

2020 VISION

LIVING SUSTAINABLY



North Sydney Community Strategic Plan 2009-2020



ASPIRATIONS OF THE PEOPLE OF NORTH SYDNEY



The 2020 Vision Logo

The “Sustainability Compass” symbolises setting the compass on the path towards sustainability. The four points of the compass describe the different dimensions - environment, society, economy and governance, of sustainability.

This is the third edition of the 2020 Vision Community Strategic Plan for North Sydney.

Prepared by North Sydney Council in consultation with the North Sydney community.

We acknowledge and thank the community of North Sydney who have significantly shaped the 2020 Vision Community Strategic Plan through their involvement in the ‘Help Shape Our Future’ project.

This plan reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast.

View the document online at www.northsydney.nsw.gov.au/2020vision

For further information contact Council’s Corporate Planning and Governance Coordinator on 9936 8270 or email council@northsydney.nsw.gov.au

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Foreword

Our new 2020 Vision, Community Strategic Plan sets out where the North Sydney community wants to be in 10 years time, how we will get there and how we will know we've arrived.

North Sydney Council acknowledges that we are here today on the land of the Cammeraygal people, who were the traditional owners of this land and are part of the oldest surviving continuous culture in the world. The 2020 Vision recognises North Sydney's Indigenous heritage and culture.

This is the third long term plan Council has developed in consultation with our community. In this revised plan, we have streamlined our directions to five key areas.

While it is appropriate that Council should initiate and develop a community plan for North Sydney, it is important that the plan reflects the aspirations of all in our community. We have therefore consulted with a wide range of people to ensure we have identified the issues and priorities of the many different groups within our community.

We have embraced the State Government's new Integrated Planning and Reporting Framework and we are proud to be one of the first councils to prepare our community plan in accordance with the guidelines.

The new planning framework recognises that communities do not exist in isolation - they are part of a larger natural, social, economic and political environment that shapes their direction. Similarly, Council's land use, infrastructure planning, social, environmental and economic plans are also all interconnected. The new planning framework draws our plans together, allowing us to plan holistically for the future.

We have adopted the tagline of "Living Sustainably" for the new 2020 Vision as sustainability underpins all aspects of the plan. The plan is founded on principles of social justice, ecologically sustainable development and a quadruple bottom line approach that addresses environmental, social, economic and civic leadership considerations. 2020 Vision also encompasses the community concerns identified during the preparation of our *Social Plan for North Sydney 2008-2012*.

Our accompanying Resourcing Strategy, that focuses on long term financial, workforce and asset management planning, will allow Council and our community to consider a range of options for delivering the strategic outcomes in this plan.

The 2020 Vision reflects the North Sydney community's aspirations. While Council is the key driver of this plan, the responsibility for implementing and resourcing it is shared by the whole community.



A handwritten signature in black ink that reads "Genia McCaffery".

Genia McCaffery
Mayor



A handwritten signature in black ink that reads "Penny Holloway".

Penny Holloway
General Manager

Introduction

The 2020 Vision, North Sydney Community Strategic Plan 2009-2020 sets out where the community of North Sydney wants to be in the year 2020, by asking four key questions:

- Where are we now?
- Where do we want to be in 10 years time?
- How will we get there?
- How will we know we've arrived?

Previously reviewed in 2004 following extensive community consultation, the 2020 Vision has been renewed to ensure that its directions and goals remain reflective of the aspirations of the wider North Sydney community. The Plan has been prepared by North Sydney Council in partnership with local residents, our business community, other levels of government, educational institutions, non-government community and cultural organisations and neighbouring councils. The Plan has been designed to assist these community aspirations become a reality.

The State Government's new Integrated Planning and Reporting Framework recognises that communities do not exist in isolation - they are part of a larger natural, social, economic and political environment that influences and, to a large extent shapes their future direction. Neither do council plans exist in isolation - land use and infrastructure planning procedures, social, environmental and economic outcomes, and visa versa - they are connected. The new integrated planning and reporting system encourages councils to draw their various plans together, to better understand how they interact and to get the maximum leverage from their efforts by planning holistically for the future.



Figure 1 - Planning and Reporting Framework



There have been some alterations to the 'Directions' and goals of the 2004 version of the Plan. In developing the new 2020 Vision, consultations found that the Directions strongly overlapped. Because of this we have simplified the updated Plan by combining the Directions to now have five instead of the previous ten. The directions are interlinked and interdependent:



Direction 1:
Our Living Environment



Direction 2:
Our Built Environment



Direction 3:
Our Economic Vitality



Direction 4:
Our Social Vitality



Direction 5:
Our Civic Leadership

The 2020 Vision is North Sydney Council's most important strategic document. Council will use the 2020 Vision to guide and inform its decision making and planning for the next eleven years.

Council is the key driver of the 2020 Vision, but its implementation is also the responsibility of all community stakeholders. Council does not have full responsibility for implementing or resourcing all the community's aspirations. Other stakeholders, including government agencies, non-government organisations, community groups and individuals also have a role to play in delivering these outcomes.

Council's Resourcing Strategy that focuses on long term financial planning, workforce planning and asset management planning, will assist Council to translate the strategic objectives of the 2020 Vision, for which it is responsible for, into actions.

The 2020 Vision is deliberately broad in scope. Specific items, services or activities of Council are not contained in the Plan, but rather are outlined in Council's four year Delivery Program and the supporting Operational Plan.

Council's Integrated Planning and Reporting Framework is designed to cascade the strategic objectives into measurable actions at all levels of the organisation.

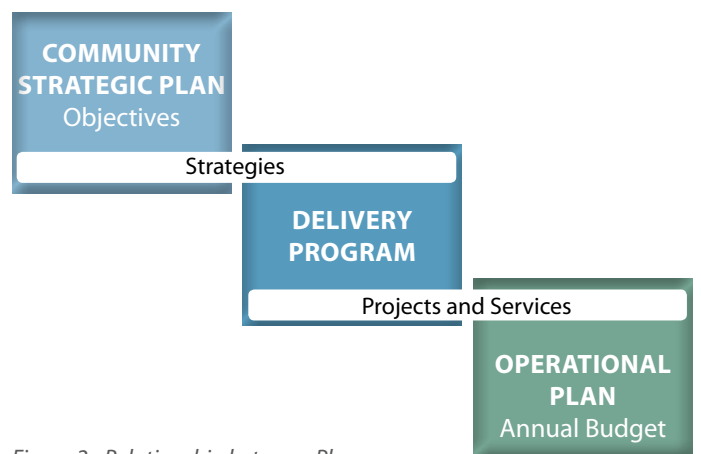


Figure 2 - Relationship between Plans

Our Councillors

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We, the Councillors of North Sydney Council (2008-2012), share the goals, objectives, indicators and strategies in this Plan and will work together to achieve them during our term of office.

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Our Vision, Mission and Values

Our Vision

North Sydney is a vibrant community with a major and unique commercial centre surrounded by related villages and neighbourhoods. We celebrate community harmony, respect and diversity and our locality is recognised for its excellence in innovation, business and sustainability.

Our residents, workers and students are proud to belong to this community and we welcome those who visit and enjoy the area. Our community supports environmental, social, economic and sustainability through civic leadership and local and practical solutions.

Our Mission

To be leading edge in serving the community of North Sydney by caring for its assets, improving its appearance and delivering services to its people in a financially, socially and environmentally responsible manner.

Our Core Values

Sustainability	equity, preservation, justice and precaution
Community service	efficiency, effectiveness and responsiveness
Open government	transparency and accountability
Ethical conduct	honesty and integrity
Justice	fairness and equity
Quality	innovation and excellence
Teamwork	cooperation and respect



Council's Charter

In addition to the Council's Charter under Section 8 of the Local Government Act, 1993, North Sydney Council has adopted its own Charter:

- We will leave to future generations a better environment than we inherited. Sustainability will be a call to action across our community. In partnership with our community, we will ensure that responsible stewardship of the local environment is a guiding principle in all our activities. We will develop new local parks and sporting facilities, broaden the use of our existing open space and recreation resources and improve how we care for and manage them. We will work with other organisations, locally and regionally, to realise these ends. The importance of providing opportunities for community health and wellbeing will be central to all of our open space and recreation planning.
- We will work with our community to create a built environment that is well designed, welcoming, safe, accessible and beautiful and which truly reflects our local heritage. We will protect the character of our urban environment whilst managing growth. We ensure that North Sydney's networks of roads, footpaths, seawalls and other local infrastructure is maintained to a standard that meets our community's expectations. Funding for major new infrastructure will be spread over the life of the asset. We will bring together other levels of government in sharing responsibility for our local infrastructure. We will make North Sydney pedestrian and bike friendly. The use of public transport and other alternatives to the private car will be encouraged through the improvement and expansion of sustainable transport options and the encouragement of car sharing options.
- We will preserve the economic vitality of the North Sydney Central Business District and unique commercial centres. From a strong commercial heart, our CBD will host a thriving business community, provide diverse social and cultural activities and work in harmony with surrounding residential areas and other commercial centres nearby. The CBD will be internationally recognised as a place for innovation, excellence and ecologically sustainable development. Our commercial centres will remain economically viable, healthy and attractive. Our neighbourhoods will be strengthened so that there are village centres with shops and places to meet within walking distance of residential areas.
- We will strengthen bonds in our community and give more recognition and support to our social and cultural diversity. A safer environment for people who live in and visit North Sydney will be created, and we will promote a sense of community responsibility for our collective wellbeing. We will ensure 'universal access' to our community services

and facilities through continuous needs analysis and planning. We will pursue investment opportunities to enhance community assets under Council's care in the interests of quality of life, amenity and public safety. We will always regard our role in delivering services to the community as vital. We will work in partnership with other levels of government in planning and providing services. Central to our focus will be the needs of youth, families and older people as well as those with special needs.

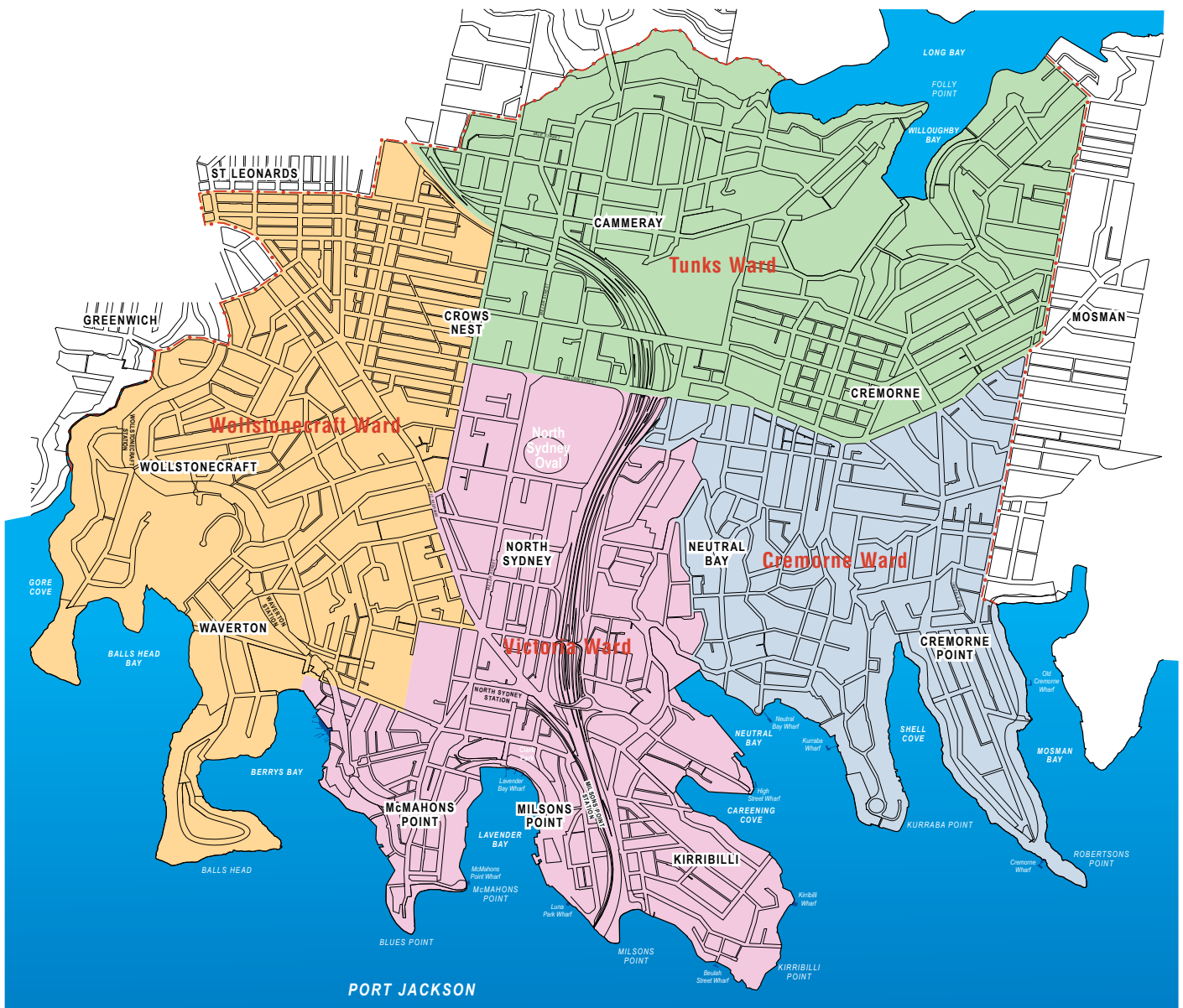
- We will continue our established tradition of good governance and we will be a leader in ethical, transparent and open government. We will be worthy of and receive the highest level of community confidence in our capacity to govern. We will adopt a sustainable approach to our financial planning, explore additional sources of income and minimise risks to our organisation. Achieving this will ensure that we are able to maintain a healthy and secure financial position whilst providing our community with a high level of service.



North Sydney in Profile

The North Sydney local government area (LGA) is located in Sydney's inner northern suburbs, about 3km from the Sydney GPO and covers ten square kilometres. It is both urban and green in character, comprising two Central Business Districts (CBDs), smaller suburban centres, residential areas, parks and open spaces.

The North Sydney LGA includes the suburbs of Cammeray, Cremorne, Cremorne Point, Crows Nest, Kirribilli, Kurraba Point, Lavender Bay, McMahon's Point, Milsons Point, Neutral Bay, North Sydney, St Leonards (part), Waverton and Wollstonecraft. North Sydney is bounded by Willoughby local government area in the north, the Mosman local government area in the east, Port Jackson in the south and the Lane Cove LGA in the west.



People

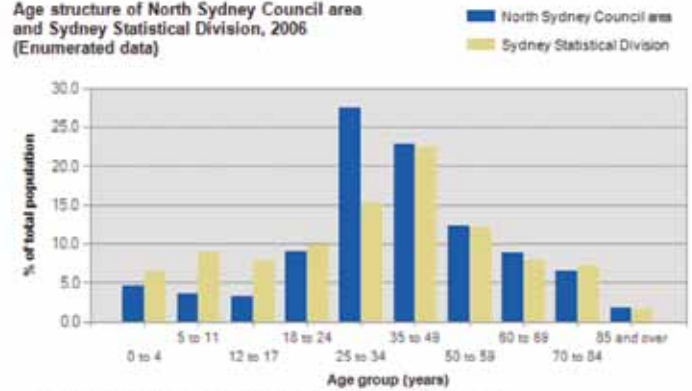
The main features of the demographic profile of North Sydney LGA at the 2006 Census are:

- The estimated resident population as at June 2007 was 62,323 people, a 5.9% increase since 2001 and 9.8% since 1996. It is expected to increase to 64,551 people by 2020.
- Almost half of North Sydney's residents are aged between 25 and 49 years. There is a comparatively low proportion of households with children, with 88.6% of the population being over 18 years. North Sydney has a larger percentage of 25 to 34 year olds (27.4% compared to 15.3% for the Sydney average).
- Overall, 47.1% of the households earn a high income (those earning \$1,700 per week) or more, and 9.5% are low income

households (earning less than \$500 per week).

- Overall, 60.9% of the population hold educational qualifications while 23.6% have no qualifications, compared with 43.0% and 42.8% respectively for the Sydney average.
- Overall, 17.8% of the population reported performing voluntary work, compared with 14.8% for the Sydney average.
- Thirty three percent of the population was born overseas, and 18.2% were from a non-English speaking background, compared with 31.8% and 24% respectively for the Sydney average. Almost 7% speak a language other than English, with dominant language spoken at home, other than English, Cantonese, with 2.7% of the population.

Age structure of North Sydney Council area and Sydney Statistical Division, 2006 (Enumerated data)



Source: Australian Bureau of Statistics, 2006 Census of Population and Housing (Enumerated)

- Dwelling density is higher in North Sydney LGA than in other parts of Sydney with almost 25% residing in a medium density dwelling (semi-detached, row, terrace, townhouses and villa units); while 52.6% live in high density dwellings (flats and apartments).
- Family households accounted for 47% of total households in North Sydney LGA while lone person households comprised 35.6%, (68.6% and 23.1% respectively for the Sydney Statistical average).
- The population is highly mobile. 46.4% of all residents rent and, over a five year period 68.6% moved to a new address.
- The three most popular occupations were professionals (14,763 persons or 41.8%), managers (7,114 persons or 20.1%) and clerical and administrative workers (5,157 persons or 14.6%). In combination these three occupations accounted for 76.5% of the employed resident population. In comparison, the Sydney average employed 23.7% as professionals; 13.2% as managers; and 16.7% as clerical and administrative workers.

Business

North Sydney is home to one of the largest business districts in Australia as well as to several smaller vibrant commercial centres. There are more than 45,000 businesses operating from North Sydney, ranging in size from large corporations to micro enterprises.

The largest commercial district is the North Sydney CBD while there are a number of other retail and commercial areas across the local government area. The principal activities in the CBD are advertising, marketing, retail, information technology, finance, telecommunications and property development.

Over 50,000 people travel daily to North Sydney for work and study. There is a high proportion of education facilities in the area, one in five of the 15,000 students attending schools and tertiary institutions lives in the local government area.

North Sydney businesses find it easy to attract and retain good staff, because they appreciate the friendly atmosphere

of our commercial centres, the range of good dining and shopping, and the access to child care, schools and other facilities.





Recreation

Despite only being ten square kilometres in area there is a wide range of recreation opportunities in North Sydney, including seven parks with multiple sports fields, 188 areas zoned for public open space ranging from larger parklands such as Primrose Park in Cammeray, to pocket parks and smaller garden areas including Wendy Whiteley's Secret Garden at Lavender Bay as well as distinctive reserves and foreshore parks fronting Sydney and Middle Harbours; making up approximately 15-20% open space.

Of regional significance is the heritage Coal Loader site located on Sydney Harbour Foreshore. The 2.8 hectares of open space includes a community nursery and garden plots and is well placed as a base for exploration of adjacent regional parklands including Balls Head Reserve, the former BP oil storage depot, Gadyan Track Aboriginal heritage track and other key regional walking track routes.

There is a wide range of opportunities for recreation in North Sydney from organised sports activities, through to walking and swimming including North Sydney Olympic Pool and harbour pools and other forms of passive recreation or enjoying a range of shops, cafes and restaurants.

With iconic Luna Park and the Sydney Harbour Bridge, North Sydney is also a popular tourist destination and attracts large numbers of holiday makers and backpackers during event and festival periods.

Urban Amenity

North Sydney is well known for its high quality residential character, tree lined streets and range of housing stock. North Sydney enjoys a range of single dwellings, apartments and units to accommodate various lifestyles and life stages.

The Council area is served by the Bradfield Highway, the Pacific Highway, the Warringah Freeway and the North Shore railway line with stations at Milsons Point, North Sydney, Waverton and Wollstonecraft.

Major features of the LGA include the commercial and retail areas, St Leonards Park and North Sydney Oval, HMAS Waterhen and HMAS Platypus, Mary MacKillop Place, Admiralty and Kirribilli Houses, and a high proportion of academic facilities including Bradfield and Crows Nest TAFE Colleges, a campus of the Australian Catholic University and high calibre secondary and primary schools.

For more information about North Sydney's demographic characteristics please refer to the demographic profile on our website at www.northsydney.nsw.gov.au

Source: Australian Bureau of Statistics, Census of Population and Housing, 2006, 2001 and 1996.

Living Sustainably

On behalf of their communities councils are required to:

- Properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- Have regard to the long term and cumulative effects of its decisions¹,
- Take into consideration the principles of ecologically sustainable development (ESD) in carrying out their responsibilities; and
- Under the new Integrated Planning and Reporting Framework are to adequately address environmental, social, economic and civic leadership considerations. This approach is referred to as “the quadruple bottom line”.

The underpinning ideals of the 2020 Vision are for the North Sydney community to become sustainable. The key message coming from the community over the last few years have been the need to address issues in a sustainable manner. The 2020 Vision encourages the North Sydney community to aspire to a more sustainable future, to provide for integrated decision making and coordinated use of resources; to provide a long term focus for our decisions, as well as ensuring Council is more accountable to the community.

The Quadruple Bottom Line

The tagline of “Living Sustainably” has been adopted for the 2020 Vision by the community as sustainability underpins all aspects of the Plan. The new Plan is founded on the guiding principles of sustainability and a quadruple bottom line (QBL) approach. The 2020 Vision adequately addresses environmental, social, economic and civic leadership considerations. Applying a quadruple bottom line approach ensures that community priorities are addressed in a balanced and holistic manner.

Council through its *Organisational Sustainability Policy (2009)* acknowledges that its decisions and actions have an impact on the quality of life of both present and future generations. The desired result is to balance sustainability considerations to provide positive influences toward community wellbeing while maintaining or enhancing those aspects the community most values in the ecological, social, cultural and economic environments. These sentiments have been endorsed by the wider community and as such each of the five Directions outlined in the 2020 Vision reflect environmental, economic, social and civic leadership considerations.

Council as an organisation has applied a quadruple bottom line approach to its own planning, reporting and decision making. This means that planning, reporting and decision making will include consideration of the environmental, social, economic, and governance implications in the context of the overall aim of working towards sustainability.



Figure 3 - Sustainability at North Sydney Council

Environmental Quality

The natural environment of North Sydney, with its harbour, waterways, precious open space and remnant bushland is one of the main reasons people live here or visit. The North Sydney community has indicated that it is important that we preserve and enhance the natural environment, not just for its own sake but for the contribution that it makes to the wellbeing of the community. This includes conserving native flora and fauna as well as Aboriginal sites; creating cleaner, healthier waterways; reducing waste and improving recycling; reducing greenhouse gas emissions; reducing water consumption, improving water quality and reduction of the volume of stormwater run off from urban areas, minimising our impact on climate change; promoting sustainable transport options; innovative land use and urban design; as well as enhancing our open space.

As an organisation Council will continue to play a leadership role in reducing its own energy and water usage while encouraging the local community to do the same. Council will deliver services and activities, improve overall physical amenity, while protecting and enhancing its natural assets as well as considering the social, economic and governance implications of its decisions.



¹Councils Charter: Section 8 of the Local Government Act, 1993

Social Equity

While economic prosperity and the protection of our natural environment tend to be high priorities, there is growing recognition that community wellbeing is also dependent on our social connections and sense of community.

The North Sydney community has identified that social sustainability is a collective responsibility. All stakeholders share responsibility for the community to feel safe, be healthy and active and to promote its unique cultural diversity, local history and heritage including Indigenous heritage. The community at large is responsible for encouraging a learning culture through access to education and training, fostering strong support networks, building resilient and sustainable community organisations and promoting a sense of belonging.

Council has also drawn on issues and responsive actions outlined in *A Social Plan for North Sydney 2008-2012*. The Social Plan was developed in consultation with the local community and service providers and addresses the social issues and needs of North Sydney. The Social Plan identified four key issues - community safety, health and wellbeing, housing and working, learning and volunteering. The objectives and initiatives of the Social Plan have been incorporated into the 2020 Vision.

Council will work with key stakeholders to continue to ensure that local services, facilities and amenities are accessible to the widest extent and that community participation is encouraged.



Economic Prosperity

Economic sustainability is about planning for a prosperous community through sound economic development and expenditure. The North Sydney community has indicated that it is important that Council's finances are healthy and that expenditure reflects value for money. Externally the community is concerned about global impacts on business confidence, housing affordability and household incomes.

In 2008/09 uncertainty in global financial markets, recession and rising costs of credit and interest rates are having a local impact. Business confidence was down and households, particularly those with mortgages, had less disposable income. This placed additional burden on Council's resources. While not exposed to direct investments in the risky sub-prime market, our overall investment portfolio was weakened as a result of falling share prices. Revenue from investments contracted. In the short term this was able to be managed but did affect our revenue base and accordingly our capacity to support existing and new programs.

Council's *Long Term Financial Plan* developed as part of the accompanying Resourcing Strategy will help Council to determine if Council can afford what the community wants. The Long Term Financial Plan is a decision making and problem solving tool. It is not intended to that the Long Term Financial Plan is set in concrete - it is a guide for future action.

Good Governance

Everybody needs to play their part in strengthening local democracy and empowering communities to act not only in their own interests, but for the wider public good. All levels of government and the community need to work in partnership to achieve the community's vision. Council as a community leader has a significant role to play in this but cannot do it alone. Good governance or civic leadership as it is also known extends beyond the role of Council. Civic leadership relates not only to the way that Council will interact with the 2020 Vision, but the way that members of the community might be involved in delivering some of the Plan's objectives.

The North Sydney community has identified effective community participation and engagement, high level customer service, satisfaction, involvement and evidence-based decision making as their highest governance priorities. Council will work to continue to uphold its commitment to open government. Council has adapted its integrated planning and reporting framework to ensure the integration of sustainability into the future direction of and planning for North Sydney. Council will use the Vision as the foundation of its ongoing planning and reporting.

Our Community Strategic Plan

The 2020 Vision, North Sydney Community Strategic Plan 2009-2020 aims to deliver new ways to develop stronger working partnerships between the community, Council and other key stakeholders by linking the community's aspirations with the direction of Council to achieve the shared vision for North Sydney.

The 2020 Vision outlines the strategic directions, goals, objectives, strategies and progress indicators that address the community's aspirations for the future.

The community's aspirations have been grouped under five interrelated themes, known as Directions.

Directions	Key Themes	
1: Our Living Environment 	<ul style="list-style-type: none"> • Bushcare and natural corridors • Energy and climate change • Environmental sustainability • Foreshores and waterways • Open space 	<ul style="list-style-type: none"> • Sporting fields and recreational facilities • Water quality • Waste and recycling services • Wildlife and marine life
2: Our Built Environment 	<ul style="list-style-type: none"> • Asset management • Heritage conservation • Land use • Planning controls 	<ul style="list-style-type: none"> • Streetscapes and neighbourhoods • Traffic and transport management and planning
3: Our Economic Vitality 	<ul style="list-style-type: none"> • Commercial centres and villages • Economic development 	<ul style="list-style-type: none"> • Employment - retention/worker population • Tourism and events
4: Our Social Vitality 	<ul style="list-style-type: none"> • Access and equity • Aged/seniors • Arts and culture • Children and families • Community and Linguistically Diverse communities • Community safety • Community development • Community services and facilities • Disability services • Education 	<ul style="list-style-type: none"> • Events and social activities • Health and wellbeing • Housing and accommodation • Library services • Local history and heritage • Philanthropy • Road safety • Volunteering • Young people
5: Our Civic Leadership 	<ul style="list-style-type: none"> • Communications • Community engagement • Corporate planning • Customer service • Financial management • Governance 	<ul style="list-style-type: none"> • Human Resources • Information Technology • Organisational management • Partnerships • Risk management

Note: The Directions are not listed in any order of importance.

The Plan is presented in table format. Preceding each Direction is a description of the sort of future our community wants for North Sydney. Under each Direction is a series of goals which outline what needs to be achieved to reach the vision. Under each goal is a series of objectives. Each objective is accompanied by a series of sustainability indicators. These indicators will, over time, show how North Sydney as a community is moving toward a more sustainable future. The sustainability indicators are summarised in Appendix 5: Sustainability Indicators.

Under each objective is a series of strategies that indicate how we will go about working to achieve the Directions. All strategies will be subject to project development including consultation and costing. Council is the driver of the Community Strategic Plan but is not wholly responsible for the implementation of all strategies. This will require collaboration with other key stakeholders.

Development of the Community Strategic Plan

North Sydney Council is committed both in principle and in practice, to engaging on matters affecting the North Sydney community. Council is required under the Local Government Act 1993 to inform the community of particular issues that potentially affect their way of life.

In 2004 the second strategic plan for North Sydney was prepared. The 2020 Vision was developed as the result of a significant community consultation process conducted in 2004 and a comprehensive review of the Plan commenced in late 2008 to refine the 2020 Vision for 2009 to 2020.

The review process sought to refine the issues raised in the original document and to identify new priorities and issues that may have emerged since the 2004 publication of the 2020 Vision. The review also drew heavily upon findings and actions identified from other recent community consultations conducted by Council, including consultations for *A Social Plan for North Sydney 2008-2012*.

In accordance with the guiding principles of Council's Community Engagement Policy, a community engagement strategy was developed to ensure the North Sydney community and relevant stakeholders had the opportunity to contribute and participate in the redevelopment of the Plan.

Who was Involved in Developing the Plan?

To ensure as many people as possible had the opportunity to contribute and participate in the review of the Plan, stakeholders were grouped according to their roles and responsibilities. These were classified as councillors, and council staff, government (Federal and State agencies), community

(residents, ratepayers, students, non-resident users as well as Precinct Committees), business (chambers of commerce and developers) and reference groups (environmental, sport, leisure and culture, and education).

The community engagement process included:

- Development of biennial status reports on achievement of the Community Strategic Plan 2004-2008.
- Development of a Direction Discussion Paper that outlined the current and emerging issues underpinning each Direction and where Council wants to be in 2020 in addressing the issues.
- Consultation with the community, staff and key stakeholders on the Directions Discussion Paper during March and April 2009. Consultation methods included a blog, online feedback form, reply paid postcards, written submissions and a series of workshops for key stakeholders. Council heard from over 860 people, community groups and/or organisations, including Precinct Committees and over 260 interested parties also subscribed to a keep informed newsletter receiving regular updates on the review progress.
- Development of Outcomes Papers that summarised the findings of the initial consultations. The papers were published in May/June 2009. The key priorities to emerge from the consultations included:
 - Preserving our environment
 - Enhancing our suburbs/villages
 - Improving transport (including traffic and parking)
 - Promoting and improving the CBD
 - Focusing on wider business community
 - Expanding recreation opportunities
 - Enhancing sense of community and culture
 - Improving access to services and facilities
 - Improving infrastructure (old and new)
 - Promoting North Sydney's heritage and history
 - Promoting Council's governance and civic leadership role

For copies of the 'Summary of Consultation Outcomes - Part A: Raw Data' and 'Summary of Consultation Outcomes - Part B: Analysed Data' visit www.northsydney.nsw.gov.au/2020vision

- Development of a draft new 2020 Vision Community Strategic Plan based on the findings of the consultation processes occurred from July to September 2009.
- Further consultation with the community and key stakeholders on the draft new 2020 Vision Community

Strategic Plan was held from 28 September to 3 November 2009. Consultation with the community, staff and key stakeholders on the draft new 2020 Vision Community Strategic Plan was held during the public exhibition period, including a community information session on 16 October 2009.

- Council received 28 submissions during the public exhibition period. All feedback received was included in the final 2020 Vision. Council conducted a qualitative analysis of all submissions. Submissions received covered a wide range of issues, many already covered by the Draft Plan, single issues relating to specific Council programs, issues outside the scope of Council's direct responsibility, and some general comments. All those who made a written submission were provided feedback from Council regarding the main points raised in their submission.
- Further community consultation will be held to present the results of financial modelling of the resources needed to implement the Community Strategic Plan. As a result Council's Long Term Financial Plan will be amended to reflect those things Council has committed to doing.
- North Sydney Council adopted the new 2020 Vision, North Sydney Community Strategic Plan on 30 November 2009.

How were Community Priorities identified?

Every issue, need and priority raised by the community has been documented throughout the engagement process. An overview of the issues addressed within each Direction is listed in Appendix 2: Summary of Community Priorities. Issues may be addressed under more than one Direction.

A number of submitters made suggestions that are not in the Plan however these are still on the agenda for further discussion and investigation. Council regards these issues as important. Some suggestions will be further considered by Councillors, others will be considered by staff as part of their day-to-day delivery of services.





Direction 1:

Our Living Environment

Where will we be in 2020?

North Sydney in 2020 is greener and cleaner. As a community we ensure that responsible stewardship of our natural environment is a guiding principle in all our activities. We will leave to future generations a better environment than we inherited. The natural beauty of North Sydney is one of its greatest assets, and in 2020, North Sydney is held up as model of sustainable living.

Council has actively led the way in enhancing the environmental sustainability of North Sydney, particularly the protection of the natural environment, and the promotion of responsible energy use and environmentally sustainable business practices. By 2020, biodiversity programs have led to the improvement of the health and quality of bushland areas and waterways. The major improvements have largely been achieved by local communities, who work with Council to plant, protect and enhance their local environment. The sustainability of remnant bushland and aquatic habitats along the harbour foreshores and in waterways has been achieved with minimal impact by urban development.

Community knowledge of the natural environment has been significantly enhanced through a number of initiatives. This has included wide ranging environmental education programs including those held through the Coal Loader Sustainability Centre. Negative impacts on air and water quality have been minimised through years of careful monitoring and planning.

Innovative strategies for minimising the consumption of natural resources and production of waste have been embraced by the community. The implementation of waste minimisation and resource recovery strategies, together with extensive community education programs, has resulted in the community embracing the concept of a low waste society.

Energy initiatives, such as water reuse schemes and the promotion and use of clean and renewable energy has created a cleaner and more energy efficient community. Cogeneration and trigeneration energy production contributes towards North Sydney's energy requirements. North Sydney is well known for its initiatives in encouraging the use of renewable energy sources.

The North Sydney community is still at risk from unavoidable natural hazards as the result of climate change however these risks have been reduced through mitigation and adaptation.

Our local open space and recreation areas such as Balls Head, Berry Island, Tunks Parks, Cremorne Reserve and St Leonards Park are some of our greatest treasures. A range of quality recreational activities both active and passive is available to suit all ages, interests and abilities. Management and maintenance of sporting facilities considers the high demand for their availability and the impact of drought which may persist as an issue as a result of climate change. Public access to the foreshore is maximised.



GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
1.1 Enhance the local natural environment and urban greenspace	1.1.1 To protect, enhance and rehabilitate native vegetation communities and ecosystems	EN01 Proportion of bushland under active management EN02 Improved condition of bushland EN03 Number of participants in Bushcare programs and community planting events EN04 Number of plants provided through Bushcare programs and community planting events EN05 Biodiversity inventory updated EN06 Participant satisfaction with environmental programs EN07 Number of pest animal control programs undertaken annually	1.1.1.1 Conduct baseline mapping of North Sydney's flora species and vegetation communities and assess ecological condition 1.1.1.2 Rehabilitate bushland areas 1.1.1.3 Integrate biodiversity conservation in environmental planning instruments 1.1.1.4 Monitor and address threats to biodiversity using best practice 1.1.1.5 Implement community education programs regarding enhancement of the natural environment
1.2 Improve the health and cleanliness of local waterways	1.2.1 To improve creek and harbour water quality	EN08 Percentage of canopy cover EN09 Total land area planted or landscaped through Streets Alive program and community planting events EN10 Number of rooftop gardens/greening EN11 Number of new developments that breach landscape requirements	1.1.2.1 Maximise tree plantings to enhance canopy cover in developed areas 1.1.2.2 Implement the North Sydney Street Tree Strategy 1.1.2.3 Develop an Urban Forest Policy 1.1.2.4 Promote community gardens, including the Streets Alive program 1.1.2.5 Promote use of local native plants 1.1.2.6 Reduce noxious weeds 1.1.2.7 Encourage rooftop and hard surface greening 1.1.2.8 Ensure landscape requirements on development sites are met
	1.2.1 To improve creek and harbour water quality	EN12 Percentage of creek and harbour water quality sites meeting internationally accepted ecological and human health standards EN13 Volume of litter, sediments and organics removed by pollution control devices	1.2.1.1 Capture and remove gross pollutants from stormwater 1.2.1.2 Conduct community education programs regarding water pollution 1.2.1.3 Monitor water quality 1.2.1.4 Promote and implement water sensitive urban design 1.2.1.5 Identify, monitor and take regulatory action if required against breaches 1.2.1.6 Advocate for improved sewerage infrastructure

GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>1.3 Improve North Sydney's environmental footprint and encourage responsible use of natural resources</p>	<p>What is to be attained to accomplish the goal?</p> <p>1.3.1 To effectively communicate and promote sustainable energy, water and waste practices to the community</p>	<p>How will we measure progress?</p> <p>EN06 Participant satisfaction with environmental programs</p> <p>EN14 Kilowatt hour of electricity per resident per year</p> <p>EN15 Kilowatt hour of electricity per business per year</p> <p>EN16 Kilograms of waste sent to landfill per capita per year</p> <p>EN17 Kilograms of resources recovered per capita per year</p> <p>EN18 Number of Waste Wise events</p> <p>EN19 Kilolitres of drinking water by resident per year</p> <p>EN20 Kilolitres of drinking water by business per year</p> <p>EN21 Uptake of water tank rebates</p> <p>EN22 Number of participants in residential, school, community groups and business sustainability programs</p>	<p>What will we do?</p> <p>1.3.1.1 Promote renewable energy</p> <p>1.3.1.2 Promote efficient use of water and use of recycled water</p> <p>1.3.1.3 Effectively manage Council's waste collection and disposal contracts</p> <p>1.3.1.4 Advocate for the introduction of container deposit legislation and extended producer responsibility</p> <p>1.3.1.5 Pursue resource recovery and advanced waste treatment technologies</p> <p>1.3.1.6 Implement environmental sustainability programs to facilitate community stewardship</p> <p>1.3.1.7 Redevelop the Coal Loader site as a centre for sustainability</p> <p>1.3.1.8 Ensure that sustainable energy, water and waste management practices are included in all environmental planning and development controls</p> <p>1.3.1.9 Promote local achievements in sustainable design</p> <p>1.3.1.10 Recognise community champions in environmental sustainability</p> <p>1.3.1.11 Investigate best practice initiatives to prepare North Sydney LGA for the impacts of climate change and sea level rise</p>
<p>1.3.2 To demonstrate and promote environmentally sustainable business practices in Council's own activities</p>	<p>EN23 Kilolitres of drinking water used by Council per year</p> <p>EN24 Tonnes of greenhouse gas emissions generated by Council per year</p> <p>EN25 Kilowatt hours of renewable energy by Council activities and facilities per year</p>	<p>1.3.2.1 Implement measures to improve the environmental performance of Council buildings</p> <p>1.3.2.2 Advocate for and investigate efficient street and public domain lighting</p> <p>1.3.2.3 Investigate the use of cogeneration and trigeneration</p> <p>1.3.2.4 Increase use of recycled water</p> <p>1.3.2.5 Implement Council staff education and capacity building to reduce energy, water and waste</p> <p>1.3.2.6 Introduce initiatives to decrease greenhouse gas emissions of Council vehicle fleet</p> <p>1.3.2.7 Implement sustainable procurement procedures</p>	

GOAL What do we want to achieve?	OBJECTIVE What is to be attained to accomplish the goal?	INDICATORS How will we measure progress?	STRATEGY What will we do?
1.4 Provide appropriate public open space, recreation facilities and services	1.3 To reduce air and noise pollution and ensure compliance with regulatory legislation	EN26 Number of days when airborne pollution exceeds regional air quality index EN27 Number of noise complaints responded to	1.3.3.1 Identify, monitor and take regulatory action if required against breaches and environmental legislation 1.3.3.2 Ensure development does not detrimentally impact on air quality and noise is mitigated 1.3.3.3 Conduct program of environmental audits of businesses
	1.4.1 To ensure existing parks and reserves meet the community's recreational needs	S01 User satisfaction with Council's recreation facilities S02 Number of visits to North Sydney Olympic Pool per year S03 User satisfaction with North Sydney Olympic Pool	1.4.1.1 Provide a range of recreational facilities for people of all ages and disabilities 1.4.1.2 Provide a welcoming and vibrant waterfront with integrated green public spaces 1.4.1.3 Secure additional grant funding for the provision and upgrade of recreational facilities 1.4.1.4 Work with neighbouring councils and other land managers to accommodate regional demand for sporting facilities 1.4.1.5 Improve equity of access to open space and recreation facilities
	1.4.2 To provide new open space and recreation facilities as opportunities arise	S04 Total area of new public open space S05 Amount of open space acquired in line with contributions from Section 94 Plan	1.4.2.1 Advocate for the release of Crown Land holdings for public recreation 1.4.2.2 Pursue land swap and lease agreements 1.4.2.3 Pursue partnerships to access areas of land not dedicated as public open space 1.4.2.4 Pursue opportunities to upgrade and enhance foreshore access



KEY CONTRIBUTORS

Council will work with the following stakeholders to help implement Direction 1:

	Advocate	Funder	Service Provider	Regulator	Partner
North Sydney Council	•	•	•	•	•
Businesses					•
Community groups	•				•
Environmental Trust		•			•
Manly-Mosman-North Sydney Bushfire Management Committee	•				•
Neighbouring councils					•
Northern Sydney Regional Organisation of Councils	•				•
NSW Department of Environment, Climate Change and Water		•		•	
NSW Department of Primary Industries				•	
NSW Department of Water and Energy		•		•	
NSW Fire Brigades			•		
NSW National Parks and Wildlife Service	•				
NSW Rural Fire Service			•		
Schools	•				•
Sydney Coastal Councils Group	•				•
Sydney Metro Catchment Management Authority	•		•	•	•
Sydney Water			•		
Volunteers			•		•

Ideas to Make it Happen

- Buy and use natural and environmentally friendly products that minimise pollution and waste
- Keep your environmental footprint smaller by shopping as local as possible
- Plant native local species in your garden to save water and provide habitat for native fauna
- Leave your car at home - walk or cycle instead
- Get involved in the Bushcare and/or Streets Alive programs
- Say 'no' to plastic bags
- Don't use plastic takeaway food containers, polystyrene packaging and Styrofoam products
- Start a "BYO container" initiative
- Introduce a "lights out in office building at night" policy
- Start a worm farm
- Hold a reuse and recycling initiatives such as car boot sales





Direction 2: Our Built Environment

Where will we be in 2020?

An integrated approach to planning and good urban design has been reflected in a built environment that is consistent with sustainability principles, local character and the natural environment.

Council's planning policies build on the strategic policies set by the State Government. New development to accommodate additional residents and workers as projected under State Government policy is continuing without loss to local amenity or damage to the environment. The community is an integral partner in decisions regarding the built environment in their area.

Commercial and village centres have retained their distinct character and strong identity with a relaxed, pedestrian friendly village atmosphere and a mix of services. North Sydney in 2020 has significant and inviting public spaces. The community takes pride in North Sydney being an attractive place to live. Active use of public spaces has helped to ensure that there is a range of activities available to different groups of people during both day and night.

North Sydney in 2020 provides a diverse range of affordable housing types important for all ages and lifestyles. These housing options play a valuable role in attracting and retaining specific population groups. Proactive planning decisions have resulted in improving the housing options for the elderly and to meet the needs of disadvantaged residents.

The heritage value of assets is recognised and protected and has strengthened the identity of local communities as well

as provides a point of interest for residents and tourists alike. More contemporary planning provisions have strengthened the significance of heritage and allowed redevelopment to take place.

North Sydney has outstanding examples of good design and consolidated its reputation as a municipality with a strong culture of design excellence. Properties are increasingly energy and water efficient.

Infrastructure is more sustainable, well maintained and suitable to the community's needs and is constructed with the highest principles of urban design. Improved drainage systems have improved the health of waterways and reduced the risk of flooding.

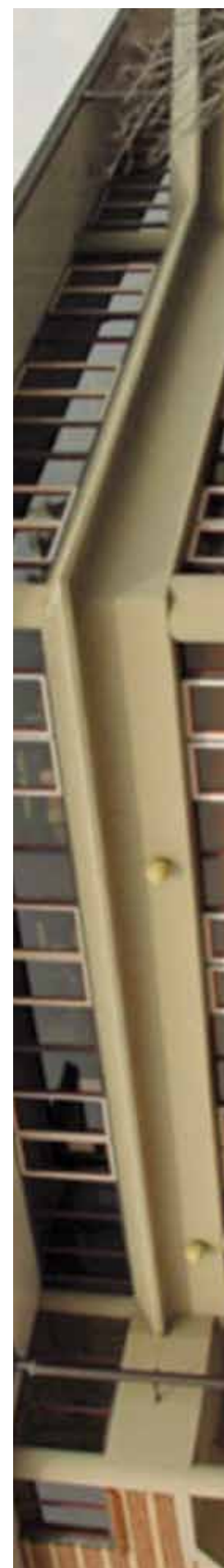
Public transport and alternative means of transport are the mode of choice for trips to, from and within North Sydney. The community's reliance on the car has reduced. Considerable effort has been made to improve public transport and reduce traffic congestion, particularly through the use of more innovative and environmentally friendly systems such as car pooling. Alternatives are readily available and have improved community access to social activities, services and commercial centres.

Convenient and equal access to available parking is achieved keeping North Sydney moving and giving everyone a 'fair go'. Residential and environmental amenity is retained.

Pedestrian and cycling paths link commercial centres and villages, improving access, safety and social connectedness.



GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>2.1 Ensure the long term sustainability of infrastructure and assets</p>	<p>What is to be attained to accomplish the goal?</p> <p>2.1.1 To provide and maintain appropriate infrastructure, assets and facilities that meets current and future community needs</p>	<p>How will we measure progress?</p> <p>S06 Community satisfaction with the maintenance of local roads and footpaths S07 Community satisfaction with the cleanliness of local roads and footpaths S08 Average roughness of road network S09 Average condition of footpath network S10 Average condition rating of drainage network</p>	<p>What will we do?</p> <p>2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings 2.1.1.2 Extend capacity of infrastructure through flexible, multipurpose design and harnessing of existing community infrastructure in new ways 2.1.1.3 Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost 2.1.1.4 Advocate for improved state infrastructure 2.1.1.5 Advocate for adequate funding for asset maintenance and improvement 2.1.2.1 Provide and maintain stormwater infrastructure that is consistent with ecologically sustainable development (ESD) principles</p>
<p>2.2 Improve mix of land use and quality development</p>	<p>2.1.2 To reduce the risk and impacts of local flooding</p> <p>2.2.1 To encourage land use that meets ecologically sustainable design (ESD) principles</p> <p>2.2.2 To effectively respond to state and regional planning initiatives</p>	<p>S11 Percentage of non flooding properties</p> <p>S12 Community satisfaction with land use and quality of development S13 Number and type of dwellings</p> <p>S14 Number of additional dwellings EC01 Net growth of commercial floor space</p>	<p>2.2.1.1 Maintain a contemporary Local Environment Plan (LEP) for the North Sydney LGA 2.2.1.2 Complete standard LEP template process and review Development Control Plans (DCP) 2.2.1.3 Develop and implement development contribution schemes/agreements to support land use development 2.2.2.1 Review planning instruments to reflect the Community Strategic Plan 2.2.2.2 Respond to state and regional requirements 2.2.2.3 Monitor legislative and regulatory changes relating to climate change 2.2.2.4 Monitor legislative and regulatory changes relating to land use planning 2.2.2.5 Participate in the NSROC (Northern Sydney Regional Organisation of Councils) Sub Regional Planning Strategy</p>



GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
2.3 Provide effective compliance management	2.2.3 To promote and achieve design excellence	EN28 Percentage of development approvals with 4 star plus greenhouse building rating G01 Number of Urban Design Advisory Panel and Design Excellence Panel meetings	<p>2.2.3.1 Promote sustainable design in future private and public development</p> <p>2.2.3.2 Ensure new residential development is well designed for people with a disability or limited mobility, the elderly and is adaptable for use by different household types to encourage ageing in place</p> <p>2.2.3.3 Encourage refurbishment of existing buildings for better environmental performance</p>
	2.2.4 To encourage vibrant, well maintained and connected streetscapes, neighbourhoods, villages, public domains and commercial centres that build a sense of community	S15 Community satisfaction with the look and amenity of North Sydney S16 Number of reported incidences of graffiti S17 Number of abandoned vehicles reported	<p>2.2.4.1 Develop and implement masterplans for villages</p> <p>2.2.4.2 Maintain and service village facilities through place management</p> <p>2.2.4.3 Improve pedestrian lighting and surveillance of the villages to reduce vandalism and graffiti</p> <p>2.2.4.4 Build pride in community assets that assists in maintenance as well as deterring graffiti and vandalism</p> <p>2.2.4.5 Increase community engagement in improving streetscapes, neighbourhoods, villages and commercial centres</p>
	2.2.5 To identify, preserve and promote North Sydney's heritage	S18 Number of items on the heritage schedule S19 Community satisfaction with retention of heritage items	<p>2.2.5.1 Advocate for placing powerlines underground</p> <p>2.2.5.2 Continue to protect and promote the heritage values of residential amenity including significant architecture, objects, places and landscapes</p> <p>2.2.5.3 Encourage the use and adaptation of heritage and other existing buildings</p>
	2.3.1 To administer and enforce the statutory regulations for building and development works	S20 Percentage of building and development works complaints investigated within set timeframes S21 Percentage of regulated premises inspected within set timeframes S22 Percentage of food premises inspected within set timeframes	<p>2.3.1.1 Effective development assessment and determination processes</p> <p>2.3.1.2 Provide responsive compliance services to ensure building work meets approved consents</p> <p>2.3.1.3 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance</p>

GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>2.4 Encourage sustainable transport</p>	<p>What is to be attained to accomplish the goal?</p> <p>2.3.2 To administer and enforce the statutory regulations of health and safety of licensed activities</p> <p>2.3.3 To administer and enforce the statutory regulations of the keeping of companion animals</p> <p>2.4.1 To increase the use of public transport and alternative travel means and a reduction in the use and reliance upon private motor vehicles</p> <p>2.4.2 To promote sustainable travel for workplaces and venues in North Sydney</p> <p>2.4.3 To provide a network of accessible, safe and linked pedestrian and cycle paths throughout North Sydney</p>	<p>How will we measure progress?</p> <p>S22 Percentage of regulated premises inspected within set timeframes</p> <p>S23 Percentage of dog complaints responded to within agreed service level</p> <p>S24 Number of residents and workers using public transport</p> <p>S25 Community satisfaction with public transport</p> <p>S26 Number of cars registered in North Sydney</p> <p>S27 Number of car parking permits issued</p> <p>S28 Number of development approvals that include bike storage</p> <p>S29 Number of car share vehicles in North Sydney</p> <p>S30 Number of additional bike racks/parking installed</p> <p>S31 Number of development approvals that include 'end of trip' facilities for cyclists and pedestrians</p> <p>S32 Number of Council offices, facilities and car parks with electric vehicle recharge facilities</p> <p>S33 Community satisfaction with pedestrian and cycle paths</p> <p>S34 Length of pedestrian and cycling paths</p> <p>S35 Number of bus shelters</p> <p>S36 Number of pedestrian and cycling networks</p>	<p>What will we do?</p> <p>2.3.2.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance</p> <p>2.3.2.2 Inspect food premises to ensure compliance with the Food Standards Code</p> <p>2.3.3.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance</p> <p>2.4.1.1 Promote use of public transport and encourage use of alternative modes of transport eg car share schemes</p> <p>2.4.1.2 Advocate for increased incentives for the use of public transport, private purchase of lower impact motor vehicles and changes to fringe benefit tax arrangements</p> <p>2.4.1.3 Increase the amount of street space dedicated to sustainable transport modes eg bus lanes and cycle lanes</p> <p>2.4.1.4 Advocate for improved after hours transport services to assist workers and night time recreation</p> <p>2.4.2.1 Improve 'end of trip' facilities (eg bike parking, showers and change facilities) for walkers and cyclists</p> <p>2.4.2.2 Provide recharge facilities for electric vehicles at Council offices, facilities and car parks</p> <p>2.4.2.3 Regulate Green Travel Plans for major developments</p> <p>2.4.3.1 Improve access and connections between open space, villages and recreational facilities for pedestrians and cyclists</p> <p>2.4.3.2 Advocate for funding for walking and cycling facilities</p> <p>2.4.3.3 Improve directional signage for pedestrians and cycling networks in North Sydney</p>

GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>2.5 Improve traffic management</p>	<p>2.5.1 To manage traffic to reduce congestion on local roads</p> <p>2.5.2 To manage on street and off street car parking</p>	<p>S37 Number of vehicles on local roads</p> <p>S38 Traffic speed and volume averages on local roads in residential areas</p> <p>S39 Community satisfaction with traffic flow throughout North Sydney</p> <p>S40 Number of 'resident excepted' restricted parking spaces</p> <p>S41 Number of CBD off street private (non-residential and non-commercial) car parking spaces</p> <p>S42 Community satisfaction with parking provision</p> <p>S43 Number of car parking spaces for car share and low impact vehicles</p> <p>S44 Number of development approvals that include 'car stackers'</p>	<p>What will we do?</p> <p>2.5.1.1 Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities</p> <p>2.5.1.2 Work with the State Government to develop and implement long-term transport strategy for the Spit Road/Military Road corridor to the Northern Beaches</p> <p>2.5.1.3 Secure additional grant funding for the upgrade of traffic facilities</p> <p>2.5.2.1 Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes</p> <p>2.5.2.2 Use technology to manage parking</p> <p>2.5.2.3 Provide integrated and efficient parking options in villages and retail areas</p> <p>2.5.2.4 Continue to manage off street parking in new developments through the Development Control Plan</p>



KEY CONTRIBUTORS

Council will work with the following stakeholders to help implement Direction 2:

	Advocate	Funder	Service Provider	Regulator	Partner
North Sydney Council	•	•	•	•	•
Businesses	•	•	•		•
City Rail/RailCorp			•		
Community groups	•		•		•
Department of Infrastructure, Transport, Regional Development and Local Government		•	•	•	
Developers			•		
NSW Department Arts, Sports and Recreation		•		•	•
NSW Department of Environment and Climate Change		•		•	•
NSW Department of Planning				•	•
NSW Food Authority				•	
NSW Ministry of Transport		•		•	
NSW Police	•		•		•
Roads and Traffic Authority		•	•	•	•
Schools			•		
State Transit Authority - Sydney Buses/Sydney Ferries	•		•		

Ideas to Make it Happen

- Minimise your resource use eg fit water efficient shower heads, rainwater tanks, tap flow regulators and use energy and water efficient electrical goods
- Attend events or sporting competitions in North Sydney
- Walk or cycle to your local shops, work or school
- Car pool or join a car share scheme
- Use public transport
- Introduce solar photovoltaic panels, solar hot water systems and water tanks and energy and water efficient fixtures and fitting when renovating your house
- Participate in Council's 'Green Business - Energy Saving' program to reduce your energy bills and minimise greenhouse gas emissions





Direction 3: Our Economic Vitality

Where will we be in 2020?

By 2020, North Sydney is reinforced as one of Australia's largest commercial centres. North Sydney CBD is a hub for industries such as telecommunications, banking and finance, information technology and media and advertising.

Business confidence is high, and the local economy is thriving. Business networks have been a successful tool in improving coordination and cooperation among small local businesses. Our CBD hosts a prosperous business community, contributes to a vibrant lifestyle and works in harmony with the surrounding natural environment, residential areas and other commercial centres nearby. Local commercial centres are also healthy with sufficient capacity provided to support economic activity in centres outside the CBD.

North Sydney is a premier retail destination and recognised activity hub with a great variety of offerings for meeting, shopping, cultural activities and after hours dining. Functional improvements to the commercial centres such as pedestrian path networks, improved community meeting places and better public transport have strengthened the commercial centres, making them a crucial element of the sustainability of North Sydney.

North Sydney has a national and worldwide recognition as a tourism icon. Tourism has served to preserve and enhance natural resources that can be used and enjoyed by residents and visitors alike.



GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
3.1 Ensure a vibrant, strong, and sustainable local economy	3.1.1 To increase the capability of business in North Sydney	EC02 Office and retail occupancy and vacancy rates EC03 Number of businesses by industry division EC04 Local estimates of unemployment (unemployed persons and unemployment rate) by age and gender EC05 Business community satisfaction with North Sydney as a good place to do business	3.1.1.1 Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity 3.1.1.2 Ensure the design of major infrastructure and public domain contributes to North Sydney's business needs 3.1.1.3 Enhance relationships/partnerships with Chambers of Commerce 3.1.1.4 Increase community engagement in improving North Sydney CBD and retail and commercial centres
	3.1.2 To create expanded opportunities for business through a range of planning initiatives	EC06 Net growth of commercial floor space in the CBD EC07 The dollar value of commercial construction	3.1.2.1 Review opportunities for commercial centre growth 3.1.2.2 Streamline and simplify development approval and licensing processes
	3.1.3 To ensure the retail and hospitality sector is thriving, diverse and unique	EC08 Percentage mix of retail uses	3.1.3.1 Monitor and assist in the implementation of new liquor licensing laws 3.1.3.2 Encourage the development of diverse mix of businesses 3.1.3.3 Strengthen opportunities for shopping, dining and entertainment particularly after hours and on weekends 3.1.3.4 Implement North Sydney Public Domain Strategy 3.1.3.5 Identify opportunities for cultural, entertainment and public art activities in the commercial centres
3.2 Ensure North Sydney CBD is one of Australia's largest commercial centres	3.2.1 To acknowledge the CBD's role as a major employment centre within metropolitan Sydney	EC09 Business community satisfaction with the look and amenity of the public domain. EC10 Ranking of North Sydney CBD against other major commercial centres	3.2.1.1 Ensure the LEP provides capacity for employment growth in North Sydney 3.2.1.2 Develop criteria to attract and encourage businesses in the North Sydney CBD 3.2.1.3 Increase national and international exposure as a preferred location for business through appropriate branding 3.2.1.4 Ensure that decision making in reference to the CBD respects the needs of surrounding residents and the natural environment
	3.2.2 To deliver economic benefits to North Sydney by hosting events	EC11 Number of national or international events hosted in North Sydney per year EC12 Number of major sporting events held in North Sydney per year	3.2.2.1 Market North Sydney as a destination of choice to international and domestic visitors 3.2.2.2 Manage the impact of visitors to North Sydney to balance the effect on residents' lifestyles and economic development 3.2.2.3 Continue to source major regional and sporting events 3.2.2.4 Foster formal partnerships with other governments and businesses to coordinate support for an events calendar for North Sydney

KEY CONTRIBUTORS

Council will work with the following stakeholders to help implement Direction 3:

	Advocate	Funder	Service Provider	Regulator	Partner
North Sydney Council	•	•	•	•	•
Businesses			•		•
Chambers of Commerce	•				•
Neighbouring councils	•			•	•
NSW Department of Planning	•			•	
Other government agencies and partners	•	•	•	•	•
Property Council of NSW				•	•
Tourism NSW	•				•

Ideas to Make it Happen

- Join your local Chamber of Commerce and networks
- Create opportunities for work experience students, trainees and apprentices
- Shop locally and support local businesses and markets
- Subscribe to Council's business news
- Celebrate your successes - make the local media aware of your achievements such as achieving a 'first' for your industry, successfully tendering for a large contract, significant annual growth, a large increase in your employment numbers, or being recognised through a regional and national awards programs





Direction 4: Our Social Vitality

Where will we be in 2020?

In 2020, North Sydney offers a strong sense of local community based on networks of neighbourhoods. Properly planned, designed and managed public spaces have provided meeting places and brought communities together.

Arts and cultural activities and events help retain, support and strengthen the cultural heritage of North Sydney. The arts are thriving in North Sydney and the community has numerous opportunities to express its creativity. Well managed events draw the community together and bring financial, social and environmental benefits. Council has been successful in gaining corporate sponsorship for many of North Sydney's events.

In 2020, 'learning' is a lifelong experience in North Sydney and the organisations that facilitate learning are an integral part of our community. Learning is seen as a valuable activity for people of all ages and is available in many forms and a variety of settings, both formal and informal. Stanton Library is reinforced as a centre of excellence. North Sydney has a strong and diverse volunteer culture and volunteers feel valued for what they contribute. In 2020, there is greater intergenerational exchange. The knowledge and experience of retired 'baby boomers' is a potential resource to be utilised by the community.

The community enjoys an active and healthy lifestyle. Accessible health services and an increase in the availability of activities and programs especially for youth and older persons have contributed to the improvements in community health and community connectedness. North Sydney is a community where the socially isolated, disadvantaged and residents under stress are cared for.

Community services and facilities are well planned, well

located, accessible and meet a variety of uses. They reflect the research and planning undertaken by North Sydney into the needs of specific groups. Council has maintained and expanded partnerships with government sectors and community organisations to ensure the ongoing delivery of community services and programs.

In 2020, North Sydney is a place where people are safe and feel safe. An increased sense of community has contributed to a greater feeling of personal and neighbourhood safety. It is safer to move around North Sydney. Council in consultation with the community has implemented a range of initiatives to cater for the needs of pedestrians and drivers. Council's commitment to road maintenance and successful lobbying for funds to upgrade roads has made car travel around North Sydney safer. Community based transport solutions have improved particularly in servicing neighbourhoods.

Over the past 20 years the history of North Sydney has continued to be carefully preserved and documented. This has included the history of the traditional indigenous custodians of the land. Valuing and preserving local heritage has strengthened the identity of local communities as well as building a sense of community.

North Sydney in 2020 provides a diverse range of affordable housing types important for all ages and lifestyles. These housing options play a valuable role in attracting and retaining specific population groups. Proactive planning decisions have resulted in improving the housing options for the elderly and meeting the needs of disadvantaged residents.

With a strong, healthy, connected and vibrant community we are better able to care for our environment, promote harmonious living and effectively address economic sustainability, locally and regionally.



GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>4.1 Promote diverse, dynamic and connected local communities</p>	<p>What is to be attained to accomplish the goal?</p> <p>4.1.1 To increase the community feeling of connectedness</p> <p>4.1.2 To provide, support and increase awareness of community events</p> <p>4.1.3 To promote and support social and cultural diversity</p> <p>4.1.4 To identify, preserve and promote North Sydney's history</p> <p>4.1.5 To facilitate a range of arts and cultural programs and facilities</p>	<p>How will we measure progress?</p> <p>S45 Percentage of residents who feel a sense of community in North Sydney and their neighbourhood</p> <p>S46 Number of street activities</p> <p>S47 Community event participation levels</p> <p>S48 Audience satisfaction with Council run community events</p> <p>S49 Number of cultural groups and organisations supported</p> <p>S50 Number of programs specifically designed for CALD groups</p> <p>S51 Number of Aboriginal cultural heritage sites</p> <p>S52 Community awareness of the significance of historic sites</p> <p>S53 Customer satisfaction with arts and cultural services and programs</p> <p>S54 Number of performing and visual arts venues in North Sydney</p> <p>S55 Number of permanent public arts works</p>	<p>What will we do?</p> <p>4.1.1.1 Foster and build community partnerships and networks</p> <p>4.1.1.2 Develop programs to decrease social isolation</p> <p>4.1.2.1 Develop and implement a coordinated approach to events</p> <p>4.1.2.2 Promote active and diverse street life, including markets, street parties and fairs using streets, laneways and public spaces</p> <p>4.1.3.1 Facilitate and support local cultural groups and community organisations</p> <p>4.1.3.2 Celebrate diversity within the community</p> <p>4.1.3.3 Provide translated community information</p> <p>4.1.4.1 Protect and maintain sacred and historic sites</p> <p>4.1.4.2 Celebrate local history and heritage</p> <p>4.1.4.3 Promote access to local history through North Sydney Heritage Centre, local museums and signage</p> <p>4.1.4.4 Preserve local sites of Aboriginal significance</p> <p>4.1.4.5 Promote historical and cultural icons to locals and domestic and international tourists</p> <p>4.1.5.1 Develop and implement a diverse range of arts education and cultural programs</p> <p>4.1.5.2 Promote performing arts facilities and programs</p> <p>4.1.5.3 Provide access to visual arts studio and exhibition spaces</p> <p>4.1.5.4 Explore temporary use of unused commercial spaces as affordable exhibition spaces for artists and cultural groups</p> <p>4.1.5.5 Establish partnerships with other levels of government and local councils as well as businesses and community groups to coordinate and support cultural development</p> <p>4.1.5.6 Implement public art initiatives</p> <p>4.1.5.7 Identify opportunities for delivery of cultural programs through community centres</p>

GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
4.2 Encourage lifelong learning and volunteering	4.1.6 To support and encourage philanthropy	S56 The dollar value of benefits delivered to the community per year through philanthropy	4.1.6.1 Investigate establishment of a bequest program to encourage the donation of land, buildings and resources for community use
	4.2.1 To provide adult and tertiary educational opportunities	S57 Community satisfaction with the range of learning opportunities S58 Number of people completing educational/training activities through community centres	4.2.1.1 Encourage activities and programs to address the educational needs of the community 4.2.1.2 Support provision of courses and activities available through community centres and other educational institutions. 4.2.1.3 Provide networking opportunities and links between the education sector and community services
	4.2.2 To support a diversity of primary and secondary schools	S59 Performance of North Sydney students compared to State benchmarks	4.2.2.1 Promote the diversity of education choices available in North Sydney 4.2.2.2 Provide networking opportunities and links between the education sector and community services
	4.2.3 To provide a public library service that meets information, learning and leisure needs	S60 Number of library loans per year S61 Percentage of residents who are active library members S62 Number of visits to Stanton Library per year S63 Stanton Library book stock per capita S64 Number of participants in Stanton library programs S65 Stanton Library user satisfaction with services and information	4.2.3.1 Continue to review library collection Management Guidelines 4.2.3.2 Promote Stanton Library as a centre of excellence 4.2.3.3 Promote outreach library services and online databases 4.2.3.4 Offer access to global communications 4.2.3.5 Develop and enhance quality of library services and events
	4.2.4 To promote and increase community volunteering	S66 Percentage of community volunteering S67 Average number of volunteer hours per week S68 Number of volunteers involved in Council volunteer programs	4.2.4.1 Promote volunteering and community involvement 4.2.4.2 Recognise the value of volunteer contributions through local awards programs or functions 4.2.4.3 Draw on the diversity, skills and expertise of the community



GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>4.3 Encourage health and wellbeing</p>	<p>What is to be attained to accomplish the goal?</p> <p>4.3.1 To promote and support a healthy and active community</p>	<p>How will we measure progress?</p> <p>S69 Number of wellbeing programs conducted by community centres</p> <p>S70 User satisfaction with wellbeing programs and services</p> <p>S71 Community bus service patronage</p> <p>S72 Number of immunisations clinics held</p>	<p>What will we do?</p> <p>4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities</p> <p>4.3.1.2 Encourage independent living for older people and people with special needs</p> <p>4.3.1.3 Investigate options to improve access to health and wellbeing services, including increased services for older people and people with a disability</p> <p>4.3.1.4 Establish partnerships and programs to improve social conditions and outcomes among particular communities</p> <p>4.3.1.5 Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)</p> <p>4.3.1.6 Support early childhood health</p> <p>4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities</p> <p>4.3.1.8 Investigate community bus system to service villages</p>
<p>4.4 Enhance community services, facilities and information</p>	<p>4.4.1 To provide equitable and affordable access to community services, information, programs and facilities</p>	<p>S73 Utilisation of community centres and community facilities</p> <p>S74 Community satisfaction with community facilities</p> <p>S75 Utilisation of child care services</p> <p>S76 Community satisfaction with Council's provision of children's services</p> <p>S77 Client satisfaction at each Council operated childcare centre</p> <p>S78 Number of Family Day Care programs</p> <p>S79 Participation rates in Vacation Care programs</p> <p>S80 Number of youth involved with programs for young people</p> <p>S81 Number of participants in programs for older people and people with disabilities</p>	<p>4.4.1.1 Provide and promote widely accessible information on support services, both face to face and online</p> <p>4.4.1.2 Provide childcare services including Family Day Care and Vacation Care programs</p> <p>4.4.1.3 Facilitate equal access to community services and facilities</p> <p>4.4.1.4 Increase access to services and information support for families, young people and older people</p> <p>4.4.1.5 Prepare strategies to ensure services meet local community needs for all stages of the life cycle</p> <p>4.4.1.6 Provide support and funding for community groups</p>

GOAL What do we want to achieve?	OBJECTIVE What is to be attained to accomplish the goal?	INDICATORS How will we measure progress?	STRATEGY What will we do?
4.5 Improve community safety and accessibility	4.5.1 To ensure North Sydney is a place where people feel safe	<p>S82 Care giver and user satisfaction with programs for older people and people with disabilities</p> <p>S83 Number of hits on online community directory (LINCS)</p> <p>G02 Number of community groups who receive financial support from Council each year to facilitate community goals</p> <p>G03 Amount of grant funding or sponsorship received by Council each year to facilitate community goals</p>	
	4.5.1 To ensure North Sydney is a place where people feel safe	<p>S84 Percentage of community who feel safe in North Sydney</p> <p>S85 Local Government Area Crime Ranking across offence types</p> <p>S86 Community satisfaction with street lighting</p> <p>S87 Number of licensed premises participating in Liquor Accord</p> <p>S88 Number of reported incidences of domestic violence</p> <p>S89 Number of community safety audits per year</p>	<p>4.5.1.1 Develop programs to decrease drug and alcohol abuse</p> <p>4.5.1.2 Promote anti-discrimination and provide 'safe spaces' and inclusive programs for gay, lesbian, bisexual and transgender people</p> <p>4.5.1.3 Develop programs to decrease domestic violence</p> <p>4.5.1.4 Regulate urban design to maintain and improve public safety</p> <p>4.5.1.5 Improve street lighting</p> <p>4.5.1.6 Provide information on safety at home eg falls prevention</p> <p>4.5.1.7 Provide appropriate planning for large scale emergencies</p>
	4.5.2 To improve the safety of pedestrians and road users	<p>S90 Number of road accident deaths and injuries</p> <p>S91 Number of each type of traffic collision within North Sydney per year</p> <p>S92 Percentage of the community who feel safety for pedestrians and cyclists is adequate or better</p> <p>S93 Number of participants in road safety programs</p>	<p>4.5.2.1 Implement road safety education programs</p> <p>4.5.2.2 Advocate for road safety improvements</p>
4.5.3 To provide accessible public buildings, spaces and facilities	4.5.3 To provide accessible public buildings, spaces and facilities	S94 Community satisfaction with access around North Sydney and to the areas buildings, spaces, and facilities	4.5.3.1 Promote Council's Universal Charter for Access

GOAL	OBJECTIVE	INDICATORS	STRATEGY
<p>What do we want to achieve?</p> <p>4.6 Promote affordable housing and accommodation</p>	<p>What is to be attained to accomplish the goal?</p> <p>4.6.1 To support affordable and accessible housing</p>	<p>How will we measure progress?</p> <p>S95 Ratio of affordable housing as a proportion of total housing within North Sydney</p> <p>S96 Number of additional aged care facilities</p> <p>S97 Number of nursing home beds in North Sydney</p>	<p>What will we do?</p> <p>4.6.1.1 Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing to suit a changing population</p> <p>4.6.1.2 Explore opportunities for increased housing diversity to meet a range of needs especially older people, people with disabilities and key workers</p> <p>4.6.1.3 Support older residents through access to local nursing homes and retirement villages</p> <p>4.6.1.4 Implement programs and services to support people in public housing</p> <p>4.6.1.5 Explore funding opportunities for a regional housing worker</p>



KEY CONTRIBUTORS

Council will work with the following stakeholders to help implement Direction 4:

	Advocate	Funder	Service Provider	Regulator	Partner
North Sydney Council	•	•	•	•	•
Aboriginal Heritage Office	•		•		•
Arts NSW		•			•
NSW Attorney General's Department				•	
Community groups and residents	•				•
Community organisations	•		•		•
Cultural institutions and groups	•				•
Housing NSW		•	•		•
Liquor Accord	•			•	
Lower North Shore Community Transport			•		•
Neighbouring councils	•		•		•
North Shore Community Housing			•		•
North Sydney Central Area Health Service	•	•	•	•	•
North Sydney Historical Society					•
NSW Department Arts, Sport and Recreation		•	•		•
NSW Department of Ageing, Disability and Home Care	•	•	•	•	•
NSW Department of Community Services	•				•
NSW Department of Health		•		•	•
NSW Department of Premier and Cabinet				•	
NSW Division of Local Government				•	
NSW Police			•		
NSW State Library		•		•	•
Roads and Traffic Authority		•		•	•
Volunteers			•		

Ideas to Make it Happen

- Organise a 'get to know your neighbours' day, or a local street barbecue
- Join one of the many community groups or organisations involved in various community projects across North Sydney
- Volunteer some of your time at your local hospital, school, aged care facility or sporting club
- Get involved in a local community garden; and share fresh produce with local residents and schools
- Set up a pooling facility with your neighbours - exchange skills, create a babysitting club or organise a care day for the aged persons in your community
- Make sure your community group is listed in North Sydney's Community Directory so that others know about you
- Take care of your own health - eat healthy food, enjoy lots of exercise, stay mentally active - get involved in a local community garden
- Learn about local history - contact Stanton Library
- Encourage your children to learn and teach them the importance of lifelong learning and education
- Attend a short course at your local learning centre or community neighbourhood centre
- Initiate volunteer programs into preschools, kindergartens and schools
- Become involved in a local 'friends of' group
- Train a local sporting team
- Observe the speed limit especially in residential streets



Direction 5: Our Civic Leadership

Where will we be in 2020?

Council in 2020 is an employer of choice. Council has a highly skilled and motivated workforce committed to providing the community with a high level of service. Council has maintained its strong reputation as an effective, efficient, ethical and transparent organisation through good governance, sound financial management and strong community leadership. It functions in accordance with its values, sound business practices and a comprehensive understanding of community needs and aspirations.

Council has improved governance by empowering communities to take responsibility for identifying and providing solutions to their concerns. The community has the ability to collectively work with Council and other partners to achieve the 2020 Vision. North Sydney is a leader in innovative strategies for partnering with the community in planning, service delivery and decision making. The community is encouraged to take an active interest in the issues of North Sydney. Information is managed and coordinated effectively as well as being available in real time.

Council has enhanced its communication mechanisms including online communications making North Sydney a more informed community.

Council continues to address sustainability within its planning, reporting and decision making processes by considering the environmental, social, economic and governance implications across all Council activities.

North Sydney is a leader in financial and asset management and has expanded revenues and diversified its income base to achieve a sustainable financial footing for delivering strategic priorities. Council effectively manages risk to minimise threats and maximise opportunities.



GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
5.1 Lead North Sydney into a sustainable future	5.1.1 To provide a clear strategic direction for the future of North Sydney	G04 Community awareness of the Community Strategic Plan G05 Community satisfaction with North Sydney's strategic direction	5.1.1.1 Incorporate Community Strategic Plan directions, goals, objectives and strategies into Council's Delivery Program and Operational Plans/budgets 5.1.1.2 Manage funding and resources effectively and efficiently to achieve better community outcomes
	5.1.2 To integrate sustainability as a core part of Council's corporate planning and reporting	G06 Percentage of reports to Council that provide a sustainability assessment G07 Number of Council's plans, strategies and policies reviewed to reflect the Community Strategic Plan	5.1.2.1 Implement a quadruple bottom line approach to Council's planning, reporting and decision making processes 5.1.2.2 Develop and maintain effective reporting systems that enable Council to measure and report on performance 5.1.2.3 Conduct community education programs regarding QBL
	5.1.3 To build and foster relationships, strategic networks and work collaboratively with all levels of government, non-government organisations, the private sector and community groups	G08 Number of Memoranda of Understanding	5.1.3.1 Initiate new partnership opportunities to achieve the Community Strategic Plan goals and objectives 5.1.3.2 Continue to engage with neighbouring councils, other levels of government, national and global cities 5.1.3.3 Establish project and location based partnerships
	5.1.4 To lobby for reforms to local government	G09 Number of successful lobbying activities	5.1.4.1 Lead public debate on the future of local government in NSW 5.1.4.2 Work towards a system of Federal Government funding to local councils for achievement of agreed strategic outcomes
5.2 Enhance community participation, collaboration and engagement	5.2.1 To provide community engagement and consultation opportunities	G10 Community satisfaction with Council's community engagement processes G11 Number of community engagement/consultation opportunities provided by Council	5.2.1.1 Implement and effectively resource Council's Community Engagement Policy 5.2.1.2 Provide a program of Ward Forums 5.2.1.3 Support the Community Precinct System 5.2.1.4 Initiate web based consultation to broaden the range of community participation
5.3 Enable the community to be informed and aware	5.3.1 To improve community awareness of Council's activities and services through targeted communications	G12 Community awareness of activities undertaken by Council G13 Community satisfaction with communications from Council G14 Number of visits to Council's website G15 Number of subscriptions to online newsletters and panels	5.3.1.1 Enhance Council's existing external communication methods 5.3.1.2 Enhance Council's website capabilities and promote as a key communication method 5.3.1.3 Diversify the use of digital communications 5.3.1.4 Increase the promotion of Council activities and achievements

GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal?	How will we measure progress?	What will we do?
5.4 Ensure that the organisation is effective and efficient	5.4.1 To provide ethical, open, accountable and transparent decision making processes	G16 Percentage of community members who feel Council operates under ethical, open, accountable and transparent processes G17 Percentage of community satisfied that Council makes decisions in the best interest of North Sydney G18 Percentage of community members who feel they can influence decisions affecting their local area	5.4.1.1 Ensure relevant Council processes and decisions are accessible 5.4.1.2 Promote community access and participation at Council meetings 5.4.1.3 Maintain community access and effective participation in Council Reference Groups
	5.4.2 To implement best practice governance	G19 Community satisfaction with access to information, key documents and meetings G20 Community satisfaction with councillor and organisational performance G21 Compliance with statutory requirements G22 Compliance with privacy requirements	5.4.2.1 Maintain the currency of Council's Policy Manual 5.4.2.2 Implement best practice governance strategies 5.4.2.3 Review Council's complaint handling processes 5.4.2.4 Monitor and manage personal and private information
	5.4.3 To deliver customer focused Council services	G23 Community satisfaction with Council's service delivery G24 Number of online services	5.4.3.1 Implement strategies to ensure excellence in customer service 5.4.3.2 e-Enable all relevant Council services 5.4.3.3 Monitor service levels in key service areas 5.4.3.4 Conduct a comprehensive biennial customer survey regarding satisfaction with Council's performance and service provision
	5.4.4 To be an employer of choice	G25 Staff turnover rates G26 Percentage of staff satisfied with the organisation	5.4.4.1 Attract, develop and retain highly skilled staff and provide a safe work environment 5.4.4.2 Implement best practice Human Resource policies and strategies
	5.4.5 To minimise risk associated with Council's activities	G27 Annual Public Liability Audit rating	5.4.5.1 Implement best practice risk management strategies 5.4.5.2 Facilitate training and education awareness programs regarding risk management 5.4.5.3 Maintain an appropriate insurance program

GOAL	OBJECTIVE	INDICATORS	STRATEGY
What do we want to achieve?	What is to be attained to accomplish the goal? 5.4.6 To ensure the continuity of Council's critical business functions	How will we measure progress? G28 Percentage of business continuity tests conducted within agreed service level G29 Compliance with record keeping requirements G30 Percentage of community satisfied with ease of access to information G31 Percentage of systems available on a 24 hour, 7 day a week basis	What will we do? 5.4.6.1 Implement best practice records management 5.4.6.2 Implement and periodically test Council's business continuity strategies 5.4.6.3 Develop and implement the Knowledge Management Plan 5.4.6.4 Provide suitable information technology hardware and software across the organisation
5.5 Ensure the long term financial sustainability of North Sydney	5.5.1 To ensure North Sydney Council is financially sustainable	EC13 Operating balance ratio EC14 Rates and Annual Charges coverage ratio EC15 Unrestricted current ratio EC16 Building and infrastructure renewal ratio EC17 Debt service ratio EC18 Broad liabilities ratio	5.5.1.1 Maintain an Investment Strategy and Policy 5.5.1.2 Implement best practice financial planning 5.5.1.3 Investigate opportunities to expand revenue from commercial operations, property portfolio and other income generating assets 5.5.1.4 Apply the "user pays principle" as the basis for full cost recovery 5.5.1.5 Review the rating strategy to reflect an equitable distribution of costs and benefits



KEY CONTRIBUTORS

Council will work with the following stakeholders to help implement Direction 5:

	Advocate	Funder	Service Provider	Regulator	Partner
North Sydney Council	•	•	•	•	
Community members	•				
International Standards Organisation				•	
Local Government and Shires Association of NSW	•				•
Local Government Managers Australia	•				•
Neighbouring councils	•				•
Northern Sydney Regional Organisation of Councils	•				•
NSW Division of Local Government Standards Australia				•	•

Ideas to Make it Happen

- Talk to your local councillor about your ideas and suggestions for improving North Sydney
- Attend Council Meetings
- Participate on a Reference Group of Council as a community representative
- Participate in Council's community ward forums
- Join your local Precinct, and encourage other people such as new residents to get involved
- Become a community champion - actively promote North Sydney and celebrate the positive 'good news' stories in your local area. Talk to the local media about promoting achievements of community groups, sporting activities, individual achievements and specific groups in our community in the local newspapers
- Sign up to North Sydney Council's online community consultation database. You will be contacted periodically to participate in community consultation and research activities relevant to the community
- Be tolerant, be open to trying new ideas and understanding other people's perspectives



Resourcing the Community Strategic Plan

Making the Vision a Reality

It is envisaged that the majority of strategies will be completed over the 11 year period between 2009 and 2020, subject to available funding and resources.

The development of the 2020 Vision is the first step in an ongoing process of making North Sydney sustainable. The Vision cannot be achieved by Council alone, and the involvement of residents, businesses, community groups, organisations and all levels of government is important in ensuring that the Vision becomes a reality.

While many of the objectives relate directly to Council activities, some can only be achieved with help from the community, businesses, service providers, government agencies, other organisations, the education sector and other stakeholders. Some relate to areas Council has very limited ability to influence.

The full financial impact of the Community Strategic Plan is currently under review to determine the affordability of the wants, needs, and expectations of our community and to ensure a final outcome which is financially sustainable.

For its part in putting the Community Strategic Plan into practice, Council will:

- Prepare a Resourcing Strategy including a Long Term Financial Plan, Asset Management Plan and Workforce Planning Strategy. The Resourcing Strategy will be made available on Council's website at www.northsydney.nsw.gov.au

- Develop a four year Delivery Program outlining Council's role and commitment to actions that it will take to meet the goals. The Delivery Program will describe the actions required of Council to achieve the objectives outlined in the 2020 Vision.
- Prepare an Annual Operational Plan and Budget identifying the services and projects to be carried out over a 12 month period, the associated expenditure, and the key performance targets and measures that will be used to report progress.
- Continue to drive the implementation of *A Social Plan for North Sydney 2008-2012*.
- Review the *North Sydney Local Environment Plan* - the strategic land use policy and development framework for the municipality, to also reflect the Community Strategic Plan.
- Develop future plans and policies that will ensure the vision of the Community Strategic Plan is achieved. Future documents produced by Council and subsequent decisions made by Council will be tested against the 2020 Vision to ensure that Council is working towards the achievement of its vision.
- Educate and engage our community about the Plan to encourage a sharing of ideas, awareness and openness
- Work together with the community and other government and non-government organisations to align plans with community aspirations.



How you can be Involved?

If you or your organisation, community group or committee want to help to achieve the vision:

- Identify under which goals you or your organisation, community group or committee should be an implementation party.
- Clarify the role your organisation, community group or committee will adopt under appropriate goals.
- Identify initiatives which your organisation, community group or committee is interested in promoting.
- Check your organisation's strategic plan to see where a closer fit with the 2020 Vision is possible.
- Consider ideas and projects you could undertake to achieve our community's aspirations (see the 'Ideas to Make it Happen' section under each Direction).
- Talk to your local councillor about the 2020 Vision and activities happening in your local area.

How do we Know if we have Achieved our Goals?

Monitoring and reporting is vital to the success of the 2020 Vision and the achievement of sustainable outcomes. Council will continually track and assess our progress towards the 2020 Vision. Council is committed to monitoring North Sydney's social, environmental, economic and governance performance to see how North Sydney is working towards the vision of sustainability.

Progress towards implementation of the priorities and strategies in the Plan will be monitored and reported by Council to the community every four years. The report tracks a range of sustainability indicators - social, environmental, economic and governance, allowing us to see whether we are actually making progress towards our vision.

Quarterly Reviews and Annual Report

Council reviews and reports quarterly to the community on Council's progress against the Delivery Program by measuring performance against specific indicators and progress of current projects outlined in the annual Operational Plan. The Annual Report reports on Council's performance for the financial year. These plans and reports are available at Council's Customer Service Centre and Stanton Library and are also available at www.northsydney.nsw.gov.au

Customer Satisfaction Survey

Council conducts a Customer Satisfaction Survey every two years, to determine community satisfaction with its services and views on a number of key local issues. This feedback is used in the development of the Community Strategic Plan including the development of relevant and measurable indicators and targets. The survey findings are available at www.northsydney.nsw.gov.au

Reviewing the 2020 Vision

Whilst the goals and objectives are firmly established, the appropriateness and effectiveness of planned strategies need to be continually assessed over the lifespan of the Community Strategic Plan and changed if necessary.

A review of the Community Strategic Plan is undertaken within one year of each Council election. The Plan is a living document that is reviewed every four years to take account of changing local issues and will involve further community consultation to ensure that it remains reflective of the community's aspirations. The targets and measures will also be reviewed every four years to ensure we are on the right track for moving towards the vision, as we gradually improve our capacity to set, measure, achieve and report against targets.

Community involvement in the Community Strategic Planning process will remain ongoing with a framework being established for further consultation and input. Community members will be given the opportunity to be involved in delivering the strategies. They will also ensure that the 2020 Vision remains relevant as we progress towards 2020. In addition community members will be able to provide feedback and assess progress towards the vision via Council's Customer Satisfaction Survey.



Appendix 1 - Terms Used in this Plan

In the context of this Community Strategic Plan the following definitions apply:

Advocate	A stakeholder acts as an advocate when they make representations on behalf of the community to a range of organisations such as other levels of government.
Affordable Housing	Low cost housing for sale or rent, often provided by a housing association.
Alignment	The correct position or positioning of different components with respect to each other or something else, so that they perform properly.
Annual Report	The annual review of Council's performance as measured against the Operational Plan.
Biodiversity	The diversity of plant and animal life in a particular habitat (or in the world as a whole).
Budget	The annual financial activities and financial statements Council has adopted to monitor its performance. The budget is subject to an annual audit at the end of the financial year.
CBD	Refers to the Central Business District in the suburb of North Sydney, which is the economic centre of the North Sydney local government area.
Charter	Outlines Council's commitment to the community and what the community can expect from Council.
Civic Leadership	In the Integrated Planning and Reporting Framework the fourth element in quadruple bottom line, known as 'governance' is described as "civic leadership". This term has been chosen to indicate it relates not only to the way that Council will interact with the Community Strategic Plan, but also the way that members of the community might become involved in delivering some of the Plan's objectives.
Community	Broadly refers to any specific socially or geographically defined sectors of the North Sydney community that may have an interest in or be affected by the workings of Council. These may include residents and ratepayers/land owners, business owners and operators, people who work in the local government area, visitors (including tourists and shoppers), government agencies, users of Council services, local community groups and associations (including sporting, church and charity groups).
Community engagement	The process of purposeful and timely information exchange between the Council and the community, where input/feedback is gathered through consultation mechanisms is taken into consideration in Council's decision making processes. Community consultation in developing the Community Strategic Plan and Delivery Program is a prerequisite of the plans.
Community Strategic Plan	The Community Strategic Plan (known as the 2020 Vision) is the highest level plan that a council is required to prepare. The Community Strategic Plan outlines the goals, objectives and strategies for achieving the long term vision for North Sydney. The Community Strategic Plan guides decision making and resource allocation to achieve the vision. Council's Community Strategic Plan covers a 20 year outlook and is reviewed every four years.
Community Transport	Vehicular movements of people by not for profit organisations and bodies, refers most often to bus services provided by Council and community service providers.
Council	Describes North Sydney Council
Customer Satisfaction Survey	The results of qualitative and quantitative research undertaken to ascertain customer satisfaction with a number of aspects of Council's service provision. Conducted biennially.
Delivery Program	A plan that complies with the relevant provisions of the Local Government Act and identifies Council's strategic direction and objectives for at least four years into the future. It summarises the projects, performance measures and resources required to deliver these activities for the years of the plan.
Directions	The five primary areas Council is focused on to achieve the vision. They represent the major challenges and opportunities that the community has identified as needing to be addressed in North Sydney. However, they do not set specific milestones or determine ways to get there. The Directions are reviewed every four years.
Diversity	Variety in people and community members, of different ages, origins, backgrounds, sexes, religions and culture.

Ecologically Sustainable Development (ESD)	Using, conserving and enhancing the community's resources so that ecological processes, on which life depends, are maintained, and the total quality of life, now and in the future, can be increased.
Ecosystems	A specific area of size in which climate, landscape, animals and plants share the same habitat. Ecosystems can be permanent or temporary.
Financial year	The financial year is between 1 July to 30 June. This is also the accounting period for which annual financial statements are regularly prepared, covering a period of 12 months.
Funder	Contribute funds and/or resources towards a project or service that is delivered with other parties which help to achieve the objectives for North Sydney. Council's funding role includes funding of core business and providing financial assistance to a range of organisations for various projects and programs through grants.
Goal	An outcome that needs to be achieved in the longer term in order to achieve the community vision. A goal is broad. Goals are broken down into more precise, focused objectives. It states what is to be achieved but not how it is to be achieved.
Governance	The values, policies and procedures a council and its staff adopt, to provide ethical, transparent and accountable local governance. ²
Green Travel Plan	A package of projects aimed at reducing car travel.
Greenspace	All vegetated land within the local government area, including bushland and natural areas, parkland and sportsfields, road verges and traffic islands, backyards, courtyards, gardens and plazas.
Infrastructure	Typically large, interconnected networks of portfolios of assets such as roads, drainage and recreational facilities. They are generally comprised of components and sub-components that are usually renewed or replaced individually to continue to provide the required level of service from the network. These assets are generally long lived, are fixed in place and often have no market value.
Key Performance Indicators (KPIs)	Quantitative and qualitative information that measures progress toward achievement of goals and objectives and strategies. While they are based on the service under discussion, they also relate to the relevant strategy.
Leader	Lead by example through best practice.
Levels of Service	The standard to which services are provided and performance may be measured. Service levels usually relate to productivity, quality, quantity, reliability, responsiveness, acceptability and cost.
Local Environment Plan	The plan (made under the Environmental Planning and Assessment Act 1979) that establishes the framework for future development within the local government area of North Sydney.
Mission	The purpose of Council and what it should be doing and for whom it does it.
North Sydney	Describes the entirety of the North Sydney local government area.
Objective	Objectives are similar to goals as they are desired positions for achievements. However objectives have more specific aims that suggest a course of action or actions.
Open Space	A spatial concept that typically includes parks, gardens, trails, habitat corridors, foreshore area, waterways, utility reserves, sportsgrounds and conservation areas. ³
Operational Plan	Annual Operational Plans document the services, projects and performance targets and measures that Council will undertake to contribute towards the goals, objectives and strategies set out in the Community Strategic Plan.
Owner/Custodian	Manage community assets including buildings, facilities, public space and reserves.
Partner	Collaborator or associate engaged in the delivery of strategies, projects or programs which help to achieve the objectives for North Sydney.
Performance Reviews	Council reports achievement against its Operational Plan and budget each quarter. The report includes indicators aligned to strategies and financial results.
Policies and Procedures	Statements of Council's principles in relation to a specific activity/issue, supported by procedures which are guidelines to be followed in the achievement of policy.
Projects	A specific initiative that Council proposes to implement to achieve an objective. Projects have a short term focus, generally within a set budget and having a finite duration defined by planned start and finish dates.

² Local Government Association of South Australia

³ Moran, J (2001), Strategic Framework for Open Space Planning in *Parks and Leisure Australia*, Vol 4, No. 3

Quadruple Bottom Line (QBL)	<p>Quadruple Bottom Line acknowledges that an organisation has impacts on society, the environment and financially on its stakeholders. Local government's governance responsibilities provide a fourth area of impact.</p> <p>QBL is a reporting device and an approach to decision making (eg the use of reporting and decision making tools) to understand the social, environmental, economic and governance implications of decisions across council activities.⁴</p>
Recreation	Activities that people undertake for enjoyment in their own free time; not based on formal competition and/or organised administration; and that lack formal sets of rules.
Regulator	The stakeholder responsible for control and supervision of a particular activity or area of public interest. Council's regulatory role is to operate under and enforce a range of legislation.
Resourcing Strategy	Financial and non-financial resources for the next ten years that are required to achieve the objectives.
Service Provider	Fully or partially fund and provide a service.
Services	The services Council carries out on an ongoing basis. How the outputs (the actual deliverables of services) will be achieved.
Social Plan	The Social Plan guides Council and community stakeholders in the provision of appropriate and accessible services and facilities to meet the social needs of people within North Sydney in a fair and equitable manner.
Strategic	Having a carefully devised plan of action to achieve a goal, or possessing the skill of developing or carrying out such a plan.
Strategic direction	A broad statement of what the community would like to see happen in the long term. At North Sydney Council they are referred to as "Directions". They chart direction, show where the organisation is going, and point toward a broad destination. However, they do not set specific milestones or determine ways to get there.
Strategies	A way of achieving the objectives, goals or target. Each objective or goal will be supported by one or more strategies. Some strategies may support more than one objective or goal. A strategy should be achievable within a timeframe, measurable and resourced.
Streetscapes	The appearance of the street as a whole incorporating the road, curb and gutter, verges, fences, trees and house frontages.
Sustainability	Maintaining and enhancing quality of life, while ensuring the viability of the community, now and in the future, through an integrated consideration of social, environmental, economic and governance factors.
Sustainability Indicators	High level measures that measure progress toward achievement of goals, objectives and strategies. They are influenced by many factors outside of Council control. This measuring provides information for North Sydney as a whole.
Target	A realistic, attainable and quantifiable level of performance assigned to an activity or indicator to be attained at a specific future date, the attainment of which will indicate good performance in working towards the goals identified in the Community Strategic Plan.
Values	The beliefs, commitments, principles and philosophies that underpin how Council conducts itself in carrying out its day to day business and guide Council's everyday decision making.
Vision	An image of where the community wants to be. It is a common picture of a community's environmental, social and economic future that is sufficiently long term to allow substantial change from past and current patterns. Focuses the attention and resources of Council on some desired future which can be visualised but not yet realised. It outlines what Council is committed to. All aspects of Council business should contribute towards achieving the vision.

⁴ Adapted from ICLEI and City of Melbourne *Triple Bottom Line Toolkit*

List of Acronyms	
CALD – Culturally and Linguistically Diverse	LEP – Local Environmental Plan
CBD – Central Business District	LGA – Local Government Area
CSP – Community Strategic Plan	LTFP – Long Term Financial Plan
DCP – Development Control Plan	NSROC – North Sydney Regional Organisation of Councils
DP – Delivery Program	OH&S – Occupational Health and Safety
ESD – Ecologically Sustainable Development	OP – Operational Plan
KPI – Key Performance Indicator	QBL – Quadruple Bottom Line



APPENDIX 2 - Summary of Community Priorities

Major community issue	Council's response by objective - refer to pages 16-41	Major community issue	Council's response by objective - refer to pages 16-41
Aboriginal culture and site management	2.2.5, 4.1.3, 4.1.4	Councillor interaction	5.1.1, 5.4.1
Access - universal/disability	2.2.3, 4.4.1, 4.5.1	Council's performance	5.1.3
Access to information	4.4.1, 5.4.2	Cultural diversity	4.1.3, 4.1.5
Active ageing	4.3.1, 4.4.1	Customer service	5.4.3
Active recreation	1.4.1, 4.3.1	Cycleways	2.4.1, 2.4.3
Active transport	2.4.1, 2.4.2, 2.4.3	Design excellence	2.2.3
Affordable housing	2.2.1, 4.6.1	Development applications	2.3.1
After hours activity	3.1.2, 3.1.3	Economic development	3.1.1
Aged/seniors services	2.2.3, 4.3.1, 4.4.1	Education	4.2.1, 4.2.2, 4.2.3, 4.4.1
Ageing infrastructure	2.1.1, 2.1.2	Employment	3.1.1
Alternative transport	2.4.1, 2.4.3	Environmental programs	1.1.1, 1.2.1, 1.3.1, 1.3.2
Arts and culture	4.1.5	Event management	3.2.2, 4.1.2, 4.1.5
Asset management	2.1.1, 2.1.2	Facilities for dogs	1.4.1
Beautification	1.1.2, 2.2.4	Fees and charges - levies	5.5.1
Bike facilities	2.4.2	Festivals and events	3.2.2, 4.1.2, 4.1.5
Bushland management	1.1.1	Financial management	5.5.1
Carbon footprint/reduction	1.3.1, 1.3.2	Footpaths	2.1.1, 2.4.4
CBD marketing	3.1.1, 3.2.2	Foreshore access	1.4.1, 1.4.2
CBD planning	2.2.2, 3.1.1, 3.1.2, 3.2.1	'Friends of' concept	4.1.1
Children's services	4.3.1, 4.4.1	Governance	5.4.1, 5.4.2
Climate change	1.3.1, 2.1.2, 2.2.2	Greenspace	1.1.2, 1.4.1, 1.4.2
Commercial centres	3.1.1, 3.1.3	Health and wellbeing	4.3.1, 4.4.1
Communications	4.2.2, 4.4.1, 5.3.1	Heritage conservation	2.2.5
Community development	4.4.1	Historical buildings	2.2.5, 4.1.4
Community engagement	5.2.1	Housing and accommodation	4.6.1, 2.2.3
Community facilities	4.3.1, 4.4.1, 4.5.3	Infrastructure	2.1.1, 2.1.2, 2.4.3, 2.5.1
Community gardens	1.1.1, 1.1.2	Interagency networks	4.4.1
Community grants/funding	4.4.1	Land use planning, policy and design	2.2.1, 2.2.2, 2.2.4, 3.2.1
Community participation	1.1.1, 1.2.1, 1.3.1, 2.1.1, 4.1.1, 4.1.2, 4.2.5, 4.4.1, 5.2.1, 5.4.1	Lifelong learning	4.2.1
Community safety	2.2.4, 4.5.1, 4.5.2	Lighting	1.3.1, 4.5.1
Community transport	2.4.1, 4.3.1	Library services	4.2.2
Compliance	2.3.1, 2.3.2, 2.3.3	Lobbying/advocacy	5.1.3, 5.1.4
Corporate planning	5.1.1, 5.1.2, 5.1.3	Local history	4.1.4
Cost of living	4.3.1, 4.4.1	Locality	2.2.4
		Markets	4.1.2
		Mix of businesses	3.1.1, 3.1.2
		Motor vehicle impact	2.4.1, 2.5.1
		Online engagement	5.2.1
		Online forms and services	5.4.3
		Open government	5.1.1, 5.2.1, 5.4.1
		Open space	1.4.1, 1.4.2

Major community issue	Council's response by objective - refer to pages 16-41
Parking	2.5.2
Passive recreation	1.4.1, 4.3.1
Pedestrians	2.4.3, 4.5.2
Performance spaces	4.1.5
Philanthropy	4.1.6
Planning controls	2.2.2, 3.1.2
Pollution - air, noise and water	1.2.1, 1.3.3
Public art	4.1.5
Public space/domain	1.4.1, 1.4.2, 2.2.4, 3.1.3, 4.5.1
Public transport	2.3.1, 2.4.1, 2.4.2
Rating structure	5.5.1
Recreation programs	1.4.1, 4.3.1
Recycling/reuse	1.3.1, 1.3.2
Reduced energy and water consumption	1.3.1, 1.3.2
Referral services	4.4.1
Rehabilitation services and facilities	4.3.1
Retail centres	2.2.4, 3.1.1
Risk management	2.1.1, 2.1.2, 5.4.5, 5.4.6
Roof top gardens	1.1.2
Sense of community	2.2.4, 4.1.1, 4.1.2, 4.1.3, 5.2.1
Service partnerships	4.4.1, 5.1.2, 5.1.4
Shop locally	1.3.5, 3.2.1
Social activities	4.1.2, 4.1.3
Social isolation	4.3.1, 4.4.1, 4.5.1
Social media	5.2.1, 5.3.1
Sports facilities	1.4.1, 1.4.2, 3.2.2
Strategic partnerships	5.1.4

Major community issue	Council's response by objective - refer to pages 16-41
Street furniture/picnic tables	1.4.1, 2.1.1, 2.2.4
Streetscapes	2.2.4
Sustainability measures	1.1.1, 1.3.1, 1.3.3, 1.3.4, 2.2.1, 2.2.3, 2.4.1
Technology	1.3.1, 5.3.1, 5.2.1, 5.4.6
Tourism	3.2.2, 4.1.4
Traffic congestion	2.4.1, 2.5.1
Traffic management	2.4.1, 2.5.1, 2.5.2
Transport interchange	2.4.1, 2.5.1
Trees and canopy cover	1.1.2
Underground cabling	2.2.4
Urban consolidation	2.2.1, 2.2.2
Villages	2.2.4, 3.1.1
Volunteers	1.1.1, 4.2.3
Walkable communities	2.4.4, 4.3.1
Waste management	1.2.1, 1.3.1, 1.3.2
Wildlife	1.1.1
Young people	4.1.2, 5.2.1, 5.3.1
Youth services	1.1.1, 1.3.5, 1.4.1, 4.1.5, 4.2.1, 4.3.1, 4.4.1



	Goal																						
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	2.4	2.5	3.1	3.2	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5	
	Direction 1: Our Living Environment				Direction 2: Our Built Environment					Direction 3: Our Economic Vitality		Direction 4: Our Social Vitality					Direction 5: Our Civic Leadership						
3.1 Make sure children have the skills for learning by school entry													•										
3.2 Support students to reach their full potential at school													•										
3.3 Engage students in learning for longer													•										
3.4 Improve access to jobs and training													•										
3.5 Increase access to knowledge and skills in partnership with universities													•										
4.1 Improve and maintain access to quality healthcare in the face of increasing demand														•									
4.2 Improve survival rates and quality of life for people with potentially fatal or chronic illness														•									
4.3 Improve health in the community														•									
4.4 Reduce potentially preventable hospital admissions														•									
4.5 Improve outcomes in mental health														•									



	Direction 1: Our Living Environment			Direction 2: Our Built Environment			Direction 3: Our Economic Vitality			Direction 4: Our Social Vitality			Direction 5: Our Civic Leadership										
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	2.4	2.5	3.1	3.2	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5	
5.1 Tackle climate change			•																				
5.2 Develop a clean energy future			•																				
5.3 Secure sustainable supplies of water and use our water more wisely			•																				
5.4 Protect our native vegetation biodiversity, land, rivers and coastal waterways	•	•	•																				
5.5 Improve air quality			•																				
5.6 Reduce waste			•																				
6.1 Increase the number of jobs closer to home										•	•												
6.2 Grow cities and centres as functional and attractive places to live, work and visit					•	•				•	•												
6.3 Improve housing affordability						•										•							
6.4 Increase the number of people using parks			•	•																			
6.5 Increase the number of people participating in sporting activities			•	•																			
6.6 Increase the number of people participating in the arts and cultural activity												•											
6.7 Increase the number of people engaged in volunteering													•										

Goal

5. Green State

6. Urban Environment and Lifestyle

	Goal																						
	Direction 1: Our Living Environment		Direction 2: Our Built Environment				Direction 3: Our Economic Vitality		Direction 4: Our Social Vitality			Direction 5: Our Civic Leadership											
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	2.4	2.5	3.1	3.2	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5	
7.1 Strengthen Aboriginal communities												•											
7.2 Increase employment and community participation for people with disabilities													•										
7.3 Reduce the number of NSW people who are homeless																		•					
7.4 Improve child wellbeing, health and safety													•										
8.1 Reduce rates of crime, particularly violent crime																							
8.2 Reduce levels of antisocial behaviour																							
8.3 Reduce re-offending																							
8.4 Improve the efficiency of the court system																							





APPENDIX 4 - Links with Draft North Sub Regional Strategy 2007

The following matrix shows how the community's long term goals, as outlined in the 2020 Vision contribute to the achievement of the priorities of the 2007 Draft North Sub Regional Strategy. to view the Draft Strategy visit www.metrostrategy.nsw.gov.au/Subregions/InnerNorthsubregion

	Direction 1: Our Living Environment		Direction 2: Our Built Environment					Direction 3: Our Economic Vitality		Direction 4: Our Social Vitality					Direction 5: Our Civic Leadership							
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	2.4	2.5	3.1	3.2	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5
Goal																						
1.1 Provide suitable sites and employment lands in strategic areas						•				•												
1.2 Increased innovation and skills development										•			•									
1.3 Improve opportunities and access to jobs for disadvantaged communities										•			•									
2.1 Provide places and locations for all types of economic activity and employment across the Sydney region										•												
2.2 Increased densities in centres whilst improving liveability						•																
2.3 Cluster businesses and knowledge-based activities in Strategic Centres										•												
2.4 Concentrate activities near public transport								•		•												
2.5 Protect and strengthen the primary role of economic corridors										•												

	Direction 1: Our Living Environment					Direction 2: Our Built Environment					Direction 3: Our Economic Vitality			Direction 4: Our Social Vitality					Direction 5: Our Civic Leadership					
	1.1	1.2	1.3	1.4		2.1	2.2	2.3	2.4	2.5	3.1	3.2		4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5
3.1 Ensure adequate supply of land and sites for residential development							•																	
3.2 Plan for a housing mix near jobs, transport and services						•																	•	
3.3 Renew local centres						•						•												
3.4 Improve housing affordability						•																	•	
3.5 Improve the quality of new development and urban renewal						•																		
4.1 Improve transport between Sydney's centres									•															
4.2 Improve the existing transport system									•															
4.3 Influence travel choices to encourage more sustainable travel									•				•											
4.4 Improve transport decision-making									•														•	
4.5 Ensure sufficient port capacity is available to serve Sydney							•																	
4.6 Improve efficiency of all types of freight movements in Sydney									•															
4.7 Connect the regions and economic gateways within GMR										•														
4.8 Minimise the adverse impacts from freight movements							•																	

Goal

	Direction 1: Our Living Environment				Direction 2: Our Built Environment				Direction 3: Our Economic Vitality			Direction 4: Our Social Vitality					Direction 5: Our Civic Leadership					
	1.1	1.2	1.3	1.4	2.1	2.2	2.3	2.4	2.5	3.1	3.2	4.1	4.2	4.3	4.4	4.5	4.6	5.1	5.2	5.3	5.4	5.5
5.1 Establish targets for sustainable growth						•				•												
5.2 Protect Sydney's natural environment	•	•	•	•																		
5.3 Achieve sustainable use of natural resources	•	•	•	•																		
5.4 Protect valuable rural activities and resource lands	•			•		•																
6.1 Increase access to quality parks and public spaces				•		•						•										
6.2 Provide a diverse mix of parks and public places				•		•					•											
6.3 Improve Sydney's major sporting and cultural event facilities				•							•											
7.1 Align subregional and local planning with strategy aims						•												•				
7.2 Improve State involvement in strategic places and projects						•															•	
7.3 Consider funding, pricing and project delivery																						•
7.4 Ensure stakeholder involvement	•			•															•	•		

Goal



APPENDIX 5 - Sustainability Indicators

Indicators have been grouped according to the element of sustainability (quadruple bottom line) to which they most relate:

ENVIRONMENT

- EN01 Proportion of bushland under active management
- EN02 Improved condition of bushland
- EN03 Number of participants in Bushcare programs and community planting events
- EN04 Number of plants provided through Bushcare programs and community planting events
- EN05 Biodiversity inventory updated
- EN06 Participant satisfaction with environmental programs
- EN07 Number of pest animal control programs undertaken annually
- EN08 Percentage of canopy cover
- EN09 Total land area planted or landscaped through Streets Alive program and community planting events
- EN10 Number of rooftop gardens/greening
- EN11 Number of new developments that breach landscape requirements
- EN12 Percentage of creek and harbour water quality sites meeting internationally accepted ecological and human health standards
- EN13 Volume of litter, sediments and organics removed by pollution control devices
- EN14 Kilowatt hour of electricity per resident per year
- EN15 Kilowatt hour of electricity per business per year
- EN16 Kilograms of waste sent to landfill per capita per year
- EN17 Kilograms of resources recovered per capita per year
- EN18 Number of Waste Wise events
- EN19 Kilolitres of drinking water by resident per year
- EN20 Kilolitres of drinking water by business per year
- EN21 Uptake of water tank rebates
- EN22 Number of participants in residential, school, community groups and business sustainability programs
- EN23 Kilolitres of drinking water used by Council per year
- EN24 Tonnes of greenhouse gas emissions generated by Council per year
- EN25 Kilowatt hours of renewable energy by Council activities and facilities per year
- EN26 Number of days when airborne pollution exceeds regional air quality index
- EN27 Number of noise complaints responded to
- EN28 Percentage of development approvals with 4 star plus greenhouse building rating

SOCIAL

- S01 User satisfaction with Council's recreation facilities
- S02 Number of visits to North Sydney Olympic Pool per year
- S03 User satisfaction with North Sydney Olympic Pool
- S04 Total area of new public open space
- S05 Amount of open space acquired in line with contributions from Section 94 Plan
- S06 Community satisfaction with the maintenance of local roads and footpaths
- S07 Community satisfaction with the cleanliness of local roads and footpaths
- S08 Average roughness of road network
- S09 Average condition of footpath network
- S10 Average condition rating of drainage network
- S11 Percentage of non flooding properties
- S12 Community satisfaction with land use and quality of development
- S13 Number and type of dwellings
- S14 Number of additional dwellings
- S15 Community satisfaction with the look and amenity of North Sydney
- S16 Number of reported incidences of graffiti
- S17 Number of abandoned vehicles reported
- S18 Number of items on the heritage schedule
- S19 Community satisfaction with retention of heritage items
- S20 Percentage of building and development works complaints investigated within set timeframes
- S21 Percentage of regulated premises inspected within set timeframes
- S22 Percentage of food premises inspected within set timeframes
- S23 Percentage of dog complaints responded to within agreed service level
- S24 Number of residents and workers using public transport
- S25 Community satisfaction with public transport
- S26 Number of cars registered in North Sydney
- S27 Number of car parking permits issued
- S28 Number of development approvals that include bike storage
- S29 Number of car share vehicles in North Sydney
- S30 Number of additional bike racks/parking installed
- S31 Number of development approvals that include 'end of trip' facilities for cyclists and pedestrians

S32 Number of Council offices, facilities and car parks with electric vehicle recharge facilities	S64 Number of participants in Stanton library programs
S33 Community satisfaction with pedestrian and cycle paths	S65 Stanton Library user satisfaction with services and information
S34 Length of pedestrian and cycling paths	S66 Percentage of community volunteering
S35 Number of bus shelters	S67 Average number of volunteer hours per week
S36 Number of pedestrian and cycling networks	S68 Number of volunteers involved in Council volunteer programs
S37 Number of vehicles on local roads	S69 Number of wellbeing programs conducted by community centres
S38 Traffic speed and volume averages on local roads in residential areas	S70 User satisfied with health and wellbeing services
S39 Community satisfaction with traffic flow throughout North Sydney	S71 Community bus service patronage
S40 Number of 'resident excepted' restricted parking spaces	S72 Number of immunisations clinics held
S41 Number of CBD off street private (non-residential and non-commercial) car parking spaces	S73 Utilisation of community centres and community facilities
S42 Community satisfaction with parking provision	S74 Community satisfaction with community facilities
S43 Number of car parking spaces for car scheme and low impact vehicles	S75 Utilisation of child care services
S44 Number of development approvals that include 'car stackers'	S76 Community satisfaction with Council's provision of children's services
S45 Percentage of residents who feel a sense of community in North Sydney and their neighbourhood	S77 Client satisfaction at each Council operated childcare centre
S46 Number of street activities	S78 Number of Family Day Care programs
S47 Community event participation levels	S79 Participation rates in vacation care programs
S48 Audience satisfaction with Council run community events	S80 Number of youth involved with programs for young people
S49 Number of cultural groups and organisations supported	S81 Number of participants in programs for older people and people with disabilities
S50 Number of programs specifically designed for CALD groups	S82 Care giver and user satisfaction with programs for older people and people with disabilities
S51 Number of Aboriginal cultural heritage sites	S83 Number of hits on online community directory (LINCS)
S52 Community awareness of the significance of historic sites	S84 Percentage of community who feel safe in North Sydney
S53 Customer satisfaction with arts and cultural services and programs	S85 Local Government Area Crime Ranking across offence types
S54 Number of performing and visual arts venues in North Sydney	S86 Community satisfaction with street lighting
S55 Number of permanent public arts works	S87 Number of licensed premises participating in Liquor Accord
S56 The dollar value of benefits delivered to the community per year through philanthropy	S88 Number of reported incidences of domestic violence
S57 Community satisfaction with the range of learning opportunities	S89 Number of community safety audits per year
S58 Number of people completing educational/training activities through community centres	S90 Number of road accident deaths and injuries
S59 Performance of North Sydney students compared to State benchmarks	S91 Number of each type of traffic collision within North Sydney per year
S60 Number of library loans per year	S92 Percentage of the community who feel safety for pedestrians and cyclists is adequate or better
S61 Percentage of residents who are active library members	S93 Number of participants in road safety programs
S62 Number of visits to Stanton Library per year	S94 Community satisfaction with access around North Sydney and to the area's buildings, spaces, and facilities
S63 Stanton Library book stock per capita	S95 Ratio of affordable housing as a proportion of total housing within North Sydney
	S96 Number of additional aged care facilities
	S97 Number of nursing home beds in North Sydney

ECONOMIC

- EC01 Net growth of commercial floor space
- EC02 Office and retail occupancy and vacancy rates
- EC03 Number of businesses by industry division
- EC04 Local estimates of unemployment (unemployed persons and unemployment rate) by age and gender
- EC05 Business community satisfaction with North Sydney as a good place to do business
- EC06 Net growth of commercial floor space in the CBD
- EC07 The dollar value of commercial construction
- EC08 Percentage mix of retail uses
- EC09 Business community satisfaction with the look and amenity of the public domain
- EC10 Ranking of North Sydney's CBD against other major commercial centres
- EC11 Number of national or international events hosted in North Sydney per year
- EC12 Number of major sporting events held in North Sydney per year
- EC13 Operating balance ratio
- EC14 Rates and Annual Charges coverage ratio
- EC15 Unrestricted current ratio
- EC16 Building and infrastructure renewal ratio
- EC17 Broad liabilities ratio

GOVERNANCE

- G01 Number of Urban Design Advisory Panel and Design Excellence Panel meetings
- G02 Number of community groups who receive financial support from Council each year to facilitate community goals
- G03 Amount of grant funding or sponsorship received by Council each year to facilitate community goals
- G04 Community awareness of the Community Strategic Plan
- G05 Community satisfaction with North Sydney's strategic direction
- G06 Percentage of reports to Council that provide a sustainability assessment
- G07 Number of Council's plans, strategies and policies reviewed to reflect the Community Strategic Plan
- G08 Number of Memoranda of Understanding
- G09 Number of successful lobbying activities
- G10 Community satisfaction with Council's community engagement processes
- G11 Number of community engagement/consultation opportunities provided by Council
- G12 Community awareness of activities undertaken by Council

- G13 Community satisfaction with communications from Council
- G14 Number of visits to Council's website
- G15 Number of subscriptions to online newsletters and panels
- G16 Percentage of community members who feel Council operates under ethical, open, accountable and transparent processes
- G17 Percentage of community satisfied that the Council makes decisions in the best interest of North Sydney
- G18 Percentage of community members who feel they can influence decisions affecting their local area
- G19 Community satisfaction with access to information, key documents and meetings
- G20 Community satisfaction with councillor and organisational performance
- G21 Compliance with statutory requirements
- G22 Compliance with privacy requirements
- G23 Community satisfaction with Council's service delivery
- G24 Number of online services
- G25 Staff turnover rates
- G26 Percentage of staff satisfied with the organisation
- G27 Annual Public Liability Audit rating
- G28 Percentage of business continuity tests conducted within agreed service level
- G29 Compliance with record keeping requirements
- G30 Percentage of community satisfied with ease of access to information
- G31 Percentage of systems available on a 24 hour, 7 day a week basis





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SECTION 601 POLICY (hardship caused from the use of new valuations)

CL05-FM

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NORTH SYDNEY COUNCIL 2020 VISION COMMUNITY STRATEGIC PLAN “OUR CIVIC LEADERSHIP”

Responsible Director: Finance & Information Management

1. STATEMENT OF INTENT

- 1.1 To cover situations where ratepayers believe that they have suffered financial hardship by way of Council utilising a General Revaluation for rating purposes for the first time.
- 1.2 To ensure Council complies with Section 601 of the Local Government Act.

