other arrangement with the person's employer, as an apprentice or trainee	9

*Excludes staff employed by KEE

**'Senior staff' includes the CEO and directors.

Clause 217 (1) (e) Annual Charge for Stormwater Management Services

A Stormwater Management Service Charge funds additional investigations and activities towards improving stormwater quality, managing stormwater flows and flooding, and harvesting and reusing stormwater.

The charge is generally levied on urban land that is categorised for rating purposes as residential or business, excluding vacant land.

The income and expenditure of the Stormwater Management Services Charge for 2022/23 is below.

Charge – stormwater management services 2022/23

Capital Expenditure	2,347,406
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Network improvement

Asset capacity and CCTV Investigations,

Loquat Valley Road kerb and gutter construction, Bayview

Collaroy Street, kerb and gutter design, Collaroy

Myola Avenue kerb and gutter construction, Newport

Darley Street drainage remediation works, Mona Vale

Batho Street drainage improvement works, Freshwater

Foxall Street drainage improvement construction, Elanora Heights

Pipe clearing works, Mona Vale

Water quality

Freshwater Beach WSUD investigation, Freshwater

Mona Vale Beach WSUD and drainage improvements, Mona Vale

Collaroy pool and stormwater outlet WSUD investigation, Collaroy

Planned WSUD investigations, Pittwater

Stormwater upgrade

Ankali Place stormwater outlet upgrade construction, North Manly

Willandra Road stormwater outlet upgrade design, Narrabeena

Eustace Street drainage upgrade investigation, Manly

Nandi Avenue flood and drainage investigation, Frenchs Forest

Oxford Falls stormwater upgrade design, Oxford Falls

Surf Side Avenue drainage design, Avalon Beach

Flood Mitigation

Walker and Lindley Avenue flood investigation, Narrabeen

Park Street flood mitigation and drainage upgrade works, Mona Vale

Balgowlah Road flood investigation, Manly

50 Lindley Avenue flood investigation, Narrabeen

Operational expenditure	\$
Ongoing maintenance of new assets constructed	229,459
Condoover Reserve remediation plan in response to stormwater pipe failure, associated overland flow and erosion	43,500
Total	2,620,365

Opening balance of reserve	569,579
Charge income	2,208,308
Expenditure (above)	(2,620,365)
Closing balance of reserve	157,522

Clause 217 (1) (e1) Annual charge for coastal protection services

No charges were levied for the provision of coastal protection services under Section 496B (1) of the Local Government Act 1993.

Clause 217 (1) (f) Companion Animals Act 1998 and Companion Animals Regulation 2018

Council seizures of cats and dogs

During this reporting period, Council seized zero cats and two dogs.

Dog attack reporting

Council is required to report attacks to the Office of Local Government, via the Companion Animals register, within 72 hours of notification of an attack. A total of 160 incidents were reported within the Council area in 2022/23.

Funding spent on companion animal management and activities

A sum of \$417,395 was spent on pound service fees (excluding salary costs) during the reporting period.

Community education programs

Council is continuing to work in partnership with the RSPCA NSW on the 'Keeping Cats Safe at Home' project which aims to improve care for pet cats through responsible cat ownership and to protect wildlife from cat predation and keep cats safe from harm, by encouraging pet owners to keep cats within the boundaries of their property. In conjunction with the RSPCA NSW, Council is also consulting local stakeholders including veterinarians, wildlife organisations, animal welfare organisations and the general community.

A program to offering a \$50 voucher has been directed towards cat owners to assist with the payment of desexing their cat, allowing cat owners to avoid the annual permit fee as per legislative requirements with the following benefits:

- reduce their cat's tendency to wander at night
- reduce their cat's proneness to anti-social behaviour
- the prevention of accidental litters that may become stray cats.

Strategies to seek alternatives to euthanasia for unclaimed animals

Council has a commercial arrangement with two local veterinary practices to act as our pound. The contracts provide that any animals impounded are to be reunited with their owners and where this is impossible, suitable animals are rehomed.

There is no pound management contract between RSPCA NSW and Northern Beaches Council. The RSPCA NSW shelters are devoted to rehabilitating the animals our inspectors seize in instances of alleged cruelty, and we do not have the ability to take stray animals from community members moving forward.

If an animal cannot be identified via the microchip, or the particulars are out of date, then the only options are rehoming or destruction in accordance with the legislation, where destruction is a last resort.

We also have ongoing arrangements with the Animal Welfare League and Cat Protection Society to take unclaimed dogs and cats that are suitable for rehoming (i.e., not dangerous).

This information is reviewed and updated on our internet pages and promoted by Council teams to assist customers with their enquiries.

Off-leash areas provided in the Council area

Northern Beaches Council has 29 off-leashed dog exercise areas.

Our aim is to provide high quality places for residents and visitors to take their dogs for a walk and let them off the leash safely, while also protecting our natural environment and considering the needs of the wider community.

Proactive patrols are undertaken by Council on beaches and reserves to promote responsible pet ownership.

Expenditure of the fund for managing and controlling companion animals

During the reporting year, Council used the fund for the following:

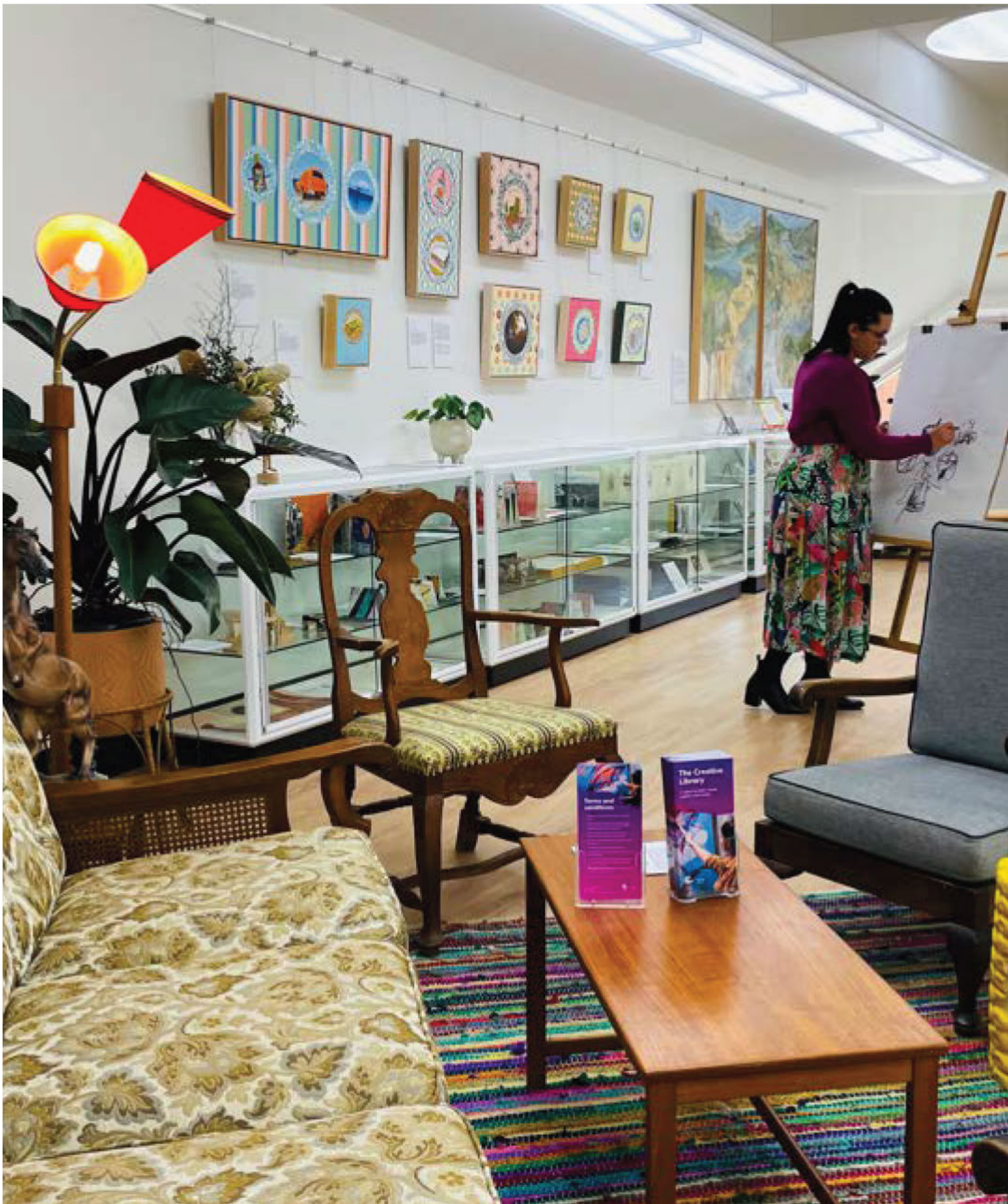
	\$
Pound fees and professional services	417,395
Promotional costs	0
Materials/consumables	0
Other	0
Total	417,395

Capital Expenditure Guidelines 2010

- *Division of Local Government Department
of Premier and Cabinet*

Section 12

There are no projects that satisfy the reporting criteria in 2022/23.



Carers (Recognition) ACT 2010

Section 8 (2) Report on Compliance

Educational services

Council produces a monthly disability newsletter, The Wave, with a circulation of over 1,300.

Consultation and liaison with carers

Council coordinated events for 2022 Carers Week including a Celebrating Carers Morning Tea and a Carers Gateway webinar.

Council coordinated two 'Meet Your Local Seniors Groups Expos' for the Seniors Festival in February 2023, which included local services and activities of interest to carers of people who are frail and/or aged, including Carers NSW and Carers Gateway.

Council progressed actions from its Dementia Friendly Organisation Action Plan which was developed with the Northern Beaches Dementia Alliance and Dementia Advisory Group, which includes people with lived experience of dementia and their carers. Actions carried out in 2022/23 included staff dementia-friendly training and Council facilities audits with Dementia Advisory Group members.

Council's community development staff were available to provide information and referral to carers, taking over 200 calls annually in relation to services and supports for seniors and people with disability.

Our Meals on Wheels service supports carers in their role by providing nutritional and affordable meal options as well as a coordinating community restaurant each week.

Other initiatives

During 2022/23 Council performed the following initiatives:

- the updating of the Equal Employment Opportunity (EEO) Management Plan
- continuing to contribute to our ongoing commitment to EEO, which includes encouraging the disclosure of diversity data along with an inclusive approach, in conjunction with our EEO Management Plan
- the delivery of the Workforce Management Strategy 2022 - 2026 in line with the broader Resourcing Strategy with diversity, equity and inclusion as a key theme and focus area.

Staff who are carers

Council continues to ensure our employees are educated and informed with mandatory internal diversity and inclusion related training including:

- disability awareness
- family and domestic violence awareness
- a respectful workplace
- Code of conduct training

Council continues the journey to become a Dementia Friendly Organisation and is proud to have been recognised by Dementia Australia for the work we are doing. We are committed to the Northern Beaches being a place where people living with dementia can continue living the life they choose even after their diagnosis. We are training all our staff to ensure they have a greater understanding of dementia as this will have a positive impact on their interactions with public.

Council has subscribed to several services that support employees and promote a healthy body and mind. User friendly systems and processes, including a wellbeing program, have been implemented to increase a positive safety culture.

Council continues with hybrid working arrangements. This allows employees, including those with carer responsibilities, to balance their work and personal responsibilities.



S13 (1) Report on Implementation

This year marks the first year of implementation of Council's Disability Inclusion Action Plan (DIAP) 2022 - 2026. Building on the progress from the previous five years, the current DIAP has 62 actions to continue our ongoing commitment to improve access and inclusion for people living with disability.

A copy of the DIAP and our disability information hub can be found at www.northernbeaches.nsw.gov.au/services/disability. This report will be provided to the Minister for Disability Services and the NSW Disability Council.

Focus Area 1: Develop positive community attitudes and behaviours

Council has maintained its focus on building positive community attitudes and behaviours this year with improvements across communications, events, recognition programs, staff training, and consultation with people living with disability.

People living with disability were better included in a broad range of Council communication campaigns including community development grants, the annual Sun Run event, and the Disability Inclusion Award. Council has continued to promote initiatives for people living with disability in Council's Community newsletter, website, social media and media, bridging the gap between the disability newsletter, The Wave and Council's other channels of communication.

The disability newsletter, The Wave continues to be an important channel to engage with the disability sector and promote support services and low-cost activities. Council plays

an integral role as a conduit of information for people living with disability through the local disability network and the disability newsletter, The Wave.

Council has implemented the Accessible Event Guidelines that supports event providers to incorporate inclusion and consider accessibility requirements across end-to-end event planning. The guidelines build knowledge and capacity of internal and external stakeholders, delivering better experiences for people living with disability at a range of events.

Other programs delivered and practices improved included:

- an expo of disability service providers and activities in libraries, hosted by Council, to mark the International Day of People with Disability in December 2022 at the PCYC, Dee Why
- early childhood education and care provided by Children's services to 91 children with additional inclusion rights, all completing Working Together Agreements and accessing additional funding to enable inclusion
- supported the delivery of the annual Disability Inclusion Award as part of the Northern Beaches Business Awards in June 2023
- how Council captures feedback from people living with disability on Council policies, procedures and strategic plans leading to improvements for access and inclusion e.g. upgrades to the beach wheelchair booking process
- a Discover Ability Day event was held at PCYC in November 2022 to promote inclusion

- library services hosted Australian sign language (Auslan) storytime and facilitated a review of early literacy sessions for accessibility. Dementia friendly furniture was installed at Mona Vale library as part of ongoing progress towards dementia friendly accreditation
- Disability awareness training for new employees is now included in the 'Introduction to Northern Beaches Council' induction program as a requirement for all new staff.

Focus Area 2: Create liveable communities

Council continues to improve the liveability of the Northern Beaches for people living with disability. Efforts in the last year have worked on improving transport, Council buildings and amenities, park infrastructure and volunteering.

Council has made progress towards improving transport accessibility to footpaths, parking and bus stops. The Isolated Kerb Ramp Program provided improved kerb ramps at a total of 27 locations, of which 13 are new fully compliant kerb ramps. Council is also trialling a new system to remove the invert lip on existing kerb ramps at another 14 locations known to impact access for wheelchairs and other small-wheeled mobility devices. Two new accessible parking spaces were provided in North Narrabeen and improvements were made at 10 bus stops, including the provision of seven new boarding slabs, eight new seats for waiting bus patrons and a new wheelchair ramp to access one stop when previously only steps were available.

Projects completed to improve accessibility to Council buildings and amenities include Mona Vale Surf Life Saving Club and beach amenities, Forestville town centre, and Long Reef Surf Life Saving Club. An adult hoist facility was included at the Mona Vale Surf Club facility and is available 24/7 with a master locksmiths access key. Changing Places accreditation has been received for the adult change amenity built at Lionel Watts play space. Other works included projects at the Marine Rescue in Bayview, Rowland Reserve, the new Duffys Forest Rural Fire Station, and the Avalon Bowling Club.

The Community Engagement Policy and Strategy were adopted by Council at the 22 November 2022 meeting, which includes a principle on inclusion and access – Principle 3: Create open, accessible and diverse engagement opportunities. This principle has influenced practice across Council including targeted engagement with people living with disability for playground renewal projects with a mix of meetings with individuals, consultation with groups and open consultation via the Your Say web page.

The Everyone Can Play Guidelines are considered in every new playground design, and quiet and safe spaces for people with sensory needs, have been included in public space upgrades undertaken at Lynne Czinner Park, Warriewood and Clontarf Beach.

An accessibility matrix was developed and implemented to audit volunteering roles across Council to identify which roles are accessible for people living with disability.

Focus Area 3: Support access to meaningful employment

Library services provide targeted employment transition opportunities for people living with disability in partnership with Pioneer Clubhouse. Adults living with disability are also supported to engage in volunteering opportunities at library branches. Three community members living with disability were supported over the last twelve months.

Council has developed a list of Disability Employment Service providers (DES) and promoted six DES providers in The Wave Disability Newsletter. DES providers can partner with Council to match people with disability to specific work roles. Council is exploring working with the JobAccess Employer Engagement – National Disability Recruitment Coordinator to join the list of employers leading the way in workplace diversity.

Council continued to sponsor and participate in the judging of the Disability Inclusion Award, as part of 2023 Northern Beaches Local Business Awards, to showcase businesses employing persons with disability and meeting accessibility needs of customers. The winner, The Mind Café and highly commended, Alicia Pilates, were announced at the presentation evening on 11 July by Mayor Heins.

An audit of accessibility of Council owned buildings was undertaken to consider the accessibility of Council as a place to work. Opportunities identified will be prioritised and addressed in coming years.

Focus Area 4: Improve access to Council services through better systems and processes

Council investigated additional ways to promote existing accessible infrastructure and implemented a plan to communicate to the community. The Collaroy accessibility precinct was highlighted through the Local Government Destination Management and Visitor Economy Conference showcasing accessibility and inclusion improvements to the whole local government sector.

Council continues to research and implement best practice approaches for developing accessible visual communications. Sources included Microsoft Inclusive Design, UN Disability Inclusive Communications Guidelines, Vision Australia and Disability Network Australia.

Council's website was designed to meet WCAG 2.0 accessibility standards and assessed by The Centre for Inclusive Design, achieving a 100% score. The website is being updated and will be assessed again to ensure compliance with these standards. Our image guidelines ensure accessibility, text contrast and sizing are assessed using tools such as The Wave browser extension, to ensure compliance with WCAG guidelines. Our writing guidelines for the web, target simple language and enable the use of assistive technologies helping translation tools produce more meaningful output, making pages and articles easier to access using assistive technologies such as screen readers.

Other improvements made to improve accessibility of Council's systems include:

- the use of the disability newsletter, The Wave to distribute relevant information about inclusive and often free activities, events and opportunities for education and social participation to 1,300 subscribers monthly. These inclusive events and opportunities were also promoted through Council's other communication channels
- over 70 Customers enquiries and complaints about services, accessible infrastructure or opportunities for people with disability were answered and appropriately referred
- accessible event guidelines rolled out for internal and external use and made available on Council's website. These guidelines provide advice on planning for accessible and inclusive events. Council has also added questions to the post event surveys, for participants to capture feedback on the accessibility and inclusiveness of events from people living with disability.



Section 7.5 (5) Voluntary Planning Agreement

The following planning agreements were in force during 2022/23:

Application Number	Description of works	Other party to VPA	Primary street address	Date executed	Status
VPA2016/0001	Provision of town square works, pedestrian connection works and dedication of land in stratum for road widening on Pittwater Road (bus setback area)	Karimbla Properties (No. 41) Pty Ltd (Developer) and Meriton Properties Pty Ltd (Guarantor)	884 - 896 Pittwater Road and 9 Howard Avenue, Dee Why	12 December 2008 and 6 September 2018	Obligation ongoing in perpetuity
VPA2018/0001	Payment of a monetary contribution and obligations relating to undergrounding 33kV powerlines and construction of roads and stormwater infrastructure	Frasers Property AHL Limited, novated to Morehuman Warriewood Pty Ltd	9, 11, 12 and 13 Fern Creek Road, Warriewood	6 August 2019	Executed
VPA2020/0001	Construction of road surface and retaining wall to function as a turning bay, and dedication of land 101sqm containing the turning bay to Council	Keenwill Property Limited and Robert Corless	31 Bellara Avenue and 66 Powderworks Road North Narrabeen	12 November 2021	Complete
VPA2020/0002	Dedication of land to Council free of charge to accommodate new footpath and slip land to be constructed by the applicant	Warringah Road Developments Pty Ltd	723, 725 and 727 Warringah Road, Forestville	1 April 2021	Executed
VPA2021/0003	Dedication of land accommodating a pedestrian footpath (footpath being constructed under development consent).	Avalon Central Pty Ltd	3 Central Road, Avalon	29 June 2022	Executed
PEX2015/0007	To create a publicly accessible link through the site	Prowl Pty Ltd and Kelly No3 Pty Ltd, novated to Hotel Brookvale Pty Ltd	511- 513 Pittwater Road, Brookvale	7 July 2015	Obligation ongoing

Environment Planning and Assessment Regulation 2021

Environment Planning and Assessment Regulation 2021 Clause 218A(1) Development contributions

Reg 218A (2)(a),(b),(c),(d),(e),(f),(g)

Project description	The kind of public amenity or service	2022/23 Monetary amount expended from development contributions	2022/23 Value of land dedication
Triangle Park North	Open space & recreation	\$7,400	
Smart parking infrastructure project	Traffic & transport	\$166,269	
Traffic facility delivery - accelerated	Traffic & transport	\$60,073	
New footpaths (walking plan)	Traffic & transport	\$376,589	
West Esplanade activation plan	Public domain	\$96,206	
Little Manly Point amenity	Public domain	\$65,721	
Little Manly Point Reserve playground upgrade	Open space & recreation	\$50,480	
Little Manly Beach Masterplan implementation	Open space & recreation	\$ 629,499	
Ivanhoe Park Masterplan implementation	Open space & recreation	\$ 185,638	
Library bookstock	Community facilities	\$ 930	
Roundabout – Jubilee Avenue and Warriewood Road	Traffic & transport	\$55,792	
Water quality retention basin – Narrabeen Creek at Sector 1	Water management	\$454,849	
Shared path connection from Fern Creek to Fern Creek Road, and Fern Creek to Casuarina Drive	Cycleway	\$243,961	
Warriewood Valley Creek line corridor (land) - MPB	Open space & recreation	-	\$834,000
Management & administration fees	Plan administration	\$23,829	
Ashley Parade, Fairlight – new playground	Open space & recreation	\$11,606	
Dee Why Beach (Michalea Howie) playground upgrade	Open space & recreation	\$22,406	
Little Manly Beach Masterplan implementation	Open space & recreation	\$341,824	
Mona Vale Beach upgrade	Open space & recreation	\$207,693	
Wyatt Avenue open space	Open space & recreation	\$35,510	

2022/23 Value of material public benefit provided	Contributions expended to date in total on project / for the year for annual programs	Amounts expended temporarily borrowed to date in total on project	Project status	% of cost funded by contribution plan - completed projects only
	\$ 90,479		Project underway	
	\$201,269		Project underway	
	\$1,023,984		Project underway	
	\$579,972		Project underway	
	\$ 397,883		Project completed	100%
	\$119,581		Project underway	
	\$298,196		Project completed	100%
	\$738,567		Project underway	
	\$264,698		Project underway	
	\$930		Annual program	100%
	\$126,932		Project underway	
	\$1,111,100		Project underway	
	\$274,542		Project underway	
	\$834,000		Project completed	100%
	\$23,829		Annual program	100%
	\$11,606		Project completed	100%
	\$22,406		Project underway	
	\$341,824		Project underway	
	\$304,204		Project completed	48%
	\$40,000		Project completed	22%

Project description	The kind of public amenity or service	2022/23 Monetary amount expended from development contributions	2022/23 Value of land dedication
Lionel Watts fitness space	Open space & recreation	\$138,651	
Manly Dam mountain bike trail upgrade	Open space & recreation	\$16,759	
Tania Park youth space	Open space & recreation	\$ 48,925	
Warriewood Valley Community Centre	Community facilities	\$138,168	
Forestville town centre new amenities	Public domain	\$ 242,968	
New footpaths	Traffic & transport	\$2,235,580	
New kerb and gutter	Traffic & transport	\$476,281	
New traffic	Traffic & transport	\$366,666	
Safer schools (footpaths)	Traffic & transport	\$393,878	
Commercial centre upgrade program	Public domain	\$76,604	
Church Point wharf extension	Public domain	\$23,347	
Avalon Place Plan	Public domain	\$31,641	
Management & administration fees	Plan administration	\$23,345	
New traffic facilities	Traffic & transport	\$33,936	
New footpaths	Traffic & transport	\$25,000	
Dee Why town centre – construction – phase 1	Public domain	\$26,230	
Freshwater Beach Masterplan implementation	Open space & recreation	\$225,187	
Wyatt Avenue open dpace	Open space & recreation	\$65,875	
Management & administration fees	Plan administration	\$117,577	
	Total	\$7,742,893	\$834,000

Reg 218A(3)(a),(b)

Total value of all contributions and levies received and expended during the year.

Total s7.11 and s7.12 contributions expended in 2022/23 financial year	\$8,576,893
Total s7.11 and s7.12 contributions received in 2022/23 financial year	\$14,316,029

2022/23 Value of material public benefit provided	Contributions expended to date in total on project / for the year for annual programs	Amounts expended temporarily borrowed to date in total on project	Project status	% of cost funded by contribution plan - completed projects only
	\$138,651		Project completed	100%
	\$16,759		Project underway	
	\$48,925		Project completed	100%
	\$138,168		Project underway	
	\$287,008		Project completed	100%
	\$2,235,580		Annual program	76%
	\$476,281		Annual program	100%
	\$366,666		Annual program	35%
	\$393,878		Project underway	
	\$76,604		Annual program	100%
	\$71,146		Project completed	64%
	\$54,210		Project completed	100%
	\$23,345		Annual program	100%
	\$33,936		Annual program	3%
	\$25,000		Annual program	1%
	\$5,094,847		Project completed	41%
	\$570,828		Project under way	
	\$143,345		Project completed	78%
	\$117,577		Annual program	100%

Fisheries Management Act 1994

Section 220Zt (2) Reporting on Recovery and threat abatement plans

Council is not identified in any plans under this section of the Act.

Swimming Pools Act 1992 and Swimming Pools Regulation 2018

Act section 22F (2) Swimming Pool Inspections and Regulation clause 23

Details regarding inspections of private swimming pools during the reporting period are as follows:

- three inspections of tourist and visitor accommodation
- two inspections of premises with more than two dwellings
- 130 inspections of rental premises
- 171 inspections that resulted in issuance of a certificate of compliance
- 26 inspections that resulted in issuance of a certificate of non-compliance.

Act Section 125 (1) and Regulation, Clause 8, Schedule 2

This report includes qualitative information on the Council's proactive disclosure program, and statistical information on formal access applications.

Clause 8A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

Reviews carried out by the agency	Yes
Information made publicly available by the agency	Yes

The Council continually reviews its proactive release program to identify the kinds of information that we make publicly available. This primarily occurs through extensive publication on Council's website. During the reporting period, this program resulted in the release of information relating to: Council services; events; community issues; planning and development services and environmental matters.

Clause 8B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total number of applications received	145
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Clause 8C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure)

Schedule 1

Number of applications refused - wholly or partly

	Wholly	Partly	Total
Number of applications refused	3	21	24

Clause 8 (d) Statistical information about access applications

Table A

Number of applications by type of applicant and outcome

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny whether information is held	Application Withdrawn	Total
Media	0	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0	0
Private sector business	21	8	1	0	0	0	0	0	30
Not for profit organisations or community groups	2	1	0	0	0	0	0	0	3
Members of the public (by legal representative)	10	6	1	2	0	0	0	0	19
Members of the public (other)	74	65	22	6	0	1	0	3	171
Total	107	80	24	8	0	1	0	3	223

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B

Number of applications by type of application and outcome

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny whether information is held	Application Withdrawn	Total
Personal information applications*	18	13	3	1	0	0	0	0	35
Access applications (other than personal information applications)	85	64	19	7	0	1	0	3	179
Access applications that are partly personal information applications and partly other	4	3	2	0	0	0	0	0	9
Total	107	80	24	8	0	1	0	3	223

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C

Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	8
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	8
Invalid applications that subsequently became valid applications	8

Table D

Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	0
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	1
Privilege generally - Sch 1(5A)	0
Information provided to High-Risk Offenders Assessment Committee	0
Total	1

**More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application).*

Table E

Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of times consideration used*
Responsible and effective government	13
Law enforcement and security	2
Individual rights, judicial processes and natural justice	83
Business interests of agencies and other persons	4
Environment, culture, economy and general matters	4
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0
Total	106

*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application).

Table F

Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	145
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
Total	145

Table G

Number of applicants reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	4	0	4
Review by NCAT	0	0	0
Total	4	0	4

*The Information Commissioner does not have the authority to vary decisions but can make recommendations to the original decision-maker.

The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H

Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0
Total	0

Table I

Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency - Initiated Transfers	0
Applicant - Initiated Transfers	0
Total	0

Privacy and Personal Information Protection Act 1998

The Privacy and Personal Information Protection Act 1998 provides for the protection of personal information and for the protection of the privacy of individuals generally. It establishes 12 information protection principles which cover the collection, storage, use and disclosure of (and access to) personal information.

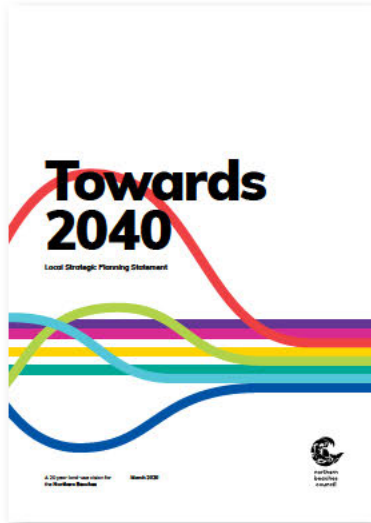
There was one privacy review applications received by Council during the period 2022/23.

Act Section 31 and Regulation 2011

Clause 4 - Reports by Public Authorities

Report for NSW Ombudsman for the period 2022/23, from Council's Internal Audit and Complaints Resolution Team:

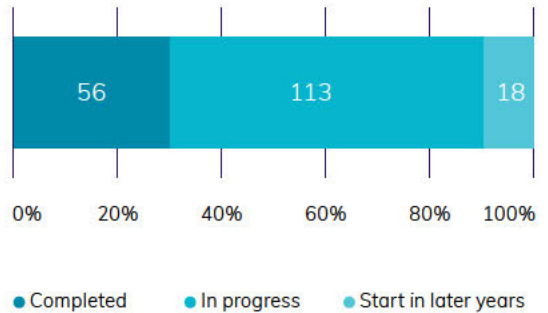
No. of public officials who made public interest disclosures to your public authority	0
No. of public interest disclosures received by your public authority	0
No. disclosures on corrupt conduct	0
No. disclosures on maladministration	0
No. disclosures on serious and substantial waste	0
No. disclosures on government information contravention	0
No. disclosures on pecuniary interest contravention	0
No of public interest disclosures that have been finalised in this reporting period	0
Have you established an internal reporting policy?	Yes
Has the head of your public authority taken action to meet their staff awareness obligations?	Yes
Staff undertaking that they have read and understood your organisation's internal reporting policy. Training provided by your organisation.	This process is part of an ongoing education and awareness program



Local Strategic Planning Statement (Towards 2040) - Progress Report 2022/23

The Local Strategic Planning Statement (LSPS) requires a progress report to be provided via the Annual Report. Towards 2040 was adopted by Council in 2020 and endorsed by the Department of Planning and Environment (DPE). The LSPS guides our land use planning for a 20-year period. It has 187 actions for implementation in the short, medium, and long term across nine Directions. The chart below shows the overall progress to 30 June 2023, with 31% of actions completed, 59% in progress and 10% scheduled to start in later years.

Figure 4
LSPS actions progress to June 2023



Many actions in the LSPS relate to the current preparation of the new Northern Beaches Local Environmental Plan (LEP) and Development Control Plan (DCP), which will provide the key rules for future planning and development. Similarly, several actions are to be progressed within another significant piece of work, being, Council’s Place Planning Program.

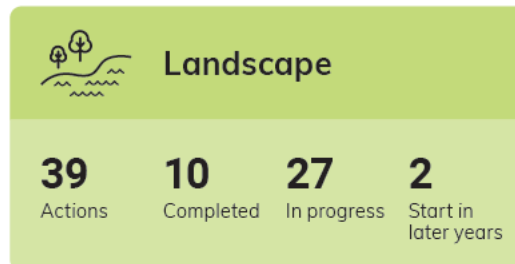
The Conservation Zones Review project was a highlight this year, attracting significant public interest and continuing the conversation with the community about future land use across the LGA. The project provides an evidence base for the application of environmental conservation zones across our local area.

The following materials were placed on public exhibition, generating a total of 935 submissions:

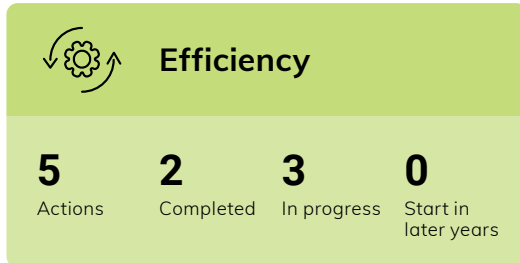
- Conservation Zone Review report
- eight technical studies, covering bushfire assessment; biodiversity assessment; watercourse, wetlands and riparian lands study; estuary planning studies (regarding coastal inundation) for Cowan Creek and North and Middle Harbour; stormwater management study; and geotechnical review
- interactive spatial maps, showing current and proposed zoning and providing explanatory mapping overlays and project information
- supporting project information.

The community's input, aspirations and local knowledge will help inform the finalisation of the land use zoning methodology, which will be incorporated into the draft LEP and DCP.

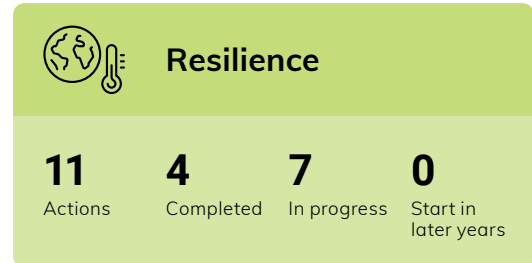
Outlined below are the key achievements this year for each of the nine LSPS Directions.



- Adopted the Northern Beaches Open Space and Outdoor Recreation Strategy and Action Plan – Let's Play
- Placed the draft Northern Beaches Environment Study on public exhibition
- Developed the Coastal Action Plan
- Prepared eight technical studies to help inform the LEP and DCP, including: Biodiversity Assessment Deferred Lands; Biodiversity Planning Review; Cowan Creek EPL Study; Deferred Lands Strategic Bushfire Assessment; Geotechnical Review and Planning Controls; North & Middle Harbour EPL Study and Watercourse, Wetlands and Riparian Study
- Progressed coastal management programs
- Prepared draft Tree Canopy Plan and works underway to improve tree canopy through the Greening our City Grant Program
- Completed a Biodiversity Policy for Northern Beaches
- Drafted Local Character Study and Scenic and Cultural Landscape Assessment report and sought comment from community groups.



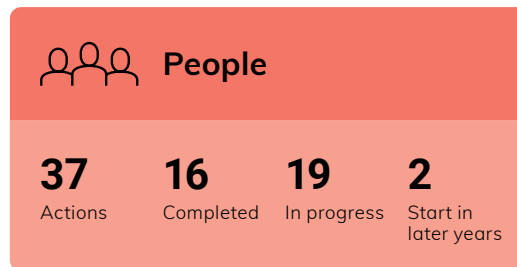
- Completed action plans for sustainable living and green neighbourhoods
- Progressed implementation of our Climate Change Action Plan
- Investigated LEP and DCP controls for energy water and waste efficiency, consistent with NSW Government policy
- Identified measures for improving building standards and sustainability for further review as part of the new planning control
- Commenced data collection for monitoring compliance with BASIX and Nabers sustainability measures



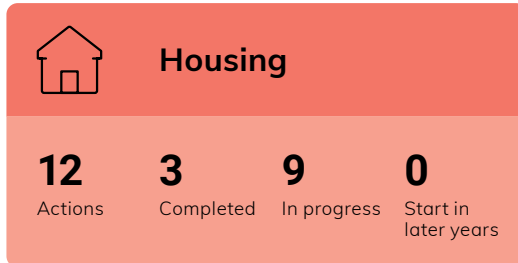
- Completed technical studies and mapping to identify areas that are exposed to natural hazards such as bushfires, flooding, or coastal inundation
- Exhibited the Conservation Zones Review, including an interactive spatial tool which identified high-risk areas proposed for conservation zoning to limit identification of development and inappropriate development in areas subject to natural hazards
- Progressed development of LEP and DCP controls to restrict development in high-risk hazard areas and protect the environment
- On the basis of technical studies, conservation zones identified for Ingleside to limit exposure to natural hazards through the LEP. Resolution of the draft LEP zoning framework is pending feedback from Department of Planning and Environment
- Progressed the application of the establishment of Australia's first Urban Night Sky Place in Palm Beach
- Annual monitoring for vector borne (mosquito) illness underway
- Investigations into mechanisms for minimising illegal dumping and land clearing underway



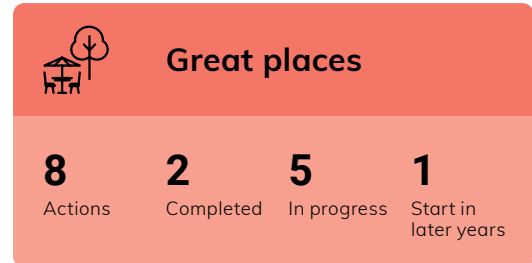
- Consistent with the consultation outcomes from the LEP/DCP Discussion Paper, progressed the approach to Special Infrastructure Zones as part of the new LEP
- Public exhibition of the draft Brookvale Structure Plan completed
- Progressed the preparation of technical studies to inform the infrastructure implementation plan, and for each precinct the preparation of a specific development contribution plan as required
- Continued advocacy with NSW Government agencies to increase the range of essential infrastructure applicable under section 7.11 of the Environmental Planning and Assessment Act 1979 (EP &A Act), including green and sustainable infrastructure



- Completed construction of the Mona Vale Performance Space
- Adopted the Property Management Framework which addresses identified community infrastructure needs
- Drafted the Library Strategic Plan 2023 – 28 to improve community literacy and access to information
- Progressed the development of LEP and DCP controls to facilitate and incentivise joint and shared use, universal design, and multi-use community facilities as well as enable night-time economy
- Continued engagement with the Aboriginal and Torres Strait Islander community and progressed mechanisms for strengthening the collaboration on an ongoing basis
- Progressed collaboration with the Aboriginal Heritage Office on establishment of methods for protecting Aboriginal heritage and ensure built environment projects are sensitive to Aboriginal cultural considerations
- Continued advocacy with the NSW Government to include the construction of a community hub at Frenchs Forest in the contributions plan



- Progressed the development of an Affordable Housing Action Plan
- Continued work with the NSW Government to identify measures for improving social housing in the LGA
- Progressed implementation of the Local Housing Strategy as part of the development of the new LEP/DCP and through implementation of the Frenchs Forest Town Centre redevelopment



- Completed the Northern Beaches Thematic History project
- Consulted local community groups on the Draft Local Character Study and Scenic and Cultural Landscape Assessment Report
- Progressed development of new planning controls in the LEP for built form, landscape, design excellence, heritage and local character
- Commenced scoping of the Modern Architecture Study
- Preparation of the Mona Vale and Manly place plans underway, with public exhibitions of the draft documents planned for early 2024 and late 2023 respectively
- Progressed implementation of the Heritage Strategy, including the Local Heritage Fund program and review of Moveable Heritage policy



Connectivity

19

Actions

1

Completed

13

In progress

5

Start in
later years

- Scoped the public transport action plan for development in 2023/24
- Continued work to enhance a sustainable local transport network, namely through the Bike, Walking, Pedestrian Access and Mobility Plans as well as the Electric Vehicle Charging Infrastructure Plan
- Commenced implementation of the Northern Beaches Walking Plan through the New Footpath Program
- Completed the draft Northern Beaches Parking Plan
- Integrated active travel measures and connectivity considerations within the draft place plans for Manly, Mona Vale and Avalon



Jobs and skills

48

Actions

15

Completed

25

In progress

8

Start in
later years

- Prepared the draft Economic Development Strategy for Council endorsement
- Hosted the LGNSW Destination and Visitor Economy Conference
- Worked with Destination NSW on export-ready programs for businesses
- Progressed development of LEP/DCP controls relating to employment and job creation, namely as part of place based LEP projects for Brookvale (Brookvale Structure Plan); Mona Vale (Mona Vale Place Plan); Manly (Manly Place Plan); and separate Planning Proposals for the Frenches Forest strategic centre
- Commenced drafting of a night-time economy strategy
- Placed the Draft Brookvale Structure Plan on public exhibition
- Commenced implementation of the Avalon Beach Place Plan
- Continued collaboration with the Department of Planning and Environment, regarding the development of a Health and Wellbeing Precinct at the site of the former Manly Hospital
- Progressed planning and consultation for the Newport to Avalon and Whale Beach Road sections of the Coast Walk



Financial Statements

1 July 2022 to 30 June 2023

Northern Beaches Council

Financial Commentary 2022/23

Introduction

Council met all financial and asset performance benchmarks set by the Office of Local Government for the 2022/23 financial year and achieved an operating surplus of \$51.7m. The operating result was a surplus of \$17.8m after excluding grants and contributions received for capital purposes.

The surplus from operations contributed towards the funding required to deliver the capital works program and repay loans. The operating surplus also includes funds restricted for future purposes.

Both income and operating expenses were higher than the previous year (income \$17m (4.3%); operating expenses \$27m (7.9%)). Principal items impacting the operating result including capital grants and contributions were:

- **COVID-19 recovery:** \$8.3m net favourable improvement in result (income \$9.4m ▲ less expenses \$1.1m ▲) as a result of COVID-19 impacted services returning to pre-pandemic levels, especially aquatic centres (\$1.8m ▲), Sydney Lakeside Holiday Park (\$1.8m ▲) and paid parking (\$2.7m ▲). Community support through subsidies were also reduced (\$2.0m ▼).
- **Interest and investment income:** \$5.8m higher than the previous financial year as a result of rapidly increasing interest rates (half of the returns on investments relate to restricted funds).
- **Financial Assistance Grant:** \$1.0m higher mainly due to changes in the portion of the grant that was paid in advance. Specifically, 25% of the 2023 grant was paid in the 2023 year (\$2.3m) along with 100% of the 2024 allocation (\$9.4m).
- **Emergency Services Levy:** \$3.0m increase in the net cost. The levy expense increased by \$1.4m and no grant was received from the NSW Government to assist in offsetting the cost (whereas a \$1.6m grant was paid in 2022).
- **Capital grants and contributions:** \$10m decrease in 2023. The 2022 year included several large grant funded projects including Local Roads & Community Infrastructure program (\$7.4m – decrease of \$5.9m) and Safer Schools Infrastructure (\$4.7m – decrease of \$4.3m).
- **One-off favourable items in 2022:** Employee costs were lower in 2022 due to the remeasurement of employee leave entitlements to reflect significant changes in economic measures impacting these future payments. 2022 income included a confidential insurance settlement.