2. ELIGIBILITY

- 2.1 This policy is available to the ratepayers of all land categorised as Residential for rating purposes within the North Sydney Council local government area subject to a number of limitations as disclosed in the ‘definitions’ and ‘provisions’ sections of this policy.

3. DEFINITIONS

- 3.1 Ratepayer – the person liable for payment of the rates of the property for which hardship is being claimed.
- 3.2 Residential categorisation and rating – all land categorised as Residential for rating purposes in accordance with S516 LGA 1993.
- 3.3 Principal place of residence – the property that the ratepayer occupies as their sole or dominant residence.
- 3.4 Property ownership – the applicant having been the ratepayer on the property for which the application is being made for a period of not less than 10 years.
- 3.5 Mixed developments – those properties that are subject to a Mixed Development Apportionment Factor (MDAF) furnished to Council by the Valuer General and are rated in accordance with that MDAF as part Residential and part Business. The part of the property that is subject to an MDAF and rated as residential only is to be considered in the calculation of the increase.

-
- 3.6 Rates payable calculation test – the calculation of the difference between the 2004/5 rates and the 2005/6 rates in accordance with the policy as adopted by Council.
 - 3.7 Gross household income test – the calculation of gross household income included in the policy as adopted by Council, and including but not limited to: Gross household income from pensions/salaries; Investment Income; Deemed Income from assets; Deemed rental from non-owner residents.
 - 3.8 ‘Rate relief’ - refers to the ‘rates payable’ calculation only when it exceeds 5% of the gross household income
 - 3.9 Maximum permissible rate increase – an increase in rates payable by more than the increase allowed for the year by the Department of Local Government.
 - 3.10 Calculation methodology – the rates payable for the year must have increased in accordance with 3.9 and must exceed 5% of the gross household income.

4. PROVISIONS

- 4.1 This legislation is only applicable in the first year of the using of valuations for rating purposes following the receipt of a General Revaluation.
- 4.2 Any relief under Sec 601 LGA will only be available to properties that are categorised and rated as **“Residential”**.
- 4.3 The property must be the ratepayer’s principal place of residence, the ratepayer must only be the owner of one (1) property and the ratepayer must have owned the property (for which the application is being made) for a period of not less than ten (10) years.
- 4.4 The residential component of mixed developments can only be considered for the hardship provisions. The income stream from the business is required to be included as gross household income. Business/mixed development properties are excluded from the hardship provisions due to the tax-deductible nature of the rates and other operating expenses.
- 4.5 Applications for relief under this policy will only be considered if they are received within 6 months of the posting date of the rates notice in the first year of the use of the General Revaluation for rating purposes.
- 4.6 Applications for relief under this policy must pass both the ‘Rates payable calculation’ and ‘Gross household income’ tests as well as the other listed ‘provisions’.

5. RESPONSIBILITY/ACCOUNTABILITY

- 5.1 The Financial Operations (Rates) section is responsible for receiving, processing and responding to all applications.
- 5.2 The Revenue Accountant is responsible for reviewing all processed applications and for reviewing this policy prior to the next general land revaluation.
- 5.3 The Manager of Financial Planning is responsible for reviewing and responding to any complaints.
- 5.4 The applicant is responsible for providing accurate and timely information to Council.

6. RELATED POLICIES/LEGISLATION

Local Government Act 1993

The Guidelines and the report to Management Services Committee on 20 June 2005.



NORTH SYDNEY COUNCIL 2020 VISION COMMUNITY STRATEGIC PLAN DIRECTION 5: OUR CIVIC LEADERSHIP

Responsible Director: Finance and Information Management

1. STATEMENT OF INTENT

- 1.1. This Policy provides a clear direction and context for decision making that guides the allocation, management and use of Council's financial resources. Adherence to this Policy will ensure that robust and transparent financial management is established and maintained to meet the Council's accountability to the community for the stewardship of community assets both now and into the future.
- 1.2. Under the Local Government Act, Council is required to prepare and adopt an annual budget. Council is also required to prepare a Long Term Financial Plan for a minimum period of 10 years. The Long Term Financial Plan will summarise the financial impacts of the goals and objectives identified in the Community Strategic Plan, determine their sustainability, and set the future financial direction of the Council.
- 1.3. The Long Term Financial Plan will be used to assist decision making during finalisation of the Community Strategic Plan and the development of the Delivery Program.
- 1.4. The Long Term Financial Plan must be reviewed in detail at least annually as part of the development of the Operational Plan; and must be reviewed in detail as part of the four yearly review of the Community Strategic Plan.

2. ELIGIBILITY

- 2.1 This Policy applies to all Councillors, employees with delegated authority and external consultants employed as representatives of Council.

3. DEFINITIONS

- 3.1 A 'financial model' is a decision making and problem-solving tool. It is a guide for future trends and actions. It will also provide an opportunity for council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term. A 'financial plan' is Council's response to those future trends.

- 3.2 The term ‘financial sustainability’ describes a state when Council will have sufficient funds to meet all its resource and financing obligations and be able to respond to adverse changes in financial conditions.

4. PROVISIONS

This Policy is linked to Council’s vision, mission and core values as outlined in the 2020 Vision, Community Strategic Plan. The provisions are as follows:

4.1 Organisational Sustainability

All relevant legislative requirements together with environmental, social, economic and governance factors are to be taken into account.

4.2 Guiding Principles

The following guiding principles must be observed by Councillors, employees and consultants when preparing the Long Term Financial Plan:

- 4.2.1 Prudent management of financial risks relating to debt, assets and liabilities. Council will set financial parameters within which the organisation could operate and remain financially stable and operationally focused.
- 4.2.2 Provision of reasonable stability in the level of rate burden.
- 4.2.3 Consideration of the financial effects of Council decisions on future generations.
- 4.2.4 Future lifecycle costs will be reported and considered in all decisions relating to new services and upgrading of existing services and asset renewal.
- 4.2.5 Future service levels will be determined in consultation with the community.
- 4.2.6 Provision of accurate and timely disclosure of strategic financial information.
- 4.2.7 New revenue sources to be identified where possible.

4.3 Financial Sustainability

The following aims and parameters are designed to assist Council in achieving financial stability, affordability, focus and efficiency:

-
- 4.3.1 Council will aim to maintain Available Funds (the unallocated portion of all future revenues) between 6% and 8% of rating revenue. Available Funds are ‘working capital’ used to meet short term cash requirements, provide contingency for unexpected costs or loss of revenue, and to provide the flexibility for Council to take advantage of opportunities that may arise from time to time.

While it is anticipated that at a point in time the Available Fund balance may fall below the targeted level, the onus in planning is to ensure adequate adjustment is made to restore the balance through future programs, within an acceptable timeframe.

- 4.3.2 Borrowings are funds that a Council may source from external parties either by overdraft, loans or by any other means approved by the Minister for Local Government such as finance leases.

Council has been debt free for many years, however there may be significant demands on council to acquire additional public open space and to redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it may become necessary to start a controlled borrowing program. In addition, Council will be seeking to transfer value between existing and new assets through asset sales and property leasing opportunities. If needed, borrowing will be undertaken in line with the following principles:

- That the capital cost of infrastructure be recognised over the period during which the benefits will be enjoyed.
- That loan funds are a resource to fund the replacement and upgrading of existing infrastructure and fund the creation of new infrastructure.
- That loan funds will be limited:
 - to the acquisition or enhancement of income producing assets;
 - to the construction and/or upgrading of buildings;
 - to infrastructure assets that have a life expectancy of greater than 10 years.
- That loan borrowings will not exceed a 'net debt service ratio' of 5%.

Debt will only be approved where there is an agreed economic, social, or environmental benefit from a project and other sources of funding are not available.

- 4.3.3 Leasing facilities are broken down into two types, operating and finance, with the main difference being that finance leases entail the notion of ownership and subsequently fall under the umbrella of Council's global borrowing limit, whereas operating leases represent rental arrangements that are not included in the global borrowing limit. Presently, Council has no “finance” leases and several operating leases.

- 4.3.4 The operating result (before capital) is considered to be the one of the main indicators of the long term viability of Council. In broad terms a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services), and to continue to renew existing assets. The indicator includes significant accounting and engineering estimates relating to the consumption of long lived assets (depreciation) which significantly impact this result. This estimating process requires continued refinement and consultation across the industry between engineering and finance professionals.

Note 1 'Summary of Significant Accounting Policies' of the Annual Financial Statements sets the framework for the accounting and recognition (capitalisation) of Council's physical assets. This note will be reviewed and replaced by an Asset Accounting and Capitalisation Policy, which may in turn impact on the levels of depreciation recorded as part of the above operating result.

- 4.3.5 A number of financial health-check indicators have been developed by the Local Government Finance Professionals through the Local Government Managers of Australia (LGMA). To make the indicators more readily understood by the wider community a colour coding 'traffic light' system has been used to rate and present the Council's performance under the health check. These indicators should reflect trends over a 4 year perspective.

The key indicators council currently uses are as follows:

Unrestricted Current Ratio

Definition:	Current Assets less Externally Restricted Current Assets divided by Current Liabilities less Specific Purpose Current Liabilities.
Purpose:	Measure the liquidity or solvency of Council, i.e. Council's ability to pay its debts as they fall due.
Benchmark:	Less than 1:1 = Red 1:1 to 2:1 = Amber 2:1 to 10:1 = Green Over 10:1 = Red

Available Cash Position

Definition:	(a) Available Cash Assets = Cash Assets less Externally Restricted Assets. (b) Unrestricted Available Cash Assets = Available Cash Assets less Internally Restricted Assets.
Purpose:	Assess Council's available funds and reflect its capacity to respond to opportunities or react to unforeseen commitments that may arise.

Asset Renewal Expenditure

Definition:	Capital Expenditure on Existing Assets divided by Annual Depreciation.
Purpose:	A long term indicator of the condition of and the cost to maintain public infrastructure assets.
Benchmark:	Greater than 1:1 = Green Less than 1:1 = Red

Debt Service Ratio

Definition:	Net Debt Service Cost divided by Total Revenue from Ordinary Activities.
Purpose:	Show the amount of annual revenue necessary to service annual debt obligations and indicate the commitment of or from future revenue necessary to fund long term capacity.
Benchmark:	Less than 10% = Green 10% to 15% = Amber Greater than 15% = Red

Collection Performance (Outstanding Debtors Ratio)

Definition:	Outstanding Rates, Annual Charges & Fees divided by Invoices Raised plus Arrears Brought Forward.
Purpose:	Measure the effectiveness of Council in recovering debts legally owed to it.
Benchmark:	Less than 4% = Green 4% to 5% = Amber Greater than 5% = Red

- 4.3.6 Council's annual allocations to recurrent and non-recurrent budgets will generally not exceed anticipated cash inflows and be consistent over the medium term. Council's cash reserves which are above the minimum requirement will be made available for re-allocation.
- 4.3.7 The full life cost of capital expenditure will be considered before capital projects are approved. Asset renewal, maintenance, and operational costs impacting on future budgets will be included in forecasts as part of the capital budgeting process.
- 4.3.8 Capital expenditure decisions need to be fully informed by understanding the impacts on future results. A building can not be considered as a one-off cost. It will have operational costs for electricity, water, and consumables and will normally involve services that will require operational budgets, including employee costs. The building will then need to be maintained and eventually renewed and or be disposed of. Consideration of these costs and any potential revenue must be part of the initial process and be recorded in future estimates to aid further financial planning.

-
- 4.3.9 Council's will review its longer term rating strategy (model) annually as part of its Long Term Financial Plan. Business and residential rating structures will form part of the review.
- 4.3.10 Council's pricing methodology will be applied consistently for all fees and charges. Fees and charges will be reviewed annually to ensure compliance and currency. The Schedule of Fees and Charges will include each fee to be levied, the purpose of the fee, the current amount of the fee and the GST inclusive price.

The factors that determine Council's Pricing Policy are equity, user pays and market rates:

- Prices represent either the full recovery of costs or the current market-rate whichever is the greater, except to those individuals or groups that have been identified as disadvantaged and in need of "special consideration".
 - Council reserves the right to vary this pricing policy on any reasonable basis having regard for specific circumstances.
 - Council documents that are made available on Council's website will be free of charge except for those variations identified in the Schedule of Fees and Charges.
 - Council will charge a fee for the use of credit cards by customers when making payments.
- 4.3.11 Council's revenue strategies will be considered as part of the longer term financial planning in accordance with its Resourcing Strategy. Rates increases are determined by the Minister for Local Government and rate variations beyond this level will be linked to community expectations for services.
- 4.3.12 Council will actively pursue grant funding and other contributions to assist in the delivery of core services.
- 4.3.13 Council will invest surplus cash in accordance with its Investment Policy. Returns on externally restricted cash will be transferred to restricted cash and treated as capital revenue where required. Estimated returns on unrestricted investments will be partly applied to the recurrent budget (maximum - up to the projected CPI rate of return) and the balance transferred to internally restricted reserves.
- 4.3.14 All funds generated from the sale of assets will be directed to assets that offer improved community benefits or are income-producing. Revenue from asset sales will not be directly used to offset recurrent operating expenditure.
- 4.3.15 Bonus income is deemed to be income received either outside the normal budgeting process or income received within the standard budget but of

an amount that would be abnormally large by its nature (a variation greater than \$100,000).

This income should in the first instance be applied to any losses of income brought about by market fluctuations (e.g. rent reviews) then any surplus would be a transfer to the reserves. Up to 50% of funds received may be allocated for income-producing projects and the balance, allocated to internally restricted reserves.

- 4.3.16 Consideration will be given to those members of the community, who because of their special circumstances may not be able to access the service:

Pensioners	up to 50% of “full cost” or the maximum permitted under the legislation.
Non Profit Organisations or Groups	up to 50% of “full cost”.
Permanent Hirers of Facilities	up to 15%.
Children/Students	up to 50% of “full cost” or the maximum permitted under the legislation.

- 4.3.17 Council will adopt the maximum interest rate applicable each year for outstanding rates and domestic waste management charges.

- 4.3.18 Council will maintain an ongoing review of its services that seeks to better define service requirements, refine delivery methods and balance service aims against affordability for both the Council and our customers.

5. RESPONSIBILITY/ACCOUNTABILITY

- a. The Financial Services Department is the key stakeholder of this Policy. However all related Departments/Council staff that have direct or indirect association to financial planning and management, are also responsible for the whole or part lifecycle management of Council’s financial management.
- b. The effectiveness of this Policy shall be reviewed at least once during the term of Council.

6. RELATED POLICIES/DOCUMENTS/LEGISLATION

The Policy should be read in conjunction with:

- 2020 Vision, North Sydney Community Strategic Plan
- Annual Financial Statements - Note 1 Summary of Significant Accounting Policies
- Asset Management Policy
- Asset Management Strategy
- Investment Policy
- Local Government Act 1993
- Regulations under the Act.
- Schedule of Fees and Charges

7. Productivity Improvements

Attachment 1:

List of all reviews undertaken as well as prospective reviews by year

Year	Department/Function	Description of Service Review
2001	General Manager's Office	GM's Office support Mayor's Office support Legal Services
	Document Management	Review of paper file system
2002	Financial Services	Cash management
	Risk Management	Claims management
2003	Works Engineering	Car parking stations
2004	Community Development	Vacation Care Arts and Culture
2005	Risk Management	Public Liability Insurance
	Environmental Services	Waste Management charges
2006	Whole organisation	Comprehensive Efficiency Review (Sennitt Management Services)
	Property Assets	Investment property management
	Works Engineering	Graffiti removal
2007	Library Services	Book purchasing and cataloguing
	Corporate Planning & Governance	Precinct System Support
	Information Technology	Mobile phone services
	Environmental Services	Street Cleaning
	Parks & Reserves	Sportsground management Tree Management
2008	Community Development	Vacation Care Community Centres
	Communications	Printing Service
	Customer Services	Counter Services; Call Centre Booking Services
	Property Assets	Investment Property Management
	Works Engineering	Metered parking
	Information Technology	Computing and printing hardware
2009	Community Development	Family Day Care provision for other councils Crows Nest Centre Program Youth Services delivery
	Library Services	Collection services Shorelink (Information Service) Council Historian
	Communications	Public Relations
	Corporate Administration	Councillor and administration support
	Corporate Planning & Governance	Corporate Planning
	Human Resources	Human Resources service
	Engineering Infrastructure	Engineering and property maintenance

	Project Management	Project management service
	Works Engineering	Road patching Road waste disposal Works team
	Environmental Services	Street Cleaning Bushland management
	Mollie Dive Function Centre	Event management
	Parks & Reserves	Sportsground maintenance
2010	Community Development	Family Day Care Regional Program review
	Library Services	Reader Services Shorelink (Managed Services)
	Rangers & Parking Services	Process review
	Property Assets	Investment Property Management
	Traffic Services	On-street parking management
	Information Technology	Telephone system
	Aboriginal Heritage Office	Regional program review
	Environmental Services	Sustainability Programs Tree Preservation
	Landscape Planning & Design	Parks and gardens administration
	North Sydney Olympic Pool	Operational review
2011	General Manager's Office	Legal Services
	Community Development	Community Transport - independent review
	Library Services	Reader services
	Corporate Planning & Development	Review of Corporate Administration Section
	Customer Services	After-hours telephone service Call Centre message service
	Engineering Services	On-street Parking Management Fence Renewal Program
	Risk Management	Insurance Claims Management
	Information technology	Provision of property certificates Firewall management
	Recreation Planning	Sport and Recreation Needs
	Environmental Health	Foodshop Inspections
2012	Mollie Dive Function Centre	Function Centre Operation review
	Development Assessments	Planning Advisory Service
	Corporate Planning & Governance	Precinct System Support
	Engineering Services	Graffiti removal
2013	Human Resources	Occupational health and safety
	Landscape Planning & Design	Parks management
	Community Development	Community events
	Library Services	Reader Services

2014	Environmental Services	Streets Alive Program
	Parks & Reserves	Lawn mowing service
	Recreation Planning	Recreation project management
	Environmental Services	Street and gutter cleaning
	Strategic Planning	Urban Design Panel
	Information Technology	Information service delivery
2015	Parks & Reserves	Street Tree Management
	Open Space & Environmental Services	Organisational management
	Aboriginal Heritage Office	Aboriginal heritage management
	Engineering Infrastructure	Engineering project management
	Ranger & Parking Services	Parking enforcement
	Risk Management	Insurance
2016	Landscape Planning & Design	Parks plans of management
	Community Development	Cultural events Youth Services
	Development Assessments	Assessments services delivery
	Corporate Services	Organisational management
	Financial & Information Management	Organisational management
2017	Community Development	Social Planning Community grants and subsidies
	Parks & Reserves	Garden Maintenance
	Strategic Planning	Planning project management
2018	Engineering Infrastructure	Local roads maintenance
	Planning and Development	Strategic planning
2019	Corporate Planning & Governance	Community Engagement
2020	Customer Services	Customer Services

7. Productivity Improvements

Attachment 2

NORTH SYDNEY COUNCIL REVIEW OF SERVICES – 2001 TO 2010

Council has a performance review and improvement strategy in place, whereby reviews are undertaken on a regular, planned and ad hoc basis of various areas of the organisation. These reviews may be undertaken in-house, or with external assistance.

As a result of the strategy, ongoing productivity improvements have been made, which have freed up resources for re-allocation to other priorities as well as producing efficiency gains, improving income and producing expenditure reductions. Council services have been subject to external tendering where appropriate to ensure the most efficient service delivery.

Sennitt Management Services undertook an Efficiency Review of North Sydney Council in 2006, and found that the Council organisation was very efficient. Further areas of review were suggested with a view to improved performance, all of which have been undertaken.

Community satisfaction surveys are undertaken every two years and feedback from the community has informed reviews of service delivery standards and levels.

Through the performance review and improvement strategy, reviews have been targeted to achieve different objectives:

- Reviews of structure, service levels and performance
- Reviews of service delivery method and scope
- Reviews of service delivery processes and standards
- Review of strategies and plans of management (which set service delivery standards)

Following is a summary of all Council service areas and reviews undertaken systematically over the ten year period.

REVIEW OF SERVICES

General Manager's Office (GM)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
General Manager's Office	Mayor's Office: Executive support of Mayor in civic duties; Citizenship Ceremonies	4.1.3.2 Celebrate diversity within the community	Review of structure, service levels and performance	2001	Full-time Executive Assistant position: Streamlined management of citizenship ceremonies	Citizenship Ceremony budget has only risen from \$2000 to \$2500 over 9 years
	GM's Office: Executive support of GM in organisation administration	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	2001	Full-time Executive Assistant Position: Provision of support to both GM and Director of Corporate Services Streamlined management of Delegations & Pecuniary Interest Returns	More efficient provision of support
	Legal Services: Management of all legal functions for and within Council; Provision of legal advice to Council, and	5.4.2.2 Implement best practice governance strategies	Review of structure, service levels and performance	2001	In 2000/2001, Council's legal expenditure was \$1.92 million. Council reviewed the provision of legal services for the Council in 2001. The review led to employment of an experienced lawyer. Council efficiently conducts its legal processes and advice is sought when it cannot be provided in-house. Procedures are in place to ensure	Reduction of legal expenditure by 300% over 9 years

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					<p>that Council is able to recoup legal expenditure when appropriate.</p> <p>Council has sought tenders for the provision of external legal services three times since 2001 – ensuring competitiveness and service delivery.</p> <p>In 2009/2010, Council’s legal expenditure was \$733,000.</p>	

REVIEW OF SERVICES

Community and Library Services Division (CLS)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Community Development	Children's Services	4.4.1.4 Provide childcare services including Family Day Care and Vacation Care programs	Review of structure, service levels and performance	2004	<i>Vacation Care</i> : A review led to vacation care being put out to tender. It is now being provided by an external child care provider.	\$20,000 p.a.
				2008	Further reviews undertaken on regular basis to align resources and demands.	More efficient distribution of resources
				2009	Negotiation with Lane Cove and Mosman Councils to manage their FDC schemes for a fee: discussions on hold	\$17,000 p.a.
				2010	Review of fees charged to FDC parents Review in 2010 led to restructure of Family Day Care. Participation in Regional Benchmarking project with view to future savings through co-operation.	
	Aged and Disability	4.4.1.4 Increase access to services and information	Review of structure, service levels and performance	2009	Crows Nest Centre is outsourced provider of aged and disability services. Review of Plan of Management undertaken. Decision	Savings of \$66,000 p.a.

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		support for families, young people and older people			to reduce Council subsidy commensurate with Centre's ability to obtain revenue from other sources.	
	Community Services & Facilities	4.4.1.3 Facilitate equal access to community services and facilities	Review of performance	2008	Review of Nutcote Museum's recurring deficit – new Management Plan introduced. Review of Kirribilli Neighbourhood Centre's (KNC's) monthly market. Capital investment in venue stabilised centre's balance sheet. Worked with KNC to attract Commonwealth grant of \$300,000	Balanced budget Income generated for community facility: \$300,000 for 3 years
	Community Transport	4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities	Review of structure, service levels and performance	2010	Independent review commissioned to guide Strategic Plan and contract renewal due in 2011.	Expansion of services
	Arts and Recreation	4.1.5.1 Develop and implement a diverse range of	Review of structure, service levels and	2004	Review of demands and available resources to meet demands. Decision by Council to increase	Expansion of services

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		arts and cultural programs	performance		level of cultural activity led to additional part-time resource	
	Youth Services	4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities	Review of structure, service levels and performance	2009	Year 1: Youth worker position not replaced Years 2&3: reduction of staffing position (equivalent to same level of saving)	Savings of \$50,000 p.a.
	Aboriginal Social Planning	4.3.1.4 Establish partnerships and programs to improve social conditions and outcomes amongst particular communities	Review of structure, service levels and performance	2010	Regional program involving 11 Northern Sydney Councils. Combined program to achieve efficient service delivery. Program to end at 30 June 2011. Attracted State Grant	\$15,000
Library Services	Reader Services	4.2.3.5 Develop and enhance quality of library services and events	Review of structure, service levels and performance	2010	Restructure, reducing cost of Management, restoring frontline hours	\$16,000 p. a.
	Collection Services	4.2.3.1 Continue to review library collection management guidelines	Review of structure, service levels and performance	2007/08	<i>Library restructure:</i> A review was undertaken of the book purchasing and cataloguing area, with the result that cataloguing was outsourced and 3 staffing positions saved in a	\$166,000 p.a.

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
				2009	time of increasing circulation and library visits. <i>Further library efficiencies:</i> Further savings are planned through adjustment of staff hours.	\$50,000 p.a.
	Historical Services	4.1.4.3 Promote access to local history through North Sydney Heritage Centre, local museums and signage	Review of structure, service levels and performance	2009	Restructured Historian's role to allow for part time written work and contract Curator. Won Queensland Premier's Prize for History	Expansion of services
	Shorelink	4.2.3.3 Promote outreach library services and online databases	Review of structure, service levels and performance	2009	<i>Managed Services for five Council Shorelink Network:</i> This allows for improved bandwidth for public access to the Libraries database, and a decrease in staffing.	
				2010	Move to Managed Services. Reduction of Shorelink staff	\$7,000 p.a.

REVIEW OF SERVICES

Corporate Services Division (CS)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Communications	Public Relations Website maintenance Graphic Design	5.3.1.1 Enhance Council's existing external communications methods	Review of structure, service levels and performance	March 2009	<i>Communications</i> - Savings through streamlining staffing positions & reducing editions of Community News and corporate advertising	\$72,000
	In-house printing service	5.4.2.2 Implement best practice governance strategies	Review of service delivery method and scope	2008	<i>External and internal communications and advertising:</i> Methods of production have been reviewed and new methods introduced, including new digital printer; using electronic rather than paper communication where possible; using on-line advertising	\$60,000
Corporate Administration	Council, Committee and reference Group Meetings Councillor support Word-processing and admin support	5.4.1.1 Ensure relevant Council processes and decisions are accessible	Review of structure, service levels and performance	March 2009	<i>Administration:</i> Savings will be achieved through streamlining staffing positions	\$60,000
Corporate Planning and Governance	Corporate Planning & Governance	5.1.2.2 Develop and maintain effective	Review of structure, service levels and	2009	<i>Corporate planning,</i> Savings achieved through streamlining staffing positions & reducing	\$90,000

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		reporting systems that enable Council to measure and report on performance	performance		Precinct funding	
	Community Engagement	5.2.1.4 Support the Community Precinct System	Review of structure, service levels and performance	2007	<i>Precincts System Review:</i> An external review was undertaken of Council's Precincts system. This led to a re-organisation of resources to provide better targeted support to Precinct Committees (although there were no cost savings, there were improved efficiencies)	Improved efficiencies
Customer Services	Counter Services Call Centre Booking Services	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	November 2008	<i>Customer services review:</i> A review has identified areas of down time in the front-line customer services area, and as a result shifts were re-organised, with savings of 1.5 FTE staff. Review of hours of operation saw a further reduction of one staffing position	\$90,000 p.a. \$60,000 p.a.
Human Resources	Human Resources OH&S	5.4.4.2 Implement best practice Human	Review of structure, service levels and	2009	<i>HR staffing:</i> Review of structure, roles and work methods leading to efficiencies	\$30,000 per annum

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		Resource policies ad strategies	performance		Suspension of a number of training programs and staff support budgets for 2009/10 year only	\$164,000
Ranger and Parking Services	Ranger Services Parking Services	2.5.2.1 Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes	Review of structure, service levels and performance Review of service delivery processes and standards	2009 2010	<i>Ranger and parking services review and restructure:</i> This area was reviewed and one position removed from the structure as a result. <i>Operational and process review</i> A review was undertaken to ensure that ranger and parking services processes and procedures were effective and efficient	\$50,000 Improved efficiency in service delivery

REVIEW OF SERVICES

Engineering and Property Services Division (EPS)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Engineering Infrastructure	Road assets Design Projects Drainage Infrastructure Footpath & Cycleway Engineering Investigations Infrastructure Levy Program Local Emergency Management Pollution Control device cleaning Stormwater investigations	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of structure, service levels and performance Review of Asset Management Plans	March 2009 Annually	Council Contracts out a significant portion of its Engineering & Property Maintenance Tasks and almost all of the Capital works program. The tendering system ensures Council obtains best value. Internal delivered works are completed under a “Job Card” system. This enables Council to compare the costs with contracted works.	More services achieved for the same or less funding
Property Assets	Management of investment property portfolio (licences/leases)	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of structure, service levels and performance	2006 2008 and 2010	Investment property management outsourced: The six year contract was awarded 2006 as a 2x2x2 contract with renewal subject to satisfactory performance. An independent consultant is engaged to undertake the review.	Income increased by 2.7% per annum over the last 5 Years (05/06 to 09/10) This is in spite of the GFC in 2008

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	Maintenance of Council owned property assets Coordination of property asset management plans Land management Property legal services	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of Property Asset Management Plan	2010 and annually	Streamlined service delivery. Property maintenance on Council Buildings delivered in a similar manner to Engineering Infrastructure. Property Maintenance on the Commercial property portfolio is delivered through the Property Management Consultant. This component is subject to the independent review.	More services achieved for the same or less funding
Project Management	Major building and streetscape project formulation, programming, estimates, planning and design consultancy Delivery of building upgrade projects, internal workspace fit outs Coordination of Streetscape works program	2.2.4.5 Increase community engagement in providing streetscapes, neighbourhoods, villages and commercial centres	Review of structure, service levels and performance gaps	March 2009	Reduction of staffing position	\$120,000
Traffic Services	Investigation, analysis, design and advice on traffic and transport matters Setting priorities for	2.5.1.1 Provide planning, design, investigation and management	Review of on-street parking management strategy	March 2010	Tender for new parking meters and on-street parking management system. Improved efficiency and	Parking Income increased by 3.1% per annum over

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	funding maintenance and installation of traffic facilities Management of on-street parking Coordination of the Traffic Committee Road safety programs and education	of traffic and transport in accordance with safety and community priorities			productivity of parking management	the last 5 Years (05/06 to 09/10) This is in spite of the GFC in 2008. Cost have been contained at 2.8%
Works Engineering	Plant and fleet management	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of performance	Annually	Regular reviews of whole of life operational cost of each item of plant and appropriate decisions are then made to achieve best value when plant is replaced. Savings are achieved at plant changeover	Internal hire rate has increased by less than the inflation rate over time
	Road restorations Maintenance of roads, footpaths, kerb and gutter, stormwater drainage, marine structures, road furniture, fences,	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls	Review of Council's Road Pavement Asset Management Plan, and methods of service delivery	2009	<i>Streamlining of road patching:</i> Delivery of asphalt maintenance has been modified reducing the need to undertake "heavy patching". Contractors now deliver the smaller amount of heavy patching. Council has set up an additional "pot hole" truck to	\$60,000 per annum

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	street lighting, retaining walls and bus shelters	and buildings			<p>increase responsiveness in this area. For less money Council is providing an improved level of service.</p> <p><i>Streamlining of road waste disposal:</i> Waste bins stockpile the waste from Council's road and footpath sweepers. Previously the sweepers disposed of this material at the Artarmon Waste Transfer Station. Contractors have been engaged to collect and dispose of the waste from the depot. There are significant savings in the cost of waste disposal as well as improvements in productivity with reduced travel times for the sweepers.</p> <p><i>Engineering works streamlining:</i> A number of positions amalgamated to streamline processes.</p>	<p>\$25,000 saving per annum on waste disposal costs and a 15% improvement in productivity.</p> <p>\$120,000 p.a.</p>
	Metered parking	2.5.2.2 Use technology to manage parking	Review of service level and performance	2008/9	<i>Review of parking meter data retrieval:</i> This led to a change of provider and call charge rate reductions	\$30,000 per annum
	Car parking stations	2.5.2.3 Provide integrated and efficient parking	Review of structure, service levels and	2003	Introduction of central management for all Council paid car parks:	Savings \$150,000 p.a. Increase in

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		options in villages and retail areas	performance		<ul style="list-style-type: none"> - installation of boom gates - credit card payments - closed Circuit TV Skeleton staff operate from central control room. Significant reduction in staff and improved efficiency and effectiveness.	revenue
	Graffiti removal	2.2.4.4 Build pride in community assets that assist in maintenance as well as deterring graffiti and vandalism	Review of service delivery method and scope	2006	Outsourced service delivery. Contract for removal of all graffiti on Council and private property for the same cost as the previous contract for removal from just Council property.	Revised terms of contract and the scope of works have resulted in savings estimated to be in the order of \$45,000

REVIEW OF SERVICES

Finance and Information Management Division (FIM)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Document Management	Coordination of incoming and outgoing correspondence (hard copy and digital) Archiving Disposal of records Access to information	5.4.6.1 Implement best practice records management	Review of service delivery methods, processes and standards	2001	<i>Upgrade to a digitised (electronic) document management system:</i> (a) significant improvements in data retention, data recovery and access (efficiencies to customer service) (b) (b) also significant savings in physical storage costs,	\$100,000 per annum
Financial Services	Financial Planning Financial Operations	5.5.1.2 Implement best practice financial planning	Review of cash management process	2002	Review of the 'Cash to Cash' cycle to ensure that the management of debtors cash and creditors is efficient. Improved Council's management of its working capital	\$100,000 per annum
Information Technology	Corporate database administration Networks Administration	5.4.6.4 Provide suitable information technology hardware and software across the organisation	Review of service delivery method	2007	<i>Fixed and mobile call charges tender:</i> A tender for all Council's phone call charges led to considerable ongoing savings	\$120,000 per annum
			Review of service delivery method	2008	<i>Review of computing and printing hardware:</i> Implementation of multifunction devices to replace printers. Implementation of	\$70,000 (approx. in hardware savings)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
			Review of service delivery method	2010	<p>virtualisation of the servers, reducing numbers as well as energy consumption.</p> <p><i>New phone system (VOIP) & internet provider:</i> This has replaced outdated equipment with “never grow old” equipment and software, reducing replacement and management costs of the phone system, and bringing all Council outposts into the one coordinated system. This has also provided significant efficiencies across Council, estimated to be between 5% to 8% for the majority of employees (ie 15 to 45 mins per day)</p>	<p>\$5,000 (ongoing maintenance)</p> <p>Productivity improvements of 5% to 8% – freeing up resources for other priorities</p>
Risk Management	<p>Risk mgt strategies and policies</p> <p>Claims management</p> <p>Annual insurance program</p>	5.4.5.1 Implement best practice risk management strategies	<p>Review of service delivery processes</p> <p>Review of policy</p>	<p>2002</p> <p>2005</p>	<p>Review of claims management and processing practices</p> <p>Review of public liability insurance deductible and claims management practices (ie. increase)</p>	<p>60% reduction in average cost of claims</p> <p>\$200,000 per annum</p>

REVIEW OF SERVICES

Open Space and Environmental Services (OSES)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Aboriginal Heritage Office	Monitoring, preservation and protection of Aboriginal sites Community and school education and awareness programs Liaison with Metropolitan Local Aboriginal Land Council	4.1.4.4 Preserve local sites of Aboriginal significance	Review of structure, service levels and performance	Review annually - last review 2010	This is a joint program across a number of Councils, administered by North Sydney Council. Commencing with five northern Sydney Councils, the program has expanded to include eight Councils, all of which make an annual contribution to operating costs. Through each annual review by participating Councils, the program has become more accountable and more efficient. North Sydney Council's financial contribution has reduced over time.	\$3000 expenditure reduction in 2010/2011
Environmental Services	Street Cleaning	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings	Review of structure, service levels and performance	2007	<i>Review of Street Cleaning:</i> A review of the street cleaning program was completed in 2007. This review investigated how the Council was delivering the Councils street cleaning program against the community's expectation for this service. The review resulted in the realignment of the service to best meet the expectations of the community	Efficiency gains leading to improved performance

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
				2009	resulting in a more effective and efficient use of Council resources. <i>Street cleaning service efficiencies:</i> Reduction in numbers of street cleaners, with work being undertaken through mechanical means	\$98,000
	Bushland management	1.1.1.2 Rehabilitate bushland areas	Review of structure, service levels and performance	2009	<i>Bushland Management efficiencies:</i> Restructure and redistribution of workload resulted in a reduction of .5 of a position	\$30,500
	Waste Management	1.3.2.2 Effectively manage Council's waste collection and disposal contracts	Review of domestic waste management charges	2005	<i>Waste management charges review:</i> Comparative review undertaken across Sydney metropolitan Councils that determined North Sydney's DWM is charge one of the lowest in the Sydney metro area	Improved customer satisfaction
	Sustainability Programs	1.3.1.6 Implement environmental sustainability programs to facilitate community stewardship	Review of strategies, projects and service delivery methods	2010	Sustainability programs are funded through the Environment Levy, and are reviewed annually as well as every five years in consultation with the community. Based on community input and expectations, the scope of the programs has expanded	Improved customer satisfaction
	Tree Preservation	1.1.2.1	Review of service	2009	<i>Tree Preservation Officer's</i>	Efficiency

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		Maximise tree plantings to enhance canopy cover in developed areas	levels and performance		<i>position review:</i> As a result of this review this position now also is responsible for delivery of the noxious weed act, therefore achieving a considerable efficiency improvements and subsequent savings in other areas.	gains leading to improved performance
Landscape Planning and Design	Preparation of Parks & Reserves Strategic Plans Landscape Project documentation and design Landscape contract management	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of structure, service levels and performance	2010	<i>Parks and gardens efficiencies:</i> Reduction in parks administration area	\$84,000
Mollie Dive Function Centre & Event Management	Function Centre and Community event management	3.2.2.3 Continue to source major regional and sporting events	Review of structure, service levels and performance	2009	<i>Community event management efficiencies</i> Restructure resulted in this program being reduced from 1.4 positions to .4 of a position	\$60,583
North Sydney Olympic Pool	Operation of the Olympic Pool complex	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of service levels and performance	2010	Customer satisfaction surveys were undertaken over the year. The results identified areas for improvement which were all addressed	Improved customer satisfaction

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Parks and Reserves	Sportsgrounds management and maintenance	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of structure, service levels and performance	2007	<i>Review of Parks & Reserves Program:</i> A review of the Council's Parks & Reserves Program was undertaken in 2007. The review re-examined the structure of the program, the method of work delivery, productivity, occupational health and safety and program performance management. The review resulted in significant efficiency gains that were reinvested into the program to achieve an increased level of service.	Efficiency gains leading to improved performance
			Review of structure, service levels and performance	2009	<i>Parks & Reserves efficiencies:</i> Reduction in one full position whilst maintaining existing service levels	Efficiency gains leading to improved performance

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
						\$57,400
	Tree management and maintenance	1.1.2.2 Implement the North Sydney Street Tree Strategy	Review of structure, service levels and performance	2007	<i>Review of tree management operation:</i> This review significantly improved the work flow of the operation resulting in significant efficiency gains that were reinvested into increased service levels	Efficiency gains leading to improved performance

REVIEW OF SERVICES

Planning and Development Services (PDS)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Administration Services	Processing of DA applications, certificates and advertising	2.3.1.1 Effective development assessment and determination processes	Review of service delivery method	2003	<i>P&DS Filing/archiving project:</i> This involved scanning of all old hard copy DA and BA files from 1995 to 2001 (and ongoing) onto CDs, which are registered in Council's document management system. This improved work practice allows customers to come and view older DA plans and information online, rather than waiting for hard copy files to be retrieved, saving time for customers and records staff.	Efficiency gains leading to improved performance
			Review of service delivery method	2007	<i>Introduction of E-Planning:</i> This includes DA Tracking and having all planning documents available on Council's website, with continual review of content and updating of legislation. This saves customers' time in having to come into customer services to view details of applications, but also has saved time for assessment officers in dealing with enquiries. Also on the website is i.d profile, which provides community profile,	Efficiency gains leading to improved performance

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					demographics and statistics and allows customers to filter information in relation the North Sydney LGA - all information is updated regularly with ABS and census data	
Development Services	Planning Advisory service Construction and technical service Assessment services	2.3.1.1 Effective development assessment and determination processes	Review of service delivery processes, standards and methods	Audit 2008	<i>Planning and Development Services Review:</i> In 2008, an independent PDS systems review was undertaken by Morrison Low leading to the conclusion that PDS was very efficient, but with some recommendations about re-organisation of resources within the PDS area and in support of the PDS area, to better target areas of highest demand. However budget constraints meant this could not occur.	Efficiency gains leading to improved performance
			Review of budget	Budget 09/10	Significant reductions in staffing positions to achieve required savings. Single redundancy (Executive Planner), Positions not replaced - Team Leader Construction and Technical, Student Town Planner, Student Strategic Planner and Assessment Officer.	\$185,000

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					Consequences of Budget/staff reduction: <ul style="list-style-type: none"> • DA turnaround times increased. • Strategic Planning 149 certificates assessed by senior staff, instead of the student position. 	
Environment and Building Compliance	Environmental Health Environmental Protection Building Compliance	2.3.2.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	Review of team structure Review of method of Food Shop Inspections (regulatory)	2005 2006 2010	A review of the team structure in 2005 and the introduction of a Manager Position to oversee functions and streamline team performance. Food shop inspections carried out by Environmental Health staff. Previously Council engaged a consultant to undertake this regulatory function. Education of foodshop proprietors through training and leaflets/brochures. New staff training and inspection requirements introduced by NSW Health.	Efficiency gains leading to improved performance and accountability Savings of \$25,000 per year on consultancy fees – outsourcing. More regularised inspection program - resulting in huge improvements

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
			<p>Introduction of new reporting systems (Dataworks and Authority) to assess workloads and delivery timeframes</p> <p>Review of Compliance Team</p>	<p>2009</p> <p>2010</p>	<p>Data entry and allocation of all new Environmental and Building Compliance tasks by PDS Administration staff. New reports developed with IT.</p> <p>As a result from the findings of the PDS Audit in 2008, the Compliance section has been reviewed and a new Compliance Officer position has been created.</p>	<p>to the standards of food shop premises in the NSC community</p> <p>Improved customer satisfaction – Customer Service staff have access to tasks and current status for customers Efficiency gains leading to improved performance</p> <p>Cost increase implication of \$78,000 per annum. Efficiency gains leading to improved performance and accountability</p>

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Strategic Planning	Strategic planning	2.2.2.4 Monitor legislative and regulatory changes relating to land use planning	Heritage Review Data integrity program (Authority system) review	2008/2009 2008-2010	Database updated and project completed in-house. All attributes checked and correctly applied to applicable properties. Joint review of all attributes data stored in the Authority property database. IT Mapping, Strategic Planning and Administration Planning. Database 100% checked and updated. Authority property data is 99.9% accurate. – Only a small number of “unreal” properties not validated.	Website updated - heritage status and significance available for customers Authentication and validation of property parcel data completed in-house. Major project co-ordinated between departments. Efficiency gains leading to improved performance and issuance of certificates

7. Productivity Improvements

Attachment 3

NORTH SYDNEY COUNCIL REVIEW OF SERVICES - 2011 and Beyond

The process of service reviews will continue into the future, as part of North Sydney Council's performance review and improvement strategy and its commitment to productivity improvement. Each year service reviews of selected areas will be undertaken.

Productivity improvements planned in 2011 and beyond are described in the following:

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
GM's Office	Legal Services: Management of all legal functions for and within Council. Provision of legal advice to Council	5.4.2.2 Implement best practice governance strategies	Review of legal service delivery process	March 2011	Audit of the provision of external and internal legal services through the organisation. Greater use of in-house lawyer throughout the organisation.	\$50,000 savings p.a.
Community & Library Services (CLS)	Community Transport	4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to	Review of structure, service levels and performance	April 2011	Independent review commissioned to guide Strategic Plan and contract renewal due in 2011. Service better distributed	Expansion of services (no additional expenditure)

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
		access services and leisure activities			across LGA for no additional expense	
	Library Services	4.2.3.5 Develop and enhance quality of library services and events	Review of management structure, service levels and performance	June 2011	Reduction of resources allocated to management in the library and reallocation to direct customer service	\$43,000 savings p.a.
Corporate Services (CS)	Corporate Administration and Corporate Planning & Governance	5.4.2.2 Implement best practice governance strategies	Restructure	March 2011	Integration of two Departments under one Manager - consolidation of responsibilities in Governance Section	\$43,000 estimated savings
	Review of After Hours Telephone Service	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of service provider via EOI	May 2011	Savings in after hours call costs	\$7,200 estimated savings
	Call Centre message service	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of Service Delivery	May 2011	Savings in productivity as a result of the increased use of internal voice mail vs. e-mail messaging	\$20,000 estimated savings
Engineering &	On Street Parking	2.5.2.2 Use	Review of	June 2011	Council is currently	\$35,000 savings in

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
Property Services (EPS)	Management	technology to manage parking	service delivery mechanism and method		tendering for a comprehensive integrated system covering all aspects of on street parking management Expect improved efficiencies in parking surveys and better compliance in regard to paid parking	survey costs; and an increase in income of \$100,000
	Fence Renewal Program	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings	Review of service delivery method and standards	June 2011	Review of fence renewal delivery program being undertaken by Contractors. The initial review showed that contractors were not set up to reuse the fence timbers. New service deliver program using in-house staff will see significant reuse of material saving on purchase and disposal costs	\$100,000 saving
Finance &	Insurance Claims	5.4.5.3 Maintain	Review of	June 2011	Review completed.	\$80,000 savings

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
Information Management (FIM)	Management Service (outsourcing)	an appropriate insurance program	service delivery method and standards		Due to the adoption of ISO 31000 (new risk mgt standard), internal resources will be released to progress this project.	p.a.
	Provision of Property Certificates (on-line) - Section 603 & 149	5.4.6.1 Implement best practice records management	Review of service delivery method and standards	May 2011	Review completed. Moving to an on-line service will improve the efficient (annual) production of 6,000 certificates and improve the response times to customers (equivalent to a 10% productivity improvement).	\$60,000 savings p.a.
	Firewall Management (incl. provision of equipment)	5.4.6.4 provide suitable information technology hardware and software across the organisation	Review of service delivery method and standards	March 2011	Review completed. By re-investing in hardware and outsourcing the management, a 30% reduction in annual costs is expected.	\$15,000 savings p.a.
Open Space & Environmental Services (OSES)	Sport and Recreation Needs Planning	1.4.1.1 Provide a range of recreational	Review of service delivery method	2011	A review of the existing recreational planning program is planned to be	\$50,000 savings p.a.

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
		<p>facilities for people of all ages and abilities</p> <p>4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities</p>			undertaken in 2011	
	Function Centre	1.4.1.1 Provide a range of recreational facilities for people of all ages and abilities	Review of service delivery method	2012	A review of the North Sydney Oval Function Centre operation is scheduled for 2012 to determine the future viability of the Centre and service delivery mode	Potential for improved income
Planning & Development Services (PDS)	Environmental Health Environmental Protection Building Compliance	2.3.2.2 Inspect food premises to ensure compliance with the Food Standards Code	Food Shop Inspections - (regulatory)	2011	New staff training and inspection requirements introduced by NSW Health. All food premises to be inspected as per their risk category. All food premises to appoint an accredited Food Safety Supervisor	More frequent inspection program - resulting in improvements to the standards of food shop premises in the North Sydney LGA

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
					(FFS) by 1 October 2010. Council to record certificate details of each FFS.	
	Development Assessments	2.3.1.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	Planning Advisory Service	2011/2012	<p>New planning legislation - State and Federal Governments.</p> <p>The Planning Advisors facilitation of new government initiatives. (e.g. environmental sustainability initiatives such as solar panels and water management)</p> <p>Education provided to Customers (website updates/links and 12 free meeting appointments per week), Council staff (meetings and email updates), Councillors (via the Councillor Bulletin) and Precincts (via the Precinct e-bulletin and meeting attendance).</p>	Service provision/ Community education with regard to Planning Legislation “mum and dad” developers, staff, Councillors and Precincts



Proposed Special Rate Variation Application 2011/12 Community Engagement Strategy

Adopted 20 September 2010

Introduction

Councils are required under the Local Government Act 1993 to inform the community of particular issues that potentially affect their way of life. North Sydney Council is committed both in principle and in practice, to engaging on matters affecting the North Sydney community.

On 4 June 2010, the Premier announced that the responsibility for determining rate variation applications will no longer be that of the Minister for Local Government. Instead IPART will take on a number of new functions in regulating local government in NSW. The new functions include IPART determining the rate peg for council rates and reviewing councils' applications for special variations under *the* Local Government Act 1993.

The procedures for submitting contributions plans and applications for special rate variations are currently being developed by IPART and as such the application process for 2011/12 rate variations is not known. However the Division of Local Government has advised that existing special variation guidelines provide a good starting point for councils wishing to commence preparation of their special variations.

In applying for a special variation councils are expected to involve their community in the decision making process. The NSW Division of Local Government under the former application process expected applications to have clear, demonstrable links to their Integrated Planning and Reporting Framework, to provide meaningful opportunities for the community to understand the need for an increase and provision for a cross section of the community to provide well informed feedback on the proposal.

Although the IPART guidelines and requirements for a special variation have not yet been released, demonstration of a community mandate for the proposal has been flagged as a requirement in preliminary discussion papers¹.

¹ Reference - Revenue Framework for Local Government: Draft Report, July 2009
<http://www.ipart.nsw.gov.au/files/Draft%20Report%20-%20Revenue%20Framework%20for%20Local%20Government%20-%20July%202009%20-%20WEBSITE.PDF>

North Sydney Council's Community Engagement Policy states that "Council will engage the community when issues involving decision making or policy formulation are deemed, by Council officers or the elected Council, to be of specific interest to the community, and/or arise that may have a significant immediate or long term impact on the local community."²

In accordance with this policy a Community Engagement Strategy Council has been prepared that outlines how Council will involve the community in applying for a special rate variation application for 2011/12.

Background

What is a special rate variation?

Each year the State Government sets a maximum percentage amount that councils can increase their rates by (known as 'rate pegging'). Councils can then assess whether that rate peg increase is sufficient to maintain services and infrastructure or they can request a rise above the rate pegging limit (known as a 'special rate variation' or SRV).

Section 508A of the Local Government Act allows a council to increase its general income by an amount that is greater than the general variation each year, up to a maximum of seven years. Councils must identify the amount of additional income it requires over the period of the proposed variation, calculated as a percentage. It then determines the annual percentage increases it requires over the rating period to match this amount. These percentages, which will include the rate peg for each year, may be different from year to year.

The rate peg for 2010/11 was 2.6%. The average increase over the past seven years has been 3.3% per year.

For 2010/11 the DLG only considered applications exceeding the rate pegging limit under section 508A where the council has substantially implemented the Integrated Planning and Reporting reforms.

Why does North Sydney Council need a special variation of rates?

North Sydney is home to an estimated resident population of 62,323 people (an increase of 5.9% since 2010) and this is expected to increase to 64,551 people by 2020. By 2031 North Sydney is required by the State Government to provide an additional 5,000 dwellings as per the target outlined in the 2007 Draft Inner North Subregional Strategy.

North Sydney is also home to one of the largest business districts in Australia as well as several smaller commercial centres. More than 45,000 businesses operate from North Sydney. Over 50,000 people travel daily to North Sydney for work and study. The State Government's employment target for North Sydney is 15,000 by 2031, as outlined in the 2007 Draft Inner North Subregional Strategy.