Financial snapshot

\$391.5m Income ¹	\$373.8m Operating expenses	\$17.8m Operating surplus ^{1,2}
\$33.9m Capital grants & contributions	\$82.9m Capital expenditure	\$4.8m Loan repayments
\$38.9m Unrestricted cash	\$5,413.8m Infrastructure, plant, property and equipment	\$12.5m Closing loan balance

¹ Excludes grants and contributions received for capital purposes

² Numbers presented may not sum precisely to the total due to rounding

Northern Beaches Council

Summary results

Income Statement	2023	2022	2021	2020
Income	\$425.4m	\$408.1m	\$365.8m	\$366.0m
Operating expenses	\$373.8m	\$346.4m	\$365.7m	\$347.3m
Net operating result for the year	\$51.7m	\$61.6m	\$0.1m	\$18.6m
Result excl capital grants & contributions	\$17.8m	\$17.7m	(\$26.5m)	(\$16.5m)
Capital expenditure	2023	2022	2021	2020
New capital works	\$41.7m	\$44.2m	\$33.8m	\$36.8m
Capital renewal works	\$40.3m	\$32.7m	\$39.3m	\$46.8m
Non-cash asset dedications	\$0.8m	-	\$0.8m	\$13.6m
Total capital expenditure	\$82.9m	\$76.9m	\$73.9m	\$97.2m
Loan repayments	2023	2022	2021	2020
Total loan repayments	\$4.8m	\$5.0m	\$5.1m	\$5.2m
Cash and investments	2023	2022	2021	2020
Externally restricted	\$53.1m	\$41.5m	\$30.8m	\$39.0m
Internally allocated	\$90.8m	\$80.2m	\$83.4m	\$71.5m
Unrestricted	\$38.9m	\$36.4m	\$33.0m	\$43.8m
Total cash and investments	\$182.9m	\$158.1m	\$147.2m	\$154.3m
Cashflows	2023	2022	2021	2020
Net cash from operating activities	\$110.7m	\$90.2m	\$74.6m	\$41.4m
Net cash from investing activities*	(\$79.8m)	(\$73.0m)	(\$75.2m)	(\$76.6m)
Net cash from financing activities	(\$6.1m)	(\$6.3m)	(\$6.5m)	(\$6.4m)
Net incr / (decr) in cash & investments	\$24.8m	\$10.8m	(\$7.1m)	(\$41.5m)

* Excludes purchase and sale of investments

Financial Position	2023	2022	2021	2020
Total assets	\$5,636.4m	\$5,421.0m	\$5,245.2m	\$5,262.7m
Total liabilities	\$187.3m	\$184.5m	\$198.6m	\$177.1m
Net assets	\$5,449.2m	\$5,236.5m	\$5,046.6m	\$5,085.5m

Northern Beaches Council

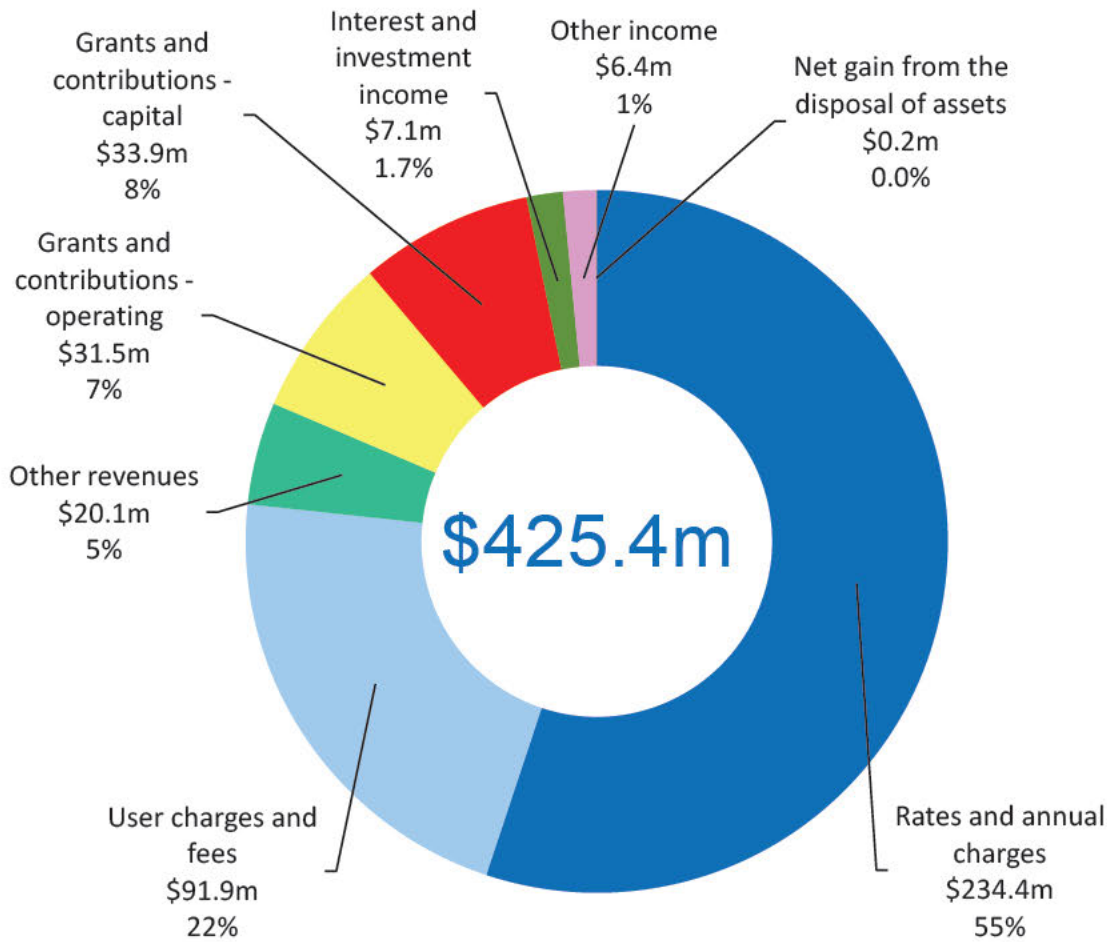
Summary results (continued)

Financial performance indicators	2023	2022	2021	2020
Operating performance	4.46%	4.53%	(7.32)%	(4.93)%
Own source operating revenue	84.61%	82.52%	87.42%	84.85%
Unrestricted current ratio	1.92x	1.90x	1.69x	2.09x
Debt service cover ratio	7.65x	7.25x	2.81x	3.72x
Rates and annual charges outstanding percentage	3.57%	3.63%	3.92%	4.12%
Cash expense cover ratio	6.13 months	5.59 months	5.13 months	5.39 months
Asset performance indicators	2023	2022	2021	2020
Building and infrastructure renewals	130.77%	112.67%	117.19%	121.34%
Infrastructure backlog ratio	1.49%	1.53%	1.50%	1.37%
Asset maintenance ratio	109.69%	100.55%	106.52%	107.92%
Cost to bring assets to agreed service level	1.22%	1.26%	1.24%	1.15%

Green font indicates performance indicator has achieved the Office of Local Government (OLG) benchmark
The OLG set benchmarks for all indicators, apart from the 'Cost to bring assets to agreed service level'.

Northern Beaches Council

Income from continuing operations



Income Items	1 July 2022 - 30 June 2023 (\$'000)
Rates and annual charges	234,424
User charges and fees	91,876
Other revenues	20,086
Grants and contributions - operating	31,496
Grants and contributions - capital	33,917
Interest and investment income	7,085
Other income	6,392
Net gain from the disposal of assets	167
Total Income from Continuing Operations	425,443

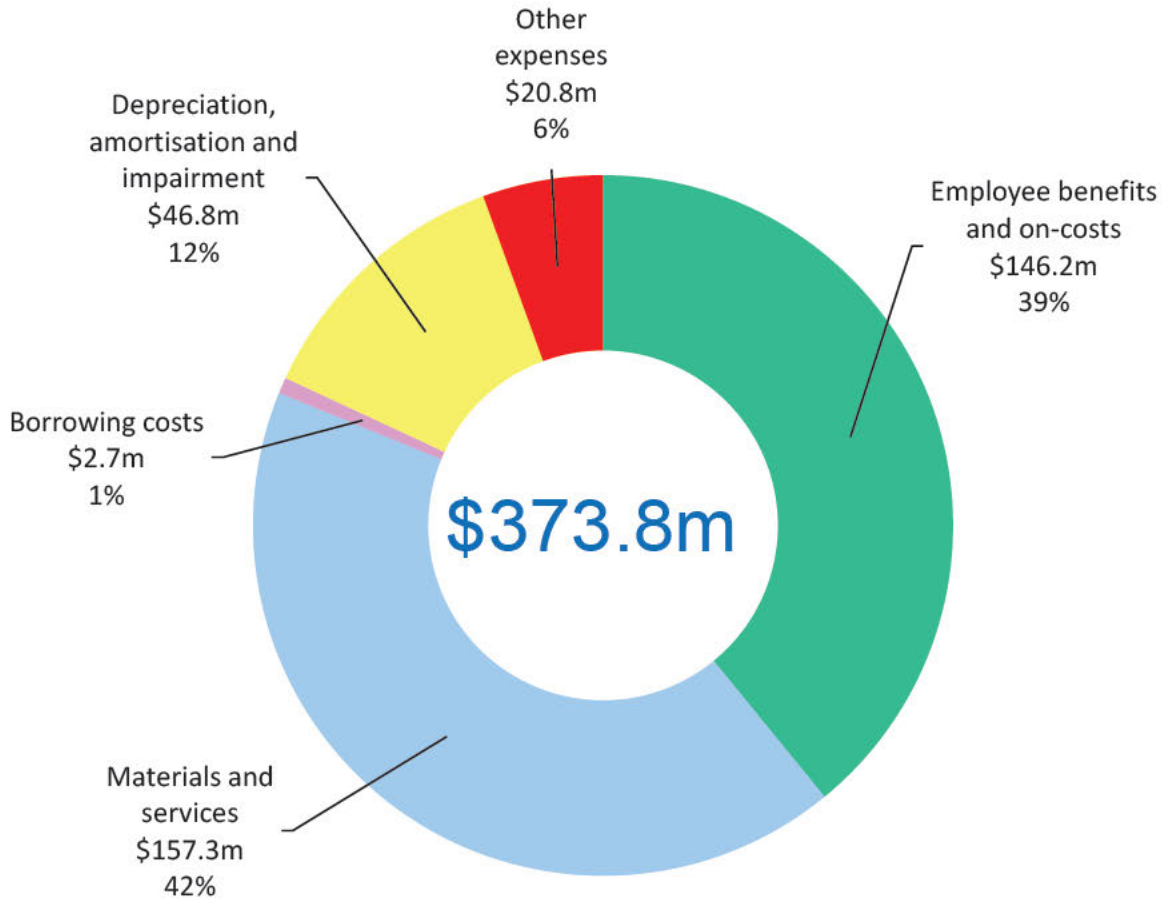
Northern Beaches Council

Income from continuing operations analysis

2023 \$'000	2022 \$'000	Incr/(Decr) \$'000	%	Details										
234,424	225,941	8,483	3.8%	Rates and annual charges										
<p>Rates were \$179.7m, a 2.45% (\$4.3m) increase on 2022 primarily due to the IPART approved increase of 2.4%. Annual charges are predominantly represented by domestic waste charges of \$53.2m which increased by 8.7% (\$4.2m) due to an increase in the number of services requested and a 7.7% increase in the charge due to higher vegetation and bulky goods disposal volumes along with inflation on contracts. The income was offset by the net cost of pensioner rebates on waste charges (\$0.9m). The stormwater charge raised \$2.2m and s611 charges remained at \$0.2m.</p>														
91,876	79,722	12,154	15.2%	User charges and fees										
<p>User charges and fees include Kimbriki Waste & Recycling Centre fees \$24.6m, child care \$13.6m, parking fees \$13.5m, aquatic centres \$9.2m, planning fees \$9.1m, and \$7.4m from Lakeside Holiday Park. Following a return to more normal operations post the COVID-19 pandemic, income was higher than the prior year for the aquatic centres \$3.6m, parking \$3.1m, Lakeside Holiday Park \$2.4m, child care \$1.7m and planning \$1.0m. Kimbriki's fees were lower (\$0.8m) as were restoration services (\$0.7m).</p>														
20,086	22,343	(2,257)	(10.1%)	Other revenues										
<p>Other revenues includes parking fines \$5.6m (\$0.1m lower than in 2022), sale of recycled material at Kimbriki \$4.3m (\$0.3m higher due to high recovery rates) and income from licences, consents and deeds \$3.3m. In 2022, other revenues included a confidential insurance settlement.</p>														
31,496	27,165	4,331	15.9%	Grants and contributions - operating										
<p>Significant items in 2023 included:</p> <table border="0"> <tr> <td>- \$11.7m Financial Assistance Grant (\$2.9m net early pymt)</td> <td>- \$1.4m RFS Local Government Program funding</td> </tr> <tr> <td>- \$5.9m Regional and Local Road Repair Program</td> <td>- \$0.8m Library Subsidy and Local Priority grant</td> </tr> <tr> <td>- \$2.8m Children's services funding</td> <td>- \$0.8m Transport for NSW Street Lighting grant</td> </tr> <tr> <td>- \$2.0m Community services funding (incl Stronger Communities Fund)</td> <td></td> </tr> <tr> <td>- \$1.8m Natural disaster assistance (Feb 20 & Feb-Apr 22)</td> <td></td> </tr> </table>					- \$11.7m Financial Assistance Grant (\$2.9m net early pymt)	- \$1.4m RFS Local Government Program funding	- \$5.9m Regional and Local Road Repair Program	- \$0.8m Library Subsidy and Local Priority grant	- \$2.8m Children's services funding	- \$0.8m Transport for NSW Street Lighting grant	- \$2.0m Community services funding (incl Stronger Communities Fund)		- \$1.8m Natural disaster assistance (Feb 20 & Feb-Apr 22)	
- \$11.7m Financial Assistance Grant (\$2.9m net early pymt)	- \$1.4m RFS Local Government Program funding													
- \$5.9m Regional and Local Road Repair Program	- \$0.8m Library Subsidy and Local Priority grant													
- \$2.8m Children's services funding	- \$0.8m Transport for NSW Street Lighting grant													
- \$2.0m Community services funding (incl Stronger Communities Fund)														
- \$1.8m Natural disaster assistance (Feb 20 & Feb-Apr 22)														
33,917	43,952	(10,035)	(22.8%)	Grants and contributions - capital										
<p>Significant items in 2023 include:</p> <ul style="list-style-type: none"> - \$13.8m Developer cash contributions (\$14.9m in 2022). - \$9.8m Transport and traffic works including funds for road resheeting, Safer Schools infrastructure, the Narrabeen Lagoon Pedestrian and Cycle Bridge and footpath works. - \$6.2m Property and facilities works including funds for Duffys Forest Rural Fire Station, Currawong cottages and Marine Rescue Broken Bay building. - \$3.8m Parks and Recreation works including funds for foreshores renewal works, Clontarf Reserve tidal pool and Frenchs Forest precinct park upgrades. - 2022 included a number of both merger and COVID-stimulus grants. 														
7,085	1,238	5,847	472.3%	Interest and investment income										
<p>Interest and investment income was \$5.8m higher than the previous financial year as a result of rapidly increasing interest rates. Council's investment portfolio achieved a return of 3.535% during 2023 (0.645% above the benchmark AusBond Bank Bill Index return of 2.89%). Interest on cash and investments was \$6.7m and half of this (\$3.3m) related to restricted funds comprising Kimbriki \$0.9m, customer bonds and deposits \$0.5m and other restricted reserves \$1.9m. Interest income from outstanding rates and annual charges was marginally lower than 2022.</p>														
6,392	6,736	(344)	(5.1%)	Other income										
<p>Income from investment and leased properties was \$6.0m (\$6.2m in 2022). Investment properties were revalued in 2023, resulting in a fair value adjustment of \$0.2m.</p>														
167	960	(793)	(82.6%)	Net gain from the disposal of assets										
<p>The 2023 net gain of \$0.2m comprises gains from the disposal of plant and equipment \$2.1m and property \$0.1m offset by losses on the replacement of assets (\$2.0m).</p>														
425,443	408,057	17,386	4.3%	TOTAL INCOME										

Northern Beaches Council

Expenses from continuing operations



Expense Items	1 July 2022 - 30 June 2023 (\$'000)
Employee benefits and on-costs	146,153
Materials and services	157,273
Borrowing costs	2,738
Depreciation, amortisation and impairment	46,821
Other expenses	20,765
Net loss from the disposal of assets	-
Total Expenses from Continuing Operations	373,750

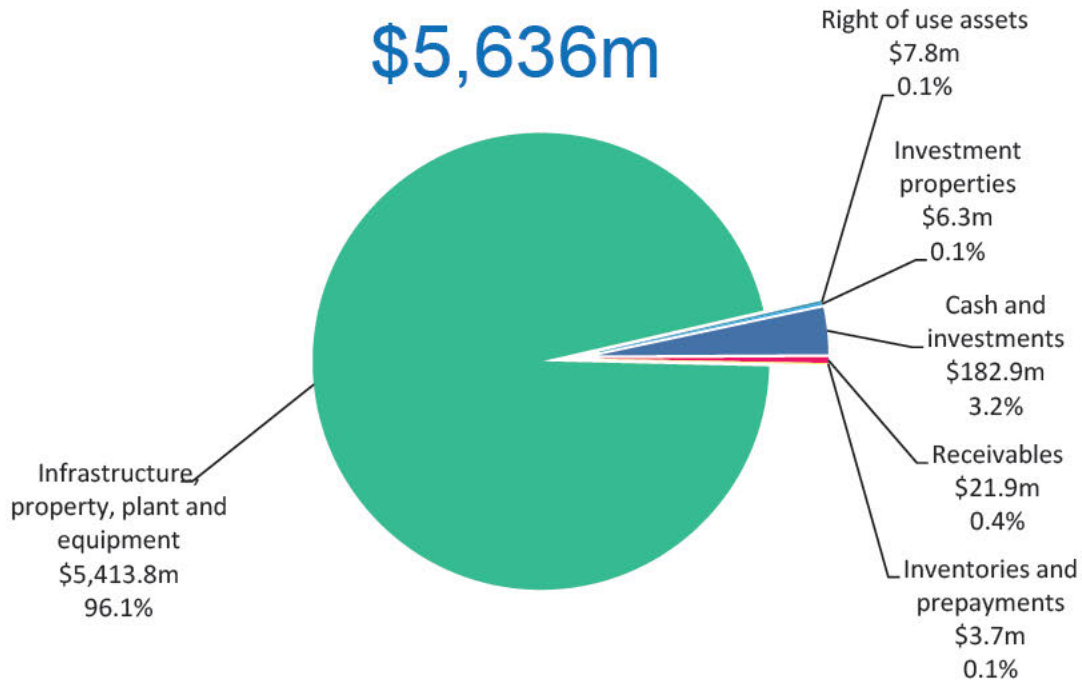
Northern Beaches Council

Expenses from continuing operations analysis

2023	2022	Incr/(Decr)		Details
\$'000	\$'000	\$'000	%	
146,153	134,560	11,593	8.6%	Employee benefits and on-costs
Employee Benefits and On-Costs were \$146.2m (excluding capitalised costs of \$7.6m), representing 39% of operating expenses. The \$11.6m increase on the prior year (8.6%) was primarily due to the impact of remeasuring the provisions for employee leave entitlements and workers compensation in 2022 within the context of rapidly increasing Commonwealth bond rates (which resulted in a \$3.5 million reduction in employee costs in 2022). This breakdown is provided below:				
17,157	9,027	8,130	90.1%	Employee leave entitlements & workers compensation
128,996	125,533	3,463	2.8%	Other employee benefits and on-costs
All other employee costs increased by \$3.5m (2.8%). The Local Government Award increase was 2.0% and the Superannuation Guarantee increased from 10.0% to 10.5% in 2023.				
157,273	142,766	14,507	10.2%	Materials and services
Materials and services included \$18.2m in waste collection costs, \$15.6m in expenses at the Kimbriki Waste & Recycling Centre and \$15.4m in waste disposal and processing costs.				
Variances compared to the prior year included:				
- Roadwork - \$7.8m ▲ - works funded under the Regional and Local Road Repair program and storm events				
- Waste disposal and collection - \$4.1m ▲ - primarily due to increased waste disposal and processing costs				
- Aquatic Centres - \$1.3m ▲ and Lakeside \$0.8m ▲ - increased gas prices at MABC (\$0.6m) and costs related to increased income generating activities.				
- Agency personnel - \$1.2m ▲ - primarily due to project work including the Enterprise Resource Planning system replacement, IT projects, Wakehurst Parkway flood investigations and backfilling vacant roles.				
- Software - \$1.2m ▲ - including improvements to security systems				
- Election - (\$1.4m) ▼ - as the prior year included costs for the Council election				
- Tree works - (\$1.8m) ▼ due to fewer severe storm events in 2023				
2,738	2,624	114	4.3%	Borrowing costs
Borrowing costs comprise interest on loans of \$0.8m, \$0.3m interest on leases and the unwinding of the discount for the asset remediation liability for the Kimbriki waste landfill \$1.7m.				
46,821	45,508	1,313	2.9%	Depreciation, amortisation and impairment
Depreciation was 2.9% higher at (\$1.3m), reflecting higher asset replacement costs.				
20,765	20,969	(204)	(1.0%)	Other expenses
Major items within other expenses include the \$8.9m Waste Levy (\$0.4m ▲), \$7.8m Emergency Services Levy (\$1.4m ▲) and \$2.8m in donations, contributions and assistance to other organisations (\$2.0m ▼), representing continued community support but at a tapering level reflecting emergence from the pandemic.				
-	-	-	n/a	Net loss from the disposal of assets
373,750	346,427	27,323	7.9%	TOTAL EXPENSES

Northern Beaches Council

Assets



Asset Items	30 June 2023 (\$'000)
Current Assets	
Cash and cash equivalents	6,605
Investments	175,623
Receivables	20,844
Inventories	372
Prepayments	3,364
Total Current Assets	206,808
Non Current Assets	
Investments	678
Receivables	1,012
Infrastructure, property, plant and equipment	5,413,807
Investment properties	6,320
Right of use assets	7,811
Total Non Current Assets	5,429,628
TOTAL ASSETS	5,636,436

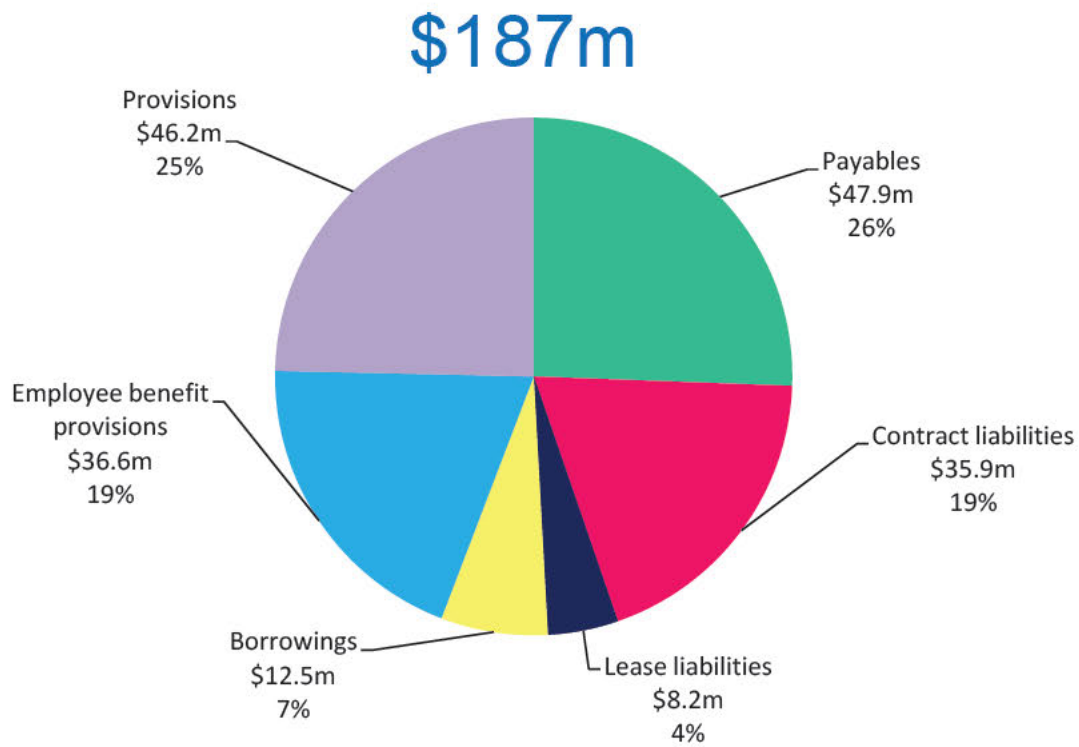
Northern Beaches Council

Assets analysis

30-Jun-23 \$'000	30-Jun-22 \$'000	Incr/(Decr) \$'000	%	Details	
182,906	158,082	24,824	15.7%	Cash, Cash Equivalents and Investments	
Cash, Cash Equivalents and Investments increased \$24.8m. This included a net increase in funds held for future purposes including development contributions (\$7.0m), domestic waste (\$4.7m), plant and fleet replacement (\$3.2m), customer bonds (\$2.2m) and tied grants (\$4.6m). The 2024 Financial Assistance Grant of \$9.4m was also received in the last week of June 2023. Kimbriki's cash reduced \$5.4m following investment in the clean water diversion system.					
21,856	25,798	(3,942)	(15.3%)	Receivables	
Receivables were (\$3.9m) lower than the previous year primarily due to the timing of payments of government grants for funded project milestones.					
372	397	(25)	(6.2%)	Inventories	
Inventories comprise stores, materials and trading stock and were consistent with the prior year.					
3,364	2,975	389	13.1%	Prepayments	
Prepaid expenses were higher than the previous financial year primarily due to the timing of software licence renewals.					
5,413,807	5,218,499	195,307	3.7%	Infrastructure, property, plant and equipment	
During the financial year a revaluation of land and infrastructure assets was undertaken, resulting in a \$161m increase in the carrying value of these assets. The increase in the value of assets reflects the impact of inflation on construction costs for infrastructure assets, the current property market for operational land and changes in community, crown and land under roads valuations informed by the Valuer-General. This movement in the value is held in equity within the IPP&E revaluation surplus.					
Summary - Asset Revaluation 2023					
		Prior to Revaluation \$'000	After Revaluation \$'000	Movement \$'000	%
Infrastructure	Gross Carrying Amount	3,675,190	3,450,242	224,948	
	Accumulated Depreciation	(663,614)	(631,958)	(31,656)	
	Total carrying value	3,011,576	2,818,284	193,292	6.4%
Land	Gross Carrying Amount	2,519,182	2,486,873	(32,309)	
	Total carrying value	2,519,182	2,486,873	(32,309)	(1.3%)
	Total revalued assets	5,530,758	5,305,157	160,983	2.9%
6,320	6,155	165	2.7%	Investment properties	
Council holds three investment properties located at Sydney Road Balgowlah, Condamine Street Balgowlah and Pittwater Road Brookvale. Professional property valuations are undertaken annually. There was a \$0.2m change in the value this year for these commercial properties.					
7,811	9,110	(1,299)	(14.3%)	Right of use assets	
Right of use plant and equipment assets were (\$1.2m) lower and office and IT equipment assets were (\$0.1m) lower due to scheduled lease payments under these contracts.					
5,636,436	5,421,016	215,420	4.0%	TOTAL ASSETS	

Northern Beaches Council

Liabilities



Liability Items	30 June 2023 Actual
Current Liabilities	
Payables	47,806
Contract liabilities	27,619
Lease liabilities	1,241
Borrowings	3,340
Employee benefit provisions	34,754
Provisions	1,060
Total Current Liabilities	115,820
Non-Current Liabilities	
Payables	100
Contract liabilities	8,239
Lease liabilities	6,996
Borrowings	9,185
Employee benefit provisions	1,843
Provisions	45,094
Total Non-Current Liabilities	71,457
TOTAL Liabilities	187,277

Northern Beaches Council

Liabilities analysis

30-Jun-23	30-Jun-22	Incr/(Decr)		Details
\$'000	\$'000	\$'000	%	
47,906	45,543	2,364	5.2%	Payables
Payables include security deposits and retentions of \$22.1m, accrued expenses including borrowings, salaries and wages and other expenditure accruals of \$16.8m and invoices payable of \$6.3m. The increase in payables compared to the prior financial year was primarily due to a \$2.2m increase in security bonds.				
35,858	31,672	4,186	13.2%	Contract liabilities
Contract liabilities mostly relate to unspent grant funds. The \$4.2m increase relates to the receipt of several large new grants including the Regional and Local Road Repair funds of \$3.3m and Warringah Recreation Centre Upgrade funds of \$1.5m. The increase in the contract liabilities was offset by the expenditure of several significant grants relating to the construction of Council controlled assets including Currawong cottages restoration funds of (\$1.4m) and B-Line tree program works funding of (\$0.6m)				
8,237	9,475	(1,238)	(13.1%)	Lease liabilities
Lease liabilities primarily relate to the vehicle component of Council's waste collection contract (\$7.7m). The \$1.2m reduction in lease liabilities was due to contract principal payments per the existing lease schedule. No new lease liabilities were incurred during the year.				
12,525	17,308	(4,783)	(27.6%)	Borrowings
Borrowings continue to decrease due to the ongoing repayment of existing loans.				
36,597	36,314	283	0.8%	Employee benefit provisions
Management actively encourages staff to take annual leave at regular intervals and reviews balances in excess of 8 weeks. There was a minor increase in employee leave entitlements of (\$0.3m), with a reduction in annual leave balances offsetting the impact of other movements.				
In 2022, employee leave entitlements were affected by significant changes in economic measures impacting the determination of the future liabilities resulting in a lower level of expense for this item (see expenses).				
46,154	44,163	1,991	4.5%	Provisions
Provisions comprise workers compensation self insurance (\$4.7m) and landfill remediation (\$41.5m). The remediation provision increased (\$0.8m), while the self insurance provision also increased (\$1.2m) to reflect the future claims assessment.				
187,277	184,475	2,802	1.5%	TOTAL LIABILITIES

Northern Beaches Council

Key performance indicators

2023

Financial performance indicators

Operating performance	4.46%	✓
Own source operating revenue ratio	84.61%	✓
Unrestricted current ratio	1.92x	✓
Debt service cover ratio	7.65x	✓
Rates and annual charges outstanding percentage	3.57%	✓
Cash expense cover ratio	6.13 mths	✓

Infrastructure asset performance indicators

Buildings and infrastructure renewals ratio	130.77%	✓
Infrastructure backlog ratio	1.49%	✓
Asset maintenance ratio	109.69%	✓
Cost to bring assets to agreed service level	1.22%	n/a

✓ indicates performance indicator has achieved the Office of Local Government benchmark

2023	2022	2021	Benchmark	Details
✓ 4.46%	✓ 4.53%	✗ (7.32%)	>0%	Operating performance

Purpose: Measures Council's ability to contain operating expenditure within operating revenue. It is important to distinguish that this ratio is focusing on operating performance and hence capital grants and contributions, asset sales, fair value adjustments and reversal of revaluation decrements are excluded. The benchmark is greater than 0%.

Commentary: The 2023 result of 4.46% was consistent with the prior year. However 2022 was impacted by COVID-19 related costs along with a number of favourable one-off items. If those one-off items are removed from the 2022 ratio the result would have been 1.26%.

Results in 2023 were stronger as Council continues to recover from the pandemic, especially at the Aquatic Centres (\$1.8m net▲) and Lakeside Holiday Park (\$1.8m net▲) along with winding back COVID subsidy costs (\$2.0m▼). Investment returns were also strong following rising interest rates. While only 25% of the 2023 FAG was paid in the 2023 year (as 75% was paid in the prior year), 100% of the 2024 FAG was paid in advance in 2023. The net impact of grants timing boosted the 2023 result by a net \$1.3m - the 2023 result would have been 4.14% without this.

2023	2022	2021	Benchmark	Details
✓ 84.61%	✓ 82.52%	✓ 87.42%	>60%	Own source operating revenue ratio

Purpose: This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility improves the higher the level of its own source revenue. The benchmark is greater than 60%.

Commentary: Council's Own Source Operating Revenue indicator is well above the benchmark of 60% highlighting Council's financial flexibility.

Northern Beaches Council

Key performance indicators (continued)

2023	2022	2021	Benchmark	Details
✓ 1.92x	✓ 1.90x	✓ 1.69x	>1.5x	Unrestricted current ratio
Purpose:	The Unrestricted Current Ratio is specific to local government and is designed to represent a Council's ability to meet short term obligations as they fall due. Restrictions placed on various funding sources (e.g. Section 7.11 developer contributions) complicate the traditional current ratio used to assess liquidity of businesses as cash allocated to specific projects is restricted and cannot be used to meet a Council's other operating and borrowing costs. The benchmark is greater than 1.5x - meaning for every \$1.00 current liability there is \$1.50 in current assets (after adjustments for restrictions).			
Commentary:	The 2023 ratio was consistent with the prior year and remains above the benchmark, indicating that Council is able to meet its short term financial obligations as they fall due after excluding all external restrictions. Cash and investment balances have increased due to payment of a number of grants (some of which are also included as contract liabilities), setting funds aside for the future remediation of Kimbriki and bonds and deposits from customers.			
✓ 7.65x	✓ 7.25x	✓ 2.81x	>2x	Debt service cover ratio
Purpose:	This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark is greater than 2x.			
Commentary:	Council's Debt Service Cover Ratio of 7.65x is above the benchmark of 2x. This ratio has increased this year due to a positive operating result and reduced borrowing costs.			
✓ 3.57%	✓ 3.63%	✓ 3.92%	<5%	Rates and annual charges outstanding %
Purpose:	The purpose of this ratio is to assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.			
Commentary:	Council maintains low levels of outstanding rates and annual charges, particularly given that it may allow aged pensioners, where, in its opinion, payment would cause hardship, to accrue rates and charges against their estate.			
✓ 6.13 months	✓ 5.59 months	✓ 5.13 months	>3 months	Cash expense cover ratio
Purpose:	This liquidity ratio indicates the number of months a council can continue paying for its immediate expenses without additional cash inflow.			
Commentary:	Council's ratio of 6.1 months is consistent with prior years and exceeds the benchmark of greater than 3 months.			
✓ 130.77%	✓ 112.67%	✓ 117.19%	>100%	Buildings and infrastructure renewals ratio
Purpose:	This ratio assesses the rate at which these assets are being renewed against the rate at which they are depreciating.			
Commentary:	Council's ratio is favourably above the benchmark of 100% and represents the timing of the completion of projects and the Council's continued investment in the renewal of infrastructure assets. The 2023 ratio was boosted by the completion of Long Reef SLSC.			

Northern Beaches Council

Key performance indicators (continued)

2023	2022	2021	Benchmark	Details
✓ 1.49%	✓ 1.53%	✓ 1.50%	<2%	Infrastructure backlog ratio
Purpose:	This ratio shows what proportion the backlog is against the total value of Council's infrastructure.			
Commentary:	Council's Infrastructure Backlog Indicator remains below the benchmark of 2% indicating that Council does not have a comparatively significant infrastructure backlog. The marginal decrease in this ratio is largely due to the impact of the infrastructure revaluation.			
✓ 109.69%	✓ 100.55%	✓ 106.52%	>100%	Asset maintenance ratio
Purpose:	This ratio compares actual versus required annual asset maintenance. A ratio of above 100% indicates that the Council is investing enough funds within the year to stop the infrastructure backlog from growing. The benchmark is greater than 100%.			
Commentary:	Council's Asset Maintenance Ratio indicates the level of expenditure on the maintenance of infrastructure assets was sufficient to prevent the infrastructure backlog from growing. The favourable increase in this ratio is largely due to grant funded repairs to assets damaged through storms and persistent wet weather events in 2022 (including \$3.5m for sealed roads).			
1.22%	1.26%	1.24%	n/a	Cost to bring assets to agreed service level
Purpose:	This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total gross replacement cost of assets under Council's care and stewardship. Outstanding renewal works relate to the value of work required for assets that have reached the intervention level set by Council based on the condition of the asset. The use of the gross replacement cost as the denominator in this ratio provides a more stable measure over time and is considered to be more reflective of Council's infrastructure 'backlog'.			
Commentary:	The estimated cost to bring assets to agreed service levels is \$42.5m and represents 1.22% of the total replacement value of Council's assets. The ratio has favourably reduced since the last financial year, however this is primarily due to the impact of inflation on asset values.			

Northern Beaches Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2023

*Northern Beaches - a safe, diverse, inclusive and connected
community that lives in balance with our extraordinary
coastal and bushland environment*



northern
beaches
council

Northern Beaches Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

Northern Beaches Council is constituted under the Local Government Act 1993 (NSW).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All media releases, financial statements and other information are publicly available on our website: www.northernbeaches.nsw.gov.au.

PRINCIPAL PLACE OF BUSINESS

725 Pittwater Road
Dee Why NSW 2099

OPENING HOURS

Monday to Friday
8.30am - 5.00pm

CONTACT DETAILS

Mailing Address:

PO Box 82
Manly NSW 1655

Telephone: 1300 434 434

Internet: www.northernbeaches.nsw.gov.au

Email: council@northernbeaches.nsw.gov.au

OTHER INFORMATION

ABN: 57 284 295 198

AUDITORS

Audit Office of New South Wales

Northern Beaches Council

General Purpose Financial Statements

for the year ended 30 June 2023

Statement by Councillors and Management

Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

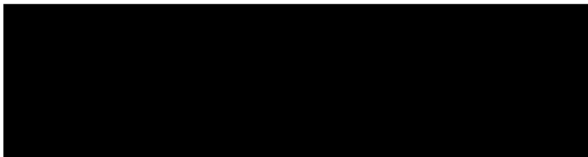
- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

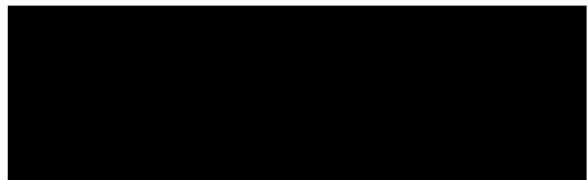
- present fairly the Council's operating result and financial position for the year
- accord with Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

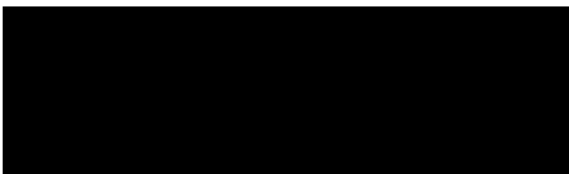
Signed in accordance with a resolution of Council made on 24 October 2023.



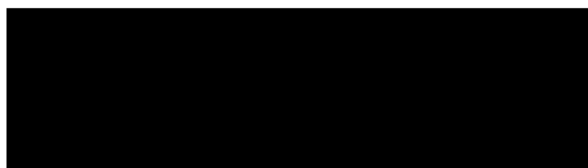
Sue Heins
Mayor
24 October 2023



Sarah Grattan
Councillor
24 October 2023



Louise Kerr
Acting Chief Executive Officer
24 October 2023



Responsible Accounting Officer
24 October 2023

Northern Beaches Council

Income Statement

for the year ended 30 June 2023

<i>Original unaudited budget</i>				<i>Actual</i>	<i>Actual</i>
2023	\$ '000		Notes	2023	2022
		Income from continuing operations			
234,543		Rates and annual charges	B2-1	234,424	225,941
89,113		User charges and fees	B2-2	91,876	79,722
18,960		Other revenues	B2-3	20,086	22,343
19,648		Grants and contributions provided for operating purposes	B2-4	31,496	27,165
29,764		Grants and contributions provided for capital purposes	B2-4	33,917	43,952
1,034		Interest and investment income	B2-5	7,085	1,238
6,821		Other income	B2-6	6,392	6,736
457		Net gain from the disposal of assets	B4-1	167	960
400,340		Total income from continuing operations		425,443	408,057
		Expenses from continuing operations			
147,610		Employee benefits and on-costs	B3-1	146,153	134,560
145,251		Materials and services	B3-2	157,273	142,766
2,207		Borrowing costs	B3-3	2,738	2,624
46,767		Depreciation, amortisation and impairment	B3-4	46,821	45,508
19,946		Other expenses	B3-5	20,765	20,969
361,781		Total expenses from continuing operations		373,750	346,427
38,559		Operating result from continuing operations		51,693	61,630
38,559		Net operating result for the year		51,693	61,630
	101	Net operating result attributable to non-controlling interests		159	206
8,795		Net operating result for the year before grants and contributions provided for capital purposes		17,776	17,678

The above Income Statement should be read in conjunction with the accompanying notes.

Northern Beaches Council

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	2022
Net operating result for the year – from Income Statement		51,693	61,630
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain on revaluation of infrastructure, property, plant and equipment	C1-6	160,983	128,388
Total items which will not be reclassified subsequently to the operating result		160,983	128,388
Total other comprehensive income for the period		160,983	128,388
Total comprehensive income for the year		212,676	190,018
Total comprehensive income attributable to Council		212,517	189,812
Total comprehensive income attributable to non-controlling interests		159	206

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Northern Beaches Council

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	2022
ASSETS			
Current assets			
Cash and cash equivalents ¹	C1-1	6,605	6,697
Investments	C1-2	175,623	150,625
Receivables ¹	C1-4	20,844	24,791
Inventories	C1-5	372	397
Prepayments		3,364	2,975
Total current assets		206,808	185,485
Non-current assets			
Investments	C1-2	678	760
Receivables	C1-4	1,012	1,007
Infrastructure, property, plant and equipment (IPPE)	C1-6	5,413,807	5,218,499
Investment properties	C1-7	6,320	6,155
Right of use assets	C2-1	7,811	9,110
Total non-current assets		5,429,628	5,235,531
Total assets		5,636,436	5,421,016
LIABILITIES			
Current liabilities			
Payables	C3-1	47,806	45,393
Contract liabilities	C3-2	27,619	24,206
Lease liabilities	C2-1	1,241	1,238
Borrowings	C3-3	3,340	4,770
Employee benefit provisions	C3-4	34,754	35,553
Provisions	C3-5	1,060	759
Total current liabilities		115,820	111,919
Non-current liabilities			
Payables	C3-1	100	150
Contract liabilities	C3-2	8,239	7,466
Lease liabilities	C2-1	6,996	8,237
Borrowings	C3-3	9,185	12,538
Employee benefit provisions	C3-4	1,843	761
Provisions	C3-5	45,094	43,404
Total non-current liabilities		71,457	72,556
Total liabilities		187,277	184,475
Net assets		5,449,159	5,236,541
EQUITY			
Accumulated surplus		4,979,154	4,927,620
IPPE revaluation surplus		468,600	307,617
Council equity interest		5,447,754	5,235,237
Non-controlling equity interests		1,405	1,304
Total equity		5,449,159	5,236,541

(1) 2022 has been restated due to the reclassification of clearing accounts totalling \$0.1m from cash to receivables.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Northern Beaches Council

Statement of Changes in Equity

for the year ended 30 June 2023

\$ '000	Notes	2023					2022				
		Accumulated surplus	IPPE revaluation surplus	Council interest	Non-controlling interest	Total equity	Accumulated surplus	IPPE revaluation surplus	Council interest	Non-controlling interest	Total equity
Opening balance at 1 July		4,927,620	307,617	5,235,237	1,304	5,236,541	4,866,196	179,229	5,045,425	1,136	5,046,561
Net operating result for the year		51,534	-	51,534	159	51,693	61,424	-	61,424	206	61,630
Other comprehensive income											
Gain on revaluation of infrastructure, property, plant and equipment	C1-6	-	160,983	160,983	-	160,983	-	128,388	128,388	-	128,388
Other comprehensive income		-	160,983	160,983	-	160,983	-	128,388	128,388	-	128,388
Total comprehensive income		51,534	160,983	212,517	159	212,676	61,424	128,388	189,812	206	190,018
Dividends paid to minority interest		-	-	-	(58)	(58)	-	-	-	(38)	(38)
Closing balance at 30 June		4,979,154	468,600	5,447,754	1,405	5,449,159	4,927,620	307,617	5,235,237	1,304	5,236,541

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Northern Beaches Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
Receipts:				
234,351	Rates and annual charges		234,281	226,388
92,716	User charges and fees ¹		96,268	84,398
1,055	Interest received		4,873	1,182
38,403	Grants and contributions ¹		76,799	56,687
6,416	Bonds, deposits and retentions received		7,741	7,098
41,662	Other		41,346	45,656
Payments:				
(146,571)	Payments to employees		(145,037)	(137,235)
(157,036)	Payments for materials and services		(176,928)	(158,507)
(894)	Borrowing costs		(1,064)	(1,142)
(6,416)	Bonds, deposits and retentions refunded		(5,571)	(5,466)
(19,765)	Other		(22,019)	(28,886)
83,921	Net cash flows from operating activities	G1-1	110,689	90,173
Cash flows from investing activities				
Receipts:				
323,179	Sale of investments		272,227	338,038
1,427	Proceeds from sale of IPPE		2,167	3,734
Payments:				
(300,000)	Purchase of investments		(297,123)	(352,829)
(107,024)	Payments for IPPE		(81,973)	(76,755)
(82,418)	Net cash flows from investing activities		(104,702)	(87,812)
Cash flows from financing activities				
Payments:				
(4,873)	Repayment of borrowings		(4,783)	(5,018)
(1,228)	Principal component of lease payments		(1,238)	(1,269)
(40)	Dividends paid to minority interest		(58)	(38)
(6,141)	Net cash flows from financing activities		(6,079)	(6,325)
(4,638)	Net change in cash and cash equivalents		(92)	(3,964)
17,627	Cash and cash equivalents at beginning of year		6,697	10,661
12,989	Cash and cash equivalents at end of year	C1-1	6,605	6,697

(1) 2022 has been restated due to the reclassification of clearing accounts totalling \$0.1m from cash to receivables.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Northern Beaches Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 24 October 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Northern Beaches Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars. Disclosures where relevant may be presented in whole dollars or as otherwise noted.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities, and certain classes of infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- i. estimated fair values of infrastructure, property, plant and equipment - refer Note C1-6
- ii. estimated fair values of investment property - refer Note C1-7
- iii. employee benefit provisions - refer Note C3-4
- iv. estimated self insurance and asset remediation provisions - refer Note C3-5.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Significant judgements in applying the Council's accounting policies

- i. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- ii. Impairment of receivables - refer Note C1-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993 (NSW)*, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund has been included in the financial statements of the Council.

A1-1 Basis of preparation (continued)

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations
- Kimbriki Environmental Enterprises Pty Limited

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)*, a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at Council offices, during opening hours, by any person free of charge.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities that are recoverable from, or payable to, the taxation authority, are presented as operating cash flows. This means that investing and financing cashflows are presented net of the GST.

Volunteer services

Volunteer services are not recognised as they would not be purchased if not donated.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting periods. Northern Beaches Council's assessment of the impact of these new standards and interpretations relevant to them is set out below.

Pronouncement	AASB 2022-10 <i>Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities</i>
Nature of change in accounting policy	<p>This Standard modifies <i>AASB 13 Fair Value Measurement</i> for application by not-for-profit public sector entities such as Council.</p> <p>It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows and also provides guidance and clarification when valuing assets that are restricted (in their use) at Council.</p> <p>This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values.</p>
Effective date	Annual reporting period beginning on or after 1 January 2024 (i.e. year ending 30 June 2025).
Expected impact on Council's financial statements	Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value.

A1-1 Basis of preparation (continued)

Pronouncement	AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i> AASB 2020-6 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date</i>
Nature of change in accounting policy	This Standard amends AASB 101 <i>Presentation of Financial Statements</i> to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of a liability is also clarified.
Effective date	Annual reporting period beginning on or after 1 January 2023 (i.e. year ending 30 June 2024).
Expected impact on Council's financial statements	From our assessment, there is no impact expected for Council in the classification of our reported liabilities as current or non-current.

Pronouncement	AASB 2021-2 <i>Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates</i> [amends AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]
Nature of change in accounting policy	This Standard amends a number of standards as follows: <ul style="list-style-type: none"> • AASB 7 <i>Financial Instruments: Disclosures</i> - to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements; • AASB 101 <i>Presentation of Financial Statements</i> - to require entities to disclose their material accounting policy information rather than their significant accounting policies; • AASB 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> - to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates; • AASB 134 <i>Interim Financial Reporting</i> - to identify material accounting policy information as a component of a complete set of financial statements; and • AASB Practice Statement 2 <i>Making Materiality Judgements</i> - to provide guidance on how to apply the concept of materiality to accounting policy disclosures
Effective date	Annual reporting periods beginning on or after 1 January 2023 (i.e. year ending 30 June 2024).
Expected impact on Council's financial statements	Reductions in quantum of accounting policies disclosures to focus on key decision areas and material policies only.