² The Policy can be viewed at <http://www.northsydney.nsw.gov.au/www/html/2210-policymanual.asp>

There are competing demands and pressures on Council to maintain its range of infrastructure and service levels across the Local Government Area. The feedback received from Council's engagement with our community over the past 18 months, during the preparation of North Sydney Council's Integrated Planning and Reporting framework, indicates that our community expects public assets and services to be of a high standard and also wants to see the provision of new facilities.

However financial analysis of Council's assets and service delivery has indicated the expectations and desires expressed by the community can not be achieved within the existing budgetary constraints and pressures, due to a number of restrictions, including:

- Rate pegging;
- The provision of additional services not previously provided by local government with those costs now being borne by councils;
- Continued rising costs of service delivery, exceeding inflation and rate pegging;
- Increasing maintenance demands on our ageing infrastructure.

Integrated Planning and Reporting Framework

The State Government's Integrated Planning and Reporting Framework requires that councils prepare a fixed term 4-year Delivery Program and annual Operational Plan(s) in response to the long term Community Strategic Plan (CSP). These plans must be supported by a Resourcing Strategy.

2011/12 will be the second year councils have been required to link their SRV application to the legislative requirements of the Integrated Planning and Reporting Framework.

2020 Vision, Community Strategic Plan

The 2020 Vision sets the strategic direction for where the community of North Sydney wants to be in the year 2020. North Sydney Council prepared the Plan in partnership with local residents, business community, other levels of government, educational institutions, non-government community and cultural organisations and neighbouring councils involving an extensive 11 month community engagement process.

The 2020 Vision is Council's most important strategic document. Council is the key driver of the 2020 Vision, but its implementation is the shared responsibility of all community stakeholders.

Delivery Program 2010/11- 2013/14

The Delivery Program (DP) is a statement of commitment to the community from each newly elected council. In preparing the program, Council is accounting for its stewardship of the community's long-term goals as identified in the 2020 Vision, outlining what it intends to do towards achieving these goals during its term of office and what its

priorities will be. The DP is a fixed term 4-year plan that aligns with the council electoral cycle (3 years in the case of North Sydney Council's remaining term of office).

Although the next local government election is scheduled for 2012/13 the current Council is responsible for establishing the organisation's financial stability and ensuring its capacity to deliver and implement the CSP and the DP in their term of office.

The DP is a single point of reference for all activities undertaken by Council during each term of office. All projects, services and funding allocations are directly linked to this Program. In preparing the DP Council considered the priorities and expected levels of service expressed by the community during the engagement process for the 2020 Vision. The DP includes financial estimate of income and expenditure for the four year period. The DP informs and is informed by Council's Resourcing Strategy.

Operational Plan 2010/11

Supporting the DP is the Operational Plan (OP), prepared annually. It outlines the individual projects and services that will be undertaken each year to achieve the commitments made in the Delivery Program. The OP includes a detailed annual budget showing Council's expected income and expenditure and Revenue Policy outlining the proposed rates and schedule of fees and charges.

The OP mirrors the content of the DP. However the OP differs in structure to the DP, as it is structured by Division of Council not by Strategic Direction. This format assists the community to identify who is responsible for each activity and demonstrates how staff contribute to the achievement of the long term goals and objectives of the CSP.

Progress reports against the initiatives and key performance indicators outlined in the OP and a financial performance report are presented to Council quarterly.

Resourcing Strategy

The Integrated Planning and Reporting Framework require councils to have in place a Resourcing Strategy which outlines the resources needed to achieve the objectives of the CSP.

The CSP provides a vehicle for expressing long-term community aspirations. However, these goals and objectives can not be achieved without sufficient resources (time, money, assets and people) to carry them out. The Resourcing Strategy details the strategies within the CSP that are the responsibility of Council.

North Sydney Council's Resourcing Strategy consists of three (3) components:

- Long term financial planning
- Asset management planning
- Workforce planning

Long Term Financial Plan 2010/11-2019/20

The Long Term Financial Plan (LTFP) 2010/11-2019/20 reflects Council's desire and capacity to deliver the strategies, initiatives, works and programs identified in the 2020 Vision and Delivery Program.

The financial commitment required to maintain current infrastructure is one of the key issues explored in the LTFP. The assumptions that underpin the LTFP include:

- Council will continue to be responsible for providing the current range of goods and services.
- Council will continue with its focus on optimisation of service delivery through effectiveness and efficiency reviews.
- The quantity of assets (built, infrastructure, land etc) will be maintained.
- In overall terms, Council is of the opinion that the bottom of our revenue decline has been reached and will not improve for some time into the future.

Council at its meeting 10 May 2010 endorsed Scenario 3 of the LTFP. Scenario 3 involves a 3% (on average) rate increase each year, for seven (7) years from 2011/12 (i.e. Year 2 of the DP). This increase will be in addition to the annual State Government-allowed increase (rate peg) which is expected to be around 3% in keeping with CPI.

Asset Management Strategy 2010/11-2019/20

Council has a significant portfolio of community infrastructure assets under its care and control. Councils must account and plan for all of the existing assets under its ownership, and any new asset solutions proposed in the CSP and DP. Council's Asset Management Strategy includes an overarching Council endorsed Asset Management Policy and subordinate asset management plans that identify all built assets under Council's ownership and outline risk management strategies for them.

Workforce Strategy

The Workforce Strategy 2010/11-2013/14 addresses the human resourcing requirements of Council's DP. It ensures Council has the people best able to achieve its strategic direction and deliver appropriate services effectively and efficiently. The Workforce Strategy includes analysis of current workforce and identification of gaps, forecasting workforce requirements, strategies to address gaps and methods of periodic monitoring and evaluation.

Community Engagement Strategy

In accordance with North Sydney Council's community engagement and open government policies a Community Engagement Strategy has been prepared to outline how Council will involve the community in applying for a special rate variation for 2011/12, by providing a range of ways for the community and key stakeholders to get involved in the decision making process.

In line with Council's guiding principles of community engagement, Council will use the framework shown below in Table 1.1 to select the most appropriate level of engagement. This framework has been adapted from the International Association for Public Participation (IAP2) Public Participation Spectrum. Council will use this framework to ensure a range of engagement 'levels' are offered.

North Sydney Council Community Engagement Framework		
LEVEL	CODE³	DESCRIPTION
Inform	1	Providing balanced and objective information to help the community understand problems, alternatives, opportunities and/or solutions
Consult	2	Obtain public feedback on alternatives and/or decisions
Involve	3	Work directly with the community throughout the process to ensure that public concerns and aspirations are consistently understood and considered
Collaborate	4	Partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution

Table 1.1 Derived from the IAP2 Public Participation Spectrum

Community engagement opportunities will be provided during each of the three (3) phases of the application process.

Phase 1

Phase 1 involves the preparation of the Draft 2011/12 Operational Plan and Budget. The following engagement techniques will be undertaken:

1.1 Letter to all ratepayers (Level 1)

All ratepayers need to be informed of Council's intention to apply for a special variation to rates. Approximately 35% of North Sydney ratepayers are not owner occupiers. The letter will outline the proposed variation and include examples showing the average proposed residential (units and houses) and commercial rate increase, information about the consultation process and how to get involved as well as an information card (DL-sized, double sided) detailing Council's projected income and expenditure for 2011/12.

1.2 Survey (Level 2 & 3)

Along with the letter, all ratepayers (residential and businesses) will sent a short survey. The purpose of the survey is to canvas stakeholder feedback on the proposed rate increase and/or alternative options. The survey will close late November 2010. The survey will contain a reply paid envelope.

³ The code is used to identify the level(s) of engagement to be used per method of engagement per project phase.

1.3 Fact Sheets (Level 1)

Council will produce a series of fact sheets and background information that will be made available from Council's website, the Customer Service Centre, Stanton Library and North Sydney Olympic Pool. Fact sheet topics will include:

- Investing in the Future of North Sydney (Introduction)
- Where does Council receive income from?
- What infrastructure and services does Council provide?
- Efficiencies
- How would the additional money from the Special Rate Variation (SRV) be spent?

1.4 Public Meetings (Level 1, 2, 3 & 4)

The Mayor and General Manager will host two (2) public meetings in February 2011. The meetings will include the presentation of information outlining why Council is proposing a special variation to rates, links to the Integrated Planning and Reporting Framework and a Q&A session. The meetings will be open to local residents, businesses and ratepayers. One meeting will be held mid week in the evening and the other on a Saturday morning.

1.5 Customer Satisfaction Survey (Level 2)

Council will engage the services of an external consultant to conduct its biennial Customer Satisfaction Survey to determine community attitudes towards the services and facilities it provides. 400 local residents and 200 business customers will be contacted to participate in the telephone survey in November 2010.

The survey will seek feedback on the community's attitudes towards a wide range of Council related issues, including customer service, the environment, planning, roads and footpaths, parks and open space, community services and facilities, waste collection, and communication. Survey respondents will be asked to rank their satisfaction and importance in these areas.

Priority areas identified through the survey results will be considered and prioritised for attention over the next year and beyond in Council's DP.

1.6 Online Budget Allocator (Level 2 & 3)

The Budget Allocator is an online tool facilitated by Bang The Table Pty Ltd designed to help ratepayers and residents understand community priorities and to help them understand the processes in preparing a budget. The Budget Allocator has been used by Waverley and Port Macquarie Hastings Councils as part of consultations for their proposed SRV.

The Budget Allocator will be used in conjunction with the Deliberative Forum to help the community to understand the difficult choices that Council has to make, specifically that rates needed to rise significantly just to maintain current service

levels. Bang The Table will provide a summary reporting including quantitative and qualitative data arising from the forum to Council.

1.7 Community Ward Forums (Level 1 & 2)

Council hosts a series of Ward Forums annually. The North Sydney local government area is divided into four wards. The Mayor and General Manager host one forum per annum, per ward providing an overview of key projects in that area. The forums provide an opportunity to inform residents of changes in their local area and an opportunity to meet the Mayor and General Manager, Councillors and senior staff.

The 2009/10 Ward Forum series included an overview of the Operational Plan. Participant feedback indicated this agenda item proved insightful and informative and will remain a standing agenda item for all future forums.

The following ward forums are scheduled:

- Cremorne Ward - 21 September 2010
- Victoria Ward - 16 November 2010
- Tunks Ward - March 2011 (TBA)
- Wollstonecraft Ward - May 2011 (TBA)

Phase 2

The second community engagement phase involves general publicity and promotion. Community feedback and progress updates will be reported back at various stages of the engagement process.

2.1 Council website (Level 1)

The community engagement opportunities will be outlined on Council's website. A new webpage will be created to include the fact sheets, background information, links to Council's Integrated Planning and Reporting Framework and examples showing average proposed residential (units and houses) and commercial rate increase.

2.2 North Sydney News (Level 1)

Articles will be included in the 'North Sydney News' (biannual) newsletter distributed to all households and businesses in North Sydney. Information will include examples showing average rate for units, houses and commercial (including approximate rate peg and proposed levy amount increases).

2.3 Media releases (Level 1)

Council will regularly prepare and distribute media releases advising of the proposed special variation application and community engagement opportunities.

2.4 Advertisements in local newspapers (Level 1)

Advertisements promoting the proposed SRV (background information) and related community engagement opportunities will be included in 'The Mosman Daily' and 'North Shore Times' newspapers.

2.5 Council e-news subscriptions (Level 1)

Council coordinates eight (8) e-newsletters including Stanton e-news, business e-news and green events. Information regarding the proposed SRV will be distributed to recipients of these newsletters.

2.6 Precinct Committees (Level 1 & 2)

Information packs will be distributed to all Precinct Committees and senior staff will be available to attend Precinct meetings to discuss the proposal. North Sydney Community Precinct System was established in the late 1970s, encouraging residents, workers, students and property owners to take an active role in providing input into the operations of Council. Precinct Committees are organised by the residents and are advisory. Precinct meetings are one avenue for informing Council of community opinion and maintaining two-way communication between community members and Council staff and Councillors.

2.7 Reference Groups (Level 1 & 2)

Information packs will be distributed to all Reference Group members and senior staff will attend scheduled meetings to discuss the proposal. Councillors and members of the public are members of Reference Groups.

2.8 Streetscape Committee (Level 1 & 2)

Information packs will be distributed to all Streetscape Committee members and senior staff will attend Precinct meetings to discuss the proposal. Council partners with local retailers and businesses to improve the ambience of local shopping areas through its streetscape program. There are currently six active shopping area Streetscape Committees in North Sydney.

Phase 3

The third community engagement phase will involve the public exhibition of the Draft 2011/12 Operational Plan and Budget.

3.1 Public Exhibition (Level 2)

The Draft 2011/12 Operational Plan and Budget will be placed on exhibition for a minimum of 28 days in accordance with legislative requirements to allow the community an opportunity to provide feedback. Submissions may be made in writing.

3.2 Community Information Session (Level 1 & 2)

During the public exhibition of the Draft 2011/12 Operational Plan and Budget Council hosts a community information session which is open to local residents, businesses and ratepayers.

Key Messages

The 2008/09 Local Government Comparative Indicators released by the Minister for Local Government in August 2010 found that North Sydney Council, in comparison to other metropolitan councils, had the third highest population density after Waverley and City of Sydney Councils; the lowest residential rates of councils in metropolitan and regional areas; less than average commercial rates, the lowest level of outstanding rates in NSW; a good unrestricted current ratio; no debt; and relatively high levels of expenditure on environmental and health services and recreational and leisure services, but relatively low levels of expenditure on community services.

Key Message 1: Without a rate increase we will move away from the community's long term vision for North Sydney

If rate increases for North Sydney continue to rise in line with the State Government's rate cap we will move away from the long term goals of the 2020 Vision, North Sydney Community Strategic Plan 2009-2020.

Despite Council's "healthy" current financial position the annual pegged rate increase (representative of CPI) does not reflect the increased costs faced by local government. For example, in 2010/11 Council's employee costs totalling 49.5% of operating expenditure (after excluding depreciation) are subject to award increases of 3.2%. This trend will continue whilst skill shortages occur across the economy and will be replicated across many of Council's contracted services. Other significant increases in 2010/11 expenditure included the NSW Fire Brigades and SES Levy, street lighting and electricity charges. The annual Domestic Waste Management (DWM) charge increased to \$246 in 2010/11, an increase of \$22 or 9.8%. This increase was largely due to a 38% increase in tipping charges.

Additional funding generated by the SRV would ensure that Council is able to continue to maintain existing infrastructure and services at a high standard (e.g. roads, footpaths, verge mowing); replace ageing infrastructure (e.g. playgrounds, foreshores) where the need is identified; and to provide infrastructure and services, as identified by the community in the 2020 Vision, North Sydney Community Strategic Plan.

Key Message 2: North Sydney Council's service levels are significantly higher than other councils

North Sydney Council's service levels are significantly higher than other councils. All services currently provided are delivered to meet Council's Delivery program and budget and to achieve identified service levels.

Over the past five years residents and ratepayers have told Council through surveys and submissions that their priorities are roads, footpaths, parks and open space, cleanliness of public spaces and commercial centres and community services.

Residents overall satisfaction with Council's performance rose from 86% in 2004 to 89% in 2009; whilst for businesses overall 72% were satisfied with Council's performance which is increase of 11% since 2004.

However it has become increasingly difficult to maintain service levels with the level of rate revenue received. Council's revenue is not keeping pace with expenditure, given the assumption that service delivery continues at the same level and standard. Efficiency and performance reviews have been undertaken to improve organisational efficiency and reducing service delivery in discretionary areas (i.e. those not prescribed under legislation or the Local Government Act 1993).

Key Message 3: North Sydney Council has low rates

Because of historical factors North Sydney Council's rates and annual charges revenue formed only 36.7% of total revenue in 2008/09 and 39.5% of total revenue from continuing operations in 2009/10. The generally accepted benchmark for a council in a sound financial position is at least 50%.

Over the past few years North Sydney Council has, as have many councils, made application and received approval from the Minister for Local Government for special levies (under 508B of the Local Government Act), in particular an Environment Levy and an Infrastructure Levy. These levies served the important purpose of funding identified environmental projects and infrastructure and asset renewal programs. In spite of the levies, the general revenue received is not keeping pace with rising costs of Council's ability to fund service delivery and capital projects.

Despite the increase to rating income in 2010/11⁴, Council as outlined in the Long Term Financial Plan 2010/11-2019/20 has determined that a further 3% rate increase above the rate pegged amount (which equates roughly to CPI) is required for each year, for seven (7) years from 2011/12. Existing levies are time limited.

Timeframe

Council will begin preparing its 2011/12 Operational Plan from early October 2010. The rate variation engagement strategy will be implemented concurrently with the

⁴ In 2010/11 North Sydney Council was granted a 10.54% increase in rating income, made up of the Ministerial Increase of 2.6%, and the adoption of a special rate variation, including 1.12% Crows Nest Mainstreet Levy (continuation of an existing levy with nil increase; applicable to designated zone within Crows Nest's commercial area) and 6.82% Environmental Levy (continuation of an existing levy plus an average increase of \$15 pa; applicable to all ratepayers)

preparation of the Operational Plan in accordance with State Government's Integrated Planning and Reporting requirements.

Phase 1 and 2 engagement opportunities will occur from September to late November with the exception of the online budget allocator and the community ward forums that will continue into early 2011. Phase 3 engagement opportunities will coincide with the public exhibition of the Draft 2011/12 Operational Plan which is scheduled for early to mid 2011.

Further Information

For further information please contact:

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**DECISION OF 3571th COUNCIL MEETING
HELD ON 14 MARCH 2011**

139. G03: Proposed Application for a Special Rate Variation

Report of Penny Holloway, General Manager

Council at its meeting of 20 September 2010 resolved:

THAT a further report summarizing community feedback gathered during the Engagement Strategy be presented to Council.

THAT the Long Term Financial Plan be updated to reflect the budget surplus for 2009/10 and that the revised plan be presented to Council for adoption in early 2011 in conjunction with the 2011/12 Draft Operational Plan and Budget.

The purpose of this report is to present Council with a summary of the outcomes of the recent community consultation regarding the proposed special rate variation, as Council needs adequate income to maintain existing services and infrastructure at a high standard, replace ageing infrastructure and to provide additional infrastructure in order to meet the community's objectives of the 2020 Vision, North Sydney Community Strategic Plan.

Firstly, the summary of consultation findings regarding the special rate variation proposal indicates support for a rate variation above the pegged amount, with higher support for a rate increase of less than 6% over seven years. Secondly, the purpose of this report is to seek Council's endorsement of the revised Long Term Financial Plan for public exhibition. Council's Long Term Financial Plan, previously adopted in May 2010 has been updated to reflect current circumstances, future projections and feedback from the community consultation process regarding the proposed Special rate variation.

Recommending:

THAT the Summary of Community Consultation Findings be adopted.

THAT the revised Long Term Financial Plan be endorsed and placed on public exhibition from 21 March and 12 May 2011, aligning with the public exhibition of the Draft 2011/12 Operational Plan and Budget scheduled for April/May 2011.

THAT Council make an application to IPART for a special variation to rates under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised Long Term Financial Plan, by raising rates by 5.5% per annum cumulative over 7 years.

RESOLVED:

THAT the Summary of Community Consultation Findings be adopted.

THAT the revised Long Term Financial Plan be endorsed and placed on public exhibition from 21 March and 12 May 2011, aligning with the public exhibition of the Draft 2011/12 Operational Plan and Budget scheduled for April/May 2011.

THAT Council make an application to IPART for a special variation to rates under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised Long Term Financial Plan, by raising rates by 5.5% per annum cumulative over 7 years.

The Motion was moved by Councillor Raymond and seconded by Councillor Gibson.

Voting was as follows:

7/4

Councillor	Yes	No	Councillor	Yes	No
McCaffery	Absent		Zimmerman		N
Gibson	Y		Baker	Y	
Christie	Y		Robjohns	Absent	
Reymond	Y		Carland	Y	
Marchandeanu	Y		Burke		N
Raymond	Y		Pearson		N
Barbour		N			

**Report of the General Manager**

Attachments:

Attachment 1: Proposed SRV - Summary of Community Consultation Summary

Attachment 2: Summary Tables - per Scenario 2 and 3

Attachment 3: Amended Long Term Financial Plan

SUBJECT: Proposed Application for a Special Rate Variation**AUTHOR:** Penny Holloway, General Manager**EXECUTIVE SUMMARY:**

Council at its meeting of 20 September 2010 resolved:

THAT a further report summarizing community feedback gathered during the Engagement Strategy be presented to Council.

THAT the Long Term Financial Plan be updated to reflect the budget surplus for 2009/10 and that the revised plan be presented to Council for adoption in early 2011 in conjunction with the 2011/12 Draft Operational Plan and Budget.

The purpose of this report is to present Council with a summary of the outcomes of the recent community consultation regarding the proposed special rate variation, as Council needs adequate income to maintain existing services and infrastructure at a high standard, replace ageing infrastructure and to provide additional infrastructure in order to meet the community's objectives of the 2020 Vision, North Sydney Community Strategic Plan.

Firstly, the summary of consultation findings regarding the special rate variation proposal indicates support for a rate variation above the pegged amount, with higher support for a rate increase of less than 6% over seven years. Secondly, the purpose of this report is to seek Council's endorsement of the revised Long Term Financial Plan for public exhibition. Council's Long Term Financial Plan, previously adopted in May 2010 has been updated to reflect current circumstances, future projections and feedback from the community consultation process regarding the proposed Special rate variation.

RECOMMENDATION:**THAT** the Summary of Community Consultation Findings be adopted.**THAT** the revised Long Term Financial Plan be endorsed and placed on public exhibition from 21 March to 12 May 2011, aligning with the public exhibition of the Draft 2011/12 Operational Plan and Budget scheduled for April/May 2011.**THAT** Council make an application to IPART for a special variation to rates under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised Long Term Financial Plan, by raising rates by 5.5% per annum cumulative over 7 years.**ORIGINAL SIGNED**

Endorsed by: _____

General Manager

LINK TO DELIVERY PROGRAM

The relationship with the Delivery Program is as follows:

Direction: 5. Our Civic Leadership
Goal: 5.1 Leader North Sydney into a sustainable future
5.5 Ensure the long term financial sustainability of North Sydney

BACKGROUND

Council at its meeting of 10 May 2010 endorsed Scenario 3 of the North Sydney Long Term Financial Plan 2010/11-2019/20. Council resolved:

THAT a further report be provided to Council on a consultation strategy to be undertaken during 2010/11 with respect to Scenario 3 to include the average rate for units, the average rate for houses and the average commercial rate per week.

On 4 June 2010 the NSW Premier announced that the Independent Pricing and Regulatory Tribunal (IPART) under delegation has new local government functions including setting the annual rate peg based on an IPART-published Local Government Cost Index and productivity factor and powers to determine special rate variations.

A further report detailing the proposed Community Engagement Strategy was presented to Council at its meeting 20 September 2010. Council resolved:

THAT the Community Engagement Strategy be endorsed, enabling consultation to begin in October 2010 in accordance with the strategy subject to the following amendments:

- The proposed \$30,000 deliberative forum not proceed;
- The letters to all ratepayers include a reply paid survey which asks ratepayers whether they support the rate increase or not and whether they would prefer Council to consider an increase in specific purpose levies or a reduction in spending;
- The material sent to ratepayers and any other material relating to the rate rise indicate which councillors supported and opposed the proposal; and
- The materials sent to rate payers include the opportunity for councillors opposed to the rate rise to present the case against the proposal.

THAT a further report summarizing community feedback gathered during the Engagement Strategy be presented to Council.

THAT the Long Term Financial Plan be updated to reflect the budget surplus for 2009/10 and that the revised plan be presented to Council for adoption in early 2011 in conjunction with the 2011/12 Draft Operational Plan and Budget.

Council's Engagement Strategy was prepared in anticipation of the release of the Division of Local Government's Guidelines for the preparation of an application for a special variation to general income 2011/12. These Guidelines were released on 02 December 2010.

The timeframes for submitting special rate variation applications included lodgment to IPART of a Council's intention to apply by 28 January 2011 and full application by 25 March 2011.

SUSTAINABILITY STATEMENT

The following table provides a summary of the key sustainability implications:

QBL Pillar	Implications
Environment	A special variation to rates will in due course improve the local environment and related services and facilities for residents, students, workers and visitors of North Sydney in line with the community's long term goals as outlined in the 2020 Vision, North Sydney Community Strategic Plan.
Social	A special variation to rates will in due course improve quality of life for residents, students, workers and visitors of North Sydney in line with the community's long term goals as outlined in the 2020 Vision, North Sydney Community Strategic Plan.
Economic	<ul style="list-style-type: none">• Council's Long Term Financial Plan reflects Council's desire and capacity to deliver the strategies, initiatives and works identified in the Community Strategic Plan and Delivery Program.• The proposal relates to the long term financial sustainability of the Council.
Governance	<p>Special rate variation applications require community consultation to be conducted in relation to the proposed variation.</p> <ul style="list-style-type: none">• Councils are required under the Local Government Act to inform the community of particular issues that potentially affect their way of life.• Consultation was conducted in accordance with guiding principles of Council's Community Engagement Policy (CL02) and Open Government Policy (CL05)

DETAIL

In accordance with Council's adoption of Scenario 3 of the Long Term Financial Plan in June 2010, Council notified the IPART of its intention to apply for a special rate variation consistent with the Division of Local Government's Guidelines for the preparation of an application for a special variation to general income 2011/12 by the due date of 28 January 2011.

The State's Integrated Planning and Reporting Framework require councils to update their Long Term Financial Plan at least annually as part of the development of the Operational Plan. A review of the Long Term Financial Plan has been undertaken over the last six months in line with the review of the Operational Plan. At the same time Council has been consulting with the community on the proposal to apply for a special rate variation of 6%, inclusive of the rate peg amount over 7 years.

Council needs adequate income to maintain existing services and infrastructure at a high standard, replace ageing infrastructure and to provide additional infrastructure in order to meet the community's objectives of the 2020 Vision, North Sydney Community Strategic Plan.

Since the preparation of Council's first Long Term Financial Plan, the IPART has advised that the maximum general rate increase for 2011/12 is 2.8%, which includes a reduction of 0.2% for efficiency gains. This does not reflect the increased costs faced by local government. For example, employee costs are subject to award increases in excess of this rate

increase, i.e. 3.6%. This trend will continue whilst skill shortages occur across the economy and will be replicated across many of Council's contracted services. Other significant increases in expenditure will continue to occur in the Emergency Management NSW Levy, street lighting, property insurance, electricity and water charges.

Council delivers services through 29 departments/functions. Analysis and community consultation has shown that if Council is to meet the objectives and targets of the 2020 Vision, all of these services need to be maintained at their existing level and some services will require enhancement in service levels.

However, as identified through Council's Resourcing Strategy, and outlined in the foreshadowed deficits for maintenance in the Long Term Financial Plan scenarios, there is a budget shortfall for both existing services, including infrastructure renewal and maintenance, and enhanced service levels.

In order to be financially sustainable, Council has for many years been reviewing services and associated costs and revenue raising capacity. Despite achieving efficiencies and an increase in non-rate revenues, the LTFP modelling indicates that in order to maintain the level of services, etc that the community expects, without a sustained increase in revenue, there will be a growing deficit.

1. Community Engagement Strategy

1.1 Community Consultation Findings

To ensure an expansive reach into the community a broad based community engagement strategy was designed in accordance with the guiding principles of Council's Community Engagement Policy (CL02-OG) and the IAP2 Public Participation Spectrum to ensure a range of 'levels' of engagement were offered. Phase 1 and 2 consultations were undertaken from October 2010 to March 2011 including:

- Distribution of a letter, explanatory brochure and reply survey to every ratepayer
- Information provision via Council's website, including fact sheets and calculator
- Two public meetings
- Interactive online budget allocation tool
- Information packs to all Reference Groups, Streetscape Committees and Precinct Committees.

The program yielded a substantial amount of information about community preferences from two main groupings of respondents:

- a self selected group of 3,763, of which 21 provided written comment and 1,135 nominated to be kept informed regarding the proposed rate increase; and
- a randomly selected group of 600 residents and ratepayers who were selected to participate in the statistically valid biennial Customer Satisfaction Survey. The findings of the 2010 Survey were presented to Council in February.

Attachment 1, "Investing in our Future - Proposed Special Rate Variation: Community Consultation Summary", provides a summary of the outcomes of the consultation. The community feedback including survey results, in summary have:

- Reinforced the views that emerged from the 2009 consultation program for the review

of the 2020 Vision, North Sydney Community Strategic Plan 2009-2020, namely that all Council's services are considered to be important by the vast majority of residents and ratepayers;

- Demonstrated support for enhanced services and facilities as described in the explanatory brochure which accompanied the letter to all ratepayers and support for the view that service cuts/reductions would lead to a worse quality of life for North Sydney;
- Shown that, depending on the magnitude of the rate rise, a greater number of people would support an increase in rates as a means of funding Council services, as compared to the other options presented.

The findings show that a rate increase was on balance preferable to raising income by other means such as fees and charges. Based on this information there would appear to be a mandate for implementing the proposed program of works via raising rates rather than increasing dependency on variable income or cutting services.

An analysis of all the results arising from the consultation indicates that there is somewhat stronger support for a rate rise of less than 6% over 7 years.

1.2 Cost of the Consultation Program

The four month consultation program cost \$34,078 (excluding staff costs). This equates to \$1.038 per rateable property, based on distribution to 32,813 properties. By comparison, the total cost for the 2009 consultation was \$36,865.

The expenditure breakdown in accordance with the approved engagement strategy was:

Advertising - \$5,835

Budget Allocator software - \$4,000

Data Entry/contract employment - \$2,918

Letter, explanatory brochure and reply paid survey (including printing, postage and mail processing) - \$20,130

Public meeting facilitation - \$1,200

2. Revised Long Term Financial Plan

2.1 Integrated Planning and Reporting Framework Requirements

In accordance with the Long Term Financial Plan Guidelines released December 2010, the Plan has been reviewed and updated as part of the development of the Operational Plan. The revised Operational Plan will be presented to Council at its Resources Allocation Committee Meeting of 24 March 2011. The revised Long Term Financial Plan (LTFP) with all amendments noted in *italics* is attached (Attachment 3).

Group 1 Councils under the Integrated Planning and Reporting Framework, were given feedback from the Division of Local Government identifying areas for improvement within the suite of plans. This feedback was received in late 2010. The Division recommended that demonstration of the 'integration' between the components of Council's Resourcing Strategy could be strengthened. These improvements have been made in the 2010/11 review of the Long Term Financial Plan.

The following table summarises the amendments:

Section	Change Proposed	Justification
2.3 Our Organisational Structure	FTE data was from 2009/10; data has been updated to reflect 2010/11.	Need to update annually as relates to the Planning Assumptions used to inform the Plan.
3. Environmental Scan	Existing information re-located and updated and set out under new sub headings.	Information updated; projected population growth information included; and reference to NSC planning, reporting and decision making framework included inline with proposed amendments to the Delivery Program.
4. Planning Assumptions	New section and sub headings.	Feedback indicated that Council's planning assumptions, used to inform the scenarios, could be further explained. Linkages with Asset Management Strategy and Workforce Strategy enhanced.
5. Long Term Financial Model - (3) Scenarios	All 3 scenarios have been updated. Scenario 2 has been remodelled from 5% to 5.5%.	Information updated post 2010/11 rate peg announcement. Modelling revisited taking into account community feedback during consultation period.
Appendices	Appendix 6 and 7 added.	Summaries of past and future productivity gains and cost savings included to support Environmental Scan and Planning Assumptions.

2.2 Revised LTFP Scenarios

The revised LTFP includes three scenarios based on updated revenues, expenditures and their projected movements over a ten year period.

Scenario 1: assumes an average rate increase of 2.8% based on the recent determination by IPART. It also assumes that all the special levies will continue as per their current arrangements. Subject to Council and community endorsement, applications to renew each levy would be made to IPART under Part 508(2), when they fall due.

Scenario 2: assumes an average rate increase of 5.5%, inclusive of the rate peg limit for 2011/12 of 2.8%. It also assumes on the expiry of both the Infrastructure and Environmental Levies, they will be included in ordinary rates. Based on the results of our community consultation, Scenario 2 would be the preferred option. Further details are set out below.

Scenario 3: assumes an average rate increase of 6.00%, inclusive of the rate peg limit for 2011/12 of 2.8%. It also assumes on the expiry of both the Infrastructure and Environmental Levies, they will be included in ordinary rates.

2.2.1 Recommended Rate Increase - Scenario 2: 5.5%

There is strong community support for an increase of less than 6%. Our forecasting indicates that a rate increase significantly less than 6% would not achieve a sustainable outcome in meeting the requirements of the 2020 Vision Community Strategic Plan.

Council's rating strategy for 2011/12 and the next six years is therefore recommended to be an annual increase of 5.5%, inclusive of the rate peg, with the continuation of the Infrastructure and Environment Levies.

As part of the special rate variation (SRV) application for a 5.5% increase the following rating assumptions have been made:

- In years 1 (2011/12) and 2, increasing the minimum rate by 5.5% keeps the minimum below the maximum minimum and results in a similar number of minimum ratepayers as we currently have. This does not allow for any growth due to subdivision of properties.
- However in year 3 increasing the minimum by 5.5% will increase the 'minimum' rate to above the maximum minimum rate and therefore it has been decided to only increase the minimum to the maximum minimum for the year, an assumed 3% increase each year. In each year after that the minimum rate has been kept at the maximum minimum. The effect of this is to reduce the number of minimums from 82.72% in year 1 to 71.37% in year 7.
- New land values (LV) (Base Date 1/7/2010) are being used for rating purposes for the first time in year 1 of the proposed increase. The next time new LV's are to be used is in year 4 (2014/2015).
- In order to further reduce the dependence upon residential minimums a further review of the Council rating structure needs to be carried out. This can be done at any time, but it is not proposed for year 1. There are several options available to Council in order to achieve this:
 - Reduce the minimum rate to a value that ensures less than 50% of residential ratepayers pay the minimum rate each year.
 - Alter the rating structure to include a base amount of up to 50% of the quantum of rates received in the residential category.
 - Have a wholly ad valorem rating structure for the residential category.
 - Alter the rating mix between the residential category (60% of rates quantum) and the business category (40% of rates quantum). This could be done on a yearly basis so that the percentages are changed e.g. a 1% reduction in the business quantum each year which is added to the residential quantum. This could be done over several years.
 - A combination of several of the above options.

The review will commence in year 2 of the proposal.

- The Infrastructure Levy is due to expire on 30 June 2012 (Year 1). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. The current proposal is to continue the quantum of rates received from this levy, to incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 12.3% increase shown for year 2 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates, albeit in a different format.
 - The Environmental Levy is due to expire on 30 June 2013 (Year 2). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. The current proposal is to continue the quantum of rates received from this levy, to incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 11.9% increase shown for year 3 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.
-

- The inclusion of the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy in the current SRV application only results in a 5.5% increase for each year.
- Including the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy in the current SRV application means that Council will have this quantum of rates in perpetuity. Council will not need to make further SRV applications to IPART.
- Both the Neutral Bay and the Crows Nest Mainstreet Levies are due to expire on 30/6/2013 (Year 2). It is not proposed to incorporate them into this SRV application. Whilst it is proposed that they will continue at that time and at the same quantum, it is recommended that a separate SRV application under Sec 508(2) Local Government Act be made to IPART at the time they expire. This type of application is generally time limited. This course of action will allow Council to further consult with the community regarding the relevance of each of these levies prior to the application being made.

2.3 Other councils applying for a Special Rate Variation

IPART has advised that it has received 19 notifications from councils intending to apply for a special rate variation; 16 of these are under Part 508A. There is a wide range of rate increases being sought, ranging from 4-6% for a few years to more than 10% over multiple years (including the annual rate peg).

Council's proposed rate increase amount and the purposes for which such an increase is being sought are comparable to other councils that have indicated their intention to apply for a special rate variation.

Recommendation

Taking the above into account it is recommended that Council resolve to:

- Adopt the Summary of Community Consultation Findings.
 - Adopt revised Scenario 2 of the LTFP
 - Endorse the revised LTFP allowing it to be placed on public exhibition from 21 March and 12 May 2011. It is proposed that the public exhibition be extended beyond the minimum 28 days to align with the proposed public exhibition of the Draft 2011/12 Operational Plan and Budget;
 - Make an application to IPART for a special variation to rates under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised LTFP, by raising rates by 5.5% per annum cumulative over 7 years.
-

INVESTING in our FUTURE

The logo of North Sydney Council, featuring a circular emblem with a crown at the top, a shield in the center, and the words 'NORTH SYDNEY COUNCIL' around the perimeter.

North Sydney Council Proposed Special Rate Variation: Community Consultation Summary



Prepared by North Sydney Council
8 March 2011

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Acronyms Used

AMS	Asset Management Strategy
CATI	Computer Assisted Telephone Interviewing
CPI	Consumer Price Index
CSP	Community Strategic Plan (2020 Vision)
CSS	Customer Satisfaction Survey
DLG	Division of Local Government
DP	Delivery Program
IAP2	International Association for Public Participation Australasia
IPART	Independent Pricing and Regulatory Tribunal
IPR	Integrated Planning and Reporting
LGA	Local Government Area
LTFP	Long Term Financial Plan
NSC	North Sydney Council
NSW	New South Wales
OP	Operational Plan
Q&A	Question and Answer
SRV	Special Rate Variation
TIS	Translating and Interpreting Service
WFS	Workforce Strategy

1. Introduction

Eligibility for applying for special rate variations under section 508A of the Local Government Act 1993 require councils to have substantially implemented their Integrated Planning and Reporting (IPR) Framework, clearly demonstrating linkages between community priorities identified through consultation and the council's IPR Framework; and to have undertaken adequate community consultation regarding the reasons for the variation and its impact on ratepayers. Councils must include in their applications:

- Details of the range of methods used by the council to inform the community on the special variation proposal and to obtain community feedback on this option; and
- A summary of the outcomes from community consultations and engagement, including details of the level of community support for the proposal (including relevant stakeholder groups) and any action they propose to address issues of common concern.

North Sydney Council was part of Group 1 requiring implementation of IPR by 30 June 2010. The 2020 Vision, North Sydney Community Strategic Plan (CSP) was adopted in November 2009 and is Council's third long term strategic plan. The 2020 Vision was prepared following a ten month community consultation process that also sought community input and feedback regarding the preparation of Council's four year Delivery Program (DP), 2010/11 Operational Plan (OP) and supporting Resourcing Strategy.

The DP and Resourcing Strategy, including a 10 year Long Term Financial Plan (LTFP), 10 year Asset Management Strategy (AMS) and a four year Workforce Strategy (WFS) were adopted in June 2010.

The LTFP prepared in conjunction with the 2020 Vision has identified that Council needs adequate income to:

- Maintain existing services and infrastructure at a high standard,
- Replace ageing infrastructure; and to
- Provide additional infrastructure.

Council at its meeting 10 May 2010 endorsed Scenario 3 of the LTFP. Council resolved:

THAT a further report be provided to Council on a consultation strategy to be undertaken during 2010/11 with respect to Scenario 3 to include the average rate for units, the average rate for houses and the average commercial rate per week.

Scenario 3 involves a 3% (on average) rate increase each year, for seven years from 2011/12 (i.e. Year 2 of the DP). This increase will be in addition to the annual State Government-allowed increase (rate peg) which is expected to be around 3% in keeping with the Consumer Price Index (CPI).

Council at its meeting of 20 September 2010 endorsed the Community Engagement Strategy detailing how Council would consult with stakeholders and involve them in the decision making process; enabling consultation to begin in October 2010.

Council began concurrently preparing its 2011/12 Draft OP and Budget in October 2010. The findings of this consultation will also be used to inform the 2011/12 OP and Budget and the annual review of the four year DP and Resourcing Strategy.

This summary of community consultation findings will be presented to Council at its meeting of 14 March 2011. The purpose of the summary is to inform Council of the community's level of support for the proposed variation and to inform Council's decision on whether to proceed with the proposed variation requesting approval for a special rate variation, effective from 1 July 2011.

1.1 What is a special rate variation?

Each year the State Government sets a maximum percentage amount that councils can increase their rates by, known as 'rate pegging'. Councils can then assess whether that rate peg increase is sufficient to maintain services and infrastructure or they can request an increase above the rate peg, known as a 'special rate variation' (SRV).

Section 508A of the Local Government Act allows a council to increase its general income by an amount that is greater than the general variation each year, up to a maximum of seven years. Councils must identify the amount of additional income it requires over the period of the proposed variation, calculated as a percentage. It then determines the annual percentage increases it requires over the rating period to match this amount. These percentages, which will include the rate peg for each year, may be different from year to year.

The Independent Pricing and Regulatory Tribunal (IPART) will assess and determine applications by councils for special variations under powers delegated by the Minister for Local Government commencing with the 2011/12 income year¹.

IPART is an independent body that oversees regulation of the water, gas, electricity and public transport industries in NSW. IPART also undertakes a number of advisory and service functions for the NSW Government related to issues of pricing, efficiency, industry structure, service provision and competition. Under the delegation of the Minister's powers, IPART has new local government functions including:

- Setting the annual rate peg based upon an IPART-published Local Government Cost Index and productivity factor; and
- Special variation determination powers.

The 2011/12 rate peg amount of 2.8% was announced in December 2010. The average increase over the past eight years has been 3.3% per year.

1.2 Why does North Sydney Council need a special rate variation?

The 2008/09 Local Government Comparative Indicators released by the Minister for Local Government in August 2010 show that North Sydney Council, in comparison to other metropolitan councils, has the third highest population density after Waverley and City of Sydney Councils; the lowest residential rates of councils in metropolitan

¹ On 6 September 2010, the Minister for Local Government, the Hon Barbara Perry MP, delegated to IPART her authority under the following sections of the *Local Government Act 1993*: sections 506, 507, 508(2), 508(3), 508(6), 508(7), 508A, 548(3) and 548(8).

and regional areas; less than average commercial rates; the lowest level of outstanding rates in NSW; a good unrestricted current ratio; and no debt.

North Sydney is home to an estimated resident population of 63,941 (an increase of 8% since 2001) and this is expected to further increase by 1% to 64,551 people by 2020. By 2031 North Sydney is also required by the State Government to provide an additional 5,500 dwellings as per the target outlined in the 2007 Draft Inner North Subregional Strategy.

North Sydney is also home to one of the largest business districts in Australia and several smaller commercial centres. More than 45,000 businesses operate from North Sydney. Over 50,000 people travel to North Sydney each day for work and study; this is set to increase by an additional 15,000 (30%) workers by 2031, as outlined in the 2007 Draft Inner North Subregional Strategy.

There are competing demands and pressures on Council to maintain its range of infrastructure and service levels across the Local Government Area (LGA). The feedback received from engagement with the North Sydney community during the preparation of Council's IPR Framework indicates that our community expects public assets and services to be of a high standard and also wants to see the provision of new facilities.

However financial analysis of Council's assets and service delivery has indicated the expectations and desires expressed by the community can not be achieved within the existing budgetary constraints and pressures, due to a number of restrictions, including:

- Rate pegging;
- Provision of additional services not previously provided by local government with those costs now being borne by councils;
- Continued rising costs of service delivery, exceeding inflation and rate pegging; and
- Increasing maintenance demands on our ageing infrastructure.

2. Executive Summary

Council's Community Engagement Policy (CL02-OG) states that Council will engage the community when issues involving decision making or policy formulation are deemed, by Council officers or the elected Council, to be of specific interest to the community, and/or arise that may have a significant immediate or long term impact on the local community.²

In accordance with this policy, a Community Engagement Strategy was prepared outlining how Council would involve the community in applying for a special rate variation, effective from 2011/12. The International Association for Public Participation (IAP2) Public Participation Spectrum was used to determine appropriate engagement methodologies to ensure a range of 'levels' of engagement were offered.

The Engagement Strategy 'Investing in our Future' was implemented in three phases. Phase 1 and 2 engagement opportunities occurred from October 2010 to March 2011. The online budget allocator and the community ward forums that will continue into mid 2011 to coincide with Phase 3 engagement opportunities which include the public exhibition of the Draft 2011/12 OP, scheduled for April/May 2011.

This report summarises the consultation findings. The following table summarises the key methodologies undertaken, the level of engagement of each method and the number of participants:

Methodology	IAP2 Level of Engagement	Number
Letter/Information to ratepayers	1	32,813
Ratepayer Survey	2 and 3	3,613
Customer Satisfaction Survey	2	600
Public meeting 1 - 1 February	1, 2, 3 and 4	25
Public meeting 2 - 26 February	1, 2, 3 and 4	32
Online Budget Allocator	2 and 3	69
Ward Forums	2 and 3	103
Written submissions	2	21
Total		37,276

Table 2.1: Summary of engagement methods

Phase 1 and 2 findings have been analysed. The program yielded a substantial amount of information about community preferences from two main groupings of respondents:

- i) a self selected group of 3,763; and
- ii) a randomly selected group of 600.

The widely publicised consultation program ran for over four months and yielded a substantial amount of community input. The validity of the sample size for each major component of the engagement strategy indicates that the findings are statistically robust.

Overall there is demonstrated community support for a rate variation. The community feedback and survey results re-inform the views that emerged during the 2009

² Council's Policy Manual can be viewed at <http://www.northsydney.nsw.gov.au/www/html/2210-policymanual.asp>

consultation for the development of the 2020 Vision. In summary the findings show that depending on the magnitude of the rate increase, the number of people who prefer to raise rates outweighed those who didn't. The findings show that a rate increase was preferable to raising income by other means such as fees and charges. Based on this information there would appear to be a mandate for implementing the proposed program of works via raising rates rather than increasing dependency on variable income.

A reply paid survey was sent to all ratepayers in October 2010 calling for feedback. The return rate was 11%. The respondent sample is statistically robust. Ratepayers were given a number of funding options to consider. First preference support was highest for the proposed 6% SRV over seven years i.e. LTFP Scenario 3 (option 1), followed the option of a SRV of less than 6% (option 2). Both options include the annually determined rate peg.

Respondents were also asked to provide feedback regarding prioritisation of the program of works to be funded via the variation. Respondents were asked to indicate whether they thought each project/service was essential, somewhat important, neutral, not very important or not needed. A consistent level of support was indicated for all proposed projects/services. Support was highest for continuation of the graffiti removal service followed by improvement of parks, reserves, playgrounds and sports fields.

Council's biennial Customer Satisfaction Survey (CSS) sought feedback from a sample of 400 residential customers and 200 business customers in November 2010. This sample is robust; the difference in comparison with the Ratepayer Survey is that the CSS although, demographically representative, was randomly selected.

The CSS found that three of the top four key service areas of relative importance were the same for both residents and businesses, these included:

- Maintaining roads and footpaths;
- Maintaining parks, ovals and bushland areas; and
- Keeping local roads and footpaths clean

The CSS also included topical questioning regarding support for the proposed rate variation. Amongst residents, first preferences with 41% was highest for the option of a SRV of 3% on average, per annum for 7 years in addition to the rate peg i.e. 6% total per annum (option 1); seconded by 27% wanting Council to progressively reduce funding of current services and programs (option 3) and thirdly, with 27%, wanting Council to reduce levels of service to operate within current resources (option 3). When combining residents' first and second preferences per option support is highest for option 1 with 69%, followed by option 2, a new levy to fund specific projects and services, which received 68%.

For businesses, first preference was highest for the option of a new levy to fund specific projects and services (option 2) with 39% support; while options 1 and 3 were both at 25%. When combining businesses' first and second preferences per option, support is highest for option 2 with 66%, followed by option 1 with 28%.

The findings of the Ratepayer Survey and CSS have been compared with the findings of another survey conducted at the same time that also included related questions. The annual Customer Service Survey was conducted internally in November 2011. Questions allowing comparison between the three (3) surveys have been compared. Comparison of results found that support is highest for the option of

a 6% rate increase, per annum over 7 years inclusive of the annual rate peg amount. The findings of the CSS and Customer Services Survey support and validate the Ratepayer Survey findings.

Of the total 57 attendees at the public meetings, 48 (84%) participated in the feedback activity; 54% are in support of/can live with the proposed 6% increase per annum over 7 years, while 42% were not in support; and 4% of participants were undecided.

Of the 69 budget scenarios and 28 comments were submitted via the Budget Allocator, almost one third of (35.3% or 24) participants suggested Council should spend more in order to undertake enhanced services and projects and/or new infrastructure. While for eight of the ten existing budget categories, which related to existing infrastructure and services provided by Council, highest preferences were for maintaining the current level of expenditure. These findings complement those of the CCS which indicate that the community both rates core services of high importance and are satisfied with the current level of service level; as such a reduction in service levels could lead to a reduction in customer satisfaction.

Participants were asked to indicate which discretionary services Council should continue to support. Support was highest for graffiti removal; which supports the findings of the Ratepayer Survey which also ranked highest of the services within the program of works proposed to be funded through special rate variation income. Support was lowest for Council's continued support of the Precinct System, which similarly ranked as a lower priority with respondents of the Ratepayer Survey. Regarding the 'Wish List' (visionary projects), which included the remainder of the projects/services within the proposed program of works; findings indicate that support was equally highest for park and landscape upgrades and village/commercial streetscape upgrades. Similarly park and landscape upgrades was the second highest priority supported by respondents of the Ratepayer Survey.

103 people have participated in the 2010/11 Ward Forums series to date. Four questions were asked in relation to the General Manager's presentation regarding the 2010/11 OP and Budget and proposed special rate variation.

The engagement strategy also called for written submissions as an alternative form of participation in the consultation process. Council received 21 written submissions and of these only ten submissions made comment one way or the other regarding the proposed rate variation. Of those, 3 were in support of the proposed rate variation of 6%, per annum over seven years; while 7 were against and 11 made no comment either way. By comparison Council received 28 written submissions during the public exhibition of its IPR suite of plans.

Information packs were distributed to all established internal forums including Reference Groups, Precinct Committees and Streetscape Committees. The minutes of two Precinct Committee meetings reflect discussion regarding the proposed increase.

One media release were issued by Council in relation to the proposed rate variation and eight advertisements were run in the local papers promoting consultation opportunities. Council received a small amount of media attention regarding the proposed rate increase.

3. Community Engagement Strategy

Councils are required under the Local Government Act to inform the community of particular issues that potentially affect their way of life. North Sydney Council is committed both in principle and in practice to engaging on matters affecting the North Sydney community.

All applications for special variations must follow adequate community consultation regarding the reasons for the variation and its impact on ratepayers. Councils must provide details of the range of methods used to inform the community on the special variation proposal and to obtain feedback on this option. As part of this information, councils must identify the key stakeholders or other groups they consulted with and why.

In accordance with Council's Community Engagement and Open Government (CL05-OG) policies a project-specific engagement strategy was adopted on 20 September 2010 outlining how Council would involve the community in applying for a special rate variation for 2011/12, by providing a range of opportunities for key stakeholders to be involved in the decision making process.

In line with Council's guiding principles for engagement, the framework illustrated in the table below was used to determine the most appropriate engagement methodologies. This framework has been adapted from the IAP2 Public Participation Spectrum. Council used this framework to ensure a range of 'levels' of engagement were offered.

North Sydney Council's Community Engagement Framework		
Level	Code³	Description
Inform	1	Providing balanced and objective information to help the community understand problems, alternatives, opportunities and/or solutions
Consult	2	Obtain public feedback on alternatives and/or decisions
Involve	3	Work directly with the community throughout the process to ensure that public concerns and aspirations are consistently understood and considered
Collaborate	4	Partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution

Table 3.1: Derived from the IAP2 Public Participation Spectrum

Community engagement opportunities were offered across the three phases of the application process. These included:

3.1 Phase 1

Phase 1 involved the preparation of the Draft 2011/12 OP and Budget. The following engagement methodologies were undertaken:

3.1.1 Letter to all Ratepayers (Level 1)

All ratepayers were informed of Council's intention to apply for a rate variation. The letter outlining the proposed variation was sent to all

³ The code is used to identify the level(s) of engagement to be used per method of engagement per project phase.

residential and business ratepayers. Council resolved that the letter and other promotional material should indicate which councillors support and oppose the proposal and their arguments for and against. The letter included a calculator showing the average proposed residential (units and houses) and commercial rate increase and information about how to get involved in the consultation process including via the Ratepayer Survey (3.1.2) as well as an explanatory brochure (Appendix 2) detailing the proposed program of works to be funded by the provided variation. Alternatively ratepayers were invited to send written responses.

3.1.2 Ratepayer Survey (Level 2 and 3)

The hard copy survey with reply paid envelope was distributed to all North Sydney ratepayers along with the letter (3.1.1). The survey could also be completed online, however the rationale for distributing the survey in hard copy was to encourage participation and especially because a large number of North Sydney ratepayers are not owner occupiers i.e. may not live in North Sydney. The purpose of the survey was to canvas stakeholder feedback on the proposed variation and/or alternative options⁴ as well as prioritisation of the services and programs proposed to be funded by the variation.

3.1.3 Fact Sheets (Level 1)

Council produced a series of five fact sheets that were made available from Council's website (3.2.1), the Customer Service Centre, Stanton Library and North Sydney Olympic Pool. The Facts Sheets were also displayed in notice boards throughout the LGA - refer Appendix 4. Topics included:

- Fact Sheet 1: Investing in the Future of North Sydney
- Fact Sheet 2: Yes/No Cases⁵
- Fact Sheet 3: Infrastructure and Services
- Fact Sheet 4: Income
- Fact Sheet 5: Efficiencies

3.1.4 Public Meetings (Level 1, 2, 3 and 4)

The Mayor and General Manager hosted two public meetings. The first meeting was held on Tuesday 1 February, starting at 6pm with 25 people attending. The second meeting was held Saturday 26 February, starting at 10.30am, attended by 32 people. The meetings were open to local residents, businesses and ratepayers. Two meetings were held to encourage maximum participation, by providing options for those with work, family other commitments.

Both meetings were facilitated by an external facilitator. The agenda was the same for both meetings; it included a presentation outlining why Council is proposing a special variation, arguments for and against the proposed rate increase and how the proposal links to Council's IPR Framework followed by a question and answer session.

⁴ Council resolved that the survey which asks ratepayers whether they support the rate increase or not and whether they would prefer Council to consider an increase in specific purpose levies or a reduction in spending.

⁵ Council at its meeting 10 May 2010 resolved by a 9/4 vote in favour of Scenario 3 of the LTFP which included a 6% special rate variation including the rate peg, in turn Council at its meeting 20 September 2010 resolved to list the councillors voting for and against and their yes/no case arguments.

3.1.5 Customer Satisfaction Survey (Level 2)

Council's biennial CSS was conducted in November 2010. 400 residents and 200 business customers participated in the telephone survey. The survey sought feedback on the community's attitudes towards a wide range of Council services, including customer service, the environment, planning, roads and footpaths, parks and open space, community services and facilities, waste collection, and communication. Participants were asked to rank their satisfaction with and importance of these services.

The 2010 survey also included topical questioning regarding the proposed rate variation. Priorities identified through the survey have been considered by Council and prioritised for attention over the next year and beyond in the DP.

3.1.6 Online Budget Allocator (Level 2 and 3)

The Budget Allocator is an online tool facilitated by Bang The Table Pty Ltd and is designed to help ratepayers/residents understand community priorities and the processes in preparing a budget. It allowed participants to review significant areas of spending that reflect a proportion of Council's overall annual budget. Including the following key services/asset classes - roads, footpaths, other infrastructure, cleaning of streets and public areas, parks and reserves, community services, library services and environmental services, as well as discretionary services and a 'wish list' (summary) containing the proposed program of works to be funded by the proposed variation. Link - <http://northsydney.budgetallocator.com>

3.1.7 Community Ward Forums (Level 1 and 2)

Council hosts a series of Ward Forums annually. The North Sydney LGA is divided into four wards. The Mayor and General Manager host one forum per ward each year providing an overview of key projects in that area. The forums provide an opportunity to inform residents of changes in their local area and an opportunity to discuss these and other issues with the Mayor and General Manager, Councillors and senior staff.

The 2010/11 Forum series included an overview of the 2010/11 OP and Budget (including IPR Framework and proposed SRV). Participant feedback indicated this agenda item proved insightful and informative and will remain a standing agenda item for all future forums.

3.2 Phase 2

The second phase involved general publicity and promotion. Feedback and progress updates were reported at various stages of the engagement process.