New accounting standards and interpretations adopted during the year

During the year Council adopted the following accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective for the first time at 30 June 2023. These standards did not have an impact on the reported financial position or financial performance:

AASB 2022-3 *Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15*

AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments*

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	<i>Income</i>		<i>Expenses</i>		<i>Operating result</i>		<i>Grants and contributions</i>		<i>Carrying amount of assets</i>	
	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>	<i>2023</i>	<i>2022</i>
Functions or activities										
Environment and sustainability	7,598	9,287	40,184	42,739	(32,586)	(33,452)	3,265	5,317	911,126	855,590
Waste and cleansing	53,583	49,164	63,784	59,029	(10,201)	(9,865)	497	274	17,419	15,425
Kimbriki Resource Recovery Centre ¹	41,776	43,517	38,489	38,196	3,287	5,321	–	–	87,150	85,223
Community, arts and culture	6,591	5,241	12,871	12,043	(6,280)	(6,802)	2,070	2,423	53,381	50,921
Children's services	16,525	14,622	16,458	14,529	67	93	2,903	2,752	7,069	6,527
Library services	1,180	1,764	11,611	10,966	(10,431)	(9,202)	870	1,560	45,525	43,675
Strategic land use planning	1,380	1,494	6,649	6,675	(5,269)	(5,181)	344	589	43,511	36,601
Development assessment	3,988	3,704	7,148	6,617	(3,160)	(2,913)	–	80	–	–
Environmental compliance	8,040	8,003	13,284	12,667	(5,244)	(4,664)	8	–	–	–
Parks and recreation	7,819	12,001	41,723	38,483	(33,904)	(26,482)	4,975	9,730	408,231	347,013
Economic development, events and engagement	1,012	1,448	11,460	10,893	(10,448)	(9,445)	35	881	–	–
Transport, traffic and active travel	37,854	36,726	47,989	37,765	(10,135)	(1,039)	18,527	20,869	947,865	891,481
Property and facilities	40,527	35,340	48,689	45,382	(8,162)	(10,042)	6,180	679	2,965,886	2,960,689
Customer service	–	1	4,252	3,889	(4,252)	(3,888)	–	–	–	–
Governance and assurance services	182	192	11,106	11,784	(10,924)	(11,592)	–	–	–	–
Corporate support services	18,382	17,533	14,688	12,552	3,694	4,981	13,997	15,184	149,273	127,871
Eliminations ²	(16,326)	(17,388)	(16,310)	(17,399)	(16)	11	–	–	–	–
General purpose income	195,657	185,791	–	–	195,657	185,791	11,742	10,779	–	–
Total functions and activities ³	425,768	408,440	374,075	346,810	51,693	61,630	65,413	71,117	5,636,436	5,421,016

(1) Does not include Kimbriki's interest income which is considered General Purpose Income or Council Rates.

(2) This includes tipping fees/tipping charges (\$12.6m), site rental income/site rental expense (\$3.3m) between Northern Beaches Council and Kimbriki. It also includes Council rates on Council properties.

(3) The income and expenses in B1-1 allocate the profit or loss on disposed assets to either income or expenses for each relevant service. The Income Statement reports a net figure. The amount which is recognised as a loss is \$0.3m for 2023.

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Environment and sustainability

This service delivers programs to protect and preserve biodiversity, manage natural hazards and improve sustainability for Council and the community.

Waste and cleansing

This service delivers household waste and recyclables collection. The service includes community waste education and behaviour change programs. It also delivers litter removal, cleaning of public places (beaches, parks, streets, village/town centres and graffiti removal), street sweeping and the collection of illegally dumped rubbish.

Kimbriki Resource Recovery Centre

This facility delivers sustainable waste management and recycling services to the community. It recycles around 80% of waste received and provides education on sustainability via the Eco House and garden. The Buy Back Centre sells salvaged building materials and furniture.

Community, arts and culture

This service facilitates and supports activities to build social capital, community resilience and enhance the health and well-being of the Northern Beaches community. It includes the Meals on Wheels service, programs for aged, people with disability and youth. The community centres, cultural facilities, arts and cultural programs, regional art gallery and museum and performing arts centre provide opportunities to contribute and participate in cultural and social life.

Children's services

This service offers high quality professional care for children aged 0-11 years through seven long day care centres, four vacation care locations, two pre-schools, an occasional care centre and a network of family day carers.

Library services

Library services provides a range of collections to support literacy and lifelong learning at Dee Why, Forestville, Glen Street in Belrose, Manly, Mona Vale and Warringah Mall as well as a home delivery service. The service also supports the delivery of inclusive and diverse events, programs and services that support community connection, digital literacy and wellbeing.

Strategic land use planning

This service sets the land-use direction in the local government area via the Local Strategic Planning Statement. The service prepares structure plans and place plans to manage growth and development and has responsibility for Council's development contribution framework, European heritage management, Aboriginal heritage development, urban design and assessment of planning proposals.

Development assessment

This service assesses applications, modifications and reviews of determinations in line with local and state planning controls. It also provides a development advisory service to assist applicants in the preparation and lodgement of applications and to give general planning advice to the community.

Environmental compliance

This service contributes to protecting the environment and keeping the community safe through education, regulation and enforcement. This includes responding to issues relating to pollution, illegal development, fire safety, animal management, food safety and public health.

Parks and recreation

This service manages and maintains recreational open space including playgrounds, sportsfields, rockpools, skate facilities, sports courts, public golf courses, town and village centres, dog off-leash areas and gardens and parks including Manly Warringah War Memorial (Manly Dam) and Narrabeen Lagoon State Parks. The service is also responsible for tree management and lifeguard services at beaches and events.

Economic development, events and engagement

This service supports the vibrancy and success of village and town centres, celebrating all facets of the community with events and festivals and engaging with the community through the provision of information. Visitor information services highlight the Northern Beaches as a tourism destination. Community engagement (online and in-person) supports good governance and effective decision making on a wide range of projects.

Transport, traffic and active travel

This service manages and maintains the local road network including footpaths, kerbs and gutters, bus shelters, guard rails, bridges, causeways, retaining walls, pedestrian crossings, roundabouts and bike paths. The service also manages Council car parks and parking stations, wharves, boat ramps and tidal pools, road safety programs and the provision of Hop, Skip, Jump community buses.

B1-2 Components of functions or activities (continued)

Property and facilities

This service manages Council's portfolio of community and civic buildings, including surf clubs, aquatic centres, library buildings, community centres, art venues, offices, public amenities, holiday accommodation facilities at Sydney Lakeside Holiday Park and Currawong and cemeteries. The service also manages leases/licences of public land including outdoor dining.

Customer service

Providing a friendly and professional service for the management of customer requests and transactions, both in person at Avalon, Dee Why, Manly and Mona Vale service centres or 24 hours a day, seven days a week for people contacting Council by phone.

Governance and assurance services

This service provides secretariat and high-level administrative functions, claims management, in-house legal and advisory services to Council, sub committees and the Audit, Risk and Improvement Committee. The service is responsible for implementing Council's Governance Framework and internal audit program including management of complaints about staff behaviour and Council processes.

Corporate support services

This service supports the efficient delivery of services to the community by providing financial management, procurement, human resources management, technology and information systems, corporate planning and reporting and project management services to the organisation.

Eliminations

Captures the elimination of inter-entity accounting between Council and its subsidiary Kimbriki, and intra-entity transactions, primarily rates, on Council-owned properties. These transactions are required to be eliminated when preparing consolidated financial reports.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2023	2022
Ordinary rates		
Residential	149,905	146,339
Farmland	16	15
Business	29,255	28,546
Less: pensioner rebates (mandatory)	(1,692)	(1,774)
Less: pensioner rebates (Council policy)	(132)	(135)
Rates levied to ratepayers	177,352	172,991
Pensioner rate subsidies received	948	997
Total ordinary rates	178,300	173,988
Special rates		
Business	1,395	1,408
Rates levied to ratepayers	1,395	1,408
Total special rates	1,395	1,408
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	53,218	48,978
Stormwater management services	2,208	2,207
Section 611 charges	169	176
Less: pensioner rebates (mandatory)	(637)	(631)
Less: pensioner rebates (Council policy)	(566)	(539)
Annual charges levied	54,392	50,191
Pensioner annual charges subsidies received:		
– Domestic waste management	337	354
Total annual charges	54,729	50,545
Total rates and annual charges	234,424	225,941

Council has used 2019 year valuations provided by the NSW Valuer General in calculating its rates in the 2022 and 2023 years.

Accounting policy

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

\$ '000	2023	2022
Aquatic centres	9,153	5,554
Caravan park	7,358	4,923
Cemeteries	1,071	1,120
Child care	13,605	11,866
Community centres	2,191	1,488
Currawong State Park	319	285
Glen Street Theatre	1,298	765
Golf course and driving range	2,451	2,597
Kimbriki Waste and Recycling Centre	24,614	25,381
Libraries	136	81
Parking areas	13,452	10,349
Planning and building regulatory	9,068	8,088
Regulatory/statutory fees	782	521
Restoration charges	1,086	1,835
Section 10.7 certificates (EP&A Act)	818	825
Section 603 certificates	380	482
Sportsfields and reserves	1,651	1,231
Other fees	2,443	2,331
Total other user charges and fees	91,876	79,722
Total user charges and fees	91,876	79,722
Timing of revenue recognition for user charges and fees		
User charges and fees recognised over time	33,924	24,881
User charges and fees recognised at a point in time	57,952	54,841
Total user charges and fees	91,876	79,722

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or, in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged, such as joining fees for the leisure centre, the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are mainly either short-term or low value and all revenue from licences < \$5k are recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

\$ '000	2023	2022
Advertising income	1,362	1,013
Ex gratia rates	25	25
Fines – parking	5,636	5,749
Fines – other	487	446
Legal fees recovery	181	193
Legal fees recovery – rates and charges (extra charges)	259	71
Licences, consents & deeds	3,279	3,228
Recycling income (domestic)	672	631
Sales of inventories	1,286	853
Other revenues – Kimbriki	4,287	3,967
Other ¹	2,612	6,167
Total other revenue	20,086	22,343

Timing of revenue recognition for other revenue

Other revenue recognised over time	3,279	3,228
Other revenue recognised at a point in time	16,807	19,115
Total other revenue	20,086	22,343

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Fines are recognised as revenue when the payment is received.

Other revenue is recorded when the payment is due, the value of the payment is notified or the payment is received, whichever comes first.

(1) 2022 - Includes a confidential insurance settlement.

B2-4 Grants and contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	1,595	3,060	–	–
Financial assistance – local roads component	706	1,188	–	–
Payment in advance - future year allocation ¹				
Financial assistance – general component	6,725	4,699	–	–
Financial assistance – local roads component	2,716	1,832	–	–
Amount recognised as income during current year	11,742	10,779	–	–
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Bushfire services	1,351	1,068	2,219	35
Child care	2,803	2,419	58	341
Coast and estuaries	–	–	1,391	888
Community services	915	1,264	269	85
Environmental protection	2,020	3,617	11	151
Library	796	826	74	734
Local Infrastructure Renewal Scheme subsidy	172	271	–	–
Recreation and culture	745	1,616	6,039	4,303
Street lighting	836	790	–	–
Stronger communities fund	1,189	1,349	22	4,016
Storm/flood damage	2,011	2,038	–	–
Transport (other roads and bridges funding)	6,159	298	7,287	16,317
Transport (roads to recovery)	–	–	1,318	1,418
Transport for NSW contributions (regional roads, block grant)	757	750	560	759
Other	–	80	–	–
Total special purpose grants and non-developer contributions – cash	19,754	16,386	19,248	29,047
Non-cash contributions				
Other	–	–	3	–
Total other contributions – non-cash	–	–	3	–
Total special purpose grants and non-developer contributions (tied)	19,754	16,386	19,251	29,047
Total grants and non-developer contributions	31,496	27,165	19,251	29,047
Comprising:				
– Commonwealth funding	13,780	13,732	4,033	10,431
– State funding	17,040	12,713	13,694	17,351
– Other funding	676	720	1,524	1,265
	31,496	27,165	19,251	29,047

(1) The payment in advance received in 2023 represents 100% of the 2024 allocation, while the 2022 advance payment was for 75% of the 2023 allocation.

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Operating 2023	<i>Operating 2022</i>	Capital 2023	<i>Capital 2022</i>
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	G3				
Cash contributions					
S 7.11 – contributions towards amenities/services		–	–	3,405	7,085
S 7.4 – contributions using planning agreements		–	–	343	106
S 7.12 – fixed development consent levies		–	–	10,077	7,714
Total developer contributions – cash		–	–	13,825	14,905
Non-cash contributions					
Other developer contributions		–	–	841	–
Total developer contributions non-cash		–	–	841	–
Total developer contributions		–	–	14,666	14,905
Total grants and contributions		31,496	27,165	33,917	43,952
Timing of revenue recognition for grants and contributions					
Grants and contributions recognised over time		12,813	6,157	17,277	26,822
Grants and contributions recognised at a point in time		18,683	21,008	16,640	17,130
Total grants and contributions		31,496	27,165	33,917	43,952

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner or in a future period, but which are not yet spent in accordance with those conditions are as follows:

\$ '000	<i>Operating</i> 2023	<i>Operating</i> 2022	<i>Capital</i> 2023	<i>Capital</i> 2022
Unspent funds at 1 July	10,204	10,350	55,419	53,549
Recognised as income in the current period but not yet spent	438	540	16,292	15,126
Received for the provision of goods and services in a future period ¹	7,723	1,685	3,367	6,940
Recognised in a previous reporting period now spent	(2,929)	(2,371)	(14,511)	(20,196)
Unspent funds at 30 June	15,436	10,204	60,567	55,419

Nature of unspent grants and contributions:

	2023	2022
- Bare Creek	1,344	1,393
- Currawong cabin renovations	-	1,337
- Local roads and community infrastructure	237	251
- Manly Dam	2,169	2,136
- McKillop headland boardwalk	1,446	1,086
- Pipeline regional active corridor	3,348	1,498
- Precinct support scheme Frenchs Forest	3,983	4,480
- Regional and local road repair	3,273	-
- South Collaroy foreshore renewal	1,000	1,000
- February 2022 storm essential public asset reconstruction	2,207	-
- Stronger Communities fund	4,943	6,441
- Transport for NSW B-line projects	3,128	4,676
- Other grants	5,479	4,868
Closing balance unspent grants and non-developer contributions - refer to Note C1-3:	32,557	29,166
Closing balance unspent Developer Contributions - refer to Note G3:	43,446	36,457

(1) 2022 grant funding received for Pipeline Active Corridor works has now been reclassified from capital to operating (\$1.5m).

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligation is transferred.

The performance obligations vary according to the agreement but include an enforceability clause, details on the specific performance obligations of the transfer of goods or services to an external party through the contract or as part of an agreed work schedule or plan, and refund stipulations if the performance obligations are not met. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

B2-4 Grants and contributions (continued)

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised, the income is recognised for any remaining asset value at the time that the asset is received.

B2-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	372	379
– Cash and investments	6,713	859
Total interest and investment income (losses)	7,085	1,238

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

B2-6 Other income

\$ '000	Notes	2023	2022
Rental income			
Investment properties			
Rental income investment properties		233	246
Total Investment properties		233	246
Other lease income			
Rental income leased Council properties		5,974	6,153
Total other lease income		5,974	6,153
Total rental income	C2-2	6,207	6,399
Fair value increment on investment properties			
Fair value increment on investment properties		165	320
Total fair value increment on investment properties	C1-7	165	320
Fair value increment on investments			
– Movements in investments at fair value through profit and loss (FVTPL)		20	17
Total Fair value increment on investments		20	17
Total other income		6,392	6,736

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	116,284	113,894
Employee termination costs (where material – other than vested leave paid)	980	524
Employee leave entitlements (ELE) ¹	14,524	8,082
Superannuation	13,557	12,901
Workers' compensation insurance	2,634	945
Fringe benefit tax (FBT)	841	722
Kimbriki salaries and on-costs	4,893	4,579
Total employee costs	153,713	141,647
Less: capitalised costs	(7,560)	(7,087)
Total employee costs expensed	146,153	134,560

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans - i.e. as an expense when it becomes payable. Refer to Note E3-1 for more information.

Council is a self-insurer for workers compensation claims up to \$650,000. Claims above this amount are covered by an external insurance provider. 'Workers compensation insurance' includes all costs associated with self-insurance and the external policy. Refer to Note E3-1 for more information.

(1) 2022 - Employee leave entitlements were affected by significant changes in economic measures impacting the determination of the future liabilities resulting in a lower level of expense for this item.

B3-2 Materials and services

\$ '000	Notes	2023	2022
Agency personnel		4,051	2,866
Audit Fees	F2-1	238	247
Bank charges		638	575
Bush regeneration		5,226	4,450
Cleaning		6,997	6,898
Consultancy		491	386
Councillor and Mayoral fees and associated expenses	F1-2	802	691
Election expenses		-	1,371
Electricity, heating and water		4,673	4,109
Environment and floodplain management		2,781	3,645
Fine processing fees		717	828
Golf course and driving range		1,426	1,313
Insurance		3,773	3,452
IT and communications		10,433	9,555
Kimbriki Waste and Recycling Centre		15,559	16,632
Land use planning		636	1,002
Legal fees - other		1,515	1,210
Legal fees - planning and development		863	1,044
Lifeguard services		1,497	1,442
Maintenance and servicing		6,488	5,889
Management fees		2,247	1,917
Other contracts		5,605	6,143
Parking		712	667
Performance and events		1,734	2,166
Plant and vehicle		2,934	2,442
Printing, postage and stationery		1,162	1,057
Raw materials and consumables		4,515	4,010
Recreation and sportsfields		8,428	7,608
Roadwork		14,021	6,249
Stormwater		1,438	883
Street lighting		2,711	2,444
Training costs		781	693
Tree works		3,835	5,611
Valuation fees		471	477
Waste collection ¹		18,167	17,077
Waste disposal and processing		15,393	12,370
Materials and services - other		4,315	3,347
Total materials and services		157,273	142,766
Less: capitalised costs		-	-
Total materials and services		157,273	142,766

Accounting policy

Expenses are recorded on an accruals basis as the Council receives the goods or services.

(1) The total amount paid for waste collection inclusive of lease components of the contract in 2023 is \$19.6m (2022 \$18.5m).

B3-3 Borrowing costs

\$ '000	Notes	2023	2022
(i) Interest bearing liability costs			
Interest on leases		251	288
Interest on loans		762	826
Total interest bearing liability costs		1,013	1,114
Total interest bearing liability costs expensed		1,013	1,114
(ii) Other borrowing costs			
Unwinding of discount asset remediation ¹	C3-5	1,725	1,510
Total other borrowing costs		1,725	1,510
Total borrowing costs expensed		2,738	2,624

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

(1) 'Unwinding of discount asset remediation' refers to the increase in the landfill remediation provision each year, to reflect the present value of the estimated future expenditure to remediate the Kimbriki landfill.

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2023	2022
Depreciation and amortisation			
– Buildings	C1-6	8,721	7,994
– Roads	C1-6	11,839	10,783
– Stormwater	C1-6	6,156	6,916
– Recreational and other infrastructure	C1-6	6,167	5,595
– Right of use assets	C2-1	1,299	1,366
– Other ¹	C1-6	11,876	12,136
Reinstatement, rehabilitation and restoration assets:			
– Asset remediation ²	C3-5,C1-6	763	718
Total depreciation, amortisation and impairment of non-financial assets		46,821	45,508

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

(1) Other refers to non-infrastructure assets including plant & equipment, office equipment, furniture & fittings, depreciable land improvements and library books.

(2) 'Asset remediation' refers to the amortisation of the landfill remediation asset.

B3-5 Other expenses

\$ '000	Notes	2023	2022
Impairment of receivables	C1-4	40	55
Donations, contributions and assistance to other organisations		2,839	4,830
Contributions/levies to other levels of government:			
- Crown land levy		171	122
- Emergency services levy		7,785	6,416
- Land tax		324	329
- Planning levy		703	691
- Waste levy		8,903	8,526
Total other expenses		20,765	20,969

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

B4 Gains or losses**B4-1 Gain or loss from the disposal, replacement and de-recognition of assets**

\$ '000	Notes	2023	2022
Gain (or loss) on disposal of property (excl. investment property)			
Proceeds from disposal – property		55	1,739
Less: carrying amount of property assets sold/written off		–	(503)
Gain (or loss) on disposal		55	1,236
Gain (or loss) on disposal of plant and equipment			
	C1-6		
Proceeds from disposal – plant and equipment		2,112	1,995
Less: carrying amount of plant and equipment assets sold/written off		(523)	(492)
Gain (or loss) on disposal		1,589	1,503
Gain (or loss) on disposal of infrastructure			
	C1-6		
Less: carrying amount of infrastructure assets sold/written off		(1,477)	(1,779)
Gain (or loss) on disposal		(1,477)	(1,779)
Gain (or loss) on disposal of investments			
	C1-2		
Proceeds from disposal/redemptions/maturities – financial assets		272,227	338,038
Less: carrying amount of financial assets sold/redeemed/matured		(272,227)	(338,038)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		167	960

Accounting policy

Gains and losses on disposals are determined by comparing proceeds with carrying amount. The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 28 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actual results and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2023 <i>Budget</i>	2023 <i>Actual</i>	2023 ----- <i>Variance</i> -----	
Revenues				
Rates and annual charges	234,543	234,424	(119)	0% U
User charges and fees	89,113	91,876	2,763	3% F
Other revenues	18,960	20,086	1,126	6% F
Operating grants and contributions	19,648	31,496	11,848	60% F
Council budgets for recurring and secured operating grants and contributions. Variations to the budget include:				
<ul style="list-style-type: none"> • \$5.9m Regional and Local Road Repair Program grant • \$3.5m Financial Assistance Grant (timing of payments across financial years) • \$1.9m Natural Disaster Essential Public Asset Restoration funding for storms • \$0.7m Start Strong free preschool funding and other childcare grants 				
Capital grants and contributions	29,764	33,917	4,153	14% F
Council budgets conservatively for capital grants and contributions so as to avoid reliance on unsecured funding. Variations to the budget include:				
<ul style="list-style-type: none"> • \$6.9m Developer contributions • \$1.4m Safer Schools Infrastructure funding • \$1.2m NSW RFS and Duffy's Forest Rural Fire Brigade contributions • (\$5.2m) Connecting Communities Cycleways Program delays 				
Interest and investment revenue	1,034	7,085	6,051	585% F
Increased returns on investments of \$6.1m were due primarily to higher interest rates and, to a much lesser extent, higher cash and investment balances.				
Net gains from disposal of assets	457	167	(290)	(63)% U
Council takes the conservative position not to budget for gains on disposal of assets with the exception of planned plant and equipment sales.				
<ul style="list-style-type: none"> • \$1.1m Plant and fleet net gain due to stronger sale returns and supply delays which resulted in lower book values • \$0.1m Proceeds on the sale of a road reserve at Herbert Avenue Newport • (\$1.5m) Written down value of infrastructure assets disposed during the renewal process. 				
Other income	6,821	6,392	(429)	(6)% U

B5-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
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Expenses

Employee benefits and on-costs	147,610	146,153	1,457	1%	F
Materials and services	145,251	157,273	(12,022)	(8)%	U

The variance to the Original budget primarily reflects:

- Expenditure on grant funded projects including road works under the Regional and Local Road Repair Program (\$5.8m) and works following storm events (\$4.2m).
- Agency personnel to support the delivery of projects including the Enterprise Resource Planning system replacement, IT, Wakehurst Parkway flood investigations and backfilling vacant roles.

Borrowing costs	2,207	2,738	(531)	(24)%	U
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Increase in the provision for the future remediation of the Kimbriki landfill site resulted in higher costs for the unwinding of the discount \$0.4m. Increases in interest rates resulted in higher variable loan expenses \$0.1m.

Depreciation, amortisation and impairment of non-financial assets	46,767	46,821	(54)	0%	U
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Other expenses	19,946	20,765	(819)	(4)%	U
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Statement of cash flows

Cash flows from operating activities	83,921	110,689	26,768	32%	F
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The favourable performance against budget primarily reflects:

- Interest received on investments is primarily due to higher interest rates.
- User charges and fees were stronger with continued recovery from the pandemic especially at the Aquatic Centres and Lakeside Holiday Park.
- Grants and contributions were higher due to the advanced receipt of the 2023/24 Financial Assistance grant and the receipt of both the Regional and Local Road Repair Program works grant and Local Emergency funding for storm events.

Cash flows from investing activities	(82,418)	(104,702)	(22,284)	27%	U
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The unfavourable performance against budget primarily reflects:

- Payments for IPPE were lower than expected due to supply issues delaying the progress of some projects along with waiting for actions by external parties. Council also delayed the commencement of construction of some projects to provide further time for consultation.
- A higher investments balance due to the reasons noted above.

Cash flows from financing activities	(6,141)	(6,079)	62	(1)%	F
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C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash on hand and at bank ¹	2,571	1,174
Cash equivalent assets		
– Deposits at call	4,034	5,523
Total cash and cash equivalents	6,605	6,697

(1) 2022 has been restated due to the reclassification of clearing accounts totaling \$0.1m from cash to receivables.

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	6,605	6,697
Balance as per the Statement of Cash Flows	6,605	6,697

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

C1-2 Financial investments

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Financial assets at fair value through the profit and loss				
Mortgage backed securities	–	678	–	760
Total	–	678	–	760
Debt securities at amortised cost				
Term deposits	175,623	–	150,625	–
Total	175,623	–	150,625	–
Total financial investments	175,623	678	150,625	760

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition.

C1-2 Financial investments (continued)

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments in a mortgage backed security.

C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	182,906	158,082
Less: Externally restricted cash, cash equivalents and investments	<u>(53,127)</u>	<u>(41,492)</u>
Cash, cash equivalents and investments not subject to external restrictions	129,779	116,590
\$ '000	Notes	2023
		2022

External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	A	43,446	36,457
Specific purpose unexpended grants	B	597	566
Domestic waste management	C	8,466	3,746
Stormwater management	D	161	570
Balgowlah area improvements	E	206	117
Manly business centre improvements	F	251	36
Total external restrictions		53,127	41,492
External Restrictions			

- A Development contributions which are not yet expended for the provision of services and amenities in accordance with contribution plans (refer Note G3)
- B Grants already recognised as revenue which are not yet expended for the purposes for which the grants were obtained
- C Domestic Waste Management (DWM) cash surplus from operations is held as a restricted asset to fund future capital expenditure, including bin replacements and process improvements to the Domestic Waste collection business
- D Funds received through the stormwater management service charge to be used on stormwater works
- E Funds received through a special rate are set aside to be used on future works in Balgowlah around Sydney Road and Condamine Street
- F Funds received through a special rate are set aside to be used on future works in the Manly Business Centre

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

\$ '000	2023	2022
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	129,779	116,590
Less: Internally allocated cash, cash equivalents and investments	<u>(90,833)</u>	<u>(80,184)</u>
Unallocated cash, cash equivalents and investments	38,946	36,406

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	Notes	2023	2022
Internal allocations			
At 30 June, Council has internally allocated funds to the following:			
Mona Vale Cemetery reserve	A	7,903	7,245
Deposits, retentions and bonds	B	17,550	15,380
Employees leave entitlements	C	7,111	7,026
Environmental levy (former Manly Council)	D	1,411	1,532
Meals on wheels	E	216	258
Road reserve	F	-	-
Special rates variation (former Pittwater Council)	G	228	236
Merger savings fund	H	1,315	1,699
Tennis liaison trust fund	I	171	221
Manly Art Gallery	J	716	705
Plant and fleet replacement	K	6,485	3,327
Property improvement reserve	L	242	294
Kimbriki landfill remediation	M	15,418	13,597
Stronger Communities fund tied grants	N	5,251	6,441
Other tied grants	N	26,710	22,159
Other	O	106	64
Total internal allocations		90,833	80,184

Internal allocations over cash, cash equivalents and investments are those assets restricted by a resolution of the Council for specific future purposes. Internal allocations are utilised to disclose the purpose of cash balances held by Council including the management of liabilities and long term financial planning for future commitments.

- A Any cash surplus from Mona Vale Cemetery operations is held as a restricted asset to fund future perpetual maintenance.
- B 79% of deposits, retentions and bonds are held as restricted funds.
- C 20% of the employee leave entitlements provision is set aside to fund extraordinary movements of staff.
- D Unexpended funds received through the environmental component of the former Manly's rates are set aside to be used to fund various environmental programs around the Manly area.
- E Any cash surplus from Meals on Wheels operations is held as a restricted asset to fund future expenses.
- F In accordance with Section 43 (4) of the Roads Act (NSW) 1993, proceeds from the sale of public roads are set aside for the acquisition of land for public roads, and/or carrying out works on public roads.
- G Funds received through a special rates variation are set aside to be used on major capital and infrastructure works, environmental projects, community facility improvements and the replacement of ageing infrastructure in the Pittwater area.
- H Amalgamation savings achieved to 30 June 2018 and set aside to fund various future capital and operational projects.
- I 70% of rental income from Mona Vale, Careel Bay, Elanora Park and Bayview Tennis Clubs is restricted for future capital works and improvements at the tennis clubs.
- J Bequest to Council from Theodore Batten to fund future youth art award programs and artwork acquisitions.
- K Funds set aside for future plant and fleet replacement.
- L Funds set aside to support the delivery of the Property Management Framework for the delivery of community infrastructure, environmental land acquisitions and commercial development.
- M Funds set aside to remediate the Kimbriki tip landfill site.
- N Tied grants relate to any grants received where revenue recognition is deferred until obligations are satisfied. Significant unspent grants in 2023 included Warringah Recreation Centre, Regional and Local Roads Repair, Frenchs Forest Precinct Support Scheme and Pipeline Regional Active Corridor projects. Significant unspent grants in 2022 included Currawong Cabin Renovations, Manly Dam and Transport for NSW B-Line projects.
- O Other internal allocations:
- Any cash surplus from the Bible Garden Public Reserve is restricted to fund future maintenance at the site.
 - Funds donated to Manly Art Gallery to be expended on future artworks.
 - Cash set aside as a contribution towards the future replacement of pipeline and ongoing maintenance to the Scotland Island non potable emergency water supply.

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2023	2022
(c) Unallocated		
Unallocated cash, cash equivalents and investments	38,946	36,406

Unallocated refers to the remaining balance of cash, cash equivalents and investments that are not subject to externally imposed restrictions on their use or internal allocations by resolution of Council for specific future purposes.

C1-4 Receivables

\$ '000	2023		2022	
	Current ¹	Non-current	Current ¹	Non-current
Rates and annual charges	7,103	591	6,994	592
Interest and extra charges	707	421	661	415
User charges and fees ¹	4,439	–	3,746	–
Interest on investments	2,451	–	291	–
Government grants and subsidies ¹	3,150	–	11,065	–
Other	1,735	–	905	–
Net GST receivable	2,062	–	1,924	–
Total	21,647	1,012	25,586	1,007
Less: provision for impairment				
Rates and annual charges	(126)	–	(123)	–
User charges and fees	(677)	–	(672)	–
Total provision for impairment – receivables	(803)	–	(795)	–
Total net receivables	20,844	1,012	24,791	1,007

(1) 2022 has been restated due to the reclassification of clearing accounts totalling \$0.1m from cash to receivables.

Accounting policy

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When estimating ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Credit losses are measured at the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 7 years past due, whichever occurs first.

None of the receivables that have been written off are subject to enforcement activity.

Where Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

C1-5 Inventories

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
(i) Inventories at cost				
Stores and materials	247	–	284	–
Trading stock	125	–	113	–
Total inventories at cost	372	–	397	–
Total inventories	372	–	397	–

Accounting policy

Stores, materials and trading stock

Stores, materials and trading stock are stated at the lower of cost and net realisable value. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period							At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	43,768	–	43,768	39,729	42,518	–	–	(81,614)	–	–	44,401	–	44,401
Plant and equipment	44,841	(21,376)	23,465	2,376	1,112	(554)	(5,622)	–	–	–	45,331	(24,554)	20,777
Office equipment	25,866	(22,085)	3,781	2,157	714	–	(2,000)	–	–	–	28,729	(24,077)	4,652
Furniture and fittings	2,790	(2,047)	743	–	19	–	(161)	–	–	–	2,808	(2,207)	601
Land:													
– Operational land	401,276	–	401,276	–	–	–	–	–	–	1,541	402,817	–	402,817
– Community & Crown land	2,116,343	–	2,116,343	–	835	–	–	–	(33,881)	–	2,083,297	–	2,083,297
– Land under roads (post 30/6/08)	725	–	725	–	3	–	–	–	–	31	759	–	759
Land improvements – depreciable	24,304	(10,847)	13,457	400	–	(10)	(2,970)	22	–	–	24,711	(13,812)	10,899
Infrastructure:													
– Buildings	735,672	(203,343)	532,329	12,571	10,379	(13)	(8,721)	–	–	34,724	804,502	(223,233)	581,269
– Roads sealed	565,179	(67,182)	497,997	8,523	1,086	(355)	(8,192)	–	–	32,741	608,614	(76,814)	531,800
– Roads unsealed	1,927	(271)	1,656	82	31	–	(5)	–	–	109	2,167	(294)	1,873
– Bridges	14,876	(3,677)	11,199	309	1,508	–	(192)	–	–	736	17,424	(3,864)	13,560
– Footpaths	126,790	(13,357)	113,433	3,247	4,945	(351)	(1,524)	–	–	7,458	141,969	(14,761)	127,208
– Other road assets (including bulk earthworks)	270,156	(43,813)	226,343	2,435	2,895	(435)	(1,926)	–	–	14,881	291,613	(47,420)	244,193
– Stormwater drainage	1,036,493	(181,496)	854,997	3,702	2,244	(44)	(6,156)	–	–	56,207	1,110,453	(199,503)	910,950
– Swimming pools	30,774	(5,828)	24,946	1,077	–	(124)	(298)	–	–	13,702	47,311	(8,008)	39,303
– Other open space/recreational assets	146,131	(21,477)	124,654	2,349	1,986	(131)	(3,737)	39	–	15,425	159,465	(18,880)	140,585
– Other infrastructure	234,302	(36,394)	197,908	5,033	9,490	(26)	(2,132)	(39)	–	17,309	266,724	(39,181)	227,543
Other assets:													
– Library books	19,404	(16,062)	3,342	–	685	–	(1,123)	–	–	–	20,088	(17,184)	2,904
– Other	5,326	(1)	5,325	–	12	–	–	–	–	–	5,338	(1)	5,337
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):													
– Asset remediation	27,063	(6,251)	20,812	–	(970)	–	(763)	–	–	–	26,093	(7,014)	19,079
Total infrastructure, property, plant and equipment	5,874,006	(655,507)	5,218,499	83,990	79,492	(2,043)	(45,522)	(81,592)	(33,881)	194,864	6,134,614	(720,807)	5,413,807

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

(-) Total capital expenditure was \$82.9m (including \$0.8m in dedicated assets) in 2023 and \$76.9m (no dedicated assets) in 2022.

C1-6 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2021			Asset movements during the reporting period						At 30 June 2022		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000												
Capital work in progress	36,229	–	36,229	32,297	44,405	–	–	(69,163)	–	43,768	–	43,768
Plant and equipment	44,376	(18,374)	26,002	3,461	224	(488)	(5,722)	(12)	–	44,841	(21,376)	23,465
Office equipment	23,927	(19,635)	4,292	1,461	564	(22)	(2,520)	6	–	25,866	(22,085)	3,781
Furniture and fittings	2,250	(2,001)	249	–	565	–	(57)	(14)	–	2,790	(2,047)	743
Land:												
– Operational land	383,584	–	383,584	–	–	(218)	–	–	17,910	401,276	–	401,276
– Community & Crown land	2,116,454	–	2,116,454	–	174	(285)	–	–	–	2,116,343	–	2,116,343
– Land under roads (post 30/6/08)	725	–	725	–	–	–	–	–	–	725	–	725
Land improvements – depreciable	21,820	(8,201)	13,619	9	–	(25)	(2,714)	2,568	–	24,304	(10,847)	13,457
Infrastructure:												
– Buildings	694,661	(188,717)	505,944	10,283	7,193	–	(7,994)	(5)	16,908	735,672	(203,343)	532,329
– Roads sealed	537,899	(60,087)	477,812	7,412	566	(326)	(7,989)	69	20,452	565,179	(67,182)	497,997
– Roads unsealed	1,910	(251)	1,659	–	–	–	(7)	(68)	72	1,927	(271)	1,656
– Bridges	12,436	(3,387)	9,049	1,649	–	–	(74)	–	575	14,876	(3,677)	11,199
– Footpaths	120,869	(12,851)	108,018	1,698	4,512	(203)	(823)	–	231	126,790	(13,357)	113,433
– Other road assets (including bulk earthworks)	252,114	(40,459)	211,655	2,893	3,609	(916)	(1,891)	–	10,993	270,156	(43,813)	226,343
– Stormwater drainage	980,704	(166,608)	814,096	5,525	563	(119)	(6,916)	–	41,848	1,036,493	(181,496)	854,997
– Swimming pools	28,831	(5,101)	23,730	181	–	–	(443)	–	1,478	30,774	(5,828)	24,946
– Other open space/recreational assets	133,538	(18,039)	115,499	2,985	2,575	(185)	(3,297)	(1)	7,078	146,131	(21,477)	124,654
– Other infrastructure	215,764	(33,984)	181,780	4,673	2,496	(30)	(1,854)	1	10,843	234,302	(36,394)	197,908
Other assets:												
– Library books	18,514	(14,938)	3,576	881	8	–	(1,123)	–	–	19,404	(16,062)	3,342
– Other	4,771	(1)	4,770	–	555	–	–	–	–	5,326	(1)	5,325
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):												
– Asset remediation	28,942	(5,533)	23,409	–	(1,879)	–	(718)	–	–	27,063	(6,251)	20,812
Total infrastructure, property, plant and equipment	5,660,318	(598,167)	5,062,151	75,408	66,130	(2,817)	(44,142)	(66,619)	128,388	5,874,006	(655,507)	5,218,499

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-6 Infrastructure, property, plant and equipment (continued)

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

Infrastructure, property, plant and equipment (IPPE) is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

IPPE are held at fair value.

Non-specialised assets with short useful lives are measured at depreciated historical cost as an approximation of fair value. Council has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

For all asset classes, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount. Full revaluations are undertaken at least every 5 years.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

When infrastructure, property, plant and equipment are acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	4 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Vehicles	5 to 8	Park Structures - Masonry	50 to 100
Heavy plant/road making equipment	5 to 8	Park Structures - Other Construction	20 to 40
Other plant and equipment	5 to 15		
		Buildings	
		Buildings - Masonry	50 to 100
		Buildings - Other	20 to 40
		Stormwater Drainage	
		Drains	60 to 100
		Other Assets	
		Library Books	5 to 15
		Artworks	indefinite

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Capitalisation Thresholds

All items of infrastructure, property, plant and equipment are capitalised with the exception where the cost of acquisition is as follows:

Office Furniture	< \$5,000
Office Equipment	< \$5,000
Other Plant and Equipment	< \$5,000

C1-6 Infrastructure, property, plant and equipment (continued)

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 *Leases*, refer to Note C2-1.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Council has assessed that it does not control any Rural Fire Services plant and equipment. As a result, these assets and any associated depreciation expenses and non-cash contribution income are not included within these financial statements.

C1-7 Investment properties

Owned investment property

\$ '000	2023	2022
At fair value		
Opening balance at 1 July	6,155	5,835
Net gain/(loss) from fair value adjustments	165	320
Closing balance at 30 June	6,320	6,155

Accounting policy

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Buildings

Council leases a building in Dee Why for the purpose of providing long day care. The lease expires in 2032.

The building lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as the photocopiers/printers used for large scale printing. The right of use asset leases for this category expired during the year and are now short term leases on either a month to month or annual basis. Therefore all leases for office and IT equipment are now either low value or short term.

Plant & Equipment

Council's waste collection service is under a lease with an external party. The lease is for 10 years starting on the 1st July 2019 and contains the dedicated use of specific vehicles allocated to the collection service. These vehicles comprise 40 large Dennis Eagle trucks and 4 smaller Hino hybrid trucks for difficult access areas. Council determines the customisation of these vehicles, and receives all the economic benefit of these trucks being in operation. The specific nature of the vehicles renders the lessor limited in their ability to substitute these vehicles.

The lease is a combination of fixed and variable fees. The variable fees are dependent on the number of bins collected for garbage, recycling and vegetation. The bulky goods clean up fees, offshore and isolated communities waste collection, and the on-line booking fee are all fixed fees per annum. The actual right of use asset comprises the 44 trucks listed above, and the stand alone value of these trucks has been calculated using readily available data.

At each anniversary of the commencement date, the prices in the contract will be adjusted in accordance with CPI for the subsequent year. For the URM contract the variable lease payments are adjusted for CPI. However the actual lease liability which relates to the waste collection trucks only is not affected by this due to the fact that Council calculated the value of these assets as stand alone items.

Council's subsidiary Kimbriki Environmental Enterprises holds a lease for a Solar PV System. The lease commenced in July 2019 and has a duration of 120 months. The panels are installed at the Kimbriki site at 1 Kimbriki Road, Ingleside, and are expected to have a useful life of 20 years.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations and reduce costs of moving premises; and the extension options are at Council's discretion.

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

C2-1 Council as a lessee (continued)

(a) Right of use assets

\$ '000	<i>Plant & Equipment</i>	<i>Buildings</i>	<i>Office and IT Equipment</i>	<i>Total</i>
2023				
Opening balance at 1 July	8,540	542	28	9,110
Depreciation charge	(1,217)	(54)	(28)	(1,299)
Balance at 30 June	7,323	488	–	7,811
2022				
Opening balance at 1 July	9,767	596	112	10,475
Depreciation charge	(1,227)	(54)	(85)	(1,366)
Adjustments due to re-measurement of lease liability	–	–	1	1
Balance at 30 June	8,540	542	28	9,110

(b) Lease liabilities

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Lease liabilities	1,241	6,996	1,238	8,237
Total lease liabilities	1,241	6,996	1,238	8,237

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	<i>< 1 year</i>	<i>1 – 5 years</i>	<i>> 5 years</i>	<i>Total</i>	<i>Total per Statement of Financial Position</i>
2023					
Cash flows	1,457	5,849	1,598	8,904	8,237
2022					
Cash flows	1,489	5,840	3,134	10,463	9,475

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2023	2022
Interest on lease liabilities	251	288
Variable lease payments based on usage not included in the measurement of lease liabilities	17,270	16,526
Depreciation of right of use assets	1,299	1,366
Expenses relating to low-value leases	273	206
	19,093	18,386

C2-1 Council as a lessee (continued)

\$ '000	2023	2022
(e) Statement of Cash Flows		
Total cash outflow for leases	<u>(1,489)</u>	<u>(1,558)</u>
	(1,489)	(1,558)

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market for land and buildings which are used for:

i) Council as lessee:

- Beacon Hill playing fields
- Warringah Mall library

ii) Council as lessor:

- Surf Life Saving Clubs
- Transport for NSW B-Line Car Parks
- NSW Rural Fire Services
- The Scout Association of Australia
- Sports Clubs
- Commonwealth of Australia
- Marine Rescue NSW
- Police Citizens Youth Clubs NSW
- The Uniting Church in Australia Property Trust

The leases are generally between 10 and 20 years and require payments of a maximum amount of \$100 per annum. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide and these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties and plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included in the statement of financial position as:

- Investment Property - where the asset is held predominantly for rental or capital growth purposes (refer note C1-7).
- Property, Plant and Equipment - where the rental is incidental, or the asset is held to meet Councils service delivery objectives (refer note C1-6).

\$ '000	2023	2022
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(i) Assets held as investment property

Investment property operating leases relate to three buildings owned for purposes of earning investment income.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

Lease income (excluding variable lease payments not dependent on an index or rate)	233	246
Direct operating expenses from property that generated rental income	(50)	(20)
Direct operating expenses from property that did not generate rental income	-	-
Total income relating to operating leases for investment property assets	183	226

(ii) Assets held as property, plant and equipment

Council provides operating leases on Council buildings mainly for the purpose of road reserves and community buildings.

Lease income (excluding variable lease payments not dependent on an index or rate)	5,974	6,153
Total income relating to operating leases for Council assets	5,974	6,153

Amount of IPPE leased out by Council under operating leases

Buildings	214,749	190,041
Community & Crown Land	8,072	18,353
Operational land	874	874
Total amount of IPPE leased out by Council under operating leases	223,695	209,268

(iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	4,694	4,936
1–2 years	3,001	3,028
2–3 years	2,407	2,599
3–4 years	2,024	2,077
4–5 years	1,911	1,712
> 5 years	20,615	18,206
Total undiscounted lease payments to be received	34,652	32,558

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Payables				
Goods and services	6,324	–	8,720	–
Accrued expenses:				
– Borrowings	90	–	141	–
– Salaries and wages	5,596	–	4,763	–
– Other expenditure accruals	11,099	–	9,190	–
Security bonds, deposits and retentions	22,133	–	19,963	–
Government departments and agencies	28	–	100	–
Prepaid rates	2,254	–	2,292	–
Other	282	100	224	150
Total payables	47,806	100	45,393	150
Total payables	47,806	100	45,393	150

Current payables not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	13,356	13,712
Total payables	13,356	13,712

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs and subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	13,864	2,950	18,011	2,162
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	9,550	5,289	2,836	5,304
Total grants received in advance		23,414	8,239	20,847	7,466
Deposits received in advance of services provided		4,205	-	3,359	-
Total user fees and charges received in advance		4,205	-	3,359	-
Total contract liabilities		27,619	8,239	24,206	7,466

Notes

(i) Council has received funding to construct assets including sporting facilities, bridges, libraries and other infrastructure. The funds received are under an enforceable contract which requires Council to construct an identified asset that will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

Revenue recognised (during the financial year) from opening contract liability balances

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	5,401	12,027
Operating grants (received prior to performance obligation being satisfied)	2,522	2,135
User fees and charges received in advance:		
Deposits received in advance of services provided (e.g. caravan park fees, hire fees)	3,359	2,706
Total revenue recognised that was included in the contract liability balance at the beginning of the period	11,282	16,868

Significant changes in contract liabilities

The contract liabilities have increased from \$31.7m in 21/22 to \$35.9m in 22/23 primarily due to the receipt of several large grants including the Warringah Recreation Centre Upgrade funds of \$1.5m and the Regional and Local Road Repair funds of \$3.3m. The increase in the contract liabilities was offset by the expenditure of several significant grants relating to the construction of Council controlled assets. This included the Currawong Cottages Restoration funds of \$1.3m and the B-Line funding of \$0.6m.