3.2.1 Council Website (Level 1)

The proposed SRV and consultation opportunities were outlined on Council's website. The webpage included the fact sheets, background information, links to Council's IPR Framework and calculator to help ratepayers approximate the proposed increase applicable to their property (based on

land values). Written submissions were also called for via the website. Link - <http://www.northsydney.nsw.gov.au/SRVconsultation>

3.2.2 North Sydney News (Level 1)

Articles/information related to the public exhibition of the Draft 2011/12 OP and Budget have been included in the Autumn issue of 'North Sydney News', Council's (biannual) newsletter distributed to all households and businesses in the North Sydney LGA.

3.2.3 Media Releases (Level 1)

A media release was distributed advising of community engagement opportunities related to the proposed variation as well as related information - refer Appendix 5. The Mayor and councillors directly approached the local media to promote the arguments for and against the proposal. The local papers are also provided with copies of business papers for all Council meetings including reports relating to the proposed variation. Council received a small amount of media attention regarding the proposed rate increase - refer Appendix 6.

3.2.4 Advertisements (Level 1)

Advertisements promoting the proposed SRV (background information) and related engagement opportunities in particular the public meetings and the Budget Allocator were run in 'The Mosman Daily' and 'North Shore Times' newspapers - refer Appendix 7. Adverts ran on the following dates:

- 25 November 2010 - Mosman Daily (Advert 1)
- 26 November 2010 - North Shire Times (Advert 1)
- 16 December 2010 - Mosman Daily (Advert 2)
- 17 December 2010 - North Shore Times (Advert 2)
- 20 January 2011 - Mosman Daily (Advert 3)
- 21 January 2011 - North Shore Times (Advert 3)
- 27 January 2011 - Mosman Daily (Advert 3)
- 24 February 2011 - Mosman Daily (Advert 4)

3.2.5 e-News Subscriptions (Level 1)

Council coordinates eight e-newsletters including Stanton e-news, Business e-news and Green events e-news. Information regarding the proposed SRV was distributed to subscribers. In addition a new subscription was set up to enable SRV progress updates to be distributed to survey respondents who requested to be 'kept informed'.

3.2.6 Reference Groups (Level 1 and 2)

Council has seven reference groups including Environmental Services, Library Services, Historical and Cultural Services and Sports and Recreation. Information packs were distributed to all Reference Group members. Councillors and members of the public are members of Reference Groups.

3.2.7 Precinct Committees (Level 1 and 2)

The North Sydney Community Precinct System was established in the late 1970s, encouraging residents, workers, students and property owners to take an active role in providing input into the operations of Council. Precinct Committees are organised by the residents and are advisory. Precinct meetings are one avenue for informing Council of community opinion and maintaining two-way communication between community members and Council staff and Councillors. There are currently 17 active Precinct Committees. Information packs were distributed to all Precinct Committees and with the advice that senior staff were available and attended committee meetings to discuss the proposal.

3.2.8 Streetscape Committee (Level 1 and 2)

Council works with local retailers and businesses to improve the ambience of its local shopping/commercial areas through its streetscape program. There are currently six active shopping area Streetscape Committees in North Sydney. Information packs were distributed to all Streetscape Committee members and senior staff were available to attend committee meetings to discuss the proposal.

3.3 Phase 3

The third phase will involve public exhibition of the Draft 2011/12 OP and Budget and will occur in April/May 2011:

3.3.1 Public Exhibition (Level 2)

The Draft 2011/12 OP and Budget will be placed on exhibition for a minimum of 28 days in accordance with legislative requirements to allow the community an opportunity to make comment. Submissions may be made in writing during this period.

3.3.2 Community Information Session (Level 1 and 2)

During the public exhibition of the Draft 2011/12 OP and Budget, Council will host a community information session open to all local residents, businesses and ratepayers. This session will be held on Thursday 5 May 2011, starting at 6.15pm in the Hutley Hall, 200 Miller Street, North Sydney.



Photo: showing fact sheets in notice board in Civic Park, North Sydney

4. Ratepayer Survey

4.1 Methodology

A quantitative survey was developed, and the questions were tested by an in-house focus group. A copy of the survey is appended to this report (Appendix 3).

Along with an explanatory brochure, +/-32,813 surveys were distributed, via a letterbox distribution company, to all residential and business ratepayers of the North Sydney LGA.

Residents were encouraged to review the full proposed program of works and further information available on Council's website. Respondents had the choice of completing the survey on paper and returning it via the supplied reply-paid envelope, or going on-line to Council's website and completing the survey electronically.

Surveys were distributed in the week commencing 12 November 2010 and closed on the 3 December; however the deadline was extended till 20 December 2010⁶.

A total of 3,613 surveys were completed; 3 surveys were completed online, and the balance on paper and returned via reply-paid post.

4.2 Analysis

Data entry of the hard-copy surveys was undertaken internally by temporary data entry staff engaged for the task, and validated daily. Council used Excel to analyse and report on the survey responses.

4.3 Sample

The survey was distributed to +/-32,813 residential and business ratepayers of the North Sydney LGA and 3,613 (11%) have been returned.

A sample of 3,613 has a margin of error of 1.54% at the industry standard 95% confidence level⁷. This means that the results are an accurate reflection of key stakeholder views within +/- 1.54%.

4.4 Detailed Findings

The survey was divided into five sections. The first section dealt with the proposed works/services to be funded by a special variation, asking respondents to prioritise given programs and services. The second section asked respondents how they thought Council should pay for the programs and services. The final section collated demographic information about the respondents to determine the representativeness of the survey responses.

⁶ Completed surveys received up until 2 March 2011 (i.e. following the second public meeting) have been included in total figure received/analysis.

⁷ Margin of Error Calculator used -

http://www.marketingcounsel.com/tools/margin_of_error_calculator2.htm

4.4.1 Proposed Program of Works

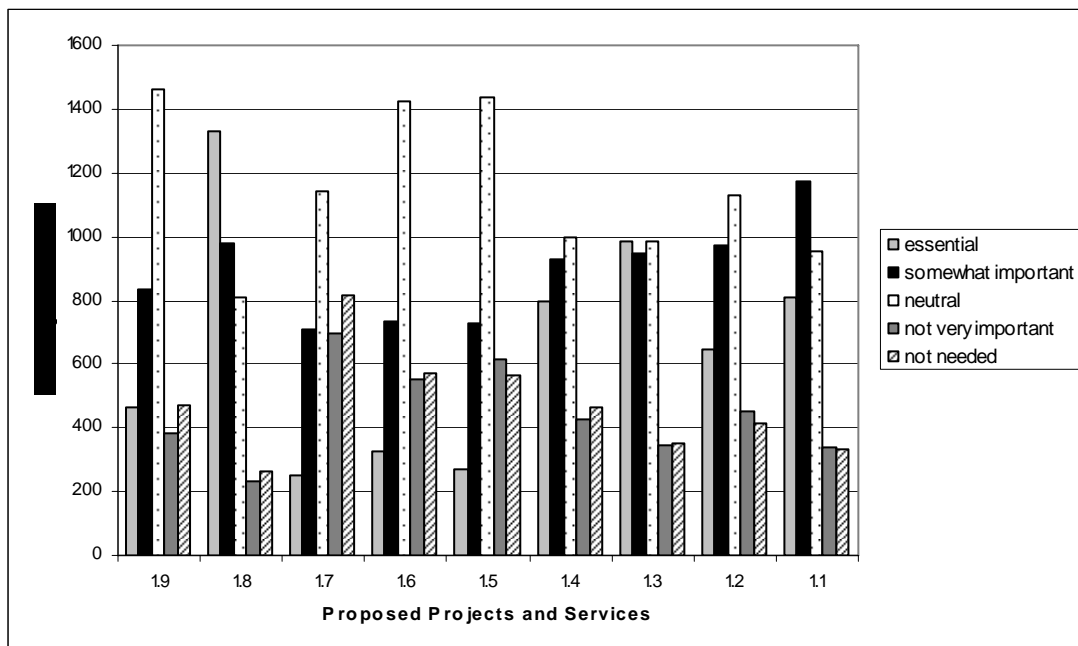
The objective of the first question was to gain an understanding of the community priorities regarding the services and programs proposed to be funded by an increase in rating income.

Respondents were provided with a summary of the proposed program of works and were directed to Council’s website for more information if required. They were asked for each component of the program, how important they thought it was.

Q1. A rate increase will be used to fund and maintain the following services and programs. To help us prioritise, please circle whether you think they are essential, somewhat important, neutral, not very important or not needed:

- 1.1 Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park
- 1.2 Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay.
- 1.3 Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool.
- 1.4 Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies).
- 1.5 Refurbish the Crows Nest Centre and Forsyth Park Community Centre.
- 1.6 Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre.
- 1.7 Provide community events including Youth Week, Children’s Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition.
- 1.8 Continue free graffiti removal service for residents and businesses.
- 1.9 Continued support of the North Sydney Community Precinct System.

The following graph details respondents’ priority rankings per proposed program /service. Note: all respondents completed all or part of this question. Where a response was skipped for a particular item it was recorded as ‘neutral’.



Graph 4.1: Proposed Program of Works - Project/Services Priorities

The following table presents an alternative view of the graph, showing respondents' priority rankings per proposed program/service:

Services and Programs		essential	somewhat important	neutral	not very important	not needed
1.1	Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park	809 (22%)	1175 (34%)	954 (26%)	340 (9%)	335 (9%)
1.2	Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay	649 (18%)	974 (27%)	1128 (32%)	449 (72%)	413 (11%)
1.3	Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool	983 (27%)	948 (36%)	987 (27%)	346 (10%)	349 (10%)
1.4	Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies)	798 (22%)	927 (26%)	999 (27%)	424 (12%)	465 (13%)
1.5	Refurbish the Crows Nest Centre and Forsyth Park Community Centre	272 (8%)	727 (20%)	1435 (39%)	612 (17%)	567 (16%)
1.6	Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre	329 (9%)	735 (20%)	1426 (40%)	550 (15%)	573 (16%)
1.7	Provide community events including Youth Week, Children's Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition	250 (7%)	711 (20%)	1142 (31%)	695 (19%)	815 (23%)
1.8	Continue free graffiti removal service for residents and businesses	1329 (38%)	977 (27%)	812 (22%)	231 (6%)	264 (7%)
1.9	Continued support of the North Sydney Community Precinct System	465 (13%)	833 (23%)	1460 (40%)	383 (11%)	472 (13%)

Table 4.1 Raw data - respondents' priority rankings per proposed program/service

There was moderate to high support for all proposed programs/services. Support was highest for graffiti removal (1.8), with only 13% classifying this project/service as not very important or not needed, followed by improvements to parks, reserves and playgrounds (1.1) with only 18% classifying these projects/services as not very important or not needed; and thirdly support was highest for the upgrade of the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool (1.3), with only 20% classifying this project/service as not very important or not needed.

4.4.2 Funding Preferences

Respondents were presented with a number of options of paying for the program of works. Respondents could indicate how they thought Council should fund the required services, assets and infrastructure by ranking their preferences.

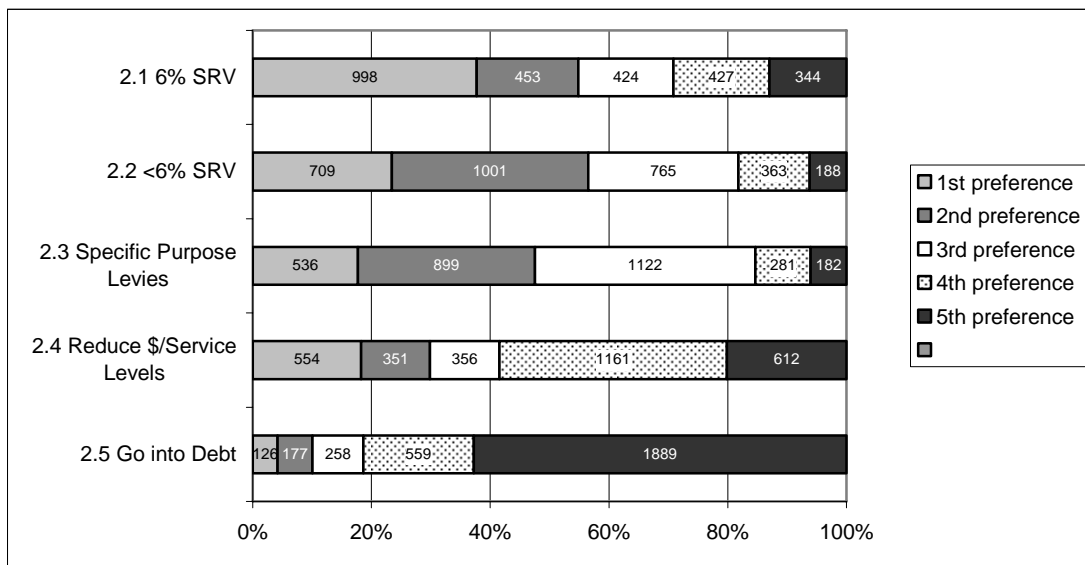
Q2. The following table presents a number of options and ways for paying for the above mentioned services and programs. Please rank the options from 1 to 5 in order of your preference with 1 being your first preference:

- 2.1 Council should proceed with the average 3% seven year special rate variation to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers).⁸
- 2.2 Council should proceed with a smaller special rate variation over seven years and should offset the gap with increased user fees and charges (e.g. parking meters, pool entry) to fund the difference.
- 2.3 Council should apply for specific purpose levies to fund the specified services and programs.

⁸ At the time surveying commenced the 2011/12 rate peg had not yet been advised. The 2011/11 rate peg was announced by IPART on 10 December 2010 as 2.8%, commencing 1 July 2011.

- 2.4 Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.
- 2.5 Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years.

Graph 4.2 compares for each funding option, the total number of responses per preference, ranking most preferred (1) to least preferred (5). Note: not all respondents completed this question, where a response was skipped or an invalid response given for a particular item it was recorded as Other*; Other has been excluded from the graph below to give a true indication of valid preferences, refer to Table 4.2 below for quantity of Other preferences per option.



Graph 4.2: Funding options for all preferences

The following table presents an alternative view of the graph, showing respondents' priority rankings per proposed program /service as percentages:

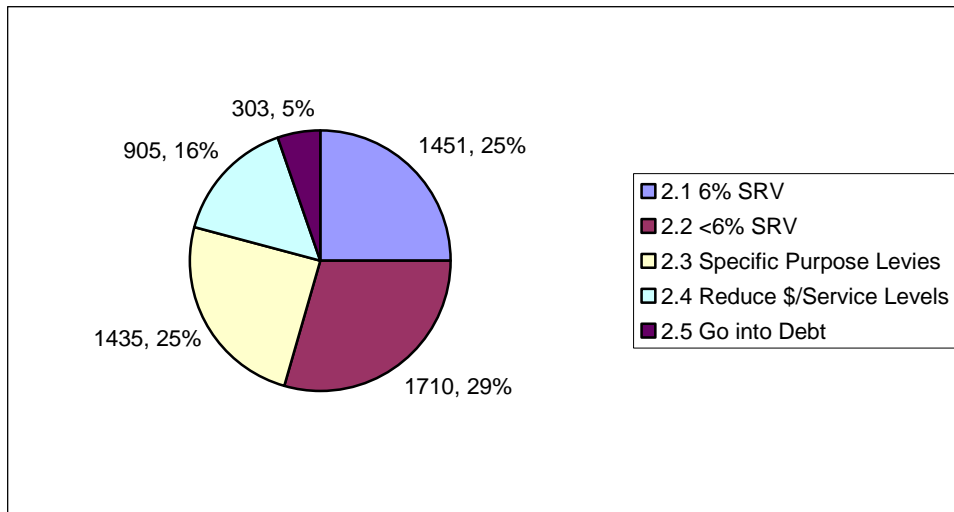
Funding Option		Preferences %					
		1st	2nd	3rd	4th	5th	Other
2.1	Council should proceed with the average 3% 7year SRV to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers).	27	13	12	12	10	26
2.2	Council should proceed with a smaller SRV over 7 years and should offset the gap with increased user fees and charges (e.g. parking meters, pool entry) to fund the difference.	20	28	21	10	5	16
2.3	Council should apply for specific purpose levies to fund the specified services and programs.	15	25	31	8	5	16
2.4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.	15	10	10	32	17	16
2.5	Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years	3	5	7	15	53	17

Table 4.2: Respondents' preferences per option shown as percentage

First preference support was highest for funding the option of a special rate variation of 6% (option 2.1), followed by the option of a special rate variation of less than 6% (option 2.2).

Whilst first preference support is highest for option 2.1, the following graph combines first and second preferences per option, showing percentages and total number of responses; when combined support is highest, for the option of a special rate variation of less than 6% (option 2.2), followed by the option of a special rate

variation of 6% (option 2.1), which received 9 more responses than a specific purpose levy (option 2.3). This means that 54% of respondents were happy with a special rate variation.



Graph 4.3: First and Second Preferences Combined

An abbreviation of the funding preferences question was also asked of participants in Council's biennial Customer Satisfaction Survey and annual Customer Service Survey. The findings of these surveys are outlined in Section 5.

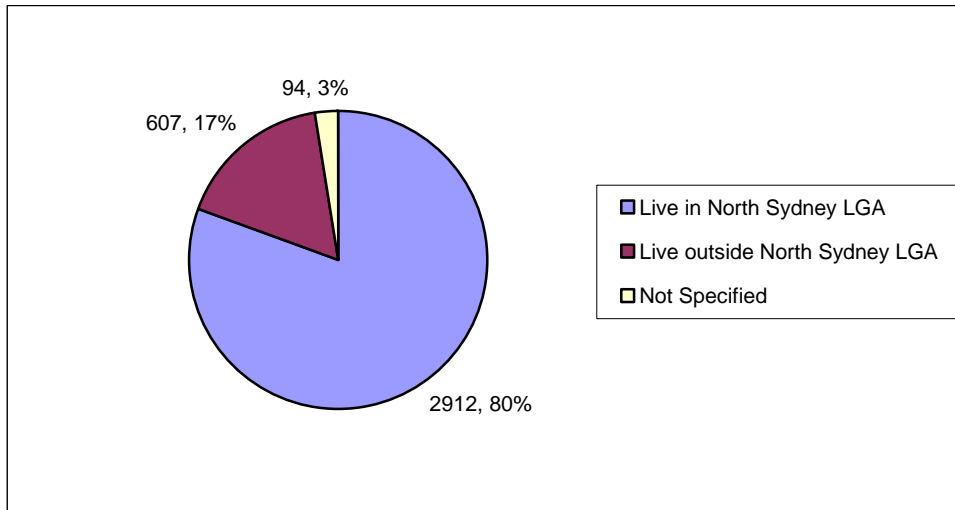
4.4.3 Demographic Information

Two demographic questions were asked to determine whether we had received responses from a good cross section of the community, and to ensure that, where appropriate respondents could be analysed by respondent type.

4.4.3.1 Respondent Locality

Graph 4.4 indicates whether or not respondents live within the North Sydney LGA. 80% of respondents live in the North Sydney LGA. Less than a quarter lived outside the LGA or did not specify.

The survey did not request respondents to detail the suburb in which their rateable property is located, however respondents could choose to provide their contact details and give permission for Council to use this information for the purpose of keeping respondents informed regarding the proposed SRV application. The Privacy Statement included on the survey prohibited use of contact details for analysis purposes.



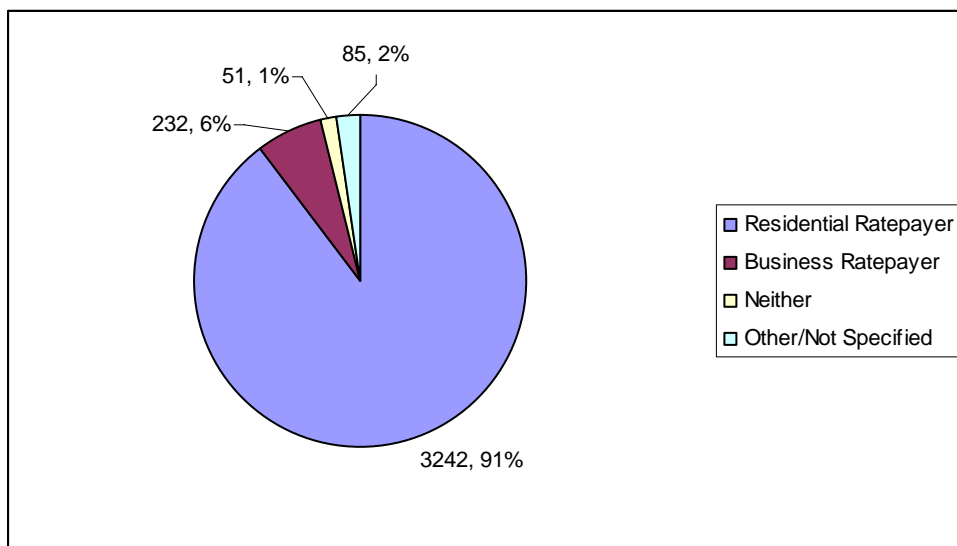
Graph 4.4: Respondent Locality

4.4.3.2 Ratepayer Type

Respondents were asked to indicate whether or not they were North Sydney LGA ratepayers and what type of ratepayer i.e. residential or business ratepayer. Graph 4.5 illustrates that 91% of respondents were residential ratepayers, while 6% were business ratepayers. 1% of respondents were not ratepayers within North Sydney LGA.

Some respondents were both residential and business ratepayers; 96 (2.7%) of the total 3,613 returned surveys were completed by ratepayers who own both a residential and business property.

Note: The survey did not ask for respondent dwelling type.



Graph 4.5: Ratepayer Type

4.4.4 General Comments

Provision to include comments was included within the survey. A total of 1,684 comments were made. Comments have not been analysed in terms of the number of comments for and against a proposed rate increase as this would double count/may not be consistent with the funding preferences respondents gave in Q2. However the comments have been categorised in the table below.

All requests for service (n=26) and complaints (n=1) will be actioned by Council in accordance with agreed service levels.

Note: comments categorised as 'Other/Neutral' were those which made no comment either way regarding the proposed rate variation.

	n = 1,684 %
Complaint	0.06
Obtain income from other sources	0.06
Do not go into debt	0.18
Go into debt	0.59
Apply for specific purpose levies	0.71
Increase business rates only	0.89
Service request	1.54
Increase Fees and Charges/User pays	4.75
Compliment	6.65
Do not proceed with SRV	7.63
Proceed with an SRV	10.33
Operate within existing means/Reduce spending/Reduce waste	17.16
Other/Neutral	49.47

Table 4.3 summary of comments by category

Sample of randomly selected individual comments:

- As a self-funded retiree, my income is not extensible and I am getting to the limit of my possible expenses. We have had an increase in power bills and have not seen the end of it. If Carbon Tax is introduced there will be an automatic increase to my cost of living, and at this stage nobody is able to establish how much. I think we have to be very cautious in our expenses and wait for a more stable period.
- For convenience and safety reasons planned maintenance of infrastructure is important.
- North Sydney is a wonderful area. I have commercial and residential property interests in the area. Rate payers need to keep this area up to date as much as possible. Also the NSW and Commonwealth government have a vested interest in keeping the area updated from a tourism, cultural and economic viewpoint.
- Thanks for giving me a chance to voice my opinion.
- We have some of the most amazing parks and infrastructure, but we can readily exist with a lot less without it affecting our general quality of life. We are still suffering from the repercussions of the global financial crisis, let us try to recover.
- Cost management is essential.
- I am happy with council's contribution to the amenity of this wonderful area, the encouragement of volunteers and its pride of heritage matters I appreciate NSC's regular clean up of large items!! Is there anyway of discourage/penalise the regular illegal, weekly, dumping of large items around our streets?

- One of the main reasons why we bought a unit in your LGA was due to the lower rates. To raise rates to parity with those of surroundings LGA's may discourage buying into North Sydney LGA.
- Rates are not high. We need to have good facilities.
- The proposed increase seems very reasonable for the level of service provided by NSC.
- We support most of the arguments of the "no" case ...
- While I do not reside in North Sydney at present, I may in the near future.
- The council have implemented great things and services that benefit the whole community - thank you. However, the budget should be managed within the current constraints of its revenue. At present, many organisations have been faced with this challenge and succeeded. NSC should be able to do the same before asking for more money. If you genuinely feel the need for more money, the council needs to demonstrate it has exhausted all options within current budget.
- Sydney needs to improve its infrastructure. We support this though we do not live in the property. How Council spends the revenue raised will hopefully be done thoughtfully and with minimum waste.
- I think council should not go into debt for improvements but use the money they have for maintenance. I think you do a good job of maintaining streets etc and if extras mean lessening it, then I am against it.
- I support the proposed special rate variation and works needed to maintain existing services and infrastructure.
- We need to maintain and improve our municipalities we need to accept that rates need to be sufficient to cover the cost of services we want the street lawn mowing is a perfect example of how we don't want to cut services.
- Sadly, being very selfish, as a self funded retiree I am a little worried about increases in so many charges.
- I believe that we need to maintain and improve our local area. This takes effort, time and money. I have no problem paying extra levies if council remains diligent and efficient at doing this.
- Improve labour productivity, reduce employee costs, live within means/tighten belts. Council just wants to find ways to control/stabilise these.

4.4.5 Contact Details

31% (1,135) respondents (617 by email and 518 by post) indicated they wanted to be kept informed of other consultation opportunities related to the special rate variation proposal. A new e-news subscription was set up to enable progress updates to be distributed to survey respondents who requested to be 'kept informed' and hard copies are distributed to those who supplied a postal address.

Note: More than 31% of respondents provided their contact details however they did not tick the relevant box indicating permission for Council to use their contact details for the purposes of keeping respondents informed regarding the proposed SRV application.

5. 2010 Customer Satisfaction Survey

Independent community-wide surveys are undertaken on a biennial basis (i.e. every two years) to measure the community's satisfaction with Council services and to obtain information on the importance of those services to the community, to assist with the prioritisation of funding to Council activities.

Customer Satisfaction Surveys were conducted in 2002, 2004, 2006, 2009 and the latest survey was completed in November 2010. The 2010 results were presented to Council's Resources Allocation Committee meeting held 3 February 2011. The summary of results findings is available from Council's website. Link - <http://www.northsydney.nsw.gov.au/www/html/2308-customer-satisfaction-survey.asp>

5.1 Methodology

The 2010 Survey was conducted from 6 to 20 November. The survey was qualitative in nature, involving telephone (CATI) interviewing amongst both businesses and residential customers.

5.2 Analysis

Analysis was conducted by Woolcott Research Pty Ltd who undertook the survey on Council's behalf.

5.3 Sample

The survey sample consists of:

- a) Residential customers - 400 telephone interviews were conducted. Respondents were residents of the North Sydney LGA (both owners and renters) aged 18 years and over. Respondents were drawn randomly from electronic White Pages listings.
- b) Business customers - 200 telephone interviews were conducted. Respondents were drawn randomly from electronic White Pages listings. Quotas were set for business type in accordance with total listings in North Sydney.

The North Sydney residential population as at June 2009 was 63,941 people. A sample of 400 residents has a 4.88% margin of error, at the industry standard 95% confidence level.

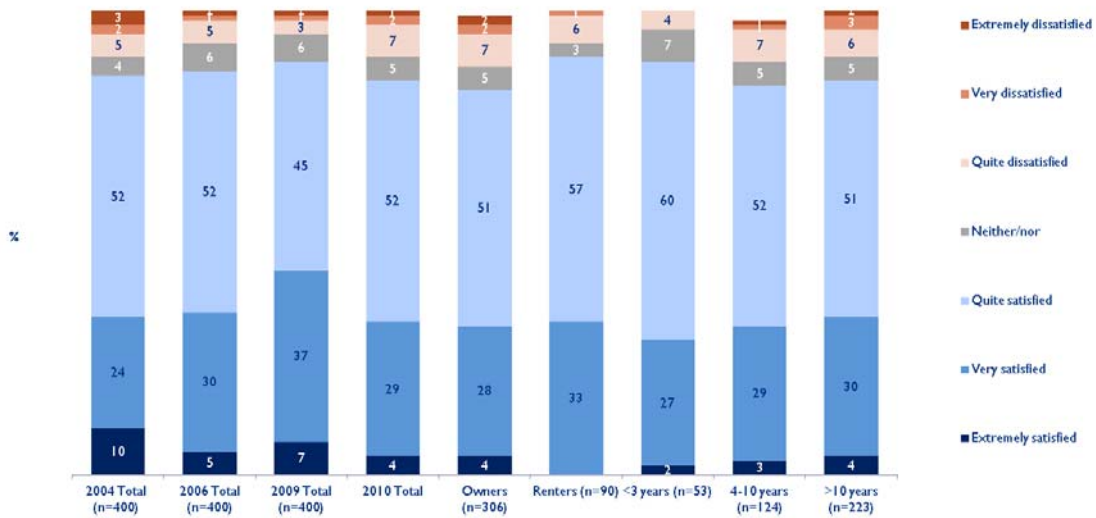
5.4 Detailed Findings

Note: Woolcott Research has advised that as a general rule of thumb, a difference of greater than 5% would be needed in order to be considered statistically significant at the 95% confidence interval. However, the difference required does alter slightly depending on what the percentages are (slightly more is required around the 50% range, and slightly less for percentages around 90% and 10% respectively).

The 2010 Survey highlighted the community's satisfaction with 13 key service areas. The mean score of residents' overall satisfaction with Council's performance was 5.1 (85%), this fell from 5.3 (89%) in 2009 and 5.2 (87%) in 2006. However the mean score of business's overall satisfaction with Council's performance was 4.9 (76%),

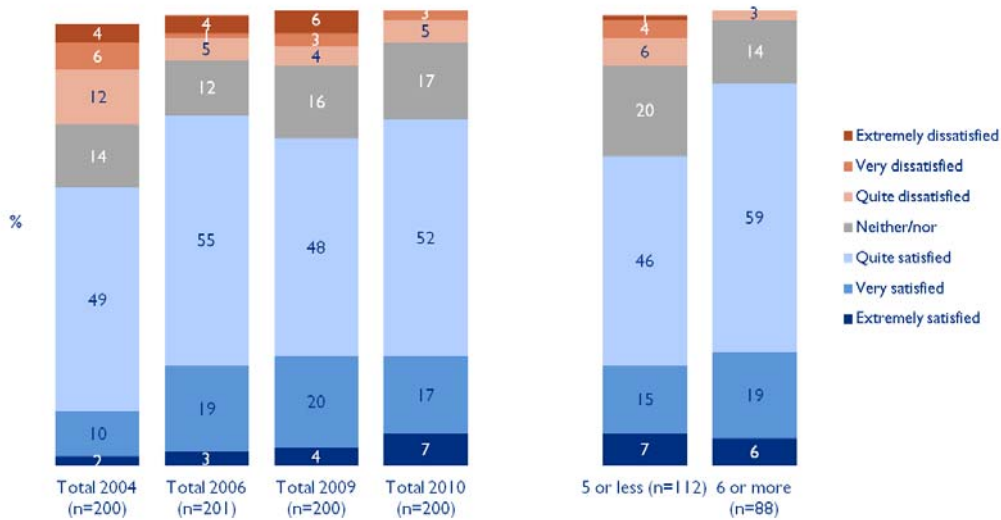
this increased from 4.7 (72%) in 2009. Notably no businesses were ‘extremely disappointed’ with Council’s performance compared to 6% who were in 2009.

The following graph compares overall satisfaction by residents between 2004 and 2010, as well as provides a demographic break down of responses:



Graph 5.1: Overall Residents Satisfaction - comparison between previous years

The following graph compares overall satisfaction by businesses between 2004 and 2010, as well as provides a break down of responses by business size:



Graph 5.2: Overall Businesses Satisfaction - comparison between previous years

5.4.1 Importance of Services

For residents, the top four (4) key service areas of highest important were:

- maintaining roads and footpaths 100% (no change from 2009)
- maintaining parks, ovals and bushland areas 95% (no change from 2009)
- keeping local roads and footpaths clean 85% (no change from 2009)
- improving services offered at community centres 75% (up 1% from 2009)

The only decreases in relative importance for residents were minor, including:

- improving children's services 59% (down 1% from 2009)
- improving waste and recycling collection services (down 1% from 2009)

All other key service areas either increased by 1% or remained the same as 2009 results.

For businesses, the top four (4) key service areas of highest importance were:

- maintaining roads and footpaths 100% (no change from 2009)
- improving the overall management of parking 74% (up 2% from 2009)
- keeping local roads and footpaths clean 73% (down 1% from 2009)
- maintaining parks, ovals and bushland areas 93% (down 1% from 2009)

Three (3) of the top four (4) key service areas of relative importance were the same for both residents and businesses.

5.4.2 Satisfaction with Key Services

For residents, satisfaction was highest with the following four (4) service areas:

- feeling safe in North Sydney 98% (new in 2010, to measure KPI in 2020 Vision)
- waste and recycling collection services 85% (up 5% from 2009)
- maintaining parks, ovals and bushland areas 85% (down 2% from 2009)
- cleanliness of local roads and footpaths 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for residents were with the following service areas:

- appearance of public spaces in the North Sydney CBD 75% (up 1%)
- community centres and facilities 65% (up 10%)
- management of development within the area 57% (up 4%)
- overall management of parking restrictions, residents parking 55% (up 3%)

For residents, dissatisfaction was highest with the following four (4) service areas:

- maintenance of roads and footpaths 35% (down 2% from 2009)
- overall management of parking restrictions, residents parking 31% (down 4% from 2009)
- policing of parking 30% (down 2% from 2009)
- pedestrian and cycle paths 27% (new in 2010, to measure 2020 Vision KPI)

For businesses, satisfaction was highest with the following four (4) service areas:

- appearance of public spaces in the North Sydney CBD 84% (up 6% from 2009)
- cleanliness of local roads and footpaths 83% (up 7% from 2009)
- maintenance of parks, ovals and bushland areas 82% (down 3% from 2009)
- appearance of commercial streetscapes 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for businesses were with the following service areas:

- maintenance of roads and footpaths 69% (up 10%)
- traffic management with the use of speed humps, chicanes etc 69% (up 5%)
- policing of parking 58% (up 11%)
- management of development within the area 63% (up 4%)

For businesses dissatisfaction was highest with the following four (4) service areas:

- overall management of parking restrictions, residents parking 44% (up 2% from 2009)
- policing of parking 34% (down 4% from 2009)
- maintenance of roads and footpaths 21% (down 10% from 2009)
- traffic management with the use of speed humps, chicanes etc 17% (down 5% from 2009)

The following matrix indexes residents' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • North Sydney Olympic Pool • Customer Service/Information by Council staff • Waste and recycling collection services 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Community services at community centres • Parks, Ovals and Bushland areas • Children's Services
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Overall management of parking • Policing of parking • Malls and plazas in commercial areas • Managing traffic on roads 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths

The following matrix indexes businesses' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • Managing commercial areas • Appearance of commercial streetscapes • Customer Service/Information by Council staff 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Overall management of parking • Parks, Ovals and Bushland areas
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Policing of parking 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths • Managing development • Managing traffic on roads

The findings of this consultation will also be used to inform preparation of the 2011/12 Operational Plan and Budget and the annual review of the four year Delivery Program and Resourcing Strategy.

5.4.3 Topical Questioning

Each year the Survey is conducted several new questions and/or topical areas are included. In 2010, for both the residential and business surveys, respondents identifying as ratepayers of the North Sydney LGA were asked an additional question relating to the proposed rate increase

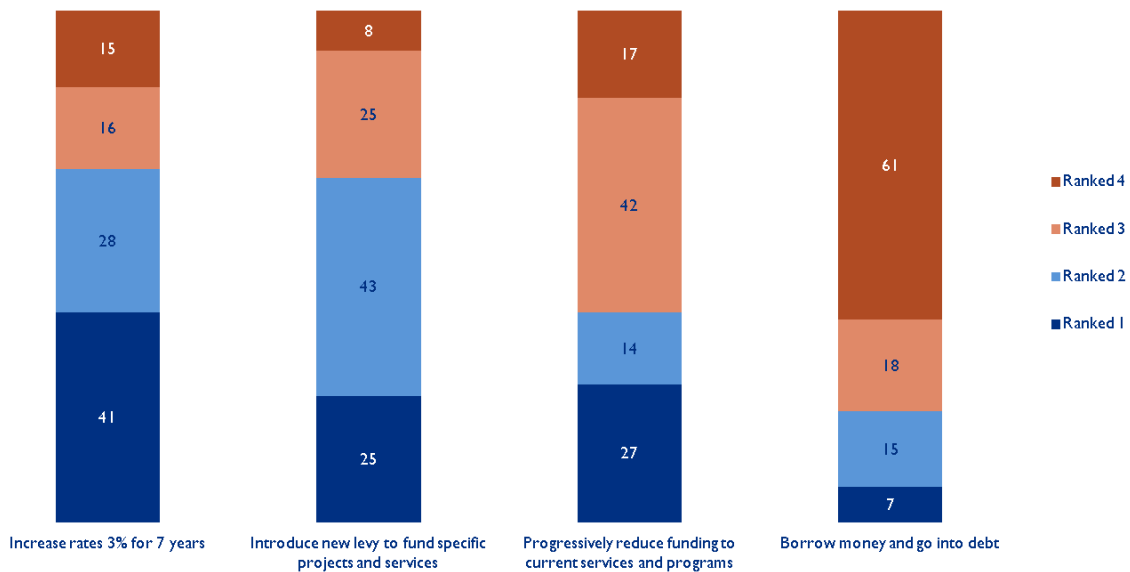
Q11. North Sydney Council needs to increase its income in order to continue infrastructure maintenance and service delivery at the levels expected by the North Sydney community. Please rank the following four options in your order of preference to achieve this. Please give a '1' to the option you prefer the most; through to a '4' for the option you prefer the least:

- a) Increase rates by an average of 3% per annum for 7 years in addition to the State Government allowed increase*⁹.
- b) Introduce a new levy to fund specific projects and services.
- c) Progressively reduce funding to current services and program (and reduce service levels) to operate within current resources.
- d) Borrow money and go in to debt.

The following graph shows preference rankings per option by residential ratepayers. 81% (324 of 400) of residential participants completed this question. A sample of 324 has a margin of error of 2.38%.

Amongst residents, first preferences were highest, with 41%, for the option of a special rate variation of 3% on average per annum for 7 years in addition to the State Government allowed increase i.e. 6% total per annum (option 1); followed by option of progressively reducing funding to current services and program, and in turn reducing levels of service to operate within current resources (option 3), with 27%.

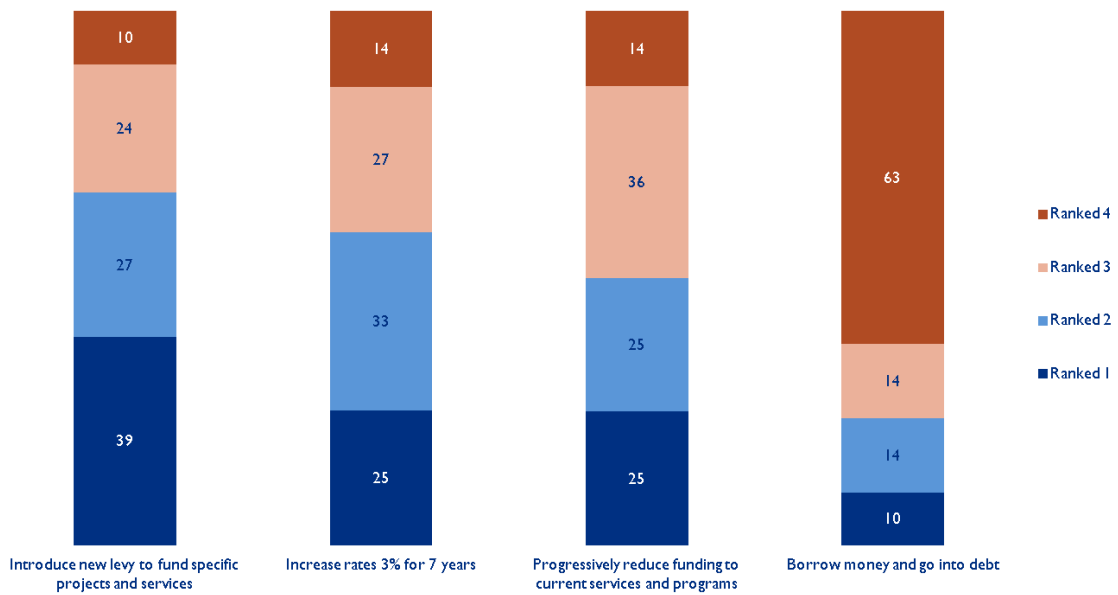
When combining residents first and second preferences per option support is highest for option 1 with 69%, followed by option 2, a new levy to fund specific projects and services, which received 68%. The following graph combines first and second preferences per option showing percentages and total number of responses.



Graph 5.3: Residential ratepayers ranking of options to increase revenue

The following graph shows preference rankings per option by business ratepayer participants. 25.5% (51 of 200) of business participants completed this question. A sample of 51 has a margin of error of 11.87%.

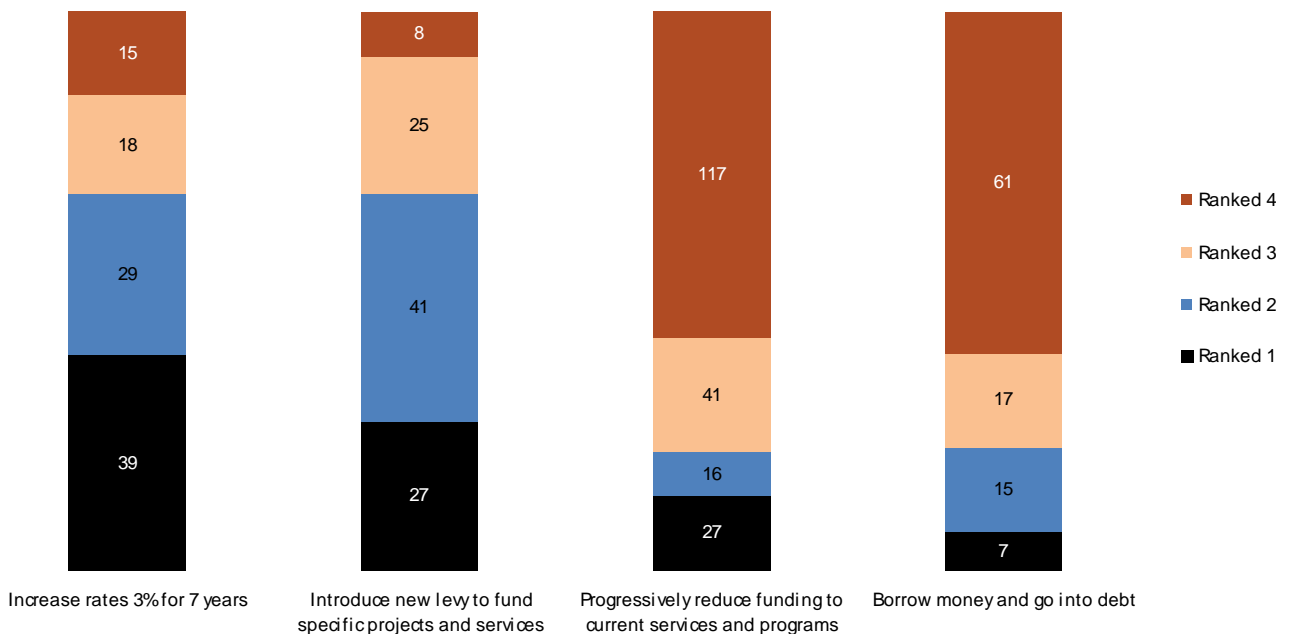
⁹ The following prompt/additional information was provided by Woolcott to participants as needed: For 82% of residents (on the minimum rate/land value up to \$535,645), the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year. The annual State allowed increase is the amount that all councils are allowed to increase their rates income by each year. It is known as the 'rate peg'. The 2011/12 increase is expected to be around 3% in keeping with CPI. The 2010/11 rate peg was 2.6%.



Graph 5.4: Business ratepayers ranking of options to increase revenue

For businesses, first preferences were highest for the option of a new levy to fund specific projects and services (option 2) with 39% support; while options 1 and 3 were both at 25%.

When combining businesses first and second preferences per option, support is highest for option 2 with 66%, followed by option 1 with 28%. The following graph combines first and second preferences per option showing percentages and total number of responses. The following graph presents the combined residents and business responses per option. When combined first preferences were equally highest (66%) for options 1 and 2. These findings are similar to those of the ratepayer survey.



Graph 5.5: Residents and Business Ratepayers Combined

Council also conducted its periodic Customer Service Survey from 1 to 22 November to 2010. The survey was open to customers of Council's Customer Service Centre. The survey could be completed via the touch screen survey kiosk (administered via OpinionMeter software¹⁰) located in the foyer of Council's Customer Service Centre, in hard copy or online via Council's website. The purpose of the survey was to seek customer feedback on services by the Customer Service Desk and the Call Centre. 70 people participated in the survey. 34 out of 70 respondents answered the following question:

Q11. Council needs to increase its income in order to continue infrastructure maintenance and service delivery at the levels expected by our community. Council is considering the following options. Please nominate your preference.

The following table shows the number of respondents as a percentage per option:

Option		Number	Percentage
1	Council should apply a 3% special rate variation for 7 years to fund services and programs - about \$16 extra yearly for 82% of residential ratepayers, in addition to the annual State Government allowed increase.	21	61.76%
2	Council should proceed with a smaller special rate variation for 7 years, increasing some fees/charges (eg parking, pool entry) to fund the difference, in addition to the annual State Government allowed increase.	5	14.71%
3	Council should apply for specific purpose levies to fund the specified services and programs.	3	8.82%
4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.	2	5.88%
5	Council should go into debt for the replacement of existing and the purchase of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years.	3	8.82%

Table 5.1: Customer Services Survey results

¹⁰ Council used OpinionMeter software to conduct the survey via a touch screen kiosk.

6. Public Meetings

The Mayor and General Manager hosted two public meetings in February 2011. The first meeting was held on Tuesday 1 February, starting at 6pm with 25 people attending. The second meeting was held Saturday 26 February, starting at 10.30am with 32 people attending. Both meetings were held in the Hutley Hall, 200 Miller Street, North Sydney.

The meetings were open to local residents, businesses and ratepayers. The meetings were promoted via Council's website, advertisements in newspapers, via Council's e-newsletters subscriptions, including the 'SRV Keep Informed' subscription and to Precinct Committee and Streetscape Committee members.

Each meeting was facilitated by an independent external facilitator. The meeting agenda included a presentation of information outlining why Council is proposing a special variation to rates, arguments for and against presented by Councillors, demonstration of how the proposal links to Council's IPR Framework followed by a question and answer (Q&A) session.

Each meeting included a feedback session. Each attendee was given the opportunity to indicate their level of support or opposition to the proposed SRV. Attendees were asked whether they Fully Support, Support, Can Live with, Oppose, Strongly Oppose or Undecided at the end of the meeting.

The following table provides a summary of the feedback sessions for both meetings. Of the total 57 attendees, 48 (84%) attendees participated in this activity. 54% are in support of/can live with the proposal, while 42% were not in support and only 4% were undecided.

Options	Fully Support	Support	Can Live With	Oppose	Strongly Oppose	Undecided
1/2/11 No. of votes	2	6	1	2	7	2
26/2/11 No. of votes	12	2	3	4	7	0
Total	14	8	4	6	14	2

Table 6.1: Feedback Activity - level of support

Refer to Appendix 8 for summary of feedback session, compiled for both meetings.

Refer to Appendix 9 for Q&A summary arising from 1 February 2011 meeting.

Refer to Appendix 10 for Q&A summary arising from 26 February 2011 meeting.

The Q&A summaries and presentation given at both meetings have been posted on Council's website and distributed to attendees/keep informed subscribers.



Photo: showing feedback exercise results, 1 February 2011



Photo: showing feedback exercise results, 26 February 2011

7. Online Budget Allocator

The Budget Allocator is an online tool facilitated by Bang The Table Pty Ltd, designed to help ratepayers and residents understand community priorities and to help them understand the processes in preparing a budget:

In order to maintain and extend the levels of services and infrastructure you are enjoying now, Council will need to increase its rates from 2011/12. This tool allows you to: understand Council's budget; review significant areas of spending; choose priority areas in which you want services maintained or improved; and identify areas in which you are willing to see a decrease. You can opt for increased services across the board but be aware that, if adopted Council may not have sufficient funds to support the proposed program of works.

The Budget Allocator allowed participants to review significant areas of spending that reflect a proportion of Council's overall annual budget, including the following key services/asset classes - roads, footpaths, other infrastructure, cleaning of streets and public areas, parks and reserves, community services, library services and environmental services, as well as discretionary services and a 'wish list' containing the proposed program of works to be funded by the additional income.

The Budget Allocator was promoted via Council's website, advertisements in newspapers, via Council's e-newsletters subscriptions, including the 'SRV Keep Informed' subscription and to Precinct Committee and Streetscape Committee members.

As at 2 March 2011 69 individual participants have submitted their budget scenarios and feedback using the software. Unfortunately the software cannot advise the total number of visits to the site; this data would have provided a useful comparison between the number of site visits and the number of budget scenarios submitted.

The Budget Allocator was used in conjunction with all other engagement methodologies to help the community to understand the difficult choices that Council has to make, specifically that income needed to rise significantly just to maintain current service levels over time.

The Budget Allocator comprised ten budget categories. Each of the Roads, Footpaths, Other Infrastructure, Cleaning of Streets and Public Areas, Parks and Reserves, Community Services, Library Services and Environmental Services categories allowed participants to select one budget item only from each category, while each of the Discretionary Services and 'Wish List' categories allowed participants to make multiple choices. Participants were also allowed to provide an overall comment once they had submitted their budget.

For the purposes of this exercise, Council's current budget is \$27.36m. Of the 69 preferred budget scenarios submitted, 24 (35.3%) participants suggest Council should spend more than \$27.36m. However for eight of the ten budget categories, which related to existing infrastructure and services provided by Council, preferences were highest for maintaining the current level of expenditure to deliver/maintain these services.

The findings are summarised in the table below. Refer to Appendix 11 for full results summary showing spending preferences and preference distribution per the number of people that completed each category i.e. not all 69 participants completed each category.

Budget Category	Increase Spending by 5-10%	Current Spend (remain static)	Decrease Spending by 5-10%
Roads	18	26	22
Footpaths	22	29	7
Other Infrastructure	19	31	15
Cleaning of Streets and Public Areas	15	35	12
Parks and Reserves	17	31	15
Community Services	14	25	23
Library Services	10	33	19
Environmental Services	13	29	21

Table 7.1: summary of spending level preferences

Regarding current discretionary services provided by Council, participants were asked to indicate which discretionary services Council should continue to support. Support was highest for graffiti removal, which supports the findings of the Ratepayer Survey (see Section 4) which ranked highest of the services within the proposed program of works to be funded through the special rate variation income. Support was lowest for Council's continued support of the Precinct System, which similarly ranked as a lower priority with respondents of the Ratepayer Survey.

Regarding the 'Wish List', which included the remainder of the projects/services promoted via the proposed program of works to be funded by special rate variation income; support was equally highest for park and landscape upgrades and village/commercial streetscape upgrades. Similarly park and landscape upgrades was the second highest priority supported by respondents of the Ratepayer Survey.

Using the same criteria as per analysis of respondent comments in the Ratepayer Survey, comments submitted by the Budget Allocator participants have been categorised in the table below. All requests for service (n=4) will be actioned by Council in accordance with agreed service levels.

Note: comments categorised as 'Other/Neutral' were those which made no comment either way regarding the proposed rate variation.

	n = 28 %
Complaint	0
Obtain income from other sources	0
Go into debt	0
Apply for specific purpose levies	0
Increase business rates only	0
Do not go into debt	3.57
Do not proceed with SRV	3.57
Increase Fees and Charges/User pays	7.14
Compliment	7.14
Service request	14.29
Proceed with SRV	14.29
Other/Neutral	21.43
Operate within existing means/Reduce spending/Reduce waste	28.57

Table 7.2: summary of comments by category

The Budget Allocator will remain open during the public exhibition of the Draft 2011/12 Operational Plan and Budget, scheduled for mid April to mid May 2011, and the final results will be presented to Council together with all other submissions received during the public exhibition period.

8. Community Ward Forums

Council hosts a series of Ward Forums annually. The North Sydney LGA is divided into four wards. The Mayor and General Manager host one forum per ward, per annum, providing an overview of key projects within the Ward area. The forums provide an opportunity to inform residents of changes in their local area and an opportunity to meet the Mayor and General Manager, Councillors and senior staff.

The 2010 Forum Series included an overview of the 2010/11 Operational Plan and Budget. Participant feedback indicated this agenda item proved insightful and informative and will remain a standing agenda item for all future forums.

The following forums were held (and/or are scheduled as indicated) at which Council's 2010/11 Operational Plan and Resourcing Strategy, including Long Term Financial Plan was detailed:

Ward	Forum Date	Attendance
Cremerne	21 September 2010	55
Victoria	16 November 2010	48
Tunks	29 March 2011	n/a
Wollstonecraft	29 June 2011	n/a

Table 8.1: Attendance Figures

The following table shows the questions relating to the proposal that were asked at the 2010 forums:

Ward	Q&A
Cremerne	<p>Q. Does Council carry any debt?</p> <p>A. Council has been debt free for many years, however, there may be significant demands on council to acquire public open space and redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it will become necessary to start a controlled borrowing program.</p> <p>Councils are allowed to apply for a special rate variation (SRV) i.e. an increase above the rate peg set by the State Government to cover the costs of service provision and infrastructure maintenance and acquisition. North Sydney Council has resolved to apply for a SRV in 2011/12, a small increase above the rate cap over 7 years; as additional income is required to implement the 2020 Vision, North Sydney Community Strategic Plan. For more information refer to the following report: http://www.northsydney.nsw.gov.au/resources/documents/G0367.pdf</p> <p>Q. Was Council impacted by collateralised debt obligations (CDO) and/or other investments?</p> <p>A. Council's investment portfolio was affected by the global economic downturn in 2008/09 to a limited extent compared to other organisations because of our cautious investment strategy. Council did see a reduction on investment returns and adjusted budgets accordingly. Council was not impacted by CDOs. Council's income from investments has now returned to a good rate of return. For more information about Council's budget position as at 30 June 2010 refer to the following report: http://www.northsydney.nsw.gov.au/resources/documents/G02107.pdf</p>
Victoria	<p>Q. What does a 'special rate variation' mean?</p> <p>A. Section 508A of the Local Government Act allows a council to increase its general income by an amount that is greater than the general variation each year (known as the State Government-allowed increase or 'rate peg'), up to a</p>

Ward	Q&A
	<p>maximum of seven (7) years.</p> <p>A Council must identify the amount of additional income it requires over the period of the proposed variation, calculated as a percentage. It then determines the annual percentage increases it requires over the rating period to match this amount. These percentages, which will include the rate peg for each year, may be different from year to year.</p> <hr/> <p>Q. Is the proposed 3% special rate variation (SRV) per annum over seven years, over and above the normal annual increase?</p> <p>A. Yes. North Sydney Council proposes to apply for a total special rate variation of 6%, which will be on top of 2010/11 rates, over seven years starting from 2011/12 i.e. 1 July 2011. This increase is made up of 3% (on average) SRV plus the annual State Government-allowed increase (or rate peg) which is expected to be around 3% in keeping with CPI.</p> <p>The rate peg for 2010/11 was 2.6%. The average increase over the past seven years has been 3.3% per year. The 2011/12 rate peg is 2.8%.</p>

Table 8.2: Extract from Q&A Summaries:

9. Written Submissions

The Engagement Strategy called for written submissions as an alternative form of participation in the consultation process. Despite a widely published program Council received only 21 written submissions (some attached to the Ratepayer Survey); and of these only ten submissions make comment one way or the other regarding the proposed rate variation. By comparison Council received only 28 written submissions during the public exhibition of its IPR suite of plans.

Of the 21 people who commented:

- 3 supported the proposed 6% rate variation, per annum over seven years;
- 7 are against the proposed 6% rate variation, per annum over seven years; and
- 11 made no comment either way regarding the proposed rate variation.