Accounting policy

Contract liabilities are recorded when consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer. Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Loans – secured	3,340	9,185	4,770	12,538
Total borrowings	3,340	9,185	4,770	12,538

(a) Changes in liabilities arising from financing activities

\$ '000	2022		Non-cash movements			2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Other non-cash movement	Closing balance
Loans – secured	17,308	(4,782)	–	–	–	12,526
Lease liabilities (Note C2-1b)	9,475	(1,238)	–	–	–	8,237
Total liabilities from financing activities	26,783	(6,020)	–	–	–	20,763

\$ '000	2021		Non-cash movements			2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Other non-cash movement	Closing balance
Loans – secured	22,326	(5,018)	–	–	–	17,308
Lease liabilities (Note C2-1b)	10,743	(1,269)	–	1	–	9,475
Total liabilities from financing activities	33,069	(6,287)	–	1	–	26,783

(b) Financing arrangements

\$ '000	2023	2022
Total facilities		
Bank overdraft facilities ¹	5,500	5,500
Credit cards/purchase cards	150	150
Total financing arrangements	5,650	5,650

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Drawn facilities

– Credit cards/purchase cards	35	39
Total drawn financing arrangements	35	39

Undrawn facilities

– Bank overdraft facilities	5,500	5,500
– Credit cards/purchase cards	115	111
Total undrawn financing arrangements	5,615	5,611

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Loans are secured over the income of Council. Lease liabilities are secured by the underlying leased assets.

C3-3 Borrowings (continued)

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs and subsequently at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

C3-4 Employee benefit provisions

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Annual leave	11,857	–	12,693	–
Sick leave	237	–	283	–
Long service leave	22,346	1,843	22,326	761
Gratuities	8	–	8	–
Other leave	306	–	243	–
Total employee benefit provisions	34,754	1,843	35,553	761

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits ¹	20,284	20,852
	20,284	20,852

(1) Primarily relates to long service leave.

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax (Kimbriki staff) and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C3-5 Provisions

\$ '000	2023		2022	
	Current	Non-Current	Current	Non-Current
Other provisions				
Self insurance – workers compensation	1,060	3,615	759	2,681
Sub-total – other provisions	1,060	3,615	759	2,681
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	41,479	–	40,723
Sub-total – asset remediation/restoration	–	41,479	–	40,723
Total provisions	1,060	45,094	759	43,404

Description of and movements in provisions

\$ '000	Other provisions		
	Self insurance	Asset remediation	Total
2023			
At beginning of year	3,440	40,723	44,163
Unwinding of discount	–	1,725	1,725
Additional provisions	1,939	–	1,939
Amounts used (payments)	(704)	–	(704)
Remeasurement effects	–	(969)	(969)
Total other provisions at end of year	4,675	41,479	46,154
2022			
At beginning of year	3,819	41,093	44,912
Unwinding of discount	–	1,509	1,509
Additional provisions	351	–	351
Amounts used (payments)	(730)	–	(730)
Remeasurement effects	–	(1,879)	(1,879)
Total other provisions at end of year	3,440	40,723	44,163

Nature and purpose of provisions

Asset remediation

Asset Remediation Provisions represent the present value estimate of future costs Council will incur in order to remove, restore and remediate assets and/or activities as a result of past operations. Council is required by law to restore the present tip site at Kimbriki to passive open space at the end of its useful life. An Evaluation of Costs for Landfill Closure and Post Closure Management was prepared by Mockinya Consulting in June 2020 and has been subsequently reviewed in June 2023 to allow for the necessary updates. The projected cost of this restoration is \$142.3m based on the latest updates to the 2020 Landfill Closure and Post Closure Management Evaluation of Costs Report. The 30th June 2023 Weekly Yield Report government bond rate applicable to the discount period has been used to estimate the present value of the remediation provision. Regular, ongoing reviews of these inputs are undertaken given the current level of volatility in the economy. Costs have been escalated at an inflation rate of 2.97% and the provision has been discounted to its present value at 4.34% per annum.

Self-insurance

Self Insurance Provisions represent both:

- Claims incurred but not reported; and
- Claims reported and estimated as a result of Council being a self insurer for Workers Compensation Claims.

Public Liability and Professional Indemnity claims are expensed as they meet the recognition criteria set out in AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Specific uncertainties relating to the final costs and the assumptions made in determining provisions for Self Insurance include:

- Claims Escalation of 3.500% - 4.500% per annum and Bond Yields of 3.610% - 4.515% per annum over a 12 year period;
- All monetary amounts for past Workers Compensation Claims were indexed to bring them to "standardised" values at June 2023;

C3-5 Provisions (continued)

- Workers Compensation Claim payments projected into the future by the adopted actuarial model are in standardised values as at June 2023.

The last actuarial assessment of Workers Compensation claims was undertaken in July 2023 for the 30 June 2023 provision balance, and was performed by David A Zaman Pty Ltd, Director David Zaman, BSc, FIA, FIAA, MBA.

Accounting policy

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

Asset remediation – tips

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Council also capitalises the costs of remediation as part of the landfill assets at the date the council becomes obligated to incur them under the Cost Model method - refer Note C1-6. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Self-insurance

Council has decided to self-insure for workers compensation for claims up to \$650,000. Claims above \$650,000 are covered by an external insurance provider. A provision for self-insurance has been made to recognise outstanding claims. Council also maintains a bank guarantee to the value of \$3,687,000; - refer to Note E3-1 (1.iii).

C4 Reserves

C4-1 Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation surplus

The infrastructure, property, plant and equipment (IPPE) revaluation surplus is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Council structure

D1 Interests in other entities

D1-1 Subsidiaries

Council's consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with AASB 10 Consolidated Financial Statements and the accounting policy described below.

Name of Operation/Entity	Principal place of business
Kimbriki Environmental Enterprises Pty Limited	Kimbriki Road, Ingleside, NSW

Interests in Subsidiary	Ownership 2023	Ownership 2022	Voting rights 2023	Voting rights 2022
Council's interest in Subsidiary	96.16%	96.16%	96.16%	96.16%

The nature and extent of significant restrictions relating to the Subsidiary

Council is the majority shareholder in Kimbriki Environmental Enterprises Pty Limited (Company). The Company commenced operating its waste and recycling business on 1 July 2009 with a lease over the Council owned site for a period of 25 years. The one minority shareholder in the Company is Mosman Council.

The Shareholder Agreement requires that a Super Majority Consent of Shareholders (majority shareholder plus one other shareholder) be required for the following decisions:

- Any decision of the company to require the Councils to subscribe for further Shares to fund the continuing operation of the Company.
- Any decision of the shareholders in relation to any of the following matters:
 - Any lease of the Kimbriki Facility from Northern Beaches Council;
 - Any call offer in favour of Northern Beaches Council to purchase the Kimbriki Residential Properties (assuming the Company acquires them); and
 - Any Collection Contract between the Company and Northern Beaches Council

Further, an Extraordinary Majority Consent of Shareholders (majority shareholder plus two other shareholders) is required for any decision relating to:

- Constitution amendment: any amendment to the constitution documents of the Company;
- Liquidation: the liquidation of winding up of the Company;
- Capital reorganisation: any reorganisation, reclassification, reconstruction, consolidation or subdivision of the capital of the Company, including any buyback or redemption of Shares, or the creation of any different class of marketable securities in the capital of the Company;
- Significant investments: any agreement by the Company to purchase any asset, make any investment or otherwise commit to a project with a value in a single case, or any number of cases with the same vendor or other contracting party (or person associated with them) in any year with an aggregate value exceeding \$2,500,000;
- Bonus issue: the issue of any bonus shares in the capital of the Company; and
- Share offers: any issue of marketable securities in the capital of the Company, except where this agreement expressly permits otherwise.

Northern Beaches Council now holds the shares of the former Manly, Pittwater and Warringah Councils and for the purposes of the Shareholder Agreement is taken to hold the position of majority shareholder and two other shareholders.

D1-1 Subsidiaries (continued)

Summarised financial information for the Subsidiary

\$ '000	2023	2022
Summarised statement of comprehensive income		
Revenue	42,717	43,618
Expenses	(38,569)	(38,261)
Profit for the period	4,148	5,357
Total comprehensive income	4,148	5,357
Non-controlling interest share	159	206
Dividends paid to non-controlling interests	58	38
Summarised statement of financial position		
Current assets	27,305	32,512
Non-current assets	40,768	31,899
Total assets	68,073	64,411
Current liabilities	7,136	7,456
Non-current liabilities	24,341	23,006
Total liabilities	31,477	30,462
Net assets	36,596	33,949
Non-controlling interest share	1,405	1,304
Summarised statement of cash flows		
Cash flows from operating activities	9,636	9,926
Cash flows from investing activities	(12,865)	(2,756)
Cash flows from financing activities	(2,158)	(1,631)
Net increase (decrease) in cash and cash equivalents	(5,387)	5,539

Accounting policy for subsidiaries

Subsidiaries are all entities (including structured entities) over which the Council has control. Control is established when the Council is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

These consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements (with the exception of this note). Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a June financial year end.

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including **(1)** credit risk, **(2)** liquidity risk and **(3)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

The risks associated with the instruments held are:

- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
The impact on the result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,822	1,572
Impact of a 10% movement in price of investments		
– Equity / Income Statement	68	76

E1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk. The level of outstanding receivables is reported to Council quarterly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required, and carries out credit checks on material non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

\$ '000	<i>Not yet overdue</i>	<i>overdue rates and annual charges < 5 years</i>	<i>≥ 5 years</i>	<i>Total</i>
2023				
Gross carrying amount	–	6,132	1,562	7,694
2022				
Gross carrying amount	–	6,069	1,517	7,586

Receivables - non-rates and annual charges

Council applies the simplified approach for 'non-rates and annual charges' debtors to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, 'non-rates and annual charges' debtors have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	<i>Not yet overdue</i>	<i>0 - 30 days</i>	<i>Overdue debts</i>			<i>Total</i>
			<i>31 - 60 days</i>	<i>61 - 90 days</i>	<i>> 91 days</i>	
2023						
Gross carrying amount ¹	10,050	1,203	513	1,710	1,489	14,965
Expected loss rate (%)	0.67%	2.74%	6.63%	2.98%	33.04%	4.53%
ECL provision	67	33	34	51	492	677
2022						
Gross carrying amount ¹	16,440	692	316	107	1,452	19,007
Expected loss rate (%)	1.10%	3.76%	4.75%	41.12%	27.96%	3.54%
ECL provision	181	26	15	44	406	672

(1) 2022 has been restated due to the reclassification of clearing accounts totalling \$0.1m from cash to receivables.

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates, with the exception of the planned refinancing of two loans for a further ten years (for which the residuals on maturity are \$2.5m by June 2024, and \$2.4m by June 2025). For other loans, the timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(c) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	<i>Weighted average interest rate</i>	<i>Subject to no maturity</i>	<i>≤ 1 Year</i>	<i>payable in:</i>		<i>Total cash outflows</i>	<i>Actual carrying values</i>
				<i>1 - 5 Years</i>	<i>> 5 Years</i>		
2023							
Payables	0.00%	22,133	25,673	100	–	47,906	47,906
Borrowings	5.91%	–	3,340	5,584	3,601	12,525	12,525
Total financial liabilities		22,133	29,013	5,684	3,601	60,431	60,431
2022							
Payables	0.00%	19,963	25,430	150	–	45,543	45,543
Borrowings	4.99%	–	4,770	8,056	4,482	17,308	17,308
Total financial liabilities		19,963	30,200	8,206	4,482	62,851	62,851

Loan agreement breaches

There were no breaches to loan agreements during the reporting year.

E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- infrastructure, property, plant and equipment
- investment property
- financial assets and liabilities

During the reporting period Council will measure non-current assets classified as held for sale at fair value on a non-recurring basis if their carrying amount is higher than their fair value and therefore the assets need to be written down to fair value. They are measured at the lower of their carrying amount and fair value less costs to sell. During the current reporting period, there were no assets measured at fair value on a non-recurring basis.

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes. AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

\$ '000	Notes	Fair value measurement hierarchy				Total	
		Level 2 Significant observable inputs 2023	2022	Level 3 Significant unobservable inputs 2023	2022	2023	2022
Recurring fair value measurements							
Financial assets							
At fair value through profit or loss	C1-2	678	760	–	–	678	760
Total financial assets		678	760	–	–	678	760
Investment property							
Commercial Office and Retail	C1-7	6,320	6,155	–	–	6,320	6,155
Total investment property		6,320	6,155	–	–	6,320	6,155
Infrastructure, property, plant and equipment							
Plant & Equipment	C1-6	–	–	20,777	23,465	20,777	23,465
Office Equipment		–	–	4,652	3,781	4,652	3,781
Furniture & Fittings		–	–	601	743	601	743
Operational Land		402,817	401,276	–	–	402,817	401,276
Community & Crown Land		–	–	2,083,297	2,116,343	2,083,297	2,116,343
Land Under Roads		–	–	759	725	759	725
Land Improvements - Depreciable		–	–	10,899	13,457	10,899	13,457
Buildings		–	–	581,269	532,329	581,269	532,329
Roads Sealed		–	–	531,800	497,997	531,800	497,997
Roads Unsealed		–	–	1,873	1,656	1,873	1,656
Other Road Assets		–	–	244,193	226,343	244,193	226,343
Bridges		–	–	13,560	11,199	13,560	11,199
Footpaths		–	–	127,208	113,433	127,208	113,433
Drainage Infrastructure		–	–	910,950	854,997	910,950	854,997
Swimming Pools		–	–	39,303	24,946	39,303	24,946
Other Open Space/Recreational Assets		–	–	140,585	124,654	140,585	124,654
Other Infrastructure		–	–	227,543	197,908	227,543	197,908
Library Books		–	–	2,904	3,342	2,904	3,342
Other		–	–	5,337	5,325	5,337	5,325
Remediation asset		–	–	19,079	20,812	19,079	20,812

E2-1 Fair value measurement (continued)

\$ '000	Notes	Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2023	2022	2023	2022	2023	2022
Total infrastructure, property, plant and equipment		402,817	401,276	4,966,589	4,773,455	5,369,406	5,174,731

Valuation techniques

Level 2 measurements

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 2 asset class fair values.

\$ '000	Fair value (30/6/23)	Valuation technique/s	Unobservable inputs
Investments - at fair value through profit or loss	678	Indicative market valuation advice from an independent external investment advisor	Weighted average life of the security, any current trading activity, information on credit quality, relevant economic and market information and information received from the Trustee in relation to these securities
Investment properties	6,320	Direct market comparison approach by independent qualified expert	Price per square metre, direct comparison to sales evidence, zoning, location, land area and configuration, planning controls
Operational Land	402,817	Direct market comparison approach by independent qualified expert	Price per square metre, direct comparison to sales evidence, zoning, location, land area and configuration, planning controls

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

\$ '000	Fair value 2023	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Plant & Equipment, Office Equipment, Furniture & Fittings, Library Books and Other Assets	34,271	Depreciated historical cost assessed as fair value	Asset condition and remaining useful life
Community Land and Crown Land	2,083,297	Land values obtained from the NSW Valuer-General with internal assessment for reasonableness of VG value with adjustments where required.	VG value (price per square metre)
Land Under Roads	759	Average municipal rate, determined by the NSW Valuer-General, after applying 90% discount to reflect restricted nature of asset	VG value (price per square metre)
Land Improvements - Depreciable	10,899	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Buildings	581,269	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Roads Sealed	531,800	Unit rates per m2 and length	Asset condition and remaining useful life
Roads Unsealed	1,873	Unit rates per m2 and length	Asset condition and remaining useful life
Roads Other Assets	244,193	Unit rates per m2 and length	Asset condition and remaining useful life
Bridges	13,560	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Footpaths	127,208	Unit rates per m2 and length	Asset condition and remaining useful life
Drainage Infrastructure	910,950	Unit rates per m2 and length	Asset condition and remaining useful life
Swimming Pools	39,303	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Other Open Space/Recreational Assets	140,585	Replacement cost used to approximate fair value	Asset condition and remaining useful life
Other Infrastructure	227,543	Replacement cost used to approximate fair value	Asset condition and remaining useful life

E2-1 Fair value measurement (continued)

\$ '000	Fair value 2023	Valuation technique/s	Unobservable inputs
Asset Remediation	19,079	Cost model applied using Landfill Closure and Post Closure Report and Cost Estimate prepared by independent expert	Remaining life of site, pattern of consumption and potential latent conditions

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Total IPP&E	
	2023	2022
Opening balance	4,773,455	4,642,338
Total gains or losses for the period		
Recognised in profit or loss – realised (refer to Note B4-1)	112	(276)
Other movements		
Purchases	81,233	64,836
Sales	(2,155)	(2,324)
Depreciation and impairment	(45,521)	(44,142)
Other Movements	22	2,545
Revaluations	159,443	110,478
Closing balance	4,966,589	4,773,455

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a "multi-employer fund" for purposes of AASB 119 *Employee Benefits*. Sufficient information is not available to account for the Scheme as a defined benefit plan in accordance with AASB 119 because the assets to the Scheme are pooled together for all Councils. Further information is provided under d) below.

a) **Description of the funding arrangements, including the method used to determine Council's rate of contributions and any minimum funding requirements.**

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund. The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates are 1.9 times employee contributions.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0m per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities. The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

b) **Description of the extent to which Council can be liable to the plan for other entities' obligations under the terms and conditions of the multi-employer plan.**

Each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the entity.

c) **Description of any agreed allocation of a deficit or surplus on:**

- i) Wind-up of the plan
There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.
- ii) Council's withdrawal from the plan
There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

d) **Additional information under paragraph 34 of AASB 119**

- i) The plan is a defined benefit plan
- ii) The reasons why sufficient information is not available to enable the Council to account for the plan as a defined benefit plan is as follows:
 1. Assets are not segregated within the sub-group according to the employees of each sponsoring employer;
 2. The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer;
 3. Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer; and
 4. The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

E3-1 Contingencies (continued)

Given the factors set out above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such we do not believe that there is sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

- iii) The expected contribution for the next annual reporting period is \$835,652.
- iv) Information about any deficit or surplus in the plan that may affect the amount of future contributions, including the basis used to determine that deficit or surplus and the implications, if any, for the entity.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is:

Employer reserves only*	\$millions	Asset Coverage
Assets	2,290.90	
Past Service Liabilities	2,236.10	102.40%
Vested Benefits	2,253.60	101.70%

*excluding member accounts and reserves in both assets and liabilities

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	6.0% for FY22/23 2.5% per annum thereafter

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group. The estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2023.

- v) An indication of the level of participation of Council in the plan compared with other participating entities.

Council's additional lump sum contribution per annum of \$523,916 as a percentage of the total past service contributions of all Pooled Employers (of \$20.0m for each year from 1 January 2022 to 31 December 2024) is 2.62% which provides an indication of the level of participation of Northern Beaches Council compared with other employers in the Pooled Employer subgroup.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) Workers Compensation

Council has decided to self-insure for workers compensation for claims up to \$650,000. Claims above \$650,000 are covered by an external insurance provider. Council provides bank guarantees to the value of \$3,687,000 to secure its self-insurance licence for workers compensation. The guarantee is provided to the State Insurance Regulatory Authority.

E3-1 Contingencies (continued)

(iv) Other guarantees

Kimbriki Environmental Enterprises Pty Ltd has provided a bank guarantee in the amount of \$1,000,000 to the Environmental Protection Authority as a condition to the granting of a licence to operate a dry waste facility. The amount may be drawn down by the authority if licence conditions are not met. It is not expected that this amount will be drawn down.

Council has provided two bank guarantees totalling \$904,085 to Sydney Water in relation to on-going capital work projects as security against damage to their nearby assets. It is not expected that this amount will be drawn down.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage. It is further believed that the insurance coverage in place is at a level which will be able to accommodate any potential future material liabilities should such matters arise.

(ii) S7.11 and S7.12 Plans

Council has significant obligations to provide Section 7.11 and Section 7.12 infrastructure. It is possible that funds contributed may be less than the cost of this infrastructure requiring Council to borrow or use general revenue to fund the difference. (Refer Note G-3).

(iii) Legal Expenses

Council, the Sydney North Planning Panel and the Northern Beaches Local Planning Panel are ordinarily the planning consent authorities for the Northern Beaches local government area under the Environmental Planning & Assessment Act 1979. Pursuant to that Act, certain persons dissatisfied by a planning decision of the Council or the panels may appeal to the Land & Environment Court. In relation to a determination by a panel, Council is to be the respondent to the appeal but is subject to the control and direction of the panel in connection with the conduct of the appeal. The Act also provides an entitlement for any person to commence proceedings to remedy or restrain a breach of the Act in civil enforcement and judicial review proceedings. It is the Court's normal practice in Class 1 proceedings that parties bear their own legal costs. In Class 4 (or judicial review) proceedings, costs usually follow the event.

At 30 June 2023, Council was party to 27 Class 1 appeals and 3 Class 4 appeals in the Land & Environment Court. In addition Council is a party to a matter in the Supreme Court of NSW and a matter in the NSW Court of Appeal. All known costs have been recognised, however the amount of further costs cannot be known until the appeals are determined.

Council is involved in other litigation (including civil liability proceedings and Local Court prosecutions). Whilst these matters are ordinarily unlikely to cost Council in excess of \$100,000 individually, the situation will depend on the circumstances of the specific proceedings and the amount of further costs cannot be known until these proceedings are concluded.

(iv) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, Council may be required to purchase the land in accordance with the provisions of the Land Acquisition (Just Terms Compensation) Act 1991.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

E3-1 Contingencies (continued)

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

(ii) Storm Damage Assistance

Council experienced major storm events in December 2021, February, March and June 2022. Ongoing cleanup and remediation works were carried out in the 2023 financial year. Council is seeking Natural Disaster Relief funding through the Commonwealth and State Government arrangement. Claims from previous financial years are also under assessment for funding.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. KMP roles comprise 15 Councillors including the Mayor, one Chief Executive Officer, six Directors, and one Public Officer.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2023	2022
Compensation:		
Short-term benefits	3,513	3,526
Post-employment benefits	253	193
Other long-term benefits	114	156
Total	3,880	3,875

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

During the financial years 2023 and 2022 there were no other transactions with KMP and their related parties.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2023	2022
The aggregate amount of Councillor and Mayoral fees and associated expenses are included in materials and services expenses in the Income Statement. These expenses, also included in the KMP compensation table above, are:		
Mayoral fee ¹	102	90
Councillors' fees ¹	522	465
Other Councillors' expenses (including Mayor) ²	178	136
Total	802	691

(1) 2023 fees now include superannuation.

(2) 2023 increased due to the return of training and conference opportunities which had been lower in the prior year due to COVID restrictions.

F1-3 Other related parties

\$ '000	Transactions during the year	Outstanding balances including commitments	Terms and conditions
2023			
Subsidiary - Kimbriki Environmental Enterprises Pty Limited			
Tipping Fees	12,595	1,016	
Lease Income	3,341	97	Payable on the 1st of each month
Dividends	1,445	-	
2022			
Subsidiary - Kimbriki Environmental Enterprises Pty Limited			
Tipping Fees	13,886	1,055	
Lease Income	3,481	601	Payable on the 1st of each month
Dividends	963	-	

F2 Other relationships

F2-1 Audit fees

\$ '000	2023	2022
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During the year, the following fees were incurred for services provided by the auditor of Council.

Auditors of the Council - NSW Auditor-General:

(i) Audit and other assurance services

Audit and review of financial statements

	238	247
Remuneration for audit and other assurance services	238	247

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	51,693	61,630
Add / (less) non-cash items:		
Depreciation and amortisation	46,821	45,508
(Gain) / loss on disposal of assets	(167)	(960)
Non-cash capital grants and contributions	(844)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as ‘at fair value’ or ‘held for trading’	(20)	(17)
– Investment property	(165)	(320)
Unwinding of discount rates on reinstatement provisions	1,725	1,509
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	3,934	(8,884)
Increase / (decrease) in provision for doubtful debts	8	21
(Increase) / decrease of inventories	25	(19)
(Increase) / decrease in other assets	(389)	(947)
Increase / (decrease) in payables	(2,396)	599
Increase / (decrease) in accrued interest payable	(51)	(27)
Increase / (decrease) in other accrued expenses payable	2,742	(1,462)
Increase / (decrease) in other liabilities	3,038	1,627
Increase / (decrease) in contract liabilities	4,186	(4,689)
Increase / (decrease) in employee leave entitlements	283	(3,162)
Increase / (decrease) in other provisions	266	(379)
Net cash flows from operating activities	110,689	90,028

(b) Non-cash investing and financing activities

Non Cash Contributions - Land and Infrastructure	844	–
Total non-cash investing and financing activities	844	–

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
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Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Land and Buildings	2,203	4,493
Plant and equipment	107	899
Other	11	191
Infrastructure	14,049	11,944
Total commitments	16,370	17,527

Details of capital commitments

Contractual commitments for capital works currently being undertaken.

G3 Statement of developer contributions as at 30 June 2023

G3-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Drainage	7,342	701	834	–	265	(1,289)	–	7,853	–
Roads	(4,177)	856	–	–	(132)	(56)	–	(3,509)	–
Open space	4,244	805	–	–	153	(244)	–	4,958	–
Community facilities	8,438	442	–	–	301	–	–	9,181	–
Other	1,008	42	–	–	35	(31)	–	1,054	–
Local Infrastructure (Repealed Plan) ¹	2,180	560	–	–	71	(1,632)	–	1,179	–
S7.11 contributions – under a plan	19,035	3,406	834	–	693	(3,252)	–	20,716	–
S7.12 levies – under a plan	16,534	10,076	–	–	713	(5,325)	–	21,998	–
Total S7.11 and S7.12 revenue under plans	35,569	13,482	834	–	1,406	(8,577)	–	42,714	–
S7.11 not under plans	88	–	–	–	–	(16)	–	72	–
S7.4 planning agreements	872	343	1	6	26	(516)	–	732	–
Less: Land	(72)	–	–	–	–	–	–	(72)	–
Total contributions	36,457	13,825	835	6	1,432	(9,109)	–	43,446	–

(1) Local Infrastructure (Repealed Plan) - Funds in repealed contribution plans have been pooled in accordance with Council resolutions on 25/6/19 and 27/4/21.

G3-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2022	Contributions received during the year				Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other						
Former Manly Council - Residential, Commercial, Tourist, Other										
Local Infrastructure (Repealed Plan)	1,361	355	-	-	41	(1,028)	-	729	-	
Total	1,361	355	-	-	41	(1,028)	-	729	-	
Former Manly Council - Parking										
Local Infrastructure (Repealed Plan)	818	205	-	-	30	(603)	-	450	-	
Total	818	205	-	-	30	(603)	-	450	-	
Former Pittwater Council - Open Space, Public Library Services, Community Service Facilities, Village Streetscape										
Local Infrastructure (Repealed Plan)	1	-	-	-	-	(1)	-	-	-	
Total	1	-	-	-	-	(1)	-	-	-	
Former Pittwater Council - Contribution Plan - Warriewood Valley and Material Public Works										
Drainage	7,342	701	834	-	265	(1,289)	-	7,853	-	
Roads	(4,177)	856	-	-	(132)	(56)	-	(3,509)	-	
Open space	4,244	805	-	-	153	(244)	-	4,958	-	
Community facilities	8,438	442	-	-	301	-	-	9,181	-	
Other	(355)	42	-	-	(12)	(24)	-	(349)	-	
Total	15,492	2,846	834	-	575	(1,613)	-	18,134	-	
Dee Why Town Centre Contributions Plan										
Other	1,363	-	-	-	47	(7)	-	1,403	-	
Total	1,363	-	-	-	47	(7)	-	1,403	-	
S7.12 Levies – under a plan										
Former Warringah Council - s7.12 contribution plan										
Local Infrastructure (Repealed Plan)	5,293	1,255	-	-	206	(494)	-	6,260	-	
Total	5,293	1,255	-	-	206	(494)	-	6,260	-	
Northern Beaches Council - s7.12 contribution plan										
Other	11,241	8,821	-	-	507	(4,831)	-	15,738	-	
Total	11,241	8,821	-	-	507	(4,831)	-	15,738	-	

G3-3 Contributions not under plans

\$ '000	Opening balance at 1 July 2022	Contributions received during the year					Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other	Interest and investment income earned					
Former Manly Council										
Local Infrastructure (Repealed Plan)	16	-	-	-	-	(16)	-	-	-	
Total	16	-	-	-	-	(16)	-	-	-	
Former Warringah Council										
Land	72	-	-	-	-	-	-	72	-	
Total	72	-	-	-	-	-	-	72	-	

G3-4 S7.4 planning agreements

Other	872	343	1	6	26	(516)	-	732	-
Total	872	343	1	6	26	(516)	-	732	-

G4 Statement of performance measures

G4-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	Indicator 2022	Benchmark
1. Operating performance ratio				
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	17,464	4.46%	4.53%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	391,174			
2. Own source operating revenue ratio				
Total continuing operating revenue excluding all grants and contributions ¹	359,678	84.61%	82.52%	> 60.00%
Total continuing operating revenue ¹	425,091			
3. Unrestricted current ratio				
Current assets less all external restrictions	152,555	1.92x	1.90x	> 1.50x
Current liabilities less specific purpose liabilities	79,536			
4. Debt service cover ratio				
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	67,023	7.65x	7.25x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	8,759			
5. Rates and annual charges outstanding percentage				
Rates and annual charges outstanding	8,696	3.57%	3.63%	< 5.00%
Rates and annual charges collectable	243,594			
6. Cash expense cover ratio				
Current year's cash and cash equivalents plus all term deposits	182,228	6.13 months	5.59 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	29,725			

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies.

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method.



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Northern Beaches Council

To the Councillors of Northern Beaches Council

Opinion

I have audited the accompanying financial statements of Northern Beaches Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information. The financial statements include the consolidated financial statements of the Council and the entities it controlled at the year's end or from time to time during the year.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting professional and ethical standards board's A Code of ethics for Professional Accountants (including Independence Standards)' APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report the other information I have received comprise the Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar3.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Susan Prichard
Delegate of the Auditor-General for New South Wales

25/10/2023
SYDNEY



Mayor - Sue Heins
Northern Beaches Council
PO BOX 82
MANLY NSW 1655

Contact: Sue Prichard
Phone no: 02 8280 5637
Our ref: R008-16585809-46620

25 October 2023

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2023
Northern Beaches Council**

I have audited the general purpose financial statements (GPFS) of the Northern Beaches Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2023 \$m	2022 \$m	Variance %
Rates and annual charges revenue	234.4	225.9	↑ 3.8
Grants and contributions revenue	65.4	71.1	↓ 8.0
Operating result from continuing operations	51.7	61.6	↓ 16.1

Net operating result
before capital grants and
contributions

17.8

17.7

0.6

Rates and annual charges revenue (\$234.4 million) increased by \$8.5 million (3.8 per cent) in 2022/23 due to a \$4.2 million increase in domestic waste charges and an increase in rates of 2.4 per cent as approved by IPART.

Grants and contributions revenue (\$65.4 million) decreased by \$5.7 million (8.0 per cent) in 2022/23 due to:

- decrease of \$9.0 million of capital grants for transport (other roads and bridges funding)
- increase of \$5.9 million in operating grants for transport (other roads and bridges funding)
- increase of \$2.2 million in capital grants for bushfire services
- decrease of \$4.0 million in capital grants from the stronger communities fund

The Council's operating result from continuing operations (\$51.7 million including depreciation, amortisation and impairment expense of \$46.8 million) was \$9.9 million lower than the 2021/22 result.

The net operating result before capital grants and contributions (\$17.8 million) was \$0.1 million higher than the 2021/22 result.

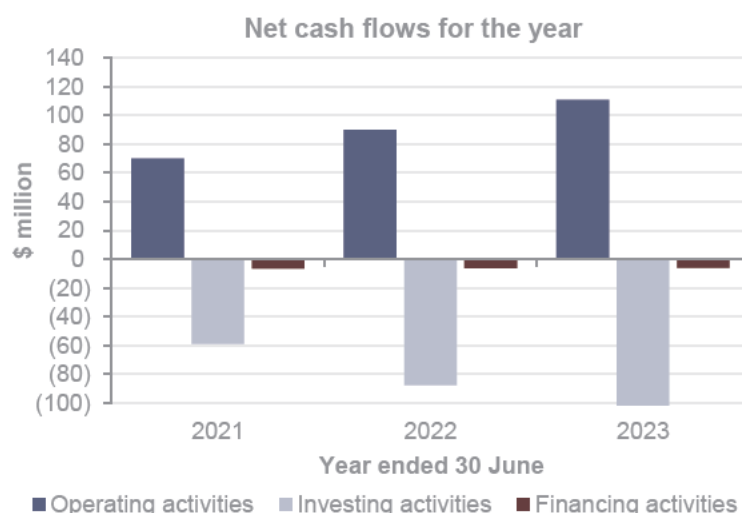
STATEMENT OF CASH FLOWS

Cash balances have increased due to the early receipt of the 2024 financial assistance grant and an \$11.6m increase in externally restricted funds.

Net cash flows from operating activities increased due to higher user charges and fees and grants and contributions.

Net cash flows from investing activities decreased due to the net increase in investments.

Net cash in financing activities was static.



FINANCIAL POSITION

Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	182.9	158.1	Externally restricted balances mainly comprise developer contributions and domestic waste management which have both increased in the current year.
Restricted and allocated cash, cash equivalents and investments:			Balances are deemed internal allocations due to Council policy or decisions for forward plans including works program.
• External restrictions	53.1	41.5	
• Internal allocations	90.8	80.2	

Debt

At 30 June 2023, Council had:

- \$12.5 million in secured loans (\$17.3 million in 2021-22)
- \$5.5 million in approved overdraft facility with nil drawn down
- \$0.15 million in credit card facility with \$35,000 used.

PERFORMANCE

Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

The Council exceeded the benchmark for the current reporting period.

The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

The Council continues to exceed the benchmark for the current reporting period.

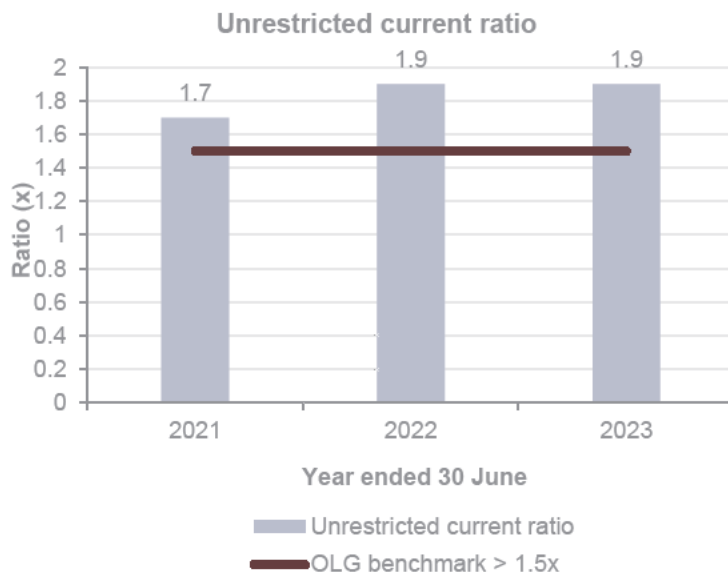
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

The Council continues to exceed the benchmark for the current reporting period.

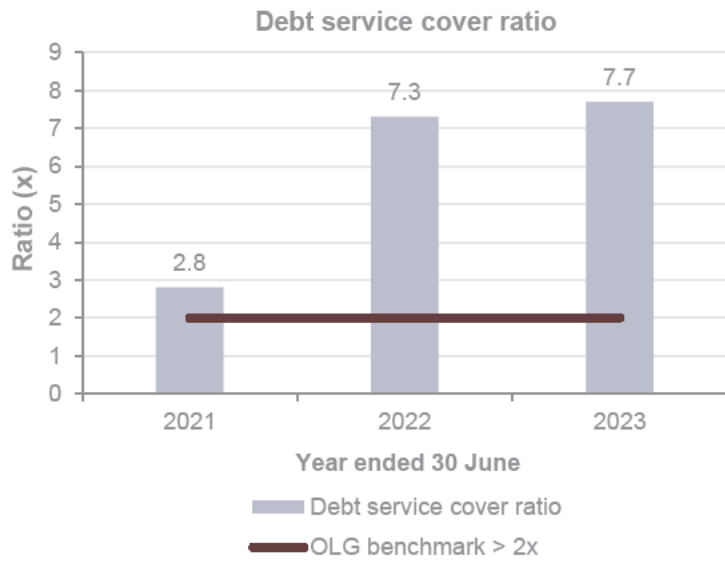
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

The Council continues to exceed the benchmark for the current reporting period.

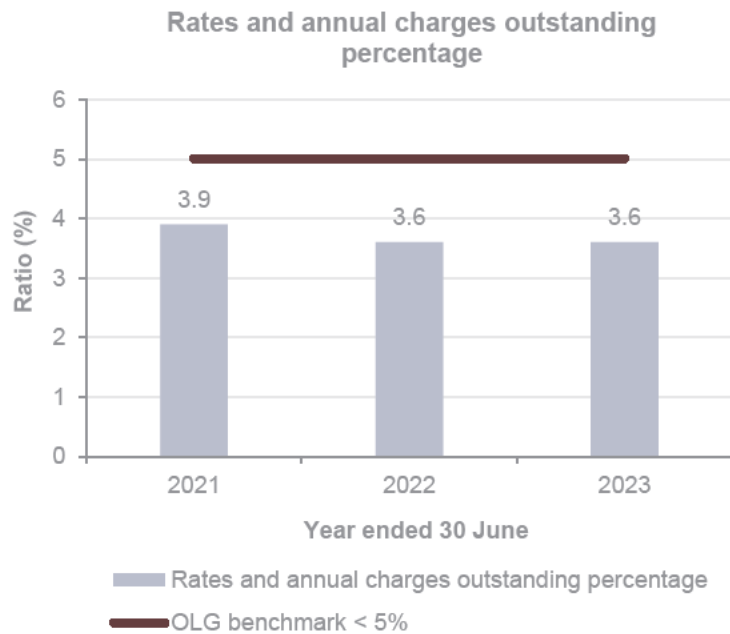
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

The Council continues to meet the benchmark for the current reporting period.

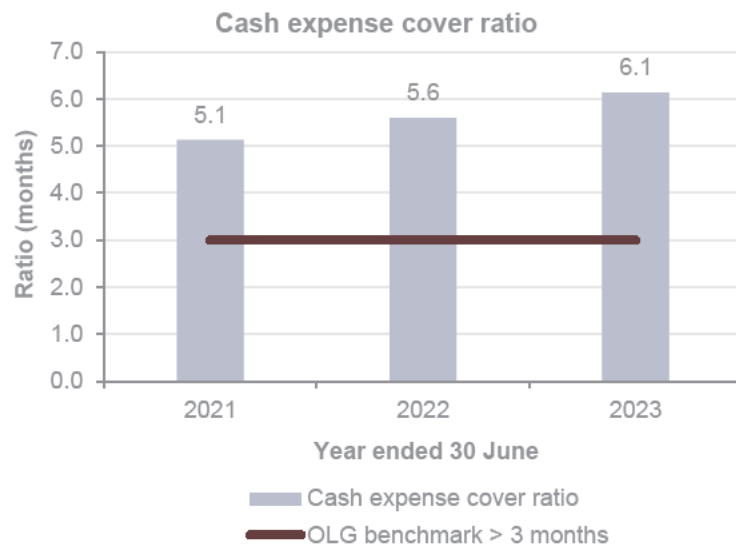
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metropolitan councils.



Cash expense cover ratio

The Council continues to exceed the benchmark for the current reporting period.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



Infrastructure, property, plant and equipment renewals

Council renewed \$84.0 million of infrastructure, property, plant and equipment during the 2022-23 financial year. This was mainly spent on buildings, roads and other infrastructure. A further \$79.5 million was spent on new assets, mainly spent on buildings, other infrastructure and footpaths.

OTHER MATTERS

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.



Susan Prichard
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

Northern Beaches Council

SPECIAL SCHEDULES
for the year ended 30 June 2023

*Northern Beaches - a safe, diverse, inclusive and connected
community that lives in balance with our extraordinary
coastal and bushland environment*



northern
beaches
council

Northern Beaches Council

Special Schedules

for the year ended 30 June 2023

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Northern Beaches Council

Permissible income for general rates

\$ '000	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹		
Last year notional general income yield	177,226	181,507
Plus or minus adjustments ²	96	11
Notional general income	177,322	181,518
Permissible income calculation		
Special variation percentage ³	2.40%	0.00%
Or rate peg percentage	0.00%	3.70%
Plus special variation amount	4,256	–
Or plus rate peg amount	–	6,716
Sub-total	181,578	188,234
Plus (or minus) last year's carry forward total	2	3
Less valuation objections claimed in the previous year	(113)	(43)
Sub-total	(111)	(40)
Total permissible income	181,467	188,194
Less notional general income yield	181,507	188,185
Catch-up or (excess) result	(40)	9
Plus income lost due to valuation objections claimed ⁴	43	–
Carry forward to next year ⁵	3	9

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable, the Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Northern Beaches Council

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost		2022/23 Required maintenance ^a	2022/23 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost					
		Estimated cost to bring assets to satisfactory standard	to bring to the agreed level of service set by Council					1	2	3	4	5	
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000						
Buildings	Buildings	5,870	5,870	14,189	17,723	581,269	804,502	54.0%	37.3%	7.6%	0.2%	0.9%	
	Sub-total	5,870	5,870	14,189	17,723	581,269	804,502	54.0%	37.3%	7.6%	0.2%	0.9%	
Roads	Sealed roads ¹	8,393	8,393	8,422	11,567	531,800	608,614	48.9%	35.6%	12.3%	2.9%	0.3%	
	Unsealed roads	44	44	14	19	1,873	2,167	23.9%	65.1%	5.9%	5.1%	0.0%	
	Bridges	548	548	146	2	13,560	17,424	21.8%	40.1%	30.2%	7.9%	0.0%	
	Footpaths	417	417	1,929	1,723	127,208	141,969	36.8%	48.6%	13.9%	0.6%	0.1%	
	Other road assets	3,014	3,014	3,054	2,482	244,193	291,613	10.0%	62.2%	25.6%	1.8%	0.4%	
	Sub-total	12,416	12,416	13,565	15,793	918,634	1,061,787	36.1%	44.8%	16.4%	2.4%	0.3%	
Stormwater drainage	Stormwater drainage	20,144	20,144	4,258	3,244	910,950	1,110,453	7.0%	65.5%	23.2%	4.0%	0.3%	
	Sub-total	20,144	20,144	4,258	3,244	910,950	1,110,453	7.0%	65.5%	23.2%	4.0%	0.3%	
Open space / recreational assets	Swimming pools	341	341	991	913	39,304	47,311	31.8%	37.9%	29.0%	0.7%	0.6%	
	Other	1,478	1,478	5,462	5,881	140,586	159,465	29.0%	58.8%	10.1%	1.9%	0.2%	
	Sub-total	1,819	1,819	6,453	6,794	179,890	206,776	29.6%	54.0%	14.4%	1.6%	0.4%	
Other infrastructure assets	Other	2,217	2,217	4,743	3,842	227,543	266,724	20.1%	58.2%	19.9%	1.3%	0.5%	
	Sub-total	2,217	2,217	4,743	3,842	227,543	266,724	20.1%	58.2%	19.9%	1.3%	0.5%	
Total – all assets		42,466	42,466	43,208	47,396	2,818,286	3,450,242	29.3%	51.3%	16.7%	2.3%	0.4%	

(1) Sealed roads actual maintenance included \$3.5m in storm-related works

(a) Required maintenance is the amount identified in Council's asset management plans. This includes inspections and maintenance required to achieve the predicted useful life of the asset along with operating costs to keep the asset in a functional state for community use (eg cleaning and utilities).

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Northern Beaches Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	<i>Amounts</i> 2023	<i>Indicator</i> 2023	<i>Indicator</i> 2022	<i>Benchmark</i>
Buildings and infrastructure renewals ratio				
Asset renewals ¹	43,001	130.77%	112.67%	> 100.00%
Depreciation, amortisation and impairment	32,883			
Infrastructure backlog ratio				
Estimated cost to bring assets to a satisfactory standard	42,466	1.49%	1.53%	< 2.00%
Net carrying amount of infrastructure assets	2,847,115			
Asset maintenance ratio				
Actual asset maintenance	47,396	109.69%	100.55%	> 100.00%
Required asset maintenance	43,208			
Cost to bring assets to agreed service level				
Estimated cost to bring assets to an agreed service level set by Council	42,466	1.22%	1.26%	
Gross replacement cost	3,479,073			

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



T A T R ' S R R T

Special Schedule Permissible income for general rates Northern Beaches Council

To the Councillors of Northern Beaches Council

Opinion

I have audited the accompanying Special Schedule Permissible income for general rates (the Schedule) of Northern Beaches Council (the Council) for the year ending 30 June 2024.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022-23 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting professional and ethical standards issued by the Institute of Chartered Accountants in Australia (including Independence Standards) A

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report the other information I have received comprise the general purpose financial statements and Special Schedule Report on infrastructure assets as at 30 June 2023.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Susan Prichard
Delegate of the Auditor-General for New South Wales

25/10/2023
SYDNEY