Sample of randomly selected individual comments:

- Just say the variation is approved this year, what will happen next year after you have spent all the excess money, will you come down on the rate payer again?
- We expect Council to cater to the basic services in an efficient cost effective manner.
- North Sydney Council is an excellent council and does a fantastic job of providing services to residents.
- As a property owner we are in effect investors and expect our Council to be able to keep up any needed additions to preserve our investment; so here we must only expect that all minor and major needs in the whole of North Sydney will never be hindered by the lack of simple funds.
- I am not opposed to rate increases as such, but when I review the list of current reasons I am vehemently opposed.
- I would like to voice my strong support for this increase. I think it is very important for the Council to support, maintain and improve services and amenities within our Council area.

10. Precinct and Streetscape Committees

Information packs were distributed to all Precinct and Streetscape Committees and senior staff were available to attend Precinct meetings to discuss the proposal.

The following motions relating to the proposed rate increase were made at Precinct Committee meetings:

Precinct	Meeting Date	Motion from Minutes
Edward	1 December 2010	Council rate variation proposal: The meeting supported an increase in the rates, providing cost efficiencies were pursued.
Stanton	7 December 2010	NSC Rates to increase over the next five years (a total of 45%). Attendees upset about the consequent cutting back of services. Comment was made that there hadn't been a rate rise for approximately 8 to 12 years.
Willoughby Bay	9 December 2010	The General Manager attended the meeting to address the proposed rate increase.

Table 10.1: Extract from Precinct Committee Minutes submitted to Council



address 200 Miller Street North Sydney NSW 2060

telephone (02) 9936 8100

all correspondence General Manager North Sydney Council
PO Box 12 North Sydney NSW 2059
DX10587

facsimile (02) 9936 8177

email council@northsydney.nsw.gov.au

internet www.northsydney.nsw.gov.au

ABN 32 353 260 317

28 October 2010

IMPORTANT INFORMATION – PROPOSED SPECIAL RATE VARIATION

Dear Property Owner

North Sydney Council uses your rates to provide essential infrastructure and services such as roads, footpaths, parks, sporting fields, playgrounds, stormwater drainage, swimming pools, community centres, cycleways, public amenities and our library.

Council needs adequate income to maintain existing services and infrastructure (roads, footpaths, buildings) at a high standard, replace ageing infrastructure (eg playgrounds, seawalls) and to provide additional infrastructure (eg sport and recreation facilities), as identified by the community in the 2020 Vision Community Strategic Plan.

Our Long Term Financial Plan has identified that Council will need additional income to fund these essential services and infrastructure. So Council has decided to apply to the State Government for a special rate variation of 3% (on average) over seven years. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3% in keeping with CPI.

In dollar terms, 82% of residential ratepayers will pay no more than \$16 extra in the first year or 30 cents per week for the special increase. With the State Government-allowed increase the total cost will be \$32, or 60 cents per week. North Sydney has historically maintained rates well below other councils in the area such as the City of Sydney, Mosman, Lane Cove and Willoughby and even with this increase we will continue to have the lowest residential rates in metropolitan Sydney.

Council has resolved to consult widely with ratepayers before submitting our application. We value your opinion, so please have your say by completing the enclosed survey and returning it in the reply paid envelope by **Friday 3 December 2010**.

Please refer to the enclosed information before completing the survey. You can also find additional information on our website www.northsydney.nsw.gov.au, including an interactive budget allocator which allows you to select your priorities for Council spending and see how this impacts on the budget. Community meetings will be held in February 2011.

Council seeks your support for the special rate variation and we welcome your involvement in making this important decision. All feedback gathered through the consultations will be presented to Council in March 2011. To complete the survey online or for more information please call 9936 8100.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'Genia McCaffery'.

Cr Genia McCaffery
Mayor

A handwritten signature in cursive script, appearing to read 'Penny Holloway'.

Penny Holloway
General Manager

APPENDIX 1

IMPORTANT INFORMATION – PROPOSED SPECIAL RATE VARIATION

North Sydney Council's ability to increase rates is limited each year by the State Government's rate peg system. The average rate peg increase over the past 7 years has been 3.3% per year.

YES CASE

Mayor Genia McCaffery, Deputy Mayor Michel Reymond and Councillors Zoe Baker, Craig Carland, Jillian Christie, Jilly Gibson, Veronique Marchandean, Caroline Raymond and Andrew Robjohns support the special rate variation.

- North Sydney residents and businesses expect high levels of services and infrastructure but the cost of providing services and maintaining infrastructure is increasing beyond our control e.g. the 2010/11 rate peg was 2.6%, yet the Emergency Management Levy increased by 7%, asphalt 8% and street lighting costs by 4.5%.
- North Sydney Council is an efficient organisation. An independent review of our operations in 2006 found that expenditure has been constrained and savings have been achieved through ongoing review of operations. Since 2009/10 we have reduced staff numbers by 8% and introduced further efficiencies across Council.
- North Sydney's rates are very low. They formed only 32% of total revenue in 2009/10 while the industry benchmark for rate income is 50%. Council relies heavily on user fees and charges to make up the difference. For 82% of residents, the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year.
- North Sydney has the second largest CBD in NSW while our business rates on average are \$2,502, which is less than the City of Sydney (\$9,011) and Willoughby (\$4,718).
- Our 10-year financial model shows that unless we increase our current income in the medium term our essential infrastructure will deteriorate to below the levels expected by the community and Council will have to cut other valued services and community programs. Without a special rate variation increase we will be unable to deliver what the community wants.

NO CASE

Councillors Stephen Barbour, Sarah Burke, Richard Pearson and Trent Zimmerman oppose the special rate variation.

- North Sydney Council is not a poor Council. While our rates are low, our income per resident is higher than the average for similar metropolitan Councils. According to the most recent Division of Local Government figures, North Sydney Council's income per capita is \$1,131 compared to the average for other similar Councils of \$1,025 (2008/09). It is simply wrong to suggest that Council is comparatively disadvantaged by having lower rates.
- Residents and ratepayers have been consulted twice on raising rates significantly above inflation in recent years. On both occasions, the majority of ratepayers have opposed large rate increases and said that they would prefer either reduced spending or specific purpose levies such as that introduced to support infrastructure works.
- This proposed rate increase of 50% over seven years (23% over inflation) represents the largest rate increase ever proposed by North Sydney Council.
- Low rates were a deliberate policy introduced by Ted Mack when he was Mayor. He saw Council relying on other forms of income and this is what has happened in the years since. While our rates are low, we receive more income from other sources such as charges and fees.
- Like any business or other government agency, Council must live within its means. It must work to ensure that the costs of staff and administration do not continue to outpace revenue, that it looks for ways to do things more efficiently and that it explores other revenue sources.

To calculate approximately how much extra you will pay multiply your rates, without the domestic waste charge, by 6% (made up of an approximate 3% State Government-allowed increase and 3% special rate variation).

Residential ratepayers		
Proportion of ratepayers	Land value (\$)	Increase (\$)
82% (on minimum rate)	up to 535,645	27-32
13%	535,646-1.07m	32-60
4%	1.08m-1.85m	60-102
1%	1.86m-21.7m	102-1,170

Business ratepayers		
Proportion of ratepayers	Land value (\$)	Increase (\$)
40% (on minimum rate)	up to 71,419	27-28
55%	71,420-1.65m	28-582
4%	1,650,001-7.29m	582-2,562
1%	7,290,001-33.3m	2,562-11,691



CHANGING COMMUNITY NEEDS AND EXPECTATIONS

Over time, community expectations of public facilities change. Building and accessibility standards have also changed significantly over the past few decades.

For example, when the Lavender Bay toilets were constructed, concrete floors, grille windows and a tap over a hand basin were the common style. Modern public toilets, such as the ones in Bradfield Park, have stainless steel appliances, auto sensors on the hand-basin, a support railing, a wide entry for wheelchair access and are self-washing when not in use.



INCREASING DEMAND ON OUR INFRASTRUCTURE

North Sydney has 138km of roads and 248km of footpaths. In the past year, we resurfaced 4.3km of these roads, filled 3,600 potholes and completed 6,400m² of heavy patching. Between 1991 and 2006, the population of North Sydney increased by 16%, while the number of cars increased by 32% so there is ever-increasing pressure on our roads.

These photos show the difference time makes to roads. The road with potholes, patches and worn lines, was last resurfaced more than a decade ago while the other road was resurfaced early in 2010.



KEEPING NORTH SYDNEY CLEAN AND WELL MAINTAINED

North Sydney stands out from other Sydney council areas for its natural beauty and its well-maintained streets, parks and gardens, and low levels of graffiti and bill posting. Council keeps North Sydney beautiful by regularly mowing verges, cleaning streets and commercial areas frequently, maintaining parks, gardens and street trees, and removing graffiti promptly. These photos, showing different ends of the same brick wall, highlight the ugliness of graffiti tags on public property.



INVESTING in our FUTURE

Council's 2020 Vision Community Strategic Plan outlines our community's aspirations for North Sydney. We consulted widely in developing the plan with residents, businesses, ratepayers, community groups and other levels of government. At every stage of the consultation the community made it clear that it has high expectations of Council services and infrastructure.

Council is currently responsible for maintaining 59 major buildings, numerous public toilets, change rooms at our nine sports grounds and 32 playgrounds. We also own and maintain a wide range of other infrastructure including roads, footpaths, signs, bus shelters, seats, fences, plazas and outdoor dining bays.

WHY DO WE NEED MORE MONEY FOR INFRASTRUCTURE AND SERVICES?

Our Long Term Financial Plan indicates we cannot maintain the current level of services and infrastructure renewal and maintenance unless our income increases. That's why Council is considering applying for a special rate variation.

There are many pressures on Council resources. These include:

- increased demand on infrastructure and services
- community expectation to keep North Sydney clean and well maintained
- increased responsibilities passed on by State and Federal Governments
- changing legislation and standards

HOW WILL WE SPEND THE MONEY?

Here are some of the projects we will undertake over the next seven years using the additional rates income.

UPGRADE	WHERE	COST
Footpath lighting	Milsons Point & Lavender Bay	\$150,000
Public toilet upgrades	Lavender Bay, Kesterton & Waverton Parks	\$550,000
Sports change facilities	Anderson Park & Tunks Park	\$1.6m
Park lighting	Cammeray & Waverton Parks	\$300,000
Landscape upgrade	Cremorne Point Reserve	\$300,000
Playground upgrades	Tunks Park & Cremorne Point Reserve	\$165,000
Park levelling & returfing	Forsyth Park	\$160,000
Dinghy storage facilities	Blues Point Reserve	\$70,000
Crows Nest Community Centre refurbishment		\$150,000
Family Day Care Centre refurbishment		\$27,000
Village shopping centre upgrades		\$1.85m
CBD streetscape upgrade		\$3m

For more information contact North Sydney Council | **Phone** 9936 8100 | **Email** council@northsydney.nsw.gov.au | **Website** www.northsydney.nsw.gov.au | Translating and Interpreting Services (TIS) 13 14 50

MCMAHONS POINT CHILD CARE CENTRE

The McMahons Point Child Care Centre is a popular community centre providing preschool and occasional care services. The Centre recently had an internal makeover, but external structures and equipment (pictured) are old and need repair or replacing.



\$30,000



ANDERSON PARK

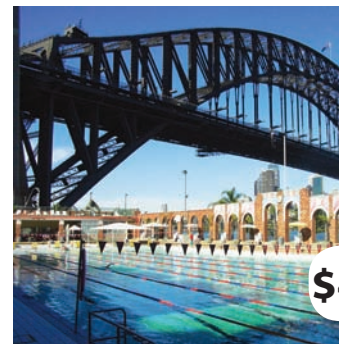
The population in northern Sydney has increased significantly while the number of sportsfields have remained the same, so there is year round demand for our playing fields. Anderson Park caters for a wide range of sports, including school sport and adequate change rooms are a necessity. The existing change rooms (pictured) are old and decrepit and need replacing.



\$800,000

NORTH SYDNEY OLYMPIC POOL

The North Sydney Olympic Pool turns 75 next year. While the 50m pool is a wonderful pool, time and the chlorinated salt water used in the pool have taken their toll on the pool shell. The cracking, corrosion and spalling beneath the pool (pictured) needs to be treated and the downstairs change rooms need to be upgraded.



\$4.5m



INVESTING in our FUTURE



COMMUNITY SURVEY – 2011/12 PROPOSED SPECIAL RATE VARIATION

North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3% over seven years, to fund infrastructure projects that the community has identified as important in our Community Strategic Plan. This increase does not include the State Government's annual rate pegged increase which is expected to be approximately 3% in keeping with CPI.

We encourage you to read the background information available at www.northsydney.nsw.gov.au Please answer the following questions and return the completed survey via the reply paid envelope by **Friday 3 December 2010**. This survey is open to North Sydney residential and business ratepayers only.

If you have any questions about this survey or the proposed special rate variation contact Council on 9936 8100.

- 1. A rate increase will be used to fund and maintain the following services and programs. To help us prioritise, please circle whether you think they are essential, somewhat important, neutral, not very important or not needed.**

	Services and Programs	essential	somewhat important	neutral	not very important	not needed
1.1	Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park	1	2	3	4	5
1.2	Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay	1	2	3	4	5
1.3	Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool	1	2	3	4	5
1.4	Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies)	1	2	3	4	5
1.5	Refurbish the Crows Nest Centre and Forsyth Park Community Centre	1	2	3	4	5
1.6	Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre	1	2	3	4	5
1.7	Provide community events including Youth Week, Children's Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition	1	2	3	4	5
1.8	Continue free graffiti removal service for residents and businesses	1	2	3	4	5
1.9	Continued support of the North Sydney Community Precinct System	1	2	3	4	5

- 2. The following table presents a number of options and ways for paying for the above mentioned services and programs. Please rank the options from 1 to 5 in order of your preference with 1 being your first preference.**

	Options	Preference
2.1	Council should proceed with the average 3% seven year special rate variation to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers)	
2.2	Council should proceed with a smaller special rate variation over seven years and should offset the gap with increased user fees and charges (eg parking meters, pool entry) to fund the difference	
2.3	Council should apply for specific purpose levies to fund the specified services and programs	
2.4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources	
2.5	Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years	

APPENDIX 3**3. Do you live in the North Sydney local government area? (Tick)** Yes No**4. Are you: (Tick all that apply)** a) Residential ratepayer in North Sydney local government area b) Business ratepayer in North Sydney local government area c) None of these**5. Comments**

6. Optional: Please provide the following information. In accordance with our Privacy Statement your details will not be included in the published survey data.Name: Residential Address: Phone: Email: I would like to be kept informed of other consultation opportunities related to the special rate variation proposal.**Privacy Statement**

The demographic information we request on this form will only be used to analyse this survey information. We ask for a valid email address or phone number for validation purposes only. Supplying this information is voluntary and the information is removed from the survey data before doing the analysis. Access to your survey responses is restricted to specific Council officers. If you cannot or do not wish to provide the information we ask for, the Council may not be able to include your survey responses in the analysis of the survey data. You may apply for access or amendment to your personal information held by Council subject to Council's Privacy Management Plan, Section 18 Government Information (Public Access) Act 2009 & Schedule 5 - Government Information (Public Access) Regulation 2009.

Fact Sheet 1:

Invest in the Future of North Sydney

North Sydney Council is seeking the community's support to maintain and improve infrastructure and services over the next seven years.

North Sydney is home to more than 62,300 people and this is expected to increase to 68,700 by 2021. By 2031, the State Government requires North Sydney to have an additional 5,000 dwellings¹.

North Sydney is also home to one of Australia's largest business districts and several smaller commercial centres and shopping villages. More than 45,000 businesses operate from the North Sydney local government area and over 50,000 people travel daily to the area for work and study.

Councils are responsible for providing a broad range of community services and facilities. Many of these are statutory requirements (ie required under NSW legislation), while others are provided on a 'discretionary' basis in response to local community needs. There are competing demands and pressures on North Sydney Council's infrastructure and services.

Community feedback received over the past 18 months, during the development of the North Sydney Community Strategic Plan 2009-2020, indicates that, despite these pressures, the local community expects our infrastructure and services to be of a high standard.



However, our long-term financial analysis shows that these expectations cannot be met within the current financial constraints. There are a number of pressures on Council's finances, including:

- rate pegging by the NSW State Government
- responsibility to provide additional services being passed on by State and Federal Governments
- costs of service delivery continually exceeding inflation and the annual increase allowed under rate pegging; and
- increasing maintenance demands on our ageing infrastructure.

Financial pressures and ageing infrastructure are not unique to North Sydney. They are adversely impacting councils across NSW. Through efficiency gains in recent years, Council has managed to maintain and improve service levels to the community. This is supported by State Government data, which confirms that North Sydney's services are provided with lower rates and fewer staff than other comparable councils in Sydney (see Fact Sheet 4).

These service levels can no longer be sustained on current income and, after careful review, Council has decided to seek your feedback on the option of making an application for a Special Rate Variation (SRV) of 3% (on average) for 7 years, starting from 2011/12. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3%, in keeping with CPI.

Council's decision is supported by a thorough assessment of its income and expenditure, detailed analysis of the current condition of all of Council's assets and our future capital works program. For more information refer to Council's *Resourcing Strategy*.



INVESTING
in our **FUTURE**

APPENDIX 4 Fact Sheet 2:

Yes/No Case for a Special Rate Variation

YES CASE

Mayor Genia McCaffery, Deputy Mayor Michel Reymond and Councillors Zoe Baker, Craig Carland, Jillian Christie, Jilly Gibson, Veronique Marchandean, Caroline Raymond and Andrew Robjohns support the special rate variation.

- North Sydney residents and businesses expect high levels of services and infrastructure but the cost of providing services and maintaining infrastructure is increasing beyond our control e.g. the 2010/11 rate peg was 2.6%, yet the Emergency Management Levy increased by 7%, asphalt 8% and street lighting costs by 4.5%.
- North Sydney Council is an efficient organisation. An independent review of our operations in 2006 found that expenditure has been constrained and savings have been achieved through ongoing review of operations. Since 2009/10 we have reduced staff numbers by 8% and introduced further efficiencies across Council.
- North Sydney's rates are very low. They formed only 32% of total revenue in 2009/10 while the industry benchmark for rate income is 50%. Council relies heavily on user fees and charges to make up the difference. For 82% of residents, the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year.
- North Sydney has the second largest CBD in NSW while our business rates on average are \$2,502, which is less than the City of Sydney (\$9,011) and Willoughby (\$4,718).
- Our 10-year financial model shows that unless we increase our current income in the medium term our essential infrastructure will deteriorate to below the levels expected by the community and Council will have to cut other valued services and community programs. Without a special rate variation increase we will be unable to deliver what the community wants.

NO CASE

Councillors Stephen Barbour, Sarah Burke, Richard Pearson and Trent Zimmerman oppose the special rate variation.

- North Sydney Council is not a poor Council. While our rates are low, our income per resident is higher than the average for similar metropolitan councils. According to the most recent Division of Local Government figures, North Sydney Council's income per capita is \$1,131 compared to the average for other similar councils of \$1,025 (2008/09). It is simply wrong to suggest that Council is comparatively disadvantaged by having lower rates.
- Residents and ratepayers have been consulted twice on raising rates significantly above inflation in recent years. On both occasions, the majority of ratepayers have opposed large rate increases and said that they would prefer either reduced spending or specific purpose levies such as that introduced to support infrastructure works.
- This proposed rate increase of 50% over seven years (23% over inflation) represents the largest rate increase ever proposed by North Sydney Council.
- Low rates were a deliberate policy introduced by Ted Mack when he was Mayor. He saw Council relying on other forms of income and this is what has happened in the years since. While our rates are low, we receive more income from other sources such as charges and fees.
- Like any business or other government agency, Council must live within its means. It must work to ensure that the costs of staff and administration do not continue to outpace revenue, that it looks for ways to do things more efficiently and that it explores other revenue sources.

Fact Sheet 3:

What Infrastructure and Services does Council Provide?

Since 2004, residents and ratepayers have told Council through successive surveys that their priorities are roads, footpaths, parks and open space, cleanliness of public spaces and commercial centres and community services.

North Sydney Council's service levels are significantly higher than other councils¹. We provide a range of services, such as verge mowing and free graffiti removal from private property, that are not offered by most NSW councils.

Residents' overall satisfaction with Council's performance rose from 86% in 2004 to 89% in 2009; whilst 72% of businesses were satisfied with Council's performance, up from 61% in 2004.

While there are some services that Council is required to provide under NSW law, such as food inspections and development assessments, many services are provided in response to local community needs and priorities.

The table below shows the range of services currently provided by North Sydney Council. You can find a full list of all the services currently delivered by Council in our *Delivery Program*. These services directly respond to community priorities outlined in the *2020 Vision, North Sydney Community Strategic Plan*.

Without a special rate variation, our long-term financial analysis shows some of these services may need to be discontinued in the future.

Community & Library Services	Corporate Services	Engineering & Property Services
<ul style="list-style-type: none"> • Access and Disability Services • Arts and Culture • Community Centres • Community Development • Community Events and Festivals • Community Information • Community Transport • Family Day Care and Vacation Care • Historical Services • Immunisation • Museums • North Sydney Heritage Centre • Senior Services • Social Planning • Stanton Library • Youth Services 	<ul style="list-style-type: none"> • Access to Information • Administrative and Executive Support • Business Papers and Minutes • Citizenship Ceremonies • Community Engagement (including Precincts) • Councillor Support • Corporate Planning • Customer Service Centre • Electoral Matters • Human Resources • Local Business Support and Economic Development • Policy Development • Public Relations • Ranger Services • Registration and management of domestic pets and feral animals • Parking enforcement 	<ul style="list-style-type: none"> • Asset Management • Carparks • Civic Design • Foreshore Works • Graffiti Removal • Local Emergency Management • Parking Meters • Permits - Outdoor Dining, Goods on Footpaths, Hoardings and Skips and Road Openings • Plant and Fleet Management • Property Management and Maintenance • Resident Parking Zones • Road Safety Education • Roads and Footpath management • Stormwater Management • Street Lighting • Streetscape Improvements • Traffic Management • Vehicle Crossings
Finance & Information Management	Open Space & Environmental Services	Planning & Development Services
<ul style="list-style-type: none"> • Accounting Services • Fees and Charges • Financial Planning • Information Technology • Insurance and Risk • GIS Mapping • Purchasing • Rating • Records Management 	<ul style="list-style-type: none"> • Aboriginal Heritage Centre • Bush Regeneration • Catchment Management • Environmental Education • Mollie Dive Function Centre • North Sydney Olympic Pool • Parks, playgrounds, gardens and sportsgrounds • Recreational planning • Street Cleansing • Street Trees and Tree Preservation • Waste and Recycling Collection • Verge mowing 	<ul style="list-style-type: none"> • Building Applications • Certificates • Development Assessment and building control • Environmental protection and regulatory services • Health Inspections • Heritage/Conservation • Land Use Planning • Unauthorised Uses

1 NSW Division of Local Government (DLG) Comparative Information of NSW Local Government Councils 2008/09. Published 13 August 2010. For more information visit www.dlg.nsw.gov.au

Fact Sheet 4:

Where does Council receive its Income from?

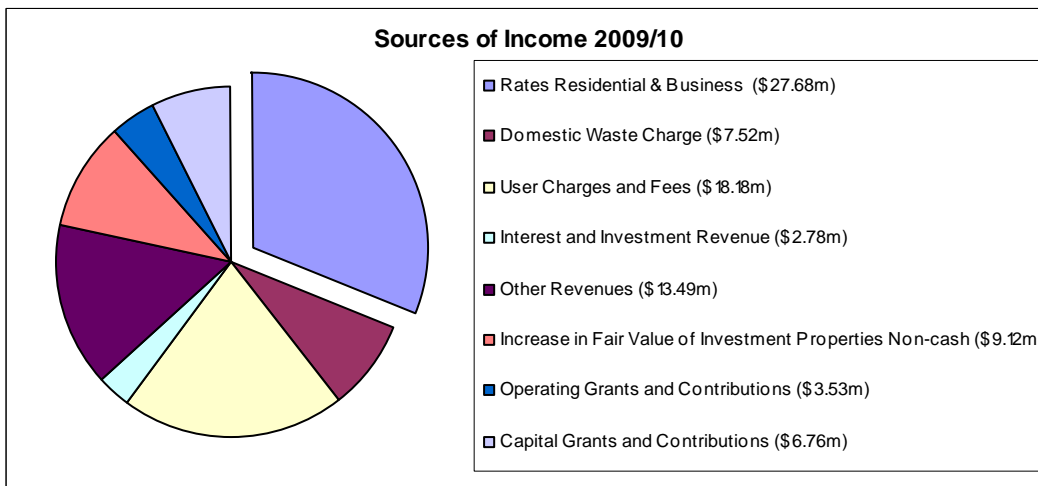
Councils receive income from rates and annual charges, user charges and fees, interest, contributions and grants from State and Federal Government. They also receive government funding for specific projects.

The rates you pay allow Council to fund infrastructure and essential services. These services include community and library services, recreation and leisure facilities, environmental planning and protection, and waste collection, treatment and disposal. See Fact Sheet 2 for more information about Council's services and infrastructure.

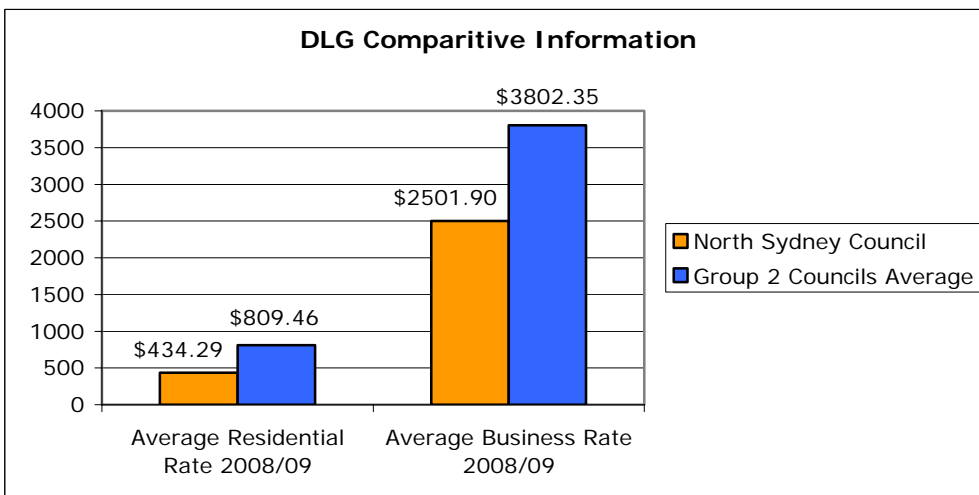
Only 32% of the Council's income in the 2009/10 financial year was from rates. As a benchmark, the average for a council in a sound financial position is about 50%.

Although Council has a property portfolio that contributes to our annual income, we do not believe it is prudent to sell our assets for short-term financial gain as this will not rectify our recurrent revenue concerns. Nevertheless as part of future financial planning Council may consider asset sales.

The following pie chart provides an overview of Council's 2009/10 income sources:



The following graph compares Council's 2008/09 average rates with other councils in Group 2. Source: DLG Comparative Information of NSW Local Government Councils 2008/09. Published 13 August 2010. For more information visit www.dlg.nsw.gov.au



Fact Sheet 5: Efficiencies

A key part of North Sydney Council's long-term financial planning and business planning includes identifying and implementing productivity improvements and expenditure reductions.

Council has maintained its budget discipline over the past years. It has returned unrestricted working fund surpluses despite the challenges encountered in resourcing its service levels, meeting increased community expectations and maintaining its large infrastructure portfolio to a high standard.

A key part of North Sydney Council's long-term financial planning and business planning includes identifying and implementing productivity improvements and expenditure reductions.

Sennitt Management Services reviewed council operations in 2006 and concluded that expenditure has been constrained, with staff numbers rising minimally across the organisation. They also concluded that savings had been achieved through review of operations. Council has a culture of continuous improvement and savings are made wherever possible.

Council is committed to continue using its limited resources in the most efficient manner possible to deliver goods and services to the community. Despite budget restrictions Council has been able to maintain services levels in all areas of its operations and in some areas substantially increase them.

In the past when consulting with the community about potential rate increases, you have asked us to 'tighten our belts'. We listened and since 2009/10 we have reduced staff numbers by 8% and introduced efficiencies across all areas of Council. However, the issue of funding our infrastructure and services at the level you desire still remains.

Increased Cost Examples

- Electricity/street lighting costs has risen by 4.5%
- Fire/Emergency Services Levy has risen by 7%
- Asphalt for road re-sheeting have increased by 8%
- Waste tipping charges have increased by 38%
- Reinstating verge mowing services costs \$500,000 per year

Productivity Gains and Cost Saving Examples

- Reorganisation of resources within the Planning and Development Services Division to better target areas of highest demand has generated annual savings of approximately \$185,000
- Review of the street cleaning program resulted in more efficient use of resources including reduction in number of street cleaners, with more work being undertaken through mechanical means; saving approximately \$98,000 per annum
- New phone system replaced outdated equipment, providing efficiencies across the organisation and especially to Call Centre services
- Introduction of multifunction devices to replace printers and virtualisation of the servers reducing emergency consumption, number of equipment and over \$70,000 per annum
- A number of positions within the Engineering and Property Services Division were amalgamated to streamline processes, saving \$120,000 per annum
- Customer Service Centre opening hours reduced from 8.30am to 5.30pm to 9am to 5pm saving \$60,000 per annum; in turn online services have increased



NORTH SYDNEY COUNCIL

Media Release

MR03

January 2011

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

North Sydney Council invites its ratepayers to have their say on Council's proposed rate increase at two public meetings to be held in February.

Council has resolved (9/4) to seek an increase its general rating income by an average of 3% per annum, over seven years. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3% in keeping with CPI.

In dollar terms, with an approved rate rise 82% of residential ratepayers would pay no more than \$16 extra in the first year or 30 cents per week for the special increase. With the State Government-allowed increase the total cost will be \$32, or 60 cents per week.

The public meetings are part of an extensive public consultation process that is being undertaken by the Council to get community feedback on the proposal.

North Sydney Mayor, Genia McCaffery said:

"The public meetings are an important opportunity for people to tell us what they think about our proposed rate rise and to find out more information about the Council services and infrastructure we need which a rate rise would fund."

Public meetings will be held on **Tuesday 1 February, 6pm start** and **Saturday 26 February, 10.30am start**. Both meetings will be held in the Hutley Hall, 200 Miller Street, North Sydney.

To RSVP, phone 9936 8100. For more information visit www.northsydney.nsw.gov.au

Ratepayers can also use an online Budget Allocator - <http://northsydney.budgetallocator.com> - to tell us their priorities for Council spending.

ends.

Consultation over rate rise to start

BOEL ERIKSSON

north sydney council reporter

A COMMUNITY consultation process about North Sydney Council's staggered 21 per cent rate increase on top of the CPI will start next month.

A boost in council rates over seven years from 2011 was approved by the council back in May.

At the time, only councillors Trent Zimmerman and Richard Pearson voted against it.

The budget for the "community engagement strategy", aimed at explaining the need for the special rise, is about \$37,700.

There was an additional \$30,000 for a deliberative forum of 50 "randomly picked" residents, but that will not go ahead after the councillors on Monday night supported Cr Zimmerman and rejected the idea.

"Spending \$30,000 when we're crying poor is not worthwhile," Cr Zimmerman said.

His motion also asked for a \$27,000 mailout of letters to affected residents to include a reply-paid survey which asks whether ratepayers would prefer the council to consider an increase in the specific purpose levy or a reduction in spending instead of a rate rise.

It was also agreed that material sent to ratepayers must show which councillors supported and opposed the proposal, and an opportunity for opposing councillors to "present their case".

The documents said the council's costs had risen about 5 per cent on average over the past 10-15 years, "whereas the rates have risen 2.6 per cent".

MOSMAN DAILY 23 September 2010

Staggering rates

COMMUNITY consultation about North Sydney Council's staggered 2.1 per cent rate increase starts next month. A rise in rates over seven years from 2011 was approved in May, with only councillors Trent Zimmerman and Richard Pearson voting against it. The budget for the "community engagement strategy", to explain the need for the rise, is \$37,700.

Learn more about rate rise

North Sydney

RATEPAYERS can attend two meetings next month to learn more about North Sydney Council's proposed rate increase.

The council wants to increase its rates by 3 per cent a year over seven years.

That will be in addition to the annual State Government-allowed increase, which is expected to also be about

3 per cent. If the rate rise is approved, 82 per cent of residential ratepayers would pay \$16 extra in the first year, or 30 cents per week, according to a council spokeswoman.

The meetings will be held next Tuesday at 6pm, and February 26 at 10.30am. Both will be at the Hutley Hall, 200 Miller St, North Sydney.

» Details: northsydney.nsw.gov.au or phone 9936 8100.

NEWS

'Mayor should chair' rate meeting

BOEL ERIKSSON
north sydney council

AN independent facilitator has been hired to chair two public meetings about North Sydney Council's proposed rate increase.

The move was adopted at Monday night's council meeting but criticised by councillor Trent

Zimmerman, who said Mayor Genia McCaffery should chair the meeting to save money.

The council wants to increase its rates by 3 per cent a year over seven years.

Cr McCaffery is in favour of the rate increase and said with her "strong opinion" being well known, it would be "extremely



Who should chair this meeting?

Comment on this story at
mosmandaily.com.au

difficult" to answer questions from the chair.

Cr Zimmerman said he thought she was being "overly cautious".

"You are the popularly-elected

mayor and should be able to chair public meetings like this," he said. The \$1500 fee, which Cr McCaffery said was "very reasonable", is a decrease from a similar public meeting held in 2009 to discuss the council's plan to increase rates by 14 per cent.

Back then, general manager Penny Holloway's decision to

spend \$3500 on a facilitator to run just one public meeting was heavily criticised by councillors.

Cr Zimmerman said he was "pleased that at least the cost has come down considerably" this time. One meeting was held on Tuesday after the *Daily* went to press. The second is on February 26 at Hutley Hall, North Sydney.

MOSMAN DAILY 3 FEBRUARY 2011

ADVERT 1



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

Council's Long Term Financial Plan has identified that Council will need additional income to fund essential services and infrastructure into the future. Council is applying to the State Government for a special rate variation of 3% (on average) over seven years starting 1 July 2011. This increase will be in addition to the annual State

Government-allowed increase which is expected to be around 3% in keeping with CPI.


Council is consulting widely with ratepayers before submitting its application and all ratepayers should now have received a letter with information on the special rate variation.

We encourage ratepayers to provide feedback during the consultation period (November 2010 - March 2011) through any of the following channels:

- complete the survey sent to all ratepayers by Friday 3 December 2010
- use the interactive budget allocator on Council's website to tell us your priorities for Council spending
- attend public meetings to be held Tuesday 1 February at 6pm and Saturday 26 February 2011 at 10.30am in the Hutley Hall, 200 Miller Street, North Sydney
- attend your next Ward Forum
- write to North Sydney Council, PO Box 12, NORTH SYDNEY NSW 2059 or email council@northsydney.nsw.gov.au

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 2



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION


North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent over seven years. All ratepayers were sent a letter with information about the special rate variation, together with a community survey. The deadline for ratepayers to complete their community survey has been extended until **Monday 20 December 2010**.

Ratepayers can also use an online Budget Allocator - <http://northsydney.budgetallocator.com> - to tell us their priorities for Council spending.

Public meetings will be held on **Tuesday 1 and Saturday 26 February 2011** in the Hutley Hall, 200 Miller Street, North Sydney. These meetings will provide an opportunity to discuss the proposal with the Mayor, Councillors and General Manager.

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 3



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

<p>North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent per annum, over seven years.</p>	<p>The Mayor, Councillors and General Manager invite you to discuss this proposal at the public meetings:</p> <p>Tuesday 1 February, 6pm Saturday 26 February, 10.30am</p>
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Both meetings will be held in the Hutley Hall, 200 Miller Street, North Sydney.

To RSVP phone 9936 8100. For more information visit www.northsydney.nsw.gov.au.

Ratepayers can also use an online Budget Allocator - www.northsydney.budgetallocator.com - to tell us their priorities for Council spending.

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 4



NORTH SYDNEY COUNCIL

MEETINGS – All welcome – for agenda information 9936 8188

Day	Date	Time	Meeting	Venue
Friday	25/02	10am	Active Transport Pedestrian Sub Committee	Supper Room
Saturday	26/02	10.30am	Rates Consultation Public Meeting	Hutley Hall
Monday	28/02	7pm	Council	Council Chamber

PRECINCT MEETINGS

Tuesday	01/03	7.30pm	Stanton	Geddes Room, North Sydney Council
Tuesday	01/03	7.30pm	Waverton	Waverton Uniting Church Hall
Wednesday	02/03	7.30pm	Edward	Geddes Room, North Sydney Council
Wednesday	02/03	7.30pm	Union	McMahons Point Community Centre

PUBLIC NOTICES

PUBLIC EXHIBITION OF NORTH SYDNEY DRAFT LOCAL ENVIRONMENTAL PLAN 2009 AND DRAFT DEVELOPMENT CONTROL PLAN 2010 - 20 JANUARY 2011 TO 31 MARCH 2011

Extension to exhibition period - At its meeting on 14 February 2011, Council resolved to extend the public exhibition period to **31 March 2011** following requests from the Mayor and the Combined Precincts Committee. The extension provides further time for community consideration of the draft plans and input into the planning process.

The draft LEP, draft DCP, and all supporting documentation may be viewed via the following methods:

- Online, at www.northsydney.nsw.gov.au/dlep2009;
- In person, at Council Chambers, 200 Miller Street, North Sydney; or
- In person, at Stanton Library, 234 Miller Street, North Sydney.

Submissions on either the draft LEP or draft DCP, addressed to the General Manager, will be received until 5pm on Thursday 31 March 2011 and may be made via:

- An online submission, using the web form provided at the above website;
- An email to council@northsydney.nsw.gov.au;
- A letter, sent to North Sydney Council, PO Box 12, North Sydney NSW 2059

Council staff will be available to answer your

questions throughout the exhibition period, via:

- Telephoning 9936 8100 between 9am and 5pm Mon-Fri (during busier periods, call centre operators may need to take messages, with return phone calls placed as soon as practicable); or
- Visiting Council Chambers, 200 Miller Street, North Sydney. Strategic Planning staff will be available to answer enquiries at the Customer Service Centre daily between the hours of 10am and 12pm during the exhibition period. Outside these times, staff availability cannot be guaranteed.

PUBLIC MEETING: PROPOSED SPECIAL RATE VARIATION

Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent per annum, over seven years. The Mayor, Councillors and General Manager invite residents and business to discuss this proposal at a public meeting, Saturday 26 February, starting 10.30am in the Hutley Hall, 200 Miller Street, North Sydney. To RSVP phone 9936 8100. For more information visit www.northsydney.nsw.gov.au

SYDNEY NORTH REGIONAL FOX BAITING PROGRAM – MARCH 2011

North Sydney Council is joining with other public land managers in the Sydney north region to implement a coordinated fox baiting program using 1080 "FoxOff" poison baits. This year, the program will be conducted in Balls Head Reserve

(Waverton), Berry Island Reserve and Badangi Reserve (Wollstonecraft) from Monday 7 March to Sunday 20 March 2011.

Pet owners are reminded that dogs and cats will be prohibited from entering these Reserves for the duration of the baiting program and for four weeks following its cessation (ie. up to Monday 8 April 2011). For further information contact the Bushland Management Coordinator on 9936 8224.

COMMUNITY DEVELOPMENT SUPPORT EXPENDITURE (CDSE) FUNDING AVAILABLE

Applications are now open for funding for community welfare and social services, community development, community health services and employment assistance activities (Category 1). Application details and forms are available at www.clubsnsw.com.au

The closing date for applications is Friday 20 May 2011. Category 1 applications should be sent to Wendy Joyce, CDSE Committee, North Sydney Council, PO Box 12, North Sydney NSW 2059.

WRITERS @ STANTON

Larry Writer

Thursday, 3 March 1pm, Stanton Library
Larry Writer will introduce his new biography *Bumper: the Life and Times of Frank 'Bumper' Farrell*, a tough street cop who ruled the beat in Kings Cross and inner Sydney from 1938 to 1976. Each author talk is followed by a book signing. All welcome.

APPENDIX 8

Appendix 8: Feedback Exercise Summary - Public Meetings 2011

After hearing the General Manager's presentation and Yes/No arguments from councillors, attendees were asked to advise their level of support for the proposed 6% special rate variation per annum for seven years.

Options	Fully Support	Support	Can Live With	Oppose	Strongly Oppose	Undecided
1/2/11 No. of votes	2	6	1	2	7	2
26/2/11 No. of votes	12	2	3	4	7	0
Total	14	8	4	6	14	2
Comments	<ul style="list-style-type: none"> Strongly support council 6% SRV. They provided great services I support the rate rise, in fact I believe we should do an even greater increase over less years Strongly support long term intergenerational sustainability Fully support the rate rise. Council has shown it requires the funds to make up for lost revenue over the years 	<ul style="list-style-type: none"> Small increase Support increase, but prefer to stick with 'peg' and vary levy as needed 	<ul style="list-style-type: none"> Council does provide excellent services which need to be paid for. The question is extent of services and how the demographic of resident priorities are prioritised and the costs, as well as looking to future. Still want to support a balance of a more modest rate rise and levies Council does provide excellent services and it needs to be paid for. Question is extent of services and how the demographic of residents' priorities are prioritised; and the costs; as well as looking to the future. Still want to support a balance of a more modest rate increase plus levies 	<ul style="list-style-type: none"> To save money some works could improve e.g. street cleaners, parking police, general labour workers are lazy. Perhaps these jobs are done by tender and so should be scrutinised more carefully Because I own too much property 	<ul style="list-style-type: none"> No I oppose strongly a submission for SRV to be made with IPART. I consider North Sydney Council should concentrate on maintaining their core activities with the inflation and consistently increasing rates due to annual increases in land valuation and annual pegged increases User pays - sports change rooms and playgrounds 	<ul style="list-style-type: none">

APPENDIX 9



Summary of Questions raised at the public meeting held 1 February 2011 in the Hutley Hall, North Sydney

Questions Raised	Council's Reply
<p>1. Following the 2010 review by the Office of the NSW Valuer General, land values in some areas of North Sydney are now higher. Do higher land values impact North Sydney ratepayers regarding the proposed SRV?</p>	<p>North Sydney received new land values as at 1 July 2010. Land value changes will not change the overall amount of rates collected by North Sydney Council (NSC), as Council has set rate base. In simple terms, the 'piece of pie' (i.e. total rate base) does not increase just the relativity/distribution amongst ratepayers.</p> <p>One ratepayer may find that due to a change in their land value their rates will go up, while another may find that their rates will go down. To assist ratepayers to approximate the increase proposed by the SRV, Council has created a calculator. The calculator is available at http://www.northsydney.nsw.gov.au/www/html/6948-special-rates-variation-consultation.asp?intSiteID=1</p> <p>For information about the land value system visit www.lpma.nsw.gov.au/valuations</p>
<p>2. With the suburb boundary changes to Kurraba Point and Neutral Bay, have property values changed?</p>	<p>Councils do not determine land values. For more information visit www.lpma.nsw.gov.au/valuations or contact the NSW Valuer General. We assume the boundary change would not affect valuations.</p>
<p>3. Is this the third time Council has applied for a SRV?</p>	<p>Yes. The first time SRV consultation was in 2007/08 which resulted in Council applying for and being granted a time-limited Infrastructure Levy (expires 30 June 2012). The first SRV application was for the financial year 2009/10. Council consulted the community regarding a one off 13.6% SRV, inclusive of the 3.5% increase (rate peg) that has been announced by the Minister, equating to an approximate \$90 per annum increase for those paying the average residential rate. Whilst 44% indicated support for the proposal, Council's application to the Minister of Local Government was not successful.</p>
<p>4. What percentage of community has returned the survey?</p>	<p>Council has received over 3,600 completed surveys, an approximate 11% return rate. The survey findings are currently being analyzed and the results will be presented to Council in mid March 2011. The results will be made available to the public following presentation to Council.</p>
<p>5. What is community consensus to date;</p>	<p>The results of the other consultation mechanisms are</p>

APPENDIX 9

other than opinions raised tonight?	currently being analyzed/still being received. All community feedback will be reviewed in context and a summary of findings from the community consultation phase will be presented to Council at a meeting scheduled for 14 March 2011. This report will be published on Council's website.
6. Why are you calling it a 6% rate rise when it really is only 3.2%. The rate peg means rates will go up by 2.8% anyway in 2011/12. 3.2% is manageable and does sound like less of a burden. Why is the proposed increase described as a 6% increase per annum?	<p>As identified through the Long Term Financial Plan (LTFP) Council will need to increase its income by a total of 6% per annum over seven years in order to fund and maintain infrastructure projects and services that the community has identified as important in the 2020 Vision, Community Strategic Plan. The 6% includes the rate peg which is determined each year and it is always quoted as the full increase being applied for, inclusive of the rate peg, rather than just the amount above the rate peg in order to allow easier understanding and calculation.</p> <p>In 2011/12 the rate peg has been announced by IPART as 2.8%, thus the difference applied for via the SRV in year 1 is 3.2%.</p>
8. What are the alternative options for funding increased levels of services and infrastructure?	<p>Council, via the consultation materials, has presented ratepayers with 5 options to fund the program of works (services and infrastructure) identified in the 2020 Vision. The 5 options include:</p> <ol style="list-style-type: none"> 1. 6% SRV 2. less than 6% SRV 3. special purpose levy(s) 4. reduce funding to current services and program (and reduce service levels) to operate within current resources 5. borrow/go into debt
9. Will council consider a levy instead of an SRV? Is SRV funding restricted?	<p>In May 2010, when adopting Council's LTFP, effective from 2010/11, Councillors voted 9/4 in favour of Scenario 3 which proposed a 6% SRV; consisting of a 3% (on average) rate increase each year, for seven years from 2011/12 (i.e. Year 2 of the Delivery Program); this would be in addition to the annual rate peg which was expected to be around 3%.</p> <p>The 6% SRV is the preferred option to fund the program of works as identified in the 2020 Vision; however in consulting with ratepayers regarding this proposal, the Council resolved to also seek community feedback on several other options (see Question 7) including a specific purpose levy. Following consideration of the consultation results at their meeting 14 March 2011, Council will determine whether or not they are applying for an SRV, levy or other.</p> <p>In line with the introduction of Integrated Planning and Reporting Framework, a statutory requirement, councils are encouraged to consider special rate variations instead of levies as options for generating income to meet infrastructure</p>

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	<p>maintenance and acquisition. Councils can decide that income generated through an SRV will be internally restricted and can only be spent approved projects and services.</p>
<p>10. If an SRV is approved what will happen to existing levies?</p>	<p>At the conclusion of the existing time-limited levy period they will be rolled in the general rate base, this is only applicable to the Environmental and Infrastructure Levies. If the SRV (of any amount) is not approved then Council will need to apply for the continuation of existing levies as they have been included in the LTFP.</p>
<p>11. Will the increase be locked away after the seven year period, or may the next term of council review/change the rating structure again?</p>	<p>Councils are required to prepare their Operational Plan and Budget annually, at which time they must review their Resourcing Strategy, including LTFP, Asset Management Strategy and Workforce Strategy. In accordance with Council's LTFP it is best practice to put in place a structure with provides some certainty regarding income that covers necessary/planned expenditure. However, as councils do determine the plans and budgets, a Council of the future may consider a different course of action.</p>
<p>12. What is intergenerational equity?</p>	<p>The term refers to meeting the needs of the present community/stakeholders without compromising the ability of future generations to meet their own needs, i.e. in the context of the proposed SRV it means paying for the maintenance of existing and establishment of new infrastructure and services now so that future generations do not bear inherited costs.</p> <p>Since 1977, councils' general revenues have been regulated in NSW under 'rate pegging'. Rate pegging sets the maximum general revenue (mainly rates) that councils can collect. The average rate pegging amount over the last 8 years is 3.3%. Last year the rate peg was 2.6%, and in 2010/11 it is set at 2.8%. The rate peg is supposedly linked to inflation and from 2010 the Local Government Cost Index and a productivity factor; however the reality is that local government costs are increasing at a higher rate including street lighting by 4.5%, building materials and contracts by 6% and the emergency management levy by 7%.</p>
<p>13. If the Liberals come into power at the State Government election in March, will IPART continue to determine the rate peg and special rate variations?</p>	<p>North Sydney Council can not foreshadow what the opposition will put in place and what the benefits may be for local government following the State election.</p>
<p>14. What does it mean that North Sydney has a high income per capita?</p>	<p>North Sydney Council has comparable revenue per capita to similar other inner city councils. As far as residents are concerned, Census information shows that North Sydney residents have one of the highest incomes per capita in NSW.</p>
<p>15. Will the proposed SRV mean our rates will be still be amongst the lowest in NSW?</p>	<p>Our LTFP outlines what we need to spend in order to maintain current and provide new services and infrastructure, this information determined the amount of income needed to</p>

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	cover/meet expenditure; the proposed 6% SRV is not to 'catch up' to other councils but to meet address our community needs. Regardless of the proposed 6% SRV will mean that North Sydney Council will still be amongst the lowest average residential rates, if not the lowest; but we cannot say what will happen with other councils in the future.
16. I own properties in North Sydney and City of Sydney. The minimum rate in City of Sydney is less than the minimum rate in North Sydney. Why is this?	Councils are categorised by groups for comparison by the NSW Division of Local Government. North Sydney is classified as Category 2, while City of Sydney is Category 1. By comparison with other Category 2 councils, North Sydney Council has the lowest average residential rates and amongst the lowest business rates. City of Sydney does not have a lower minimum or average residential rate than North Sydney Council.
17. We encourage Council to 'think outside the box'. Instead of comparing yourselves with/trying to catch up to other council areas, try to keep services at current level but reduce costs. Previously proposed advertising on public infrastructure is a wonderful idea where is this up to?	<p>Council prides itself of its financial management and sustainability. Council is debt free. An independent review of council operations conducted by Sennitt Management Services in 2006 concluded that expenditure had been contained, with staff numbers rising minimally across the organisation. Council is progressively pursuing other/complimentary avenues for increased income, including advertising on infrastructure.</p> <p>In 2010/11 advertising in bus shelters was introduced generating an additional \$800,000 in income in a full year. Similarly Council recently publicly exhibited plans to introduce advertising on the footbridge across the Pacific Hwy, North Sydney. This proposal was condemned by Council's Urban Design Advisory Panel and Council decided not to pursue it. Council has only considered one location so far but is looking for others.</p>
18. Is the proposed sale of the ANZAC Club (owned by Council) an alternative option to the proposed SRV? At a public meeting in November 2010 the sale of the site was proposed. It is suggested that the funds raised from sale can fund synthetic surfaces etc. The sale proceeds should be used to fund the proposed program not a SRV.	<p>The options for future use of the ANZAC Club, a Council facility meeting early, are currently being explored. As part of the community consultation process a public meeting was held in November 2010. The community is invited to provide feedback, suggestions and ideas by 11 February 2011 for the future use/reuse of the site. For more information visit http://www.northsydney.nsw.gov.au/www/html/6950-anzac-memorial-club.asp</p> <p>Councils applying for an SRV, must as part of their application indicate the productivity improvements/cost savings that the council has realised in past years, and plans to realise over the special variation period. The application must also be linked to Council's Integrated Planning and Reporting Framework which has been formulated through community consultation and responds to identified needs now and in the future.</p>
19. Why do users of sports fields not	The North Sydney local government area is a built up area

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<p>have to pay a fee for use?</p>	<p>with less than 10% public open space. Residents in all communities, especially medium to high density areas need access to open space and recreational facilities. It's integral to maintaining a healthy lifestyle and quality of life. Fees and charges are charged for some uses of sportsfields and facilities, as outlined in the Schedule of Fees and Charges http://www.northsydney.nsw.gov.au/www/html/2214-delivery-program.asp - however fees can not be charged for people using parks and reserves for passive and informal uses.</p>
<p>20. There is no doubt all of Council's services are excellent. However we don't need additional household waste collections every week - Council could save money here. Seems not enough initiative to save money/reduce costs.</p>	<p>Councils levy a separate charge (known as the Domestic Waste Management Charge or DWMC) for its domestic waste and recycling services, which is not part of rate revenue. The proposed SRV applies to rates only.</p> <p>The household waste collection service is not an automatic service. It is offered fortnightly to residents who request this service. Bookings essential. North Sydney has a chronic waste dumping problem and in such a densely populated area the community highly values our waste collection services; the services consistently rank highly in Council's biennial Customer Satisfaction Surveys.</p> <p>Refer to responses to Q16 and Q17 for an overview of the initiatives regarding proposed income, cost and productivity savings currently being pursued by Council in addition to complement the proposed SRV income.</p>

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Summary of Questions raised at the public meeting held 26 February 2011 in the Hutley Hall, North Sydney

Questions Raised	Council's Reply
1. Of the 32,000+ ratepayer surveys sent out, how many has Council received back?	North Sydney Council has received over 3,600 completed surveys, an approximate 11% return rate. Council will consider the findings of all consultation methodologies in context. The survey findings will be analyzed in context with the public meetings Q&A as well as written submissions, budget scenarios submitted via the Budget Allocator etc. A summary report will be presented to Council at its meeting 14 March 2011. The results will be made available to the public following presentation to Council.
2. What weight is Council giving in their decision making to the public meetings as opposed to the survey of ratepayers?	
3. Has Council applied for an SRV before?	Yes. The first time SRV consultation was in 2007/08 which resulted in Council applying for and being granted a time-limited Infrastructure Levy (expires 30 June 2012). The first SRV application was for the financial year 2009/10. Council consulted the community regarding a one off 13.6% SRV, inclusive of the 3.5% increase (rate peg) that has been announced by the Minister, equating to an approximate \$90 per annum increase for those paying the average residential rate. Whilst 44% indicated support for the proposal, Council's application to the Minister of Local Government was not successful.
4. Previous terms of Council have decided not to approve annual rate increases in line with the State allowed amount. For how many years were North Sydney's rates not increased inline with the permissible rate pegged amount?	Four financial years in the early 1980s. Rate pegging was introduced to NSW approx 34 years ago. This means that NSC has started from a much lower rate base than other comparable council areas.
5. How much in dollar terms will the approximate 3% increase bring in?	In 2011/12 the difference between the allowed 2.8% rate peg and the 6% is approximately \$920,000.
6. If the SRV is not approved by IPART, in dollar terms what shortfall is Council looking at?	In 2011/12 the rate peg has been set at 2.8%, therefore Council will need approximately \$920,000 to cover the proposed works/budget. Without an SRV that money will have to be found by reducing the proposed budget and cutting projects and services. We have to have a balanced budget. There will be a similar shortfall (compounding) each year for the 7 years.
7. Are educational establishments that own properties used for educational purposes exempt from rates?	Yes. But if an educational institution owns properties that are used and leased for non-educational purposes Council can charge rates for those properties. North Sydney LGA has the highest number of educational facilities in the country. This

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	means there is a high proportion of land in the North Sydney CBD and surrounding areas for which we can not charge rates. This is a decision of the State Government, not Council.
8. Is the property purchased by Wenona School in Ridge St, North Sydney used for educational purposes?	Yes. It is a boarding house for students. Therefore they are not charged rates for this property.
9. What services and facilities does Council provide for schools and do schools pay to use them?	Council provides a range of community services and facilities that are used by residents, students and schools including open space, sporting fields, community services and Stanton Library. Schools do pay to use sporting fields and reserves which only partially cover operating costs. The majority of schools use a privately contracted waste removal service, but if they do request use of Council's waste services there is a charge. Students are not charged for use of the Library or for passive or leisure use of sports fields and open space.
10. Are the majority of Council's staff administration (i.e. indoor) staff compared to day labour (i.e. outdoor)?	<p>Council's outdoor staff work in the following areas:</p> <ul style="list-style-type: none"> • Works Engineering (Dept) • Parks and Reserves • Street Cleaning • North Sydney Olympic Pool • Ranger and Parking Services <p>For more information about Council's organisational structure and staff costs refer to Council's Workforce Strategy 2010/11-2013/14 - www.northsydney.nsw.gov.au/resourcingstrategy</p>
11. What is Council doing to minimise its own costs?	Council has an ongoing program of reviewing services to achieve greater levels of efficiency. To date savings have been achieved across all areas of Council including customer services, internal support services, equipment, street cleaning, library services, works, planning and development and rangers just to name a few.
12. In order for Council to maintain services and not have to raise the rates, other revenue avenues need to be considered. Is advertising on public infrastructure the only option Council has considered so far?	No. Council raises funds from its property portfolio (commercial and residential properties) as well as from parking (parking stations and meters) and user charges.
13. What are Section 94 funds?	Section 94 (S94) funds are developer contributions. Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions, from developers, for public facilities required as a consequence of development. S94 contributions are adjusted annually by CPI, and are detailed in the Fees and Charges Schedule for the current year and Council's Section 94 Contributions Plan.
14. Who gave Council a mandate to invest in affordable housing?	Rate income is not spent on the acquisition of affordable housing in North Sydney. Funds were gathered through S94

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	contributions for a number of years to replace the loss of affordable housing options/properties (boarding houses) and reinvested into other affordable housing stock. This funding option is no longer available.
15. Will all the new development in and around the CBD (which includes residential) increase Council's rate income?	<p>Generally no. Overall the net effect is 'no significant increase' in rate income. Depending on the type of development and type (business or residential) it replaces, it is possible for the rate income to both increase or decrease.</p> <p>Councils do not determine land values. For more information visit www.lpma.nsw.gov.au/valuations or contact the NSW Valuer General.</p>
16. In 1985 my rates were \$504, now, in 2010, they are \$1,059. CPI for 1985 to 2010 should make my rates about \$1,200. The proposed SRV over the 7 years will make my rates about \$1,100. Why doesn't the Council apply for a bigger increase to bring our rates in line with there they should be with CPI today?	In 2009/10 Council proposed a 11.87% increase (inclusive of the 3.5% rate peg; average residential increase \$90 pa) which although supported by 44% of ratepayers was not approved by the State Government. For 2010/12 Council prepared its integrated planning and reporting framework and decided to revisit its revenue needs after thorough investigation and consideration of community priorities now and in the future in conjunction with the preparation of the 2020 Vision, Community Strategic Plan. The Resourcing Strategy, which includes our Long Term Financial Plan, explored several scenarios and Council resolved to adopt Scenario 3 which included a more gradual increase to rates income over several years.
17. Council has mentioned it does use the 'user pays principle', so why are several of the proposed enhancements e.g. family day care and community centre refurbishment, change room facilities upgrades and dinghy storage not paid for by 'user pays'.	Council does apply the user pays principle for the majority of recurrent costs for community services; however the income received is insufficient to cover all maintenance and capital renewal. Full user pays would mean many community services would be unaffordable for those needing them.
18. What proportion of single resident households are there in North Sydney?	As per the 2006 Census, 35.6% of households are lone person, while 47% are family households (23.1% and 68.6% respectively for the Sydney statistical average). Eligible pensioners receive a rate rebate.
19. I am against the size of the new waste bins. If I could elect to have my bin picked up less frequently would this help cut costs?	The new bins were introduced to comply with Australian Standards. Before they the change over was introduced Council conducted a trial with a sample of all household types in North Sydney. Waste services (bin collection) are funded from the Domestic Waste Management Charge (DWMC), not from ordinary rates.
20. Wouldn't it be fairer to divide the total amount required amongst the 23,000+ ratepayers instead of slugging 1% of residential and business rate payers with the highest increase under the proposed 6% rate increase?	Rates are determined by land values set by the State Government. Councils are not able to change the current structure set by the State Government. The LGSA has lobbied for years for rates to be attributed to improved land values not just land value.

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	There are mechanisms in place to assist those who are having difficulty paying their rates. Council does not want residents to be “pushed” out of the area regarding this proposal.
21. Is it possible for Council to differentiate/increase business rates?	Businesses pay 40% while residents' pay 60% of Council's rates income. Businesses are already paying proportionally more which is one of the reasons why residential rates are comparatively low.
22. Could the proposed CBD upgrades be funded by a specific purpose levy instead of from SRV?	Theoretically yes. Such a levy would affect a particular geographical area that could include business and residential ratepayers.
23. What evidence is there that specific purpose levies can not be applied for anymore?	The State Government (Division of Local Government) has indicated that it prefers councils, which have put their Integrated Planning and Reporting Framework in place and which have developed a Long Term Financial Plan to apply for special variations to rates that address their ongoing funding needs rather than short-term levies for which councils then have to continually reapply.

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North Sydney Council

Budget Allocator Report



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Participation

This report represents responses by 69 individual participants who submitted 69 budget scenarios to <http://northsydney.budgetallocator.com> for the period 9.00am, 17 November 2010 to 12.00 midnight Wednesday, 2 March, 2011. All charts and comments included within this document represent responses for all 69 budget scenarios.

Budget Distribution

The chart and statistics on page 3 indicate the spread of budgets submitted by each of the 69 participants.

Budget Category Selections

The Budget Allocator comprised ten budget categories. Each of the Roads, Footpaths, Other Infrastructure, Cleaning of Streets and Public Areas, Parks and Reserves, Community Services, Library Services and Environmental Services categories allowed participants to select one budget item only from each category, while each of the Discretionary Services and Wish List categories allowed participants to make multiple. The charts on pages 4 to 13 indicate the number of individual item selection made in each of the ten budget categories.

Individual Budget Comments

The Budget Allocator allowed participants to comment on individual budget items. The comments on page 14 represent all comments submitted in relation to Individual Budget Categories.

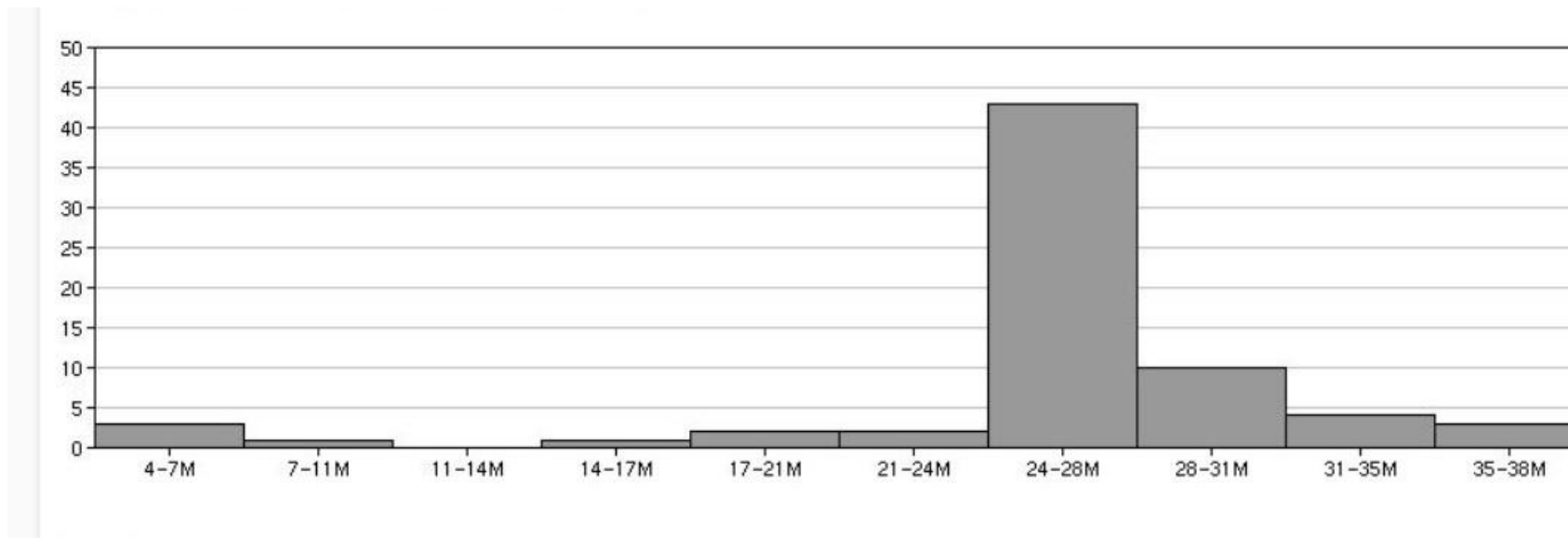
Budget Comments

The Budget Allocator allowed participants to provide an overall comment once they had submitted their budget. The comments from page 15 represent all Budget Comments submitted.

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Budget Distribution



The chart above and statistics below indicate the distribution of budgets submitted as a number and as a percentage of the total budgets submitted.

\$4>\$7million (3) (4.5%)	\$7>\$11million (1) (1.5%)	\$11>\$14million (0) (0%)	\$14>\$17million (1) (1.5%)	\$17>\$21million (2) (3%)
\$21>\$24million (2) (3%)	\$24>\$28million (43) (62%)	\$28>\$31million (10) (14%)	\$31>\$35million (4) (6%)	\$35>\$38million (3) (4.5%)

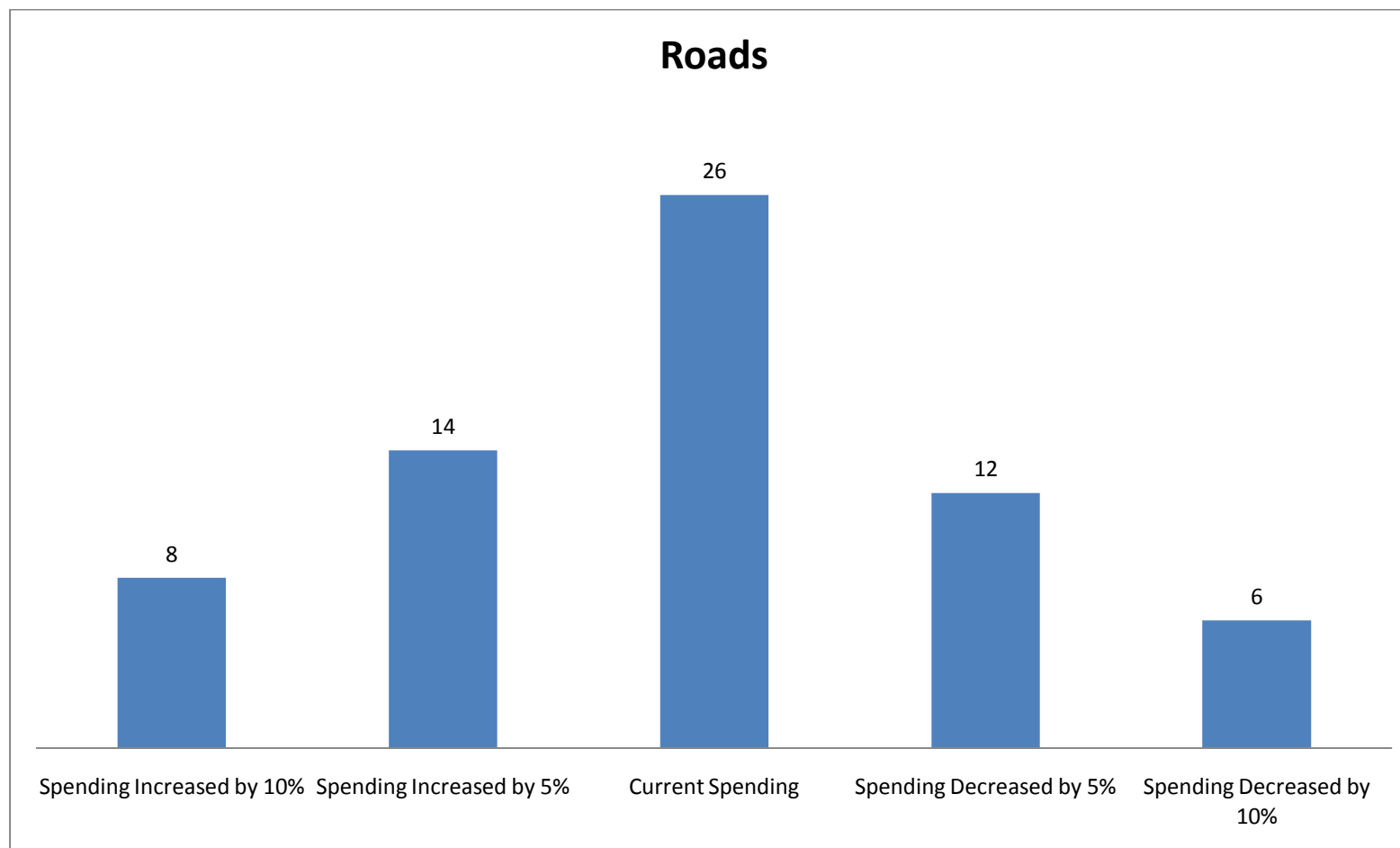


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Budget Category Selections

Budget Category 1: **ROADS** (single choice)

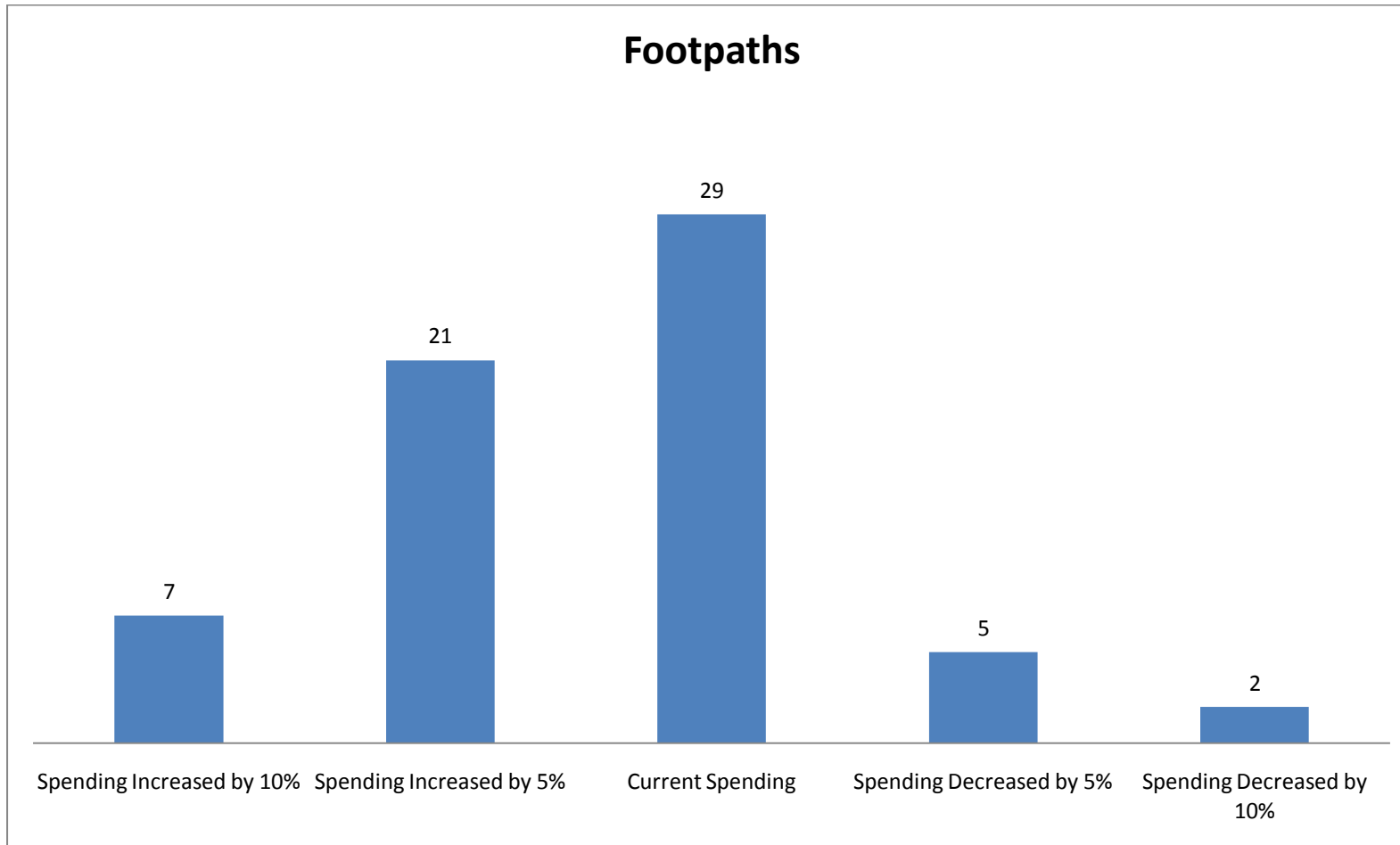


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Budget Category Selections

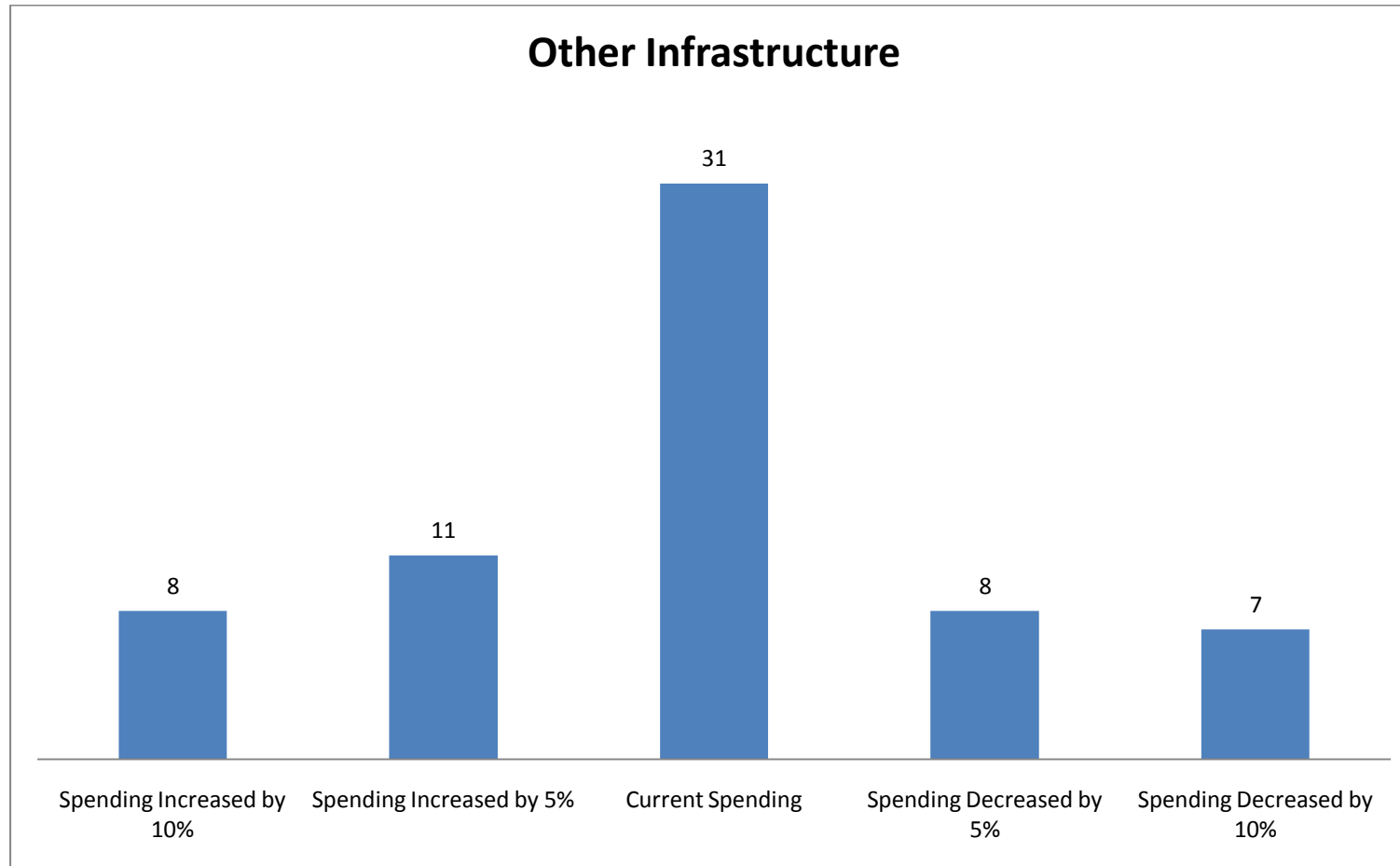
Budget Category 2: **FOOTPATHS** (single choice)



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Budget Category Selections

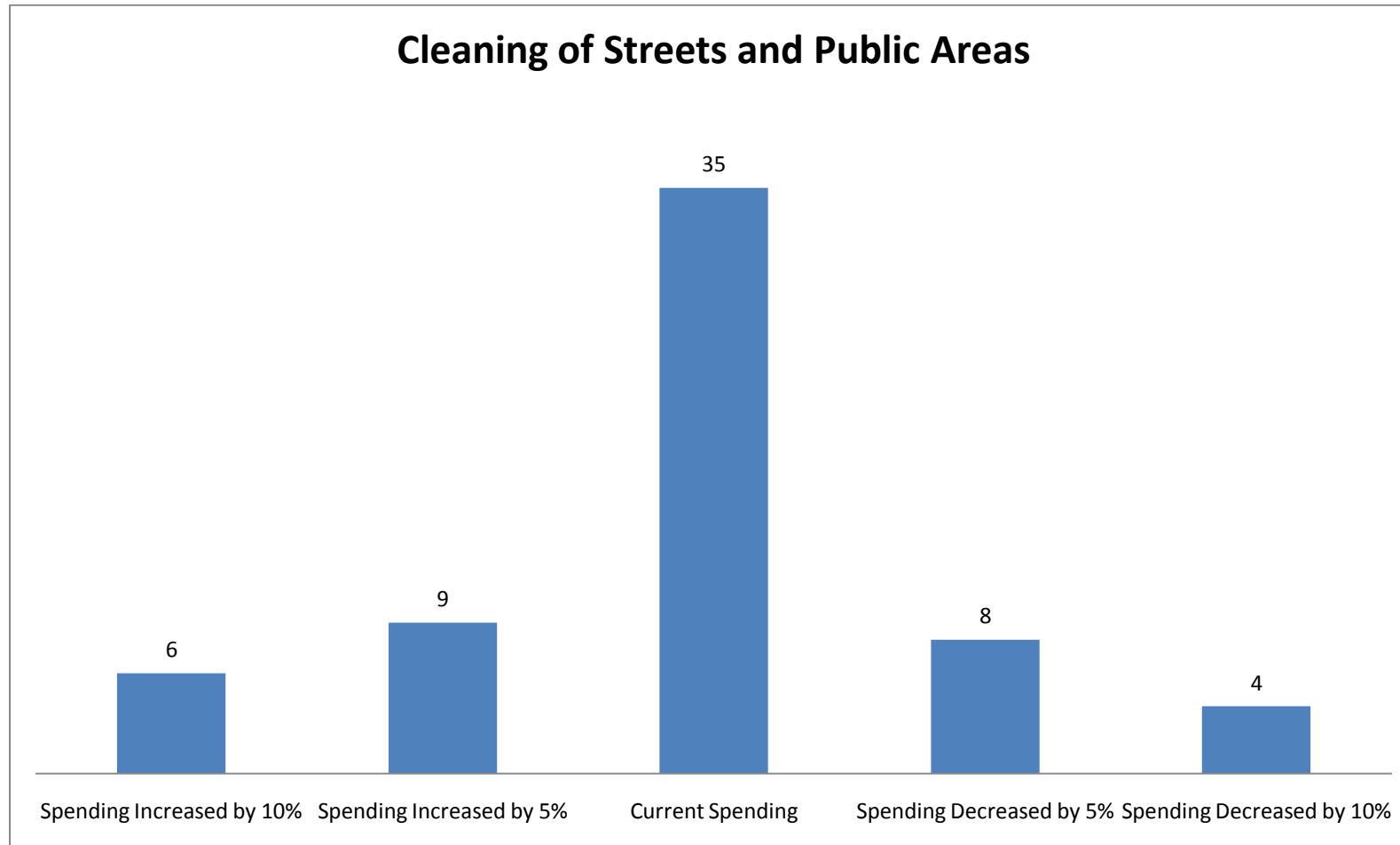
Budget Category 3: **OTHER INFRASTRUCTURE** (single choice)

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Budget Category Selections

Budget Category 4: **CLEANING OF STREETS AND OTHER PUBLIC AREAS** (single choice)

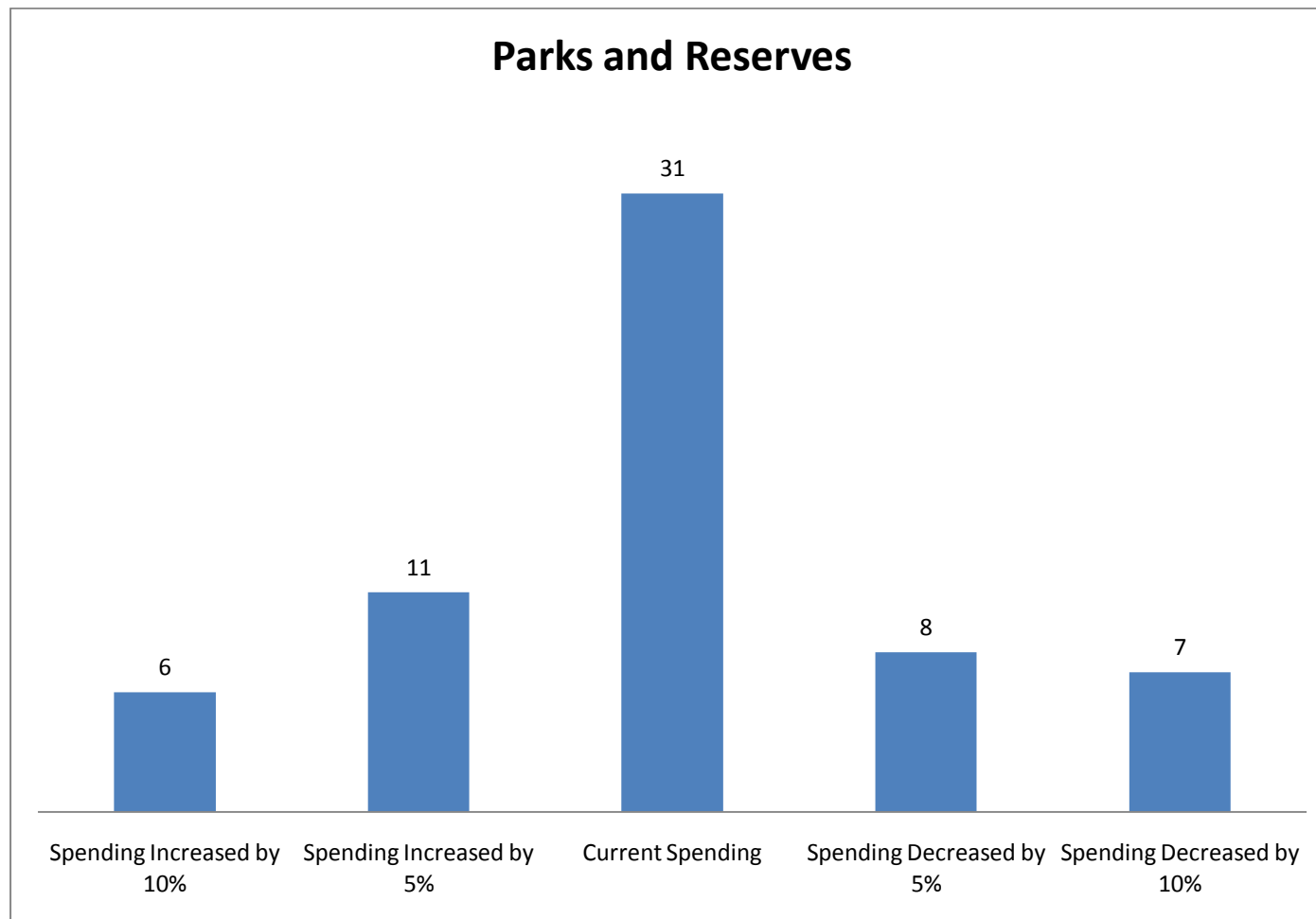


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Budget Category Selections

Budget Category 5: **PARKS AND RESERVES** (single choice)

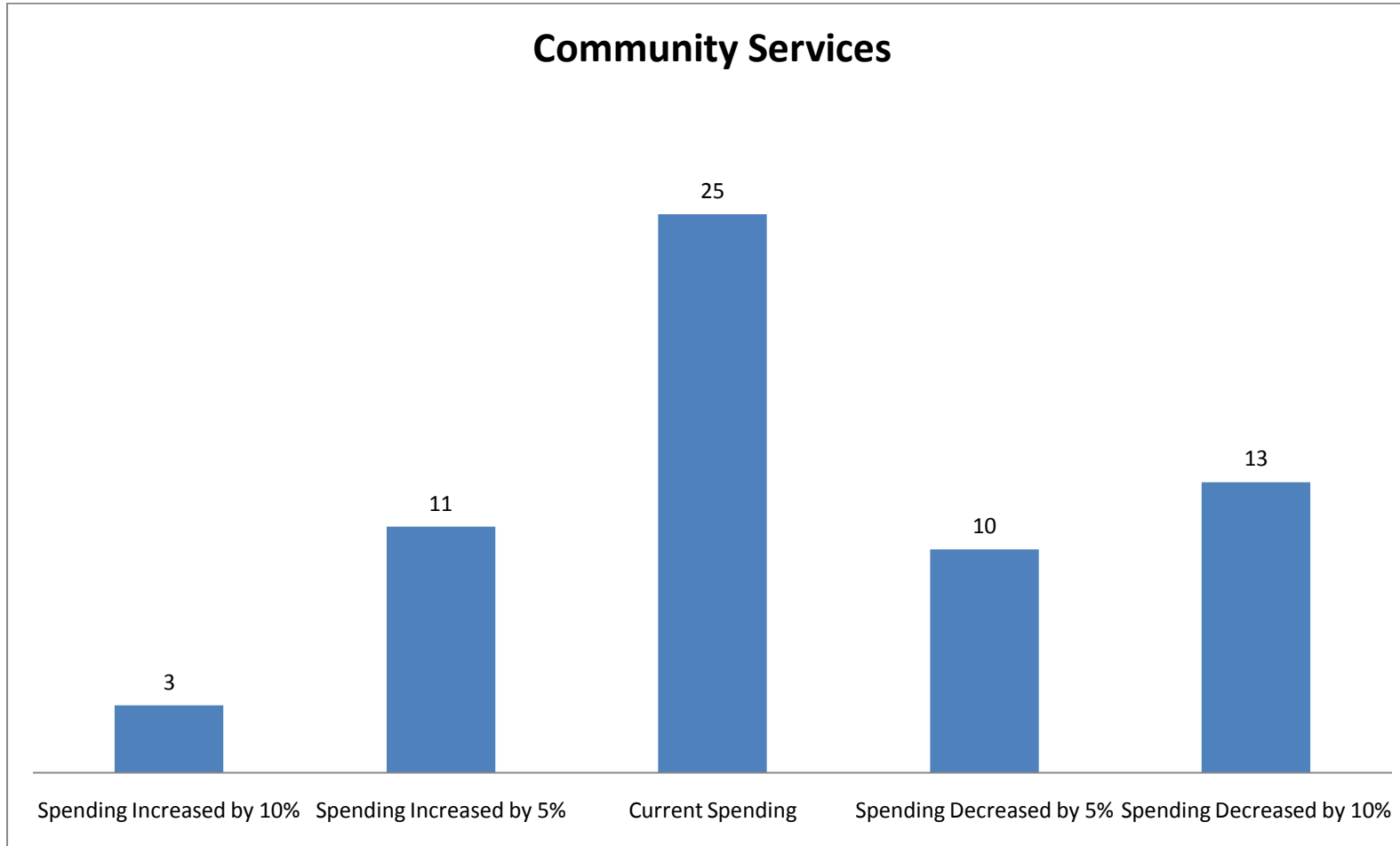


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Budget Category Selections

Budget Category 6: **COMMUNITY SERVICES** (single choice)

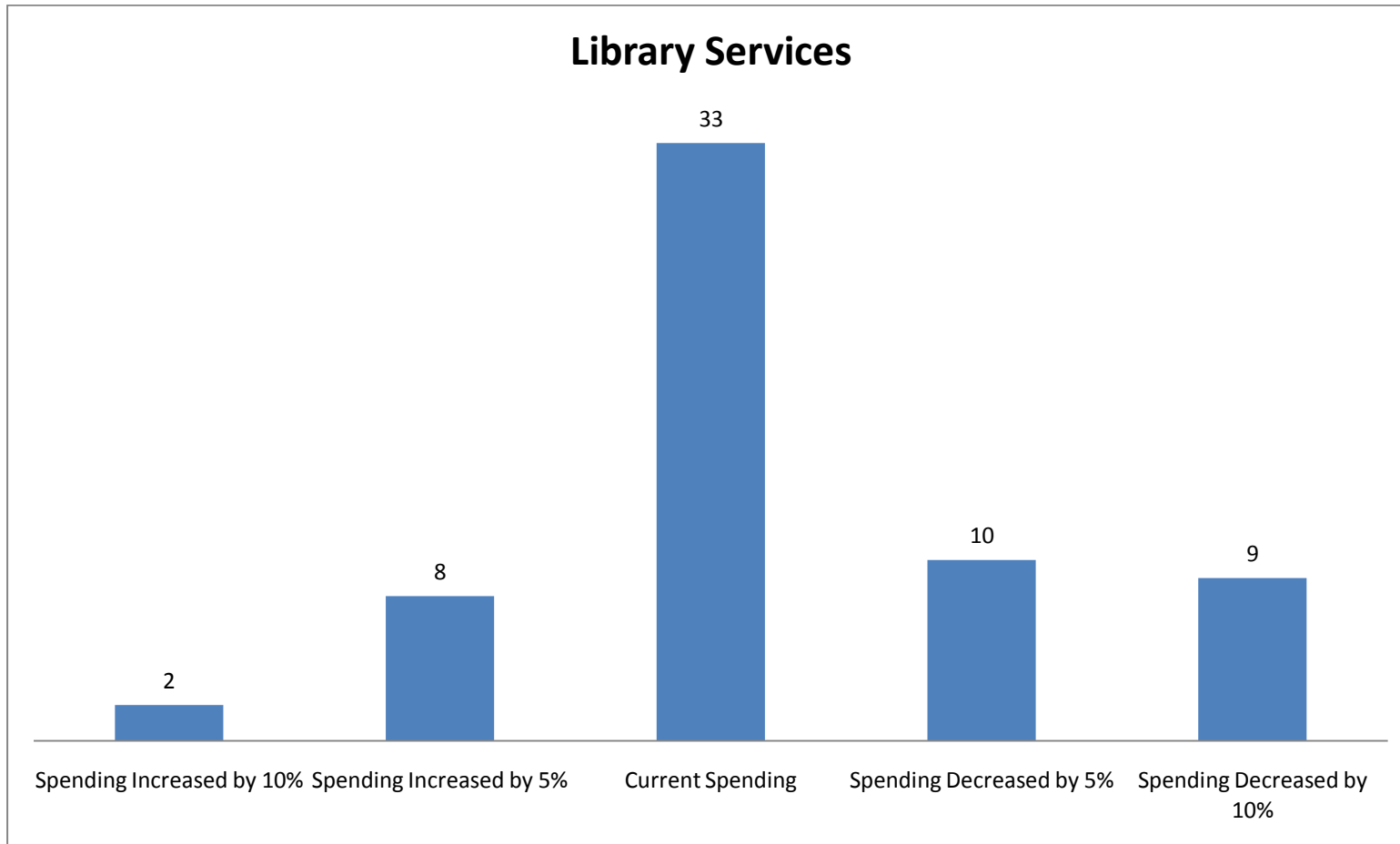


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Budget Category Selections

Budget Category 7: **LIBRARY SERVICES** (single choice)

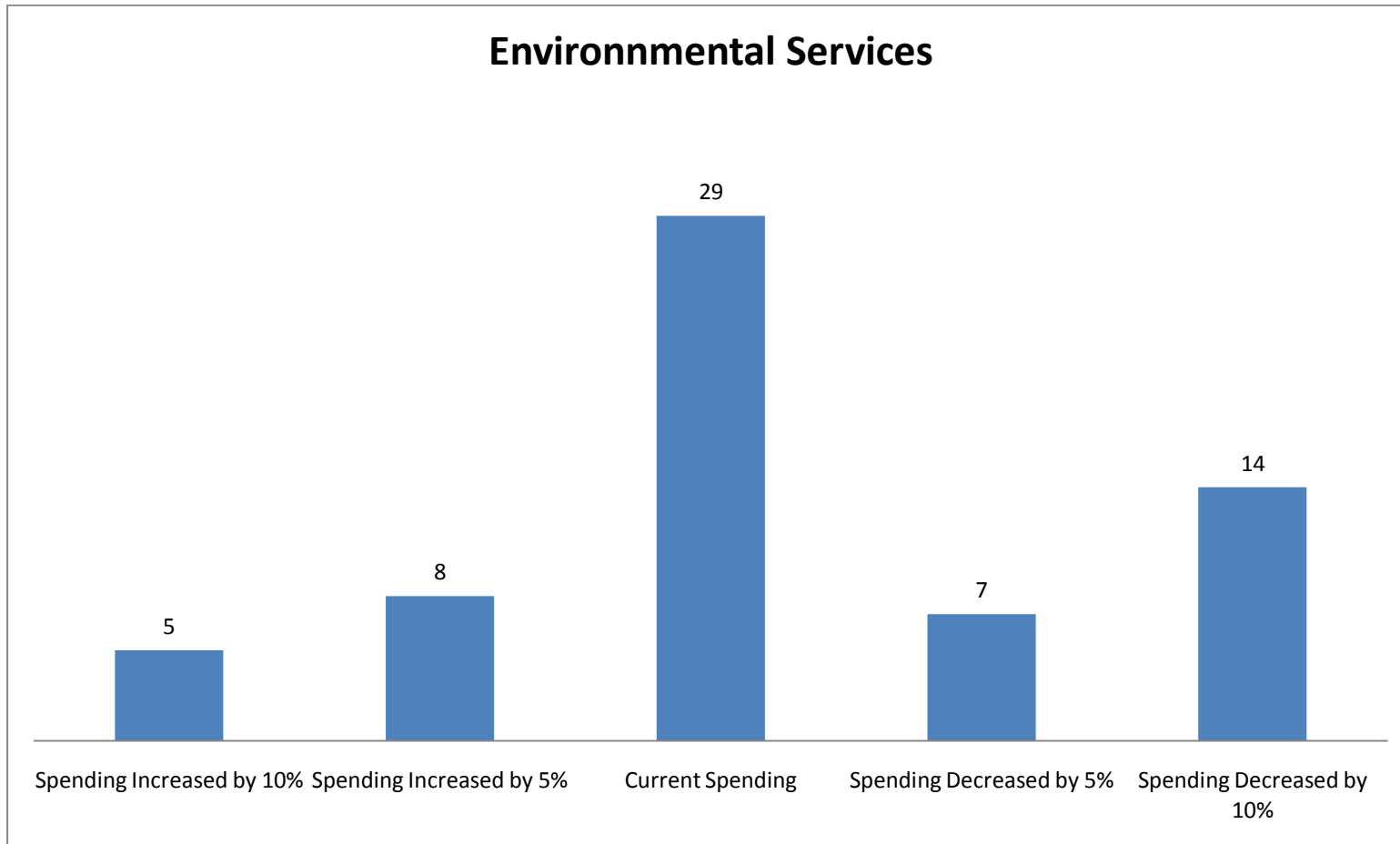


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Budget Category Selections

Budget Category 8: **ENVIRONMENTAL SERVICES** (single choice)

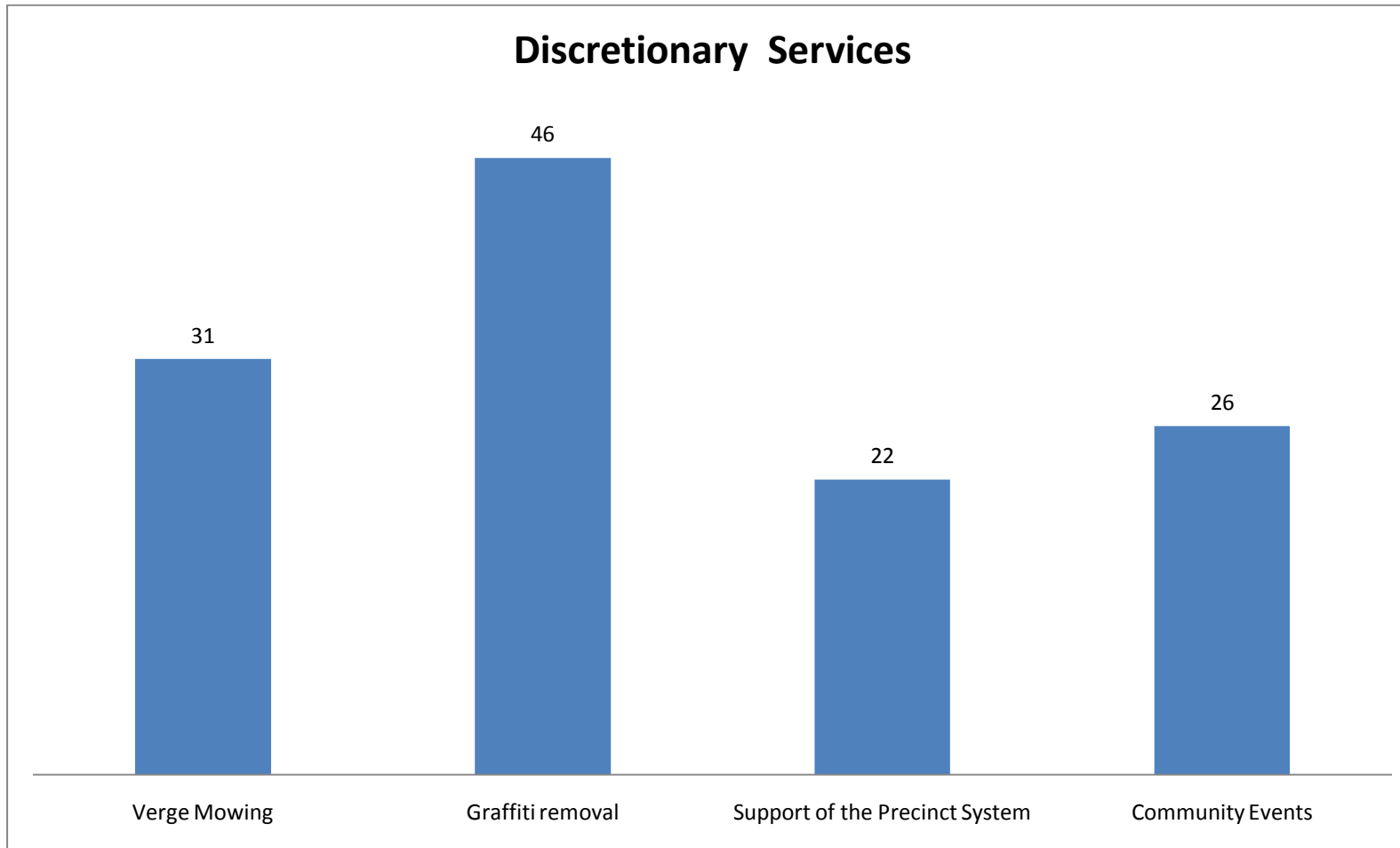


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Budget Category Selections

Budget Category 9: **DISCRETIONARY SERVICES** (multiple choice)

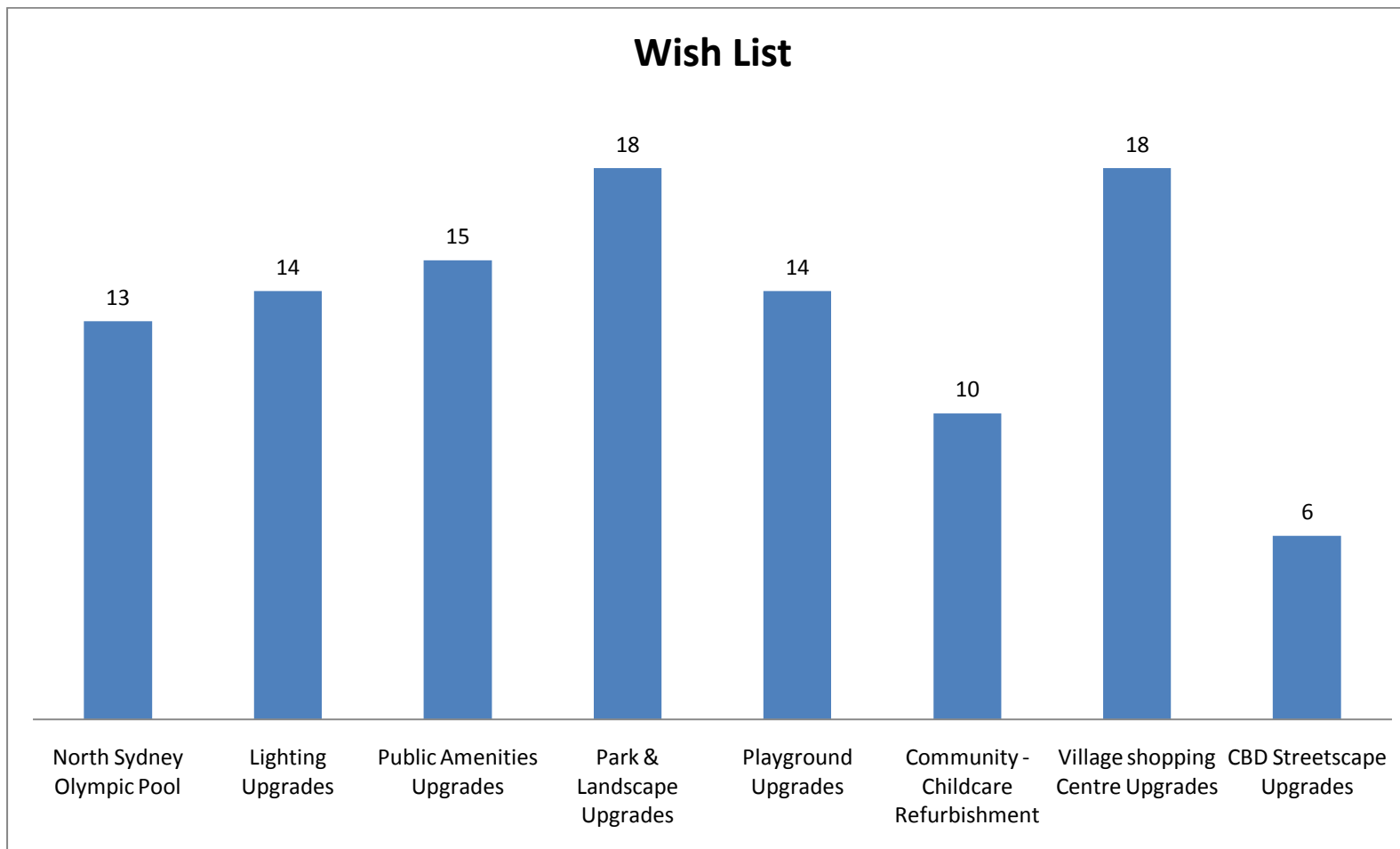


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Budget Category Selections

Budget Category 9: **WISH LIST** (multiple choice)



Attachment 2: Summary Tables - per Scenario 2

1. Current Anticipated Rating Timelines

The following table indicates the anticipated rating timetable for Scenario 2, incorporating existing levies:

Financial Year	Modelling Year	Event
2010/11	0	<ul style="list-style-type: none"> • Special Rate (Crows Nest Mainstreet Levy) renewed for 3 years • Special Rate (Environmental Levy) renewed for 3 years
2011/12	1	<ul style="list-style-type: none"> • Special Rate (Infrastructure Levy) expires 30 June 2012 • Proposed rate increase 5.5% • Average Rate Increase: 5.5% p.a. for years 1 to 7
2012/13	2	<ul style="list-style-type: none"> • Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2013 • Special Rate (Environmental Levy) expires 30 June 2013 • Infrastructure Levy quantum incorporated into ordinary rates and internally restricted • Proposed rate increase 12.3% (includes the Infrastructure Levy)
2013/14	3	<ul style="list-style-type: none"> • Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application • Environmental Levy quantum incorporated into ordinary rates and internally restricted • Proposed rate increase 11.9% (includes the Environmental Levy)
2014/15	4	<ul style="list-style-type: none"> • Proposed rate increase 5.5%
2015/16	5	<ul style="list-style-type: none"> • Proposed rate increase 5.5%
2016/17	6	<ul style="list-style-type: none"> • Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2017 • Proposed rate increase 5.5%
2017/18	7	<ul style="list-style-type: none"> • Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application • Proposed rate increase 5.5%
2018/19	8	<ul style="list-style-type: none"> • Proposed rate increase CPI
2019/20	9	<ul style="list-style-type: none"> • Proposed rate increase CPI
2020/21	10	<ul style="list-style-type: none"> • Special Rates (Neutral Bay & Crows Nest Mainstreet Levies) expire 30 June 2017 • Proposed rate increase CPI

2. Scenario 2: 5.5% rate increase above CPI each year for 7 years, from 2011/12 (year)

The following table indicates how Scenario 2 will be implemented over the life of the LTFP:

	2010/11 Current Year		2011/12 Year 1		2012/13 Year 2		2013/14 Year 3	
			+5.5%	% Change	5.5%+IL to Ord Rates	% Change	5.5%+(EL) to Ord Rates	% Change
Ordinary Rates	25,541,493		27,162,910	6.3%	30,499,414	12.3%	34,118,990	11.9%
Special Levies								
Infrastructure (IL)	1,625,910		1,625,910	0.0%	0	-100.0%	0	0.0%
Environmental (EL)	1,814,899		1,814,899	0.0%	1,814,899	0.0%	0	-100.0%
Neutral Bay Mainstreet (NB)	200,000		200,000	0.0%	200,000	0.0%	200,000	0.0%
Crows Nest Mainstreet (CN)	297,998		297,998	0.0%	297,998	0.0%	297,998	0.0%
Overall Rate Increases	29,480,300		31,101,717	5.5%	32,812,311	5.5%	34,616,988	5.5%

	2014/15 Year 4		2015/16 Year 5		2016/17 Year 6		2017/18 Year 7	
	+5.5%	% Change	+5.5%	% Change	+5.5%	% Change	+5.5%	% Change
Ordinary Rates	36,022,924	5.6%	38,031,575	5.6%	40,150,702	5.6%	42,386,380	5.6%
Special Levies								
Infrastructure (IL)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Environmental (EL)	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Neutral Bay Mainstreet (NB)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%
Crows Nest Mainstreet (CN)	297,998	0.0%	297,998	0.0%	297,998	0.0%	297,998	0.0%
Overall Rate Increases	36,520,922	5.5%	38,529,573	5.5%	40,648,700	5.5%	42,884,378	5.5%



LONG TERM FINANCIAL PLAN (LTFP2)

2010/2011-2019/20

Prepared March 2010

Part of the North Sydney Council's Resourcing Strategy



The 2020 Vision Logo



The “Sustainability Compass” symbolises setting the compass on the path towards sustainability. The four points of the compass describe the different dimensions - environment, society, economy and governance, of sustainability.

This is the first Long Term Financial Plan for North Sydney in accordance with Integrated Planning and Reporting Framework requirements.

The Long Term Financial Plan was prepared by Council's Financial Services Department with assistance from Council's Corporate Planning and Governance, Strategic Planning, Engineering Infrastructure, Property Assets and Recreation Planning and Landscape Planning and Design Departments following consultation with Councillors and the senior management team. The following resources have been referenced in the development of this Strategy:

- A Social Plan for North Sydney 2008-2012
- ABS 2006 Census
- Audited Financial Statements 2008/09
- Audited Financial Statements 2009/10
- Comparative Information on NSW Local Government Councils 2008/09 (August 2010)
- Draft Inner North Sub Regional Strategy 2007
- Draft North Sydney Local Environment Plan 2009 and Draft North Sydney Development Control Plan 2010
- Financial Management Policy (CL09-FM)
- Metropolitan Plan for Sydney 2036 (December 2010)
- North Sydney Council Asset Management Strategy 2010/11-2019/20
- North Sydney Council Delivery Program 2010/11-2013/14
- North Sydney Council Engineering Infrastructure 2010/11-2019/20 and Property Asset Management Plan 2010/11-2019/20
- North Sydney Council Open Space Provision Strategy (2009)
- North Sydney Council Property Asset Management Plan 2010/11-2019/20
- North Sydney Council Recreational Needs Study (2005)
- North Sydney Council Section 94 Contributions Plan 2004-2014
- North Sydney Council Water Based Recreation Needs Study (2006)
- North Sydney Council Workforce Strategy 2010/11-2013/14

This Plan reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast. For further information contact Council's Director Finance and Information Technology on 9936 8100.

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Foreword

We are pleased to present the *North Sydney Council Long Term Financial Plan 2010-2020*. This is the first Long Term Financial Plan prepared by North Sydney Council in accordance with the State Government's Integrated Planning and Reporting Framework requirements.

Council's Long Term Financial Plan 2010/11-2019/20 is part of our Resourcing Strategy, helping to ensure that community's long term goals and objectives, as expressed in the *2020 Vision, North Sydney Community Strategic Plan 2009-2020* are met. Effective workforce planning enables Council to focus on the medium and long term and also provide a framework for dealing with immediate challenges in a consistent way. Our Long Term Financial Plan links directly with our *North Sydney Council Delivery Program 2010/11-2013/14*.

The Long Term Financial Plan (LTFP) expresses in financial terms the activities that council proposes to undertake over the short, medium and long term and will guide the future strategies and actions of Council to ensure that it continues to operate in a sustainable manner. It examines the impact of Council's revenue, operational and capital expenditure forecasts, taking into account assumptions for economic factors and changes to service delivery levels.

Long term financial planning provides the following benefits for Council:

- It provides an indication of the future financial position of Council;
- It helps Council assess the financial sustainability of service levels;
- It allows scenario testing of different strategies and service levels;
- It identifies any potential funding gap arising from the long-term financial forecasts;
- It enables testing of sensitivity and robustness of the key assumptions used in the long term forecasts;
- It allows the long-term strategic decisions to be quantified and debated;
- and
- It assists Council in determining the risk of future strategic directions.

It is intended that this Plan be a living document that helps to guide the activities and decision making of the organisation into the future. The initiatives will be reviewed annually to ensure applicability in the changing environment and to also incorporate community feedback.



Cr Genia McCaffery
MAYOR



Penny Holloway
GENERAL MANAGER

1. Introduction

Under the Integrated Planning and Reporting Framework (IPR) councils are required to draw together their various plans, to understand how they interact and to get the maximum leverage from their efforts by planning holistically for the future.

The *2020 Vision, North Sydney Community Strategic Plan 2009-2020* provides a vehicle for expressing long term community aspirations. However these aspirations can only be achieved if sufficient resources - time, money, assets and people - are allocated.

Through the 2010/11-2013/14 North Sydney Council Delivery Program, Council outlines how the objectives of the 2020 Vision will be implemented through projects and services during its term of office. The implementation will be within the resources identified in the accompanying Resourcing Strategy.

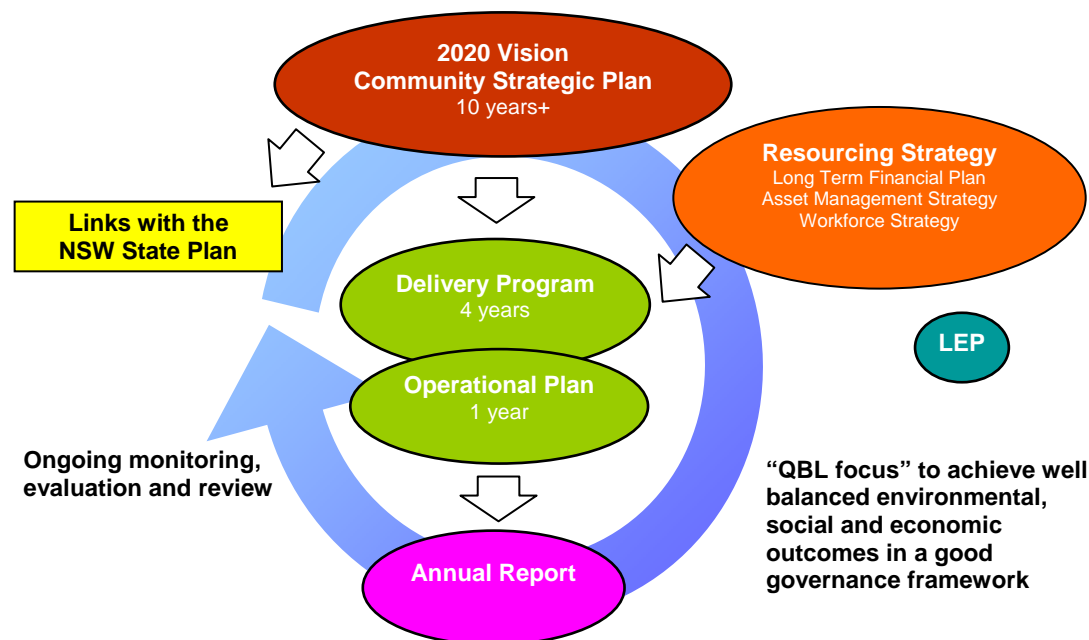


Figure 1.1 Integrated Planning and Reporting Framework

The Resourcing Strategy which underpins the 2020 Vision consists of three components: long term financial planning, asset management planning and workforce planning. The Resourcing Strategy is the critical link between the 2020 Vision and the Delivery Program. Each component of the Resourcing Strategy is critical to achieving the goals and objectives of the 2020 Vision. The Resourcing Strategy is reviewed each year in line with preparation of the annual Operational Plan and Budget. It details the provision of resources required to implement strategies established by the 2020 Vision for which Council is responsible.

North Sydney Council has been committed to long term financial planning for some time now. Council has had in place a long term financial model since 2006. The model is revised annually.

The Long Term Financial Plan (LTFP) is a decision making tool. It is governed by a series of financial strategies and accompanying performance indicators that Council considers and adopts. The LTFP is not intended to be a document that specifically

indicates what services/proposals funds should be allocated; rather it addresses the impact of the Council's ability to fund its services and Capital Works, whilst living within its means i.e. ensuring financial sustainability. It establishes the financial framework upon which sound financial decisions are made.

Council's LTFP is underpinned by Council's Financial Management Policy (CL09-FM); refer Appendix 2. The policy outlines Council's guiding principles when preparing the Long Term Financial Plan and its ongoing financial sustainability. In order to live sustainably the Council has to look into the future and provide future generations with a sustainable infrastructure and environment without the burden of excessive debt.

The LTFP seeks to answer four key questions:

- Can we survive the pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

The LTFP includes:

- Planning assumptions used to develop the plan
- Projected income and expenditure, balance sheet and cashflow statement;
- Sensitivity analysis (factors/assumptions most likely to affect the plan);
- Modelling for different scenarios (planned/optimistic/conservative); and
- Methods of monitoring financial performance.

The LTFP intends to achieve the following objectives of the ten year time frame:

- Maintain existing service levels;
- Maintain a strong cash position;
- Maintain a balanced budget position;
- Maintain a sufficient Employee Leave Entitlement Cash Reserve based on the age and entitlements of all staff in accordance with Council's Workforce Strategy; and
- Maintain capital expenditure on asset renewal and upgrades; and

The longer the planning horizon, the more general the plan will be in the later years i.e. it is not expected that the tenth year of our plan will include specific detail. As decisions are made more detail can be added to the LTFP. As Council finalises its Delivery Program every four years, the first four years of the LTFP will become firmer. As the Operational Plan is completed (annually) the detailed budget will form the first year of the LTFP.

The following diagram illustrates the relationships and integration within the Framework:

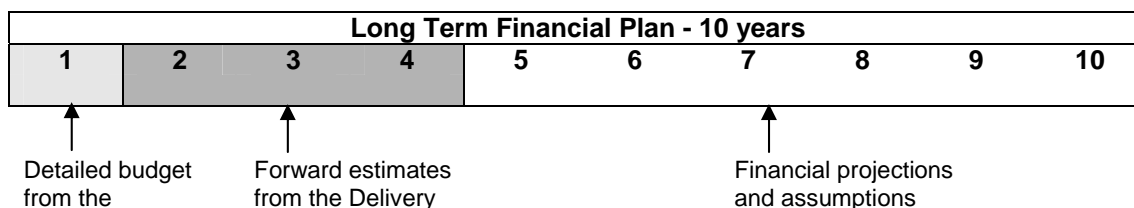


Figure 1.2 Relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan.

2. Our Organisation

This section provides an overview of North Sydney's community and Council including our vision, mission and values; our charter; introducing your councillors, Council's organisational structure, and a snapshot of the geographic and demographic profile of North Sydney.

2.1 Our Vision, Mission, Values and Charter

2.1.1 Our Vision

North Sydney is a vibrant community with a major and unique commercial centre surrounded by related villages and neighbourhoods. We celebrate community harmony, respect and diversity and our locality is recognised for its excellence in innovation, business and sustainability.

Our residents, workers and students are proud to belong to this community and we welcome those who visit and enjoy the area. Our community supports environmental, social and economic sustainability through civic leadership and local and practical solutions.

2.1.2 Our Mission

To be leading edge in serving the community of North Sydney by caring for its assets, improving its appearance and delivering services to its people in a financially, socially and environmentally responsible manner.

2.1.3 Our Core Values

Sustainability - equity, preservation, justice and precaution

Community service - efficiency, effectiveness and responsiveness

Open government - transparency and accountability

Ethical conduct - honesty and integrity

Justice - fairness and equity

Quality - innovation and excellence

Teamwork - cooperation and respect

2.1.4 Council's Charter

In addition to the Council's Charter under Section 8 of the Local Government Act, 1993, North Sydney Council has adopted its own Charter:

- We will leave to future generations a better environment than we inherited. Sustainability will be a call to action across our community. In partnership with our community, we will ensure that responsible stewardship of the local environment is a guiding principle in all our activities. We will develop new local parks and sporting facilities, broaden the use of our existing open space

and recreation resources and improve how we care for and manage them. We will work with other organisations, locally and regionally, to realise these ends. The importance of providing opportunities for community health and wellbeing will be central to all of our open space and recreation planning.

- We will work with our community to create a built environment that is well designed, welcoming, safe, accessible and beautiful and which truly reflects our local heritage. We will protect the character of our urban environment whilst managing growth. We ensure that North Sydney's networks of roads, footpaths, seawalls and other local infrastructure is maintained to a standard that meets our community's expectations. Funding for major new infrastructure will be spread over the life of the asset. We will bring together other levels of government in sharing responsibility for our local infrastructure. We will make North Sydney pedestrian and bike friendly. The use of public transport and other alternatives to the private car will be encouraged through the improvement and expansion of sustainable transport options and the encouragement of car sharing options.
- We will preserve the economic vitality of the North Sydney Central Business District and unique commercial centres. From a strong commercial heart, our CBD will host a thriving business community, provide diverse social and cultural activities and work in harmony with surrounding residential areas and other commercial centres nearby. The CBD will be internationally recognised as a place for innovation, excellence and Ecologically Sustainable Development. Our commercial centres will remain economically viable, healthy and attractive. Our neighbourhoods will be strengthened so that there are village centres with shops and places to meet within walking distance of residential areas.
- We will strengthen bonds in our community and give more recognition and support to our social and cultural diversity. A safer environment for people who live in and visit North Sydney will be created, and we will promote a sense of community responsibility for our collective wellbeing. We will ensure 'universal access' to our community services and facilities through continuous needs analysis and planning. We will pursue investment opportunities to enhance community assets under Council's care in the interests of quality of life, amenity and public safety. We will always regard our role in delivering services to the community as vital. We will work in partnership with other levels of government in planning and providing services. Central to our focus will be the needs of youth, families and older people as well as those with special needs.
- We will continue our established tradition of good governance and we will be a leader in ethical, transparent and open government. We will be worthy of and receive the highest level of community confidence in our capacity to govern. We will adopt a sustainable approach to our financial planning, explore additional sources of income and minimise risks to our organisation. Achieving this will ensure that we are able to maintain a healthy and secure financial position whilst providing our community with a high level of service.

2.2 Our Councillors

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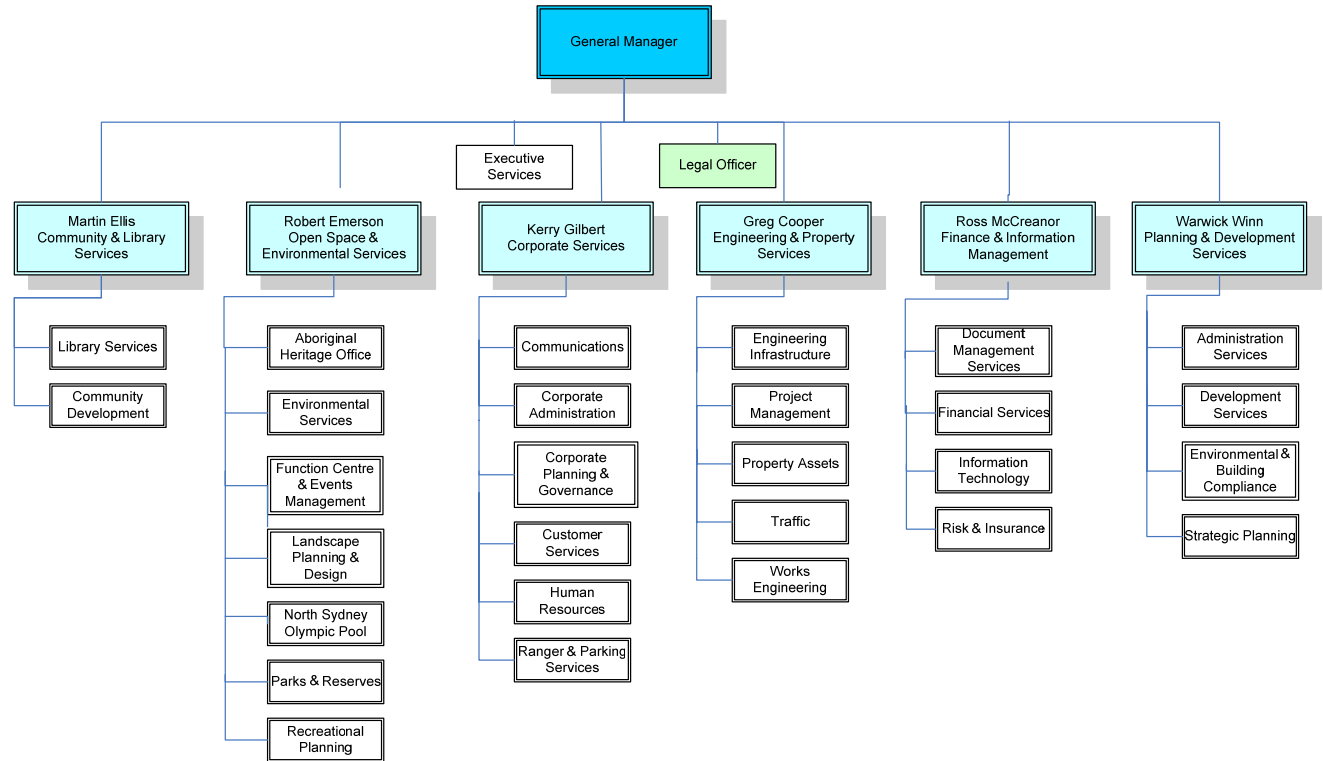


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2.3 Our Organisational Structure

North Sydney Council is constituted under the Local Government Act 1993. The organisational structure under which Council operates is set out below:



2.3.1 The role of the General Manager and Senior Management

General Manager, Penny Holloway

The General Manager is responsible for the operation of Council's organisation and for implementing the policies and decisions of the Council. The General Manager is responsible for the day to day management of Council, exercising any functions delegated by the Council; and the appointment, direction and dismissal of staff.

Responsible to the General Manager are six Directors who manage the Divisions of Community and Library Services, Corporate Services, Engineering and Property Services, Finance and Information Services, Open Space and Environmental Services and Planning and Development Services.

The General Manager, along with the Directors comprises the Senior Management Team (MANEX) that ensures the organisation is meeting its obligations and provides staff with strategic direction. The role of the General Manager is also to oversee Mayoral and Councillor support and legal services.

Director Community and Library Services, Martin Ellis

The Community and Library Services (CLS) Division plans and delivers a vast range of services including programs for seniors and people with special needs, family and children services, youth services and community events to encourage community connectedness. The Division is also responsible for management of Stanton Library and the North Sydney Heritage Centre.

Director Corporate Services, Kerry Gilbert

The Corporate Services (CS) Division coordinates governance, customer services, communications, community engagement, human resources, parking management, companion animal management and corporate administration. Another key role is coordination of integrated planning and forward planning for Council. The Division undertakes the process to establish a shared vision and strategic directions through consultation with the community.

Director Engineering and Property Services, Greg Cooper

The Engineering and Property Services (EPS) Division is responsible for the delivery of infrastructure and commercial operations. Operational activities include the maintenance of built assets including buildings, roads, footpaths and drainage. Commercial operation activities include parking meters, parking stations and the commercial property portfolio. Engineering and Property Services also delivers capital works projects, manages traffic planning and facilities, provides road safety education programs and manages Council's fleet and plant.

Director Finance and Information Management, Ross McCreanor

The Finance and Information Management (FIM) Division provides financial services, risk management and insurance, information technology services and document management services. Activities also include the management of Council's investment portfolio and long term financial planning.

Director Open Space and Environmental Services, Robert Emerson

The Open Space and Environmental Services (OSES) Division's key responsibilities include waste management, environmental services and sustainability, bushland management and parks and reserves management. Tree management is managed by this Division as well as management of the North Sydney Olympic Pool and the North Sydney Oval and Function Centre, public events, recreational planning, Aboriginal heritage, street cleaning, and landscaping planning and design.

Director Planning and Development Services, Warwick Winn

The Planning and Development Services (PDS) Division's key responsibilities are assessing and determining development applications and the regulation of strategic land use planning through planning instruments such as heritage controls. The Division also ensures that building and health regulations are enforced and supports local government area-wide economic development.

2.3.4 Employee Profile

The current organisational structure (i.e. the budgeted staff establishment) comprises 388 full time equivalent (FTE) staff positions across six Divisions and the General Manager's Office. The FTE comprised of a headcount of 489 people as detailed in the table below; whilst there are 111 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

Division	Full time (FT)	Part time (PT)	Casual
General Manager's Office	4	0	0
Community and Library Service	22	35	27
Corporate Services	66	11	2
Engineering and Property Services	46	3	12
Finance and Information Management	34	3	0
Open Space and Environmental Services	94	16	67
Planning and Development Services	41	3	3
Total FT, PT and Casual Headcount	307	71	111

2.4 North Sydney in Profile

2.4.1 Key Facts:

- North Sydney local government area (LGA) is located 3km from the Sydney GPO and covers 10 square kilometres.
- North Sydney's estimated resident population in 2007 was 62,323, an increase of 5.9% since 2001.
- By 2020 North Sydney is expected to increase to 64,551 people.
- Over 50,000 people travel daily to North Sydney for work and study. The State Government's employment capacity target for North Sydney is 15,000 by 2031 (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney has a low proportion of households with children, compared to the Sydney average with 88.6% of the population being over 18 years.
- North Sydney has a larger percentage of 25 to 34 year olds (27.4%) compared to the Sydney average.
- North Sydney is a relatively affluent community with above average incomes. Overall 47.1% of households earn \$1,700 or more per week, whilst 9.5% are low income households, earning less than \$500 per week.
- Overall, 60.9% of the population hold tertiary qualifications compared with 43% for the Sydney average.
- Of our 15,000 students attending schools and tertiary institutions in North Sydney, only one in five live in the LGA.
- Almost a third of North Sydney's population was born overseas; 18.2% are from a non-English speaking background, compared with 24% for the Sydney average.

- Dwelling density is higher in North Sydney than in other parts of Sydney with almost 25% residing in medium density dwellings (semi-detached, row, terrace, townhouses and villa units); while 52.6% live in high density dwellings (flats and apartments).
- By 2031 North Sydney is be required by the State Government to provide an additional 5,500 dwellings (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney is home to one of the largest business districts in Australia as well as several smaller commercial centres. More than 45,000 businesses operate from North Sydney.
- Approximately 15-20% of North Sydney is open space, including seven parks with multiple sports fields and 188 larger parklands to pocket parks and smaller garden areas.

For more information about North Sydney's demographic characteristics, please refer to the demographic profile, on Council's website at www.northsydney.nsw.gov.au.

Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2001.



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3. Environmental Scan

The Environmental Scan is a review of the key external and internal factors that may impact on North Sydney Council and its long term financial planning.

3.1 Current Financial Position

Council's current financial position continues to remain sound. The audited (unqualified) Financial Statements at the 30 June 2010 indicated that Council's internally restricted cash reserves totalled \$30.8m and its externally restricted cash reserves totalled \$13.5m. It should be noted that externally restricted monies can only be spent on the specific purposes for which they were received or levied, such as developer contributions (S94), grants and special levies.

Some of the key performance measures are all within the appropriate ranges and are as follows:

- Unrestricted Current Ratio - 4.3:1 (a healthy range is above 1.5:1)
- Debt Service Ratio - 0% (a healthy range is below 10%)
- Rates and Annual Charges Outstanding - 1% (a healthy range is below 5%)
- Building and Infrastructure Renewals Ratio - 119.4% (a healthy range is above 100%)
- Available Working Capital - \$3.4m (considered an adequate level by our external auditors to manage Council's day to day operations)
- For the year ending 30 June 2011, Council expects to be holding \$25.3m in internally restricted reserves and \$10.9m in externally restricted reserves. These figures are dependent on the completion rate of our non-recurrent works program.

In terms of the key performance measures, all are expected to remain within the "healthy" ranges.

Council's fees and charges have been reviewed generally in terms of a 3% increase except with the Domestic Waste Management Charge (DWMC). The annual DWMC will increase to \$256, an increase of \$10 or 4.0%.

Income from Council's property portfolio has stabilised and no more significant drops in revenue are expected to occur. However parking stations are continuing to be negatively affected by the retail downturn.

In overall terms, Council is still of the opinion that the bottom of our revenue decline has been reached and will not improve significantly for some time into the future. Therefore Council will continue to face the funding challenges posed when operating costs are increasing at a greater rate than operating revenue; a Section 94 (S94) works program that is facing long term revenue shortages and an ever increasing unfunded capital renewal program.

In the final version of the 2009/10 budget, reductions of over \$2.5m were made to the recurrent budget and \$1m to the non-recurrent budget. This included a reduction of 24.8 FTE (8% of the workforce) and many reductions to service levels. *The reductions are outlined in Appendix 6. In summary* Some of the reductions to service levels have been listed below:

- Significant reductions to staff training and performance incentives

- Reduction in the opening hours of customer service
- Significant reduction in property and project management
- Reduction in pavement scrubbing
- Reduction in engineering inspections, pavement repairs and signs and lines
- Significant reductions in development application assessment capacity
- Ceasing mowing of grass verges in front of residential property (however during 2009/10 Council voted to fully reinstate the 'mowing of grass verges' from 2010/11, funded by additional income sourced through advertising).
- Significant reductions in public events in parks
- Reductions to garden maintenance and street cleansing
- Ceasing all "voluntary" council rate rebates to eligible pensioners
- Reductions in grants to community groups and community centres
- Reductions to youth programs
- Reduced library supervision and services

3.2 General Assumptions

3.2.1 Population

North Sydney LGA is both a significant residential area and a substantial commercial area containing Sydney's second largest office market. It is well known for its recreational facilities and cultural attractions including Luna Park, North Sydney Oval, Admiralty and Kirribilli Houses and Sydney Harbour Bridge. Its location on Sydney Harbour foreshore adjacent to the Sydney CBD makes it attractive for business, residents and tourists alike. More than 45,000 businesses operate from the North Sydney CBD and smaller commercial centres¹.

North Sydney's estimated resident population (ERP) as at June 2009 was 63,941 people²; this is an increase of 1.54% since June 2008; a 5.9% increase since 2001 and 9.8% increase since 1996. It is predicted that North Sydney's resident population will increase to 64,551 people by 2020, representing an average annual growth rate of 0.4%. North Sydney's population growth is moderate in contrast to the NSW state average.

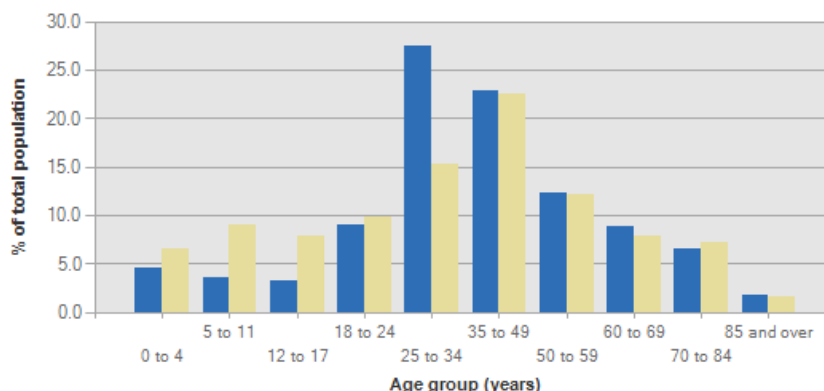
88.6% of the population is over 18 years. Almost half of North Sydney's residents are aged between 25 and 49 years. North Sydney has a higher percentage of 25 to 34 year olds (27.4%) compared to the Sydney average (15.3%).

With regard to specific population groups, the 25-34 year olds group increased slightly between 2001 and 2006, but the largest increases were in 35-49 year olds (up by 1,217 people) and 60-69 year olds (up by 1,372 people). This could indicate a change in the role and function of North Sydney LGA, with both parents groups and "empty nesters" moving in. There has also been an increase in 0-4 year olds. These statistics support community levels of satisfaction with Council services, the need for improved community services and facilities as well as the upgrade and provision of new open space and recreational facilities.

¹ Draft Inner North Sub Regional Strategy 2007

² Australian Bureau of Statistics, Cat. No. 3218.0 - Regional Population Growth, Australia, 2009

Age structure of North Sydney Council area and Sydney Statistical Division, 2006 (Enumerated data)



Source: Australian Bureau of Statistics, 2006 Census of Population and Housing (Enumerated)

There are 19 educational institutions in North Sydney. The student population, increased by 479 (4%) between 2004 and 2007, most notably at the three public primary schools), to reach 18,282, the majority of which live outside the LGA. In comparison to other local government areas North Sydney has one of the highest numbers of educational institutions in Australia.

3.2.1.1 Capacity to Pay

North Sydney Council:

- has the lowest average residential rates amongst category 2 councils;
- has the highest 'gross household income' amongst category 2 councils (as per the last census); and
- has less than 1% of rates outstanding.

In accordance with the ABS produced Socio-Economic Indexes for Areas (SEIFA), which compare the relative social and economic conditions of cities, towns and suburbs across Australia, North Sydney LGA ranks 12th highest nationally and 4th highest in NSW, after Ku-ring-gai, Mosman and Woollahra LGAs. The following table lists the top ten ranked Statistical Local Areas (SLAs) in NSW, according to the Index of Relative Socio-economic Advantage.

Most Advantaged		
Rank in NSW	Local Government Area (LGA)	Usual Resident Population
1	Ku-ring-gai	101,084
2	Mosman	26,236
3	Woollahra	50,162
4	North Sydney	58,257
5	Lane Cove	30,427
6	Manly	37,111
7	Willoughby	63,604
8	Hunter's Hill	13,242
9	Baulkham Hills	159,391
10	Pittwater	54,156

Source: ABS, 2006 (SEIFA 2006)

Analysis of the housing tenure of the population of North Sydney Council area in 2006 compared to the Sydney Statistical Division shows that there was a smaller proportion of households who owned their dwelling; a smaller proportion purchasing their dwelling; and a larger proportion who were renters. Overall, 22.3% owned their dwelling; 19% were purchasing, and 46.4% were renting, compared with 30.1%, 31.1% and 29.7% respectively for the Sydney Statistical Division.³

Overall, 47.1% of North Sydney households earn a high income (\$1,700 p.w. or more), and 9.5% are low income households (earning less than \$500 p.w.).

The following table indicates that North Sydney residents have the highest 'gross weekly household income' over \$1,000 p.w. in Category 2 councils, whilst having by far the lowest average residential rates.

Table: DLG Comparative Data 2008/09							
The following table indicates that North Sydney residents have the highest 'gross weekly household income' over \$1,000 p.w. in Category 2 councils whilst having by far, the lowest average residential rates.							
Councils	Category	Av Res 2008/09 (in order of increase)	Av Bus 2008/09	Household Income >= \$1,000 p.w. Ranking - High (1) to Low (17)	Gross Weekly Household Income		
					2006 Census Data		
					< \$350	\$350 to \$1,000	>= \$1,000
North Sydney	2	\$434	\$2,502	1	8.80%	15.70%	66.50%
Mosman	2	\$1,046	\$2,348	2	7.70%	15.60%	65.50%
Lane Cove	2	\$938	\$3,077	3	9.00%	16.30%	63.70%
Woollahra	2	\$903	\$2,993	4	8.30%	15.00%	63.60%
Leichhardt	2	\$988	\$5,684	4	10.50%	16.20%	63.60%
Manly	2	\$1,039	\$3,639	5	9.80%	16.80%	62.10%
Willoughby	2	\$724	\$4,718	6	10.20%	17.00%	61.80%
Hunters Hill	2	\$1,203	\$965	7	12.10%	15.20%	61.00%
Canada Bay	3	\$739	\$2,564	8	11.30%	18.40%	60.00%
Pittwater	2	\$1,117	\$1,706	9	8.70%	18.60%	59.20%
Waverley	2	\$661	\$4,026	10	11.50%	19.50%	56.90%
Sydney	1	\$514	\$9,011	11	16.70%	19.50%	54.20%
Kogarah	2	\$765	\$2,088	12	12.10%	24.40%	52.50%
Ashfield	2	\$831	\$3,815	13	14.10%	25.70%	50.40%
Strathfield	2	\$716	\$3,940	14	14.60%	24.90%	48.20%
Burwood	2	\$851	\$4,568	15	15.60%	24.90%	47.30%
Botany Bay	2	\$545	\$7,680	16	17.50%	26.80%	44.00%

Source: DLG 2008/09 Comparative Indicators

The 2020 Vision has been designed to enhance opportunities for people living in North Sydney LGA who experience social exclusion and disadvantage. Council also has a Financial Hardship Policy (CL05-FM.)

3.2.1.2 Growth Capacity

The 2007 Inner North Sub Regional Strategy indicates North Sydney will be required by 2031 to add an additional 5,500 dwellings. Similarly over 50,000 people travel daily to North Sydney for work or study, with this set to increase by 15,000 (30%) persons by 2031.

³ <http://profile.id.com.au/Default.aspx?id=238&pg=119&gid=10&type=enum> (26/02/11)

Based on targets set by the Metropolitan Strategy (including Subregional Strategy) and historical development approval data, the following table provides a general guide as to what Council may expect the growth to be within the LGA over the next ten years:

	2010/11	2011/12	2012/13	2013/14	2014/15 to 2020/21 (p.a.)
Estimated population growth (+3.5% by 2020)	223	223	223	223	223
NSC Estimated Annual Dwelling Growth (based on history of DA approvals between 2001-2010)	220	220	220	220	220
NSC Projected Target Annual Dwelling Growth (based on the Metropolitan Strategy target of +5,500dw by 2031 - 2004 base date)	204	204	204	204	204
NSC Estimated workforce growth (based on history of DA approvals between 2004-2010 to 2013 + Metropolitan Strategy target +15k by 2031)	1,200	1,200	1,200	850	500
NSC Projected Target workforce growth (based on Metropolitan Strategy target +15k by 2031 - base date 2001)	500	500	500	500	500

Figure 3.1 Projected Growth

As summarised in Figure 3.1 Council expects annual growth in new dwellings to be between 200 and 220, and workforce growth to be between 500 and 1,200. It should also be recognised that there can be significant timing delays between planning approvals, construction and then habitation.

The results of steady growth have been captured within the Long Term Financial Model but there are two key financial outcomes from investigating some of the historical data. Firstly, growth in rates revenue is negligible and secondly, extraordinary increases in developer contributions (i.e. S94 income), increases both the financial capital liability for Council and the additional maintenance costs resulting from increased capital works.

Figure 3.2 able demonstrates the very limited effect that growth in dwellings, workforce and population has on rates revenue for an "in-fill" council. Over five years, the average net increase in rates is 0.2% or approximately \$55,000.

Year	2007/08	2008/09	2009/10	2010/11	2011/12	
New Dwellings - Sydney Water Connections	295	160	281		-	
Note: the number of water connections will lag DA's but should be reflected in 'rate movements' over approx. 2 years						
Schedule 2 - Original Base	Rates	26,560,178	27,447,763	28,424,200	29,480,300	
Schedule 1 - Revised Base	Rates		26,664,161	27,442,279	28,494,344	29,450,964
Movement		138,344	103,983	-5,484	70,144	-29,336
% Movement		0.58%	0.39%	-0.02%	0.25%	-0.10%

Figure 3.2 Projected Rates Revenue

Section 94 of the Environmental Planning and Assessment Act 1979 (the Act) enables Councils to levy contributions for the provision of public facilities required as a consequence of development and the resulting increased demand for public facilities. Under S94 of the Act, contributions may be levied towards: the capital costs, including land acquisition; and public facilities that the Council has the responsibility to provide.

The North Sydney Section 94 Contributions Plan was adopted by Council 27 January 2004 and came into force 5 February 2004. The Plan predicts a ten year period to reach the development capacity in the North Sydney LGA as outlined in the Plan, whether or not the development capacity is reached.

It should be noted that not all public facilities provided by Council are necessarily catered for under a S94 Contributions Plan. Works identified for provision under a S94 Contributions Plan are only established after detailed studies have been undertaken to determine the demand for such facilities at the time that the Plan was initially prepared.

There are often discrepancies between the amount of development forecast under a Section 94 Contributions Plan and the actual amount of development approved by Council. The take up of development is largely affected by the economy and the forecasting used under the Section 94 Contributions Plan is often based on past trends. Accordingly, Section 94 Contributions Plans are often reviewed in 5 year intervals to determine if the Plans are realising their potential.

There are further discrepancies between the amount of approved development and the amount of constructed development. Development Contributions collected under Council's Section 94 Plan are generally made payable prior to the issue of a Construction Certificate. Accordingly, the Section 94 development contributions paid to Council will always be less than the total of the contributions that have been conditioned to be collected from approved developments.

The projected S94 Programs including both Council's and developer contributions are set out below. These figures are based on planning assumptions. However the figures have been pared back in the LTFP to reflect expected cash inflows of approximately \$2.9m per annum and the increased maintenance costs.

Figure 3.3 represents the estimated growth scenario suggests that annual revenue from S94 would be in the order of \$4.2m, a capital expenditure obligation from Council of approximately \$2m and increased maintenance costs of \$188,000.

If contributions from new developments were to consistently exceed the proposed budget estimate of \$2.9m per annum, then Council would need to consider external borrowing for both the internal S94 debt (approximately \$8.8m) and for its own contribution. The current proposal for the rate increase does not include this scenario.

Expenditure Programs	S94 Program - Sharing of Costs %		Projected 2011/12 - 220 +workers p.a.		Projected 2011/12: increased workforce p.a.		Total Program \$	Additional Maintenance Costs
	S94 % Portion	NCS % Contribution	S94 \$ Portion	NCS \$ Contribution	S94 \$ Portion	NCS \$ Contribution		
Administration	93%	7%	24,754	1,863	26,647	2,006	55,269	0
Child Care facilities	93%	7%	42,882	3,228	112,822	8,492	167,424	5,023
Community Centres	83%	17%	112,388	23,019	64,965	13,306	213,679	6,410
Library Acquisition	73%	27%	20,962	7,753	13,247	4,900	46,862	9,372
Library Premises and Equipment	41%	59%	64,851	93,322	40,274	57,956	256,403	25,640
Multi-use Indoor Sports Facility	12%	88%	17,706	129,847	15,243	111,781	274,576	0
Olympic Pool - 50m	12%	88%	57,677	422,966	49,663	364,194	894,500	26,835
Open Space Acquisition	100%	0%	706,848	0	48,571	0	755,419	7,554
Open Space Increased Capacity	100%	0%	1,401,096	0	96,276	0	1,497,372	44,921
Public Domain - North Sydney	64%	36%	131,048	73,715	642,432	361,368	1,208,563	36,257
Public Domain - St Leonards	100%	0%	138,828	0	210,868	0	349,696	10,491
Public Domain - Other	14%	86%	28,681	176,181	23,821	146,327	375,009	11,250
Traffic - Public Domain/ North Sydney	100%	0%	13,795	0	38,788	0	52,583	1,577
Traffic - Public Domain/ St Leonards	100%	0%	13,883	0	18,882	0	32,765	983
Traffic - Public Domain/ Other	100%	0%	42,501	0	0	0	42,501	1,275
			2,817,900	931,894	1,402,500	1,070,329	6,222,623	187,590

Figure 3.3 Projected S94 Revenue

3.2.2 Inflation

Changes in inflation will impact on both revenue and expenditure. The consumer price index (CPI) forecasts from Council's financial advisors as well as comparison with other Category 2 Councils have been used as a guide in the preparation of the LTFP. A number of other assumptions and forecasts have been included in the LTFP models to provide a more accurate reflection of the movements in costs over a ten year period.

On 23 April 2010, Glenn Stevens, Governor of the Reserve Bank of Australia, in his address on the subject 'Economic Conditions and Prospects', commented that Australia had one of its mildest recessions in the post-War period. Australia's economy had a sharp but brief downturn late in 2008 and returned to real growth domestic product (GDP) growth of 2.75% in 2009. Stevens also made the following comments:

“As most recently estimated by the ABS, real GDP grew by 2¾ per cent through last year - a bit below average, but much higher than for most other high-income economies. This was supported by monetary and fiscal stimulus, the recovery in Asia, and a sound financial system. That in turn meant that the economy was able to get onto the recovery path more quickly.”

“As a result, the rate of unemployment, at about 5¼%, is more than 2 percentage points lower than we forecast a year ago. The level of employment is 3%, or some 350,000 jobs, higher than we expected a year ago.”

“So the outlook for demand seems likely to be driven more by investment, both private and public, and less by consumption than in some previous periods.”

“The Board’s focus will be on doing our part to secure a durable expansion and on achieving the medium-term target for inflation of 2-3% on average.”

Relating these comments back to trends in local government, it has been assumed that inflation will continue to be around 2.5-3% p.a. and that the shortage of skilled labour will continue. As labour costs represent the single largest outgoing (49.5% in 2010/11) of Council’s operations, it is expected that costs will generally increase by 1.5% above the CPI. This is consistent with recent reports into the sustainability of local government.

3.2.3 Planning, Reporting and Decision Making Framework

In anticipation of the introduction of IPR legislation, Council adopted a Quadruple Bottom Line (QBL) approach to its planning, reporting and decision making; taking into consideration a broad range of social, environmental, economic and governance issues/implications. It was intended that by integrating a QBL approach to Council’s planning, reporting and decision making processes, Council would be better equipped to undertake IPR requirements.

Council had already undertaken a number of initiatives to address sustainability within its plans, reports, processes and operations. However, the adoption of a formalised QBL approach to planning, reporting and decision making was adopted to assist Council’s in more accurately defining and reporting its performance.

The ‘North Sydney Council Organisational Sustainability Program’ guided by Council’s Organisational Sustainability Policy (CL08-OM), was adopted in 2009 to embed sustainability considerations into all Council planning, reporting, decision making processes, and operations. The program, which includes a Sustainability Assessment Toolkit, provides guidance to Council when determining the significance of projects. As part of its consideration, Council takes into account how important the proposal and/or decision is in terms of the achievement of, or ability to achieve the community goals and objectives as identified in the 2020 Vision.

This framework gives the community some certainty about how Council will approach its consideration of proposals and/or decisions. Council will consider each proposal and/or decision on a case-by-case basis. Significant proposals and/or decisions that deviate from the Delivery Program will require the amended Plan to be placed on public exhibition for 28 days.

3.2.3.1 Service Levels

Council delivers services through 29 departments/functions. Analysis and community consultation has shown that if Council is to meet the objectives and targets of the 2020 Vision, all of these services need to be maintained at their existing level and some services will require enhancement in service levels.

Ongoing reviews of service levels, in consultation with the community and having regard to their full service deliver costs are undertaken on a regular, planned and ad hoc basis to ensure that funding allocations are both justifiable and sustainable. These reviews are undertaken in-house or with external assistance.

Sennitt Management Services undertook an Efficiency Review of North Sydney Council in 2006, and found that the Council organisation was very efficient. Further areas of review were suggested with a view to improved performance, all of which have been undertaken. Reviews have been targeted to achieve different objectives, including:

- Reviews of structure, service levels and performance;*
- Reviews of service delivery method and scope;*
- Reviews of service delivery processes and standards; and*
- Review of strategies and plans of management (which set service delivery standards)*

Similarly ongoing productivity improvements have been made which have freed up resources for re-allocation to other priorities as well as producing efficiency gains, improving income and producing expenditure reductions.

Council conducts a Customer Satisfaction Survey every two years to determine community attitudes towards the services and facilities it provides about the quality and appropriateness of each of its services. This feedback informs reviews of service delivery standards and levels used in the development and review of the Delivery Program to ensure areas that are not meeting community expectation are reviewed.

The service levels, asset maintenance and renewal requirements outlined in the Asset Management Strategy and sub plans have determined the capital expenditure and maintenance expenditure components of the LTFP.

Council's sustainability reporting reports the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion. A sustainability ratio of 1.0 indicates that the current funding provided is equal to the required lifecycle funding estimate. A sustainability ratio of less than 1.0 indicates a funding gap. Other than the introduction of the Infrastructure Levy, there has been no additional funding for these assets. As an example Council's Engineering Infrastructure Asset Management Plan indicates that the current level of funding remains insufficient, as indicated in Figure 3.4.

Asset Group	Asset Category	2007 Sustainability Ratio (pre Infrastructure Levy)	2007 Sustainability Ratio (post Infrastructure Levy)
Footpaths	Footpaths	1.09	1.09
Road Pavement	Roads Local	0.79	0.81
	Roads Regional	1.28	1.28
Seawalls and Marine Structures	Marine Structures	0.44	0.89
	Sea Walls	0.65	1.41
Stormwater Drainage	Drainage	0.62	0.87
	Kerb and Gutter	0.29	0.29
	Pollution Pits	0.57	0.57
Street Furniture	Public Lighting	0.18	0.48
	Street Furniture	0.27	0.39
	Bus Shelters	0.85	1.27
	Street Signs	0.81	0.81
Structures	Fences	0.14	0.23
	Retaining Walls	0.42	0.80
Traffic Facilities	Parking Meters	0.67	0.67
	Traffic Devices	0.66	0.66
Buildings	Buildings	0.66	0.66
Playgrounds	Playgrounds	0.63	0.63
Totals		0.76	0.84

Figure 3.4: Sustainability Ratios - Engineering Infrastructure Asset Management Plan

4. Planning Assumptions

The LTFP contains a number of assumptions. Variations in these assumptions during the life of the plan may have a significant impact on Council's future financial planning. The LTFP is updated annually in conjunction with preparation of the Operational Plan and Budget, which responds to the four-year Delivery Program, to ensure the assumptions are continually updated with the latest information available.

4.1 Revenue Assumptions

4.1.1 Rates and Annual Charges

The structure of a rate can only be:

1. An ad valorem amount (at value), or
2. A base amount to which an ad valorem amount is added, or
3. An ad valorem amount plus minimums (section 548 of Local Government Act).

The ad valorem amount of an ordinary rate is to be levied on the land value of all land that is to be rateable to the rate (Section 498). The rate in the dollar is to apply uniformly to the land value of all rateable land in the area of that rate. The following information relates to the 2010/11 financial year.

4.1.1.1 Ordinary Rates (Residential and Business)

Council has two ordinary rates being "residential" and "business". These rates are applied to those properties categorised as either residential or business. Those properties that are subject to a Mixed Development Apportionment Factor (MDAF) as supplied by the Valuer General are rated part Residential and part Business on the basis of that MDAF and are not categorised according to the dominant use.

The revenue derived from ordinary rates is based on the percentage breakdown of expenditure between the residential and business districts, currently 60% residential and 40% business.

	MINIMUM		AD VALOREM			TOTALS	%
	No	\$ Values	No	Rate in \$	\$ Value	\$ Value	
Residential Properties (\$ 407.00)	26,850	10,927,950	5,801	0.075984	4,396,231	15,324,181	60
Business Properties (\$ 408.00)	1,446	589,968	2,201	0.571278	9,627,344	10,217,312	40
	28,296	11,517,918	8,002		14,023,575	25,541,493	

4.1.1.2 Special Rate (Neutral Bay Mainstreet Levy)

First adopted by Council in the 2003/04 financial year, the rating structure for the Neutral Bay Mainstreet Levy program is a base amount (30%) and an ad valorem amount (at value). Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Neutral Bay. This rate is to fund the carrying out of streetscape works within the Neutral Bay Business Area. The current approval for this rate will expire on 30 June 2013.

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$145.27)	413	59,997	413	0.078262	140,003	200,000

4.1.1.3 Special Rate (Crows Nest Mainstreet Levy)

First adopted by Council in the 1996/97 financial year, the rating structure for the Crows Nest Mainstreet program is a base amount (30%) and an ad valorem rate. Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Crows Nest. This rate is to fund the carrying out of streetscape works within the Crows Nest Business Area.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. The current approval for this rate will expire on 30 June 2013. The amount of revenue collected by the levy was not increased

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$116.10)	770	89,397	771	0.069080	208,601	297,998

4.1.1.4 Special Rate (Environmental Levy)

First adopted by Council in the 2000/01 financial year, the rating structure for the Environmental Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Environmental Levy.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. This rate revenue is equivalent to an average of \$50.00 per rateable property, an increase of \$15.00 per rateable property effective from 2010/11. The current approval for this rate expired on 30 June 2013.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$24.99)	36,298	917,087	36,298	.007225	907,812	1,814,899

4.1.1.5 Special Rate (Infrastructure Levy)

First adopted by Council in the 2007/08 financial year, the rating structure for the Infrastructure Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Infrastructure Levy. This rate revenue is equivalent to an average of \$44.79 per rateable property. The current approval for this rate will expire on 30 June 2012.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$22.39)	36,298	812,712	36,298	.006472	813,103	1,625,910

4.1.1.6 Specific Rating Issues

a) Upon registration of a new strata plan or deposited plan Council will re-rate the property(s) from the commencement of the proceeding quarter of the rate year.

b) Aggregation of rates in accordance with Section 548A of the Local Government Act will apply for all lots categorised as Residential or Business for rating purposes, one separately titled car-space and one separately titled utility lot that are in the same ownership as the residential or business lot and are within the same building or strata plan. All aggregations will only apply from the commencement of the quarter following the lodgement of the application with Council.

c) At the end of each month all rate balances will be written off, up to a maximum of five dollars per assessment, and the resulting abandonments shall be incorporated in Council's final accounts.

d) For the 2010/2011 rating year, the base date for land values is 1 July 2007. For the 2011/2012 rating year, the base date for land values is 1 July 2010.

4.1.2 User Charges and Fees

For many years Council's Revenue Policy (within the Operational Plan) provided has guidance on how 'user charges and fees' were to be developed. Council's guiding revenue principles and Pricing Framework for Varying Fees and Charges include:

- *Endeavour to apply all revenue policies on an equitable basis;*
- *The "User Pays" principle will in general be the basis for the full recovery of costs;*
- *Fees and charges will take into account the movements in the CPI;*
- *Income earned from Council's assets will be maximised, based on industry market rates;*
- *As a minimum, Council will seek to recover the administrative costs in performing its statutory duties; and*
- *Consideration will be given to those groups and/or members of the community who are disadvantaged and may not otherwise be able to access the service. Generally this will be reflected by discounting the fee or charge.*

The factors that determine Council's Pricing Policy (within the Operational Plan) are equity, user-pays and market rates:

- *Prices represent either the full recovery of costs or the current market-rate whichever is the greater, except to those individuals or groups that have been identified as disadvantaged and in need of "special consideration";*
- *Reserve the right to vary this pricing policy on any reasonable basis having regard for specific circumstances;*
- *Documents that are made available on Council's website will be free of charge except for those variations identified in the Schedule of Fees and Charges; and*
- *A fee for the use of credit cards by customers will be charged when making payments.*

The annual review incorporate matters such as the ability to pay, full or partial cost recovery and levels of subsidy. Also, consideration will be given to those members of

the community, who because of their special circumstances may not be able to access the service. These considerations are reviewed annually and are detailed in a separate report to Council on subsidies and donations.

4.1.3 Interest and Investments

Council has a large investment portfolio that is subject to movements in interest rates. Investments are placed and managed in accordance with Council's adopted Investment Policy (CL03-FM) in compliance with the Local Government Act. As a custodian of the community's funds, Council ensures that funds are invested with the appropriate care and due diligence. Council's guiding investment principles are:

- Applicable risks;*
- Any constraints and other prudential requirements having regard to applicable legislation and regulations;*
- Compliance monitoring and reporting;*
- Expected level of future returns; and*
- Appropriate benchmarks for each category of investments.*

The assumed interest rate on investments for the next ten years is 6% p.a. Based on independent advice this return represents the market's central estimate for the ten year bank bill index average.

Council's policy regarding the interest rate on outstanding rates is to charge the maximum allowable by the Division of Local Government (DLG), currently 9% p.a. Since 2003, the level of outstanding 'rates and charges' has reduced from 2.5% to <1% in 2010.

4.1.4 Other Revenue

4.1.4.1 Parking Meters

Council has been using paid parking to manage and control the demand and utilisation of on-street parking since the mid 1980s. The resulting revenue stream is a significant component of Council's total income. Currently there are 460 multi bay parking meters servicing 2,600 paid parking spaces. The bulk of these spaces are in the North Sydney CBD and the four retail shopping villages within the LGA. Over the last ten years there has been small growth (1% p.a.) in the number of bays; however these have been located adjacent to residential areas. These additional metered spaces have low financial yields compared with the CBD metered spaces. Figure 4.1 outlines the financial performance of this activity.

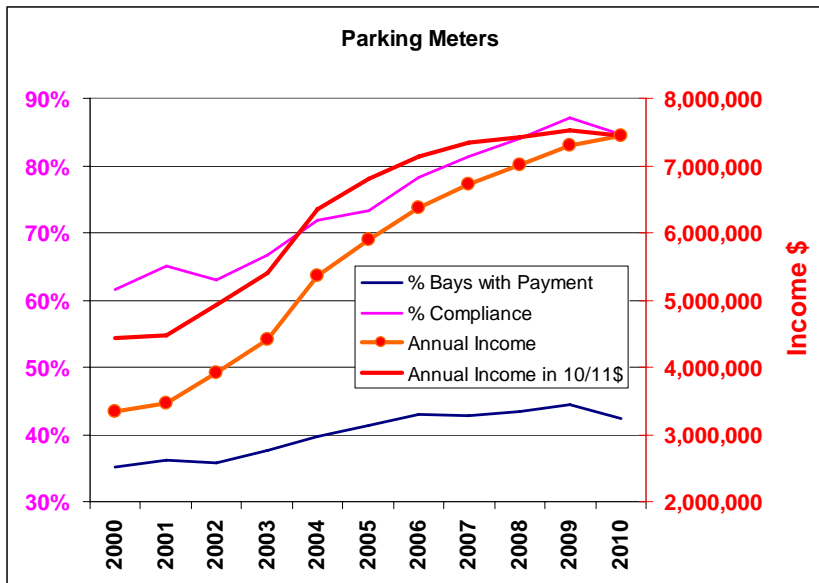


Figure 4.1 Parking Meter Income

Since 2000 parking meter income has increased by 8.3% p.a. However the increase in income has not been evenly distributed over the 10 year period. The maximum increase, 21% occurred in 2004/05. The smallest increase (2.1%) occurred in 2009/10. There are a number of factors that impact on meter income. Principal among them is the Compliance Rate. Compliance Rate is the ratio of vehicles which are parked illegally to the total number of vehicles that are parked. Compliance is linked to the Booked Rate. This is the percentage of illegally parked vehicles that are issued with an infringement.

Prior to 2002 the enforcement of parking was undertaken by NSW Police. During the last three years of the Police control of this function the book rate fell below 0.5% and consequently the compliance rate also fell to 55%. Council took over this function in 2002 and directed additional resources at parking enforcement. Initially the book rate was lifted to 5%. The book rate has now risen to 8% with falling number of illegally parked vehicles. The impact on compliance and its impact on revenue is clearly evident in the graph above. Compliance now sits at 85% and this is considered a practical maximum.

Council sets parking meter fees for each area so as to ensure turnover and obtain an average peak period vacancy rate of 10%. Council's current meter rate structure is delivering on these objectives. Consequently there is little to no opportunity to increase our rates above inflation.

4.1.4.2 Property Portfolio

Council manages a property portfolio covering commercial, residential and community facilities. The portfolio is managed under contract by a property consultant, Preston Rowe Paterson. The extent of the portfolio has remained constant since 2001. Overall income grew by 4.1% p.a. until 2007/08. Following the GFC, Council has seen rising vacancy rates, significant increase in rent incentives and falling rents upon lease renewals. The falling rents upon lease renewal will take five years to work their way through the lease cycle.

Figure 4.2 shows a similar six year dip/recovery from 2002/03 to 2007/08. A similar recovery pattern is expected over the next five years. Income should remain static for

the next two years and then hopefully start to increase in the following three years. It is anticipated that income growth over a five year time frame will be inline with CPI.

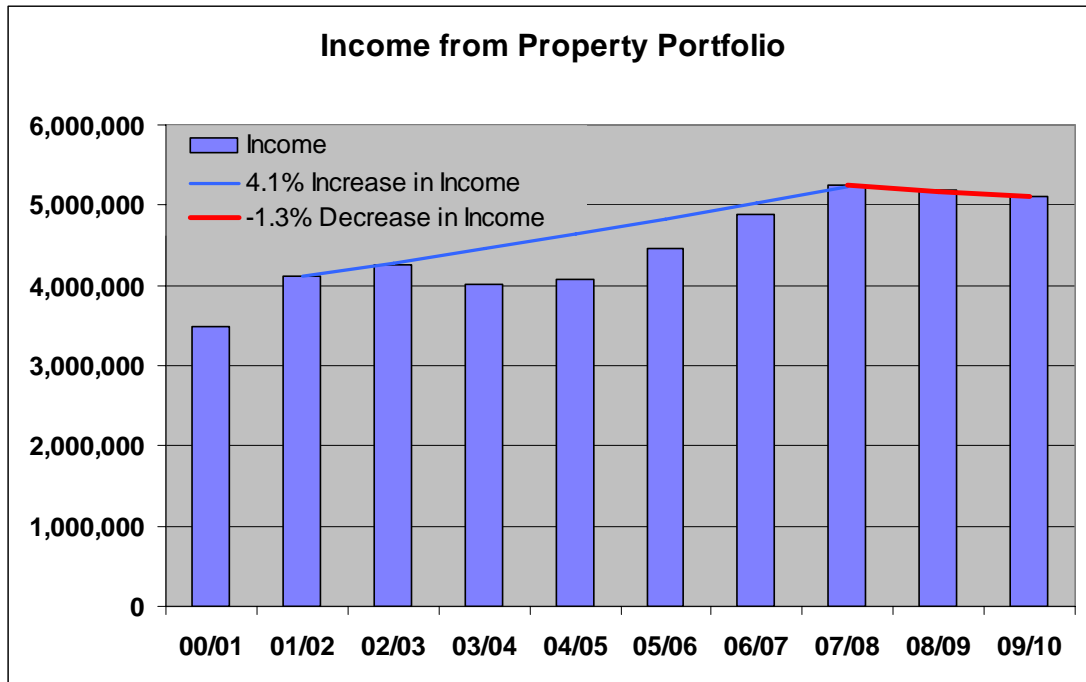


Figure 4.2 Property Portfolio Income

4.1.4.3 Off-Street Car Parks

Council operates five commercial off-street car parks with a combined capacity of nearly 944 spaces. Three of the car parks in Crows Nest are operated as “shopper” parking and offer the first 2hrs free to customers. 370 spaces have been allocated to permanent customers. The remainder is used by casuals and early bird.

Prior to the GFC in 2008 permanent car spaces was a sellers market. Demand exceeded supply and consequently annual fees across the industry increased ahead of inflation. Council’s permanent spaces were 100% sold and there was a weighting list. Post 2008 it has become a buyers market. Council now has a 20% vacancy in its permanents and there is significant competitive pressure to hold and even reduce permanent fees. The loss of approximately 75 permanents equates to a \$315k p.a. loss in income. Some of this loss has been offset by increased income from casuals and early birds.

Unlike previous downturns the post 2008 reduction in demand for permanent parking spaces does not appear to show any signs of recovery. Demand has now stabilised at the current levels. Income growth is expected to be limited to 1% or 2% p.a. over the next three to five years. Casual income recovered quickly after the GFC and is expected to grow at 3% to 4% p.a. Overall income should rise by 2.5% over the next two years and increasing to 3.5% in the five year time frame. Using an average 3% p.a. increase over the five to ten year time frame is reasonable.

Figure 4.3 shows off street parking income trends from 2000/01 to 2009/10.

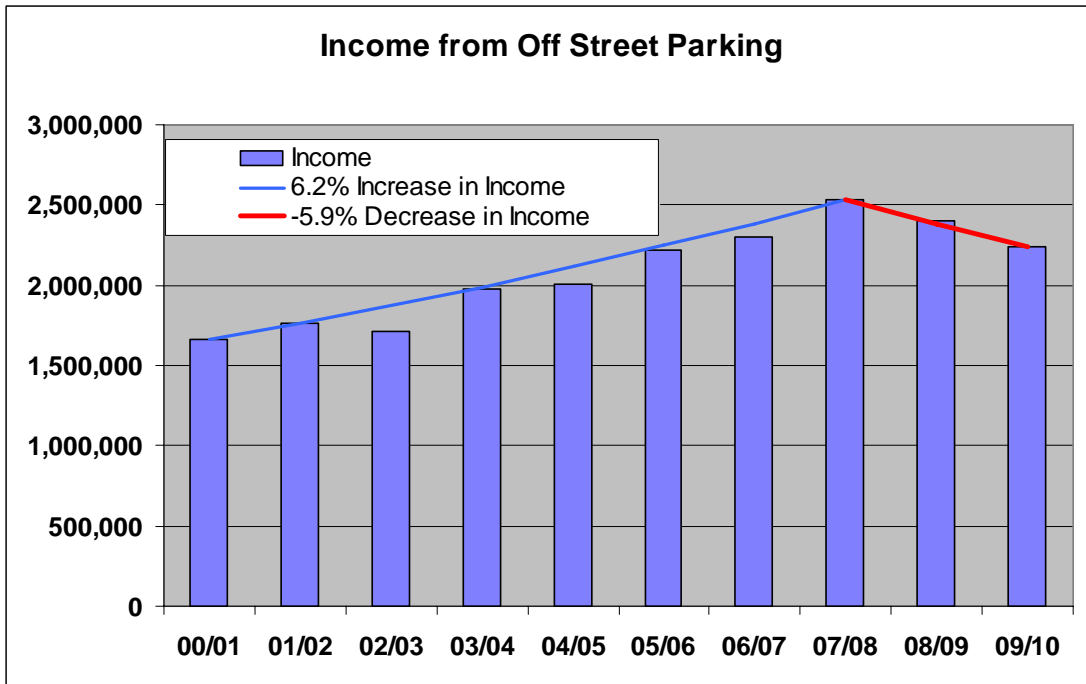


Figure 4.3 Off Street Parking Income

4.1.4.4 Outdoor Dining

Outdoor dining was first introduced to the LGA in the mid 1990s. As Council has redeveloped the retail shopping villages the popularity and demand for space grew quite rapidly. Council is just now reaching saturation point. The growth in the area occupied will be very limited and will most likely be at the lowest square meter rate. It is expected that rents will rise inline with inflation, about 3% per year, and remain in keeping with rates of the adjoining councils. Figure 4.4 shows outdoor dining income trends from 2000/01 to 2009/10.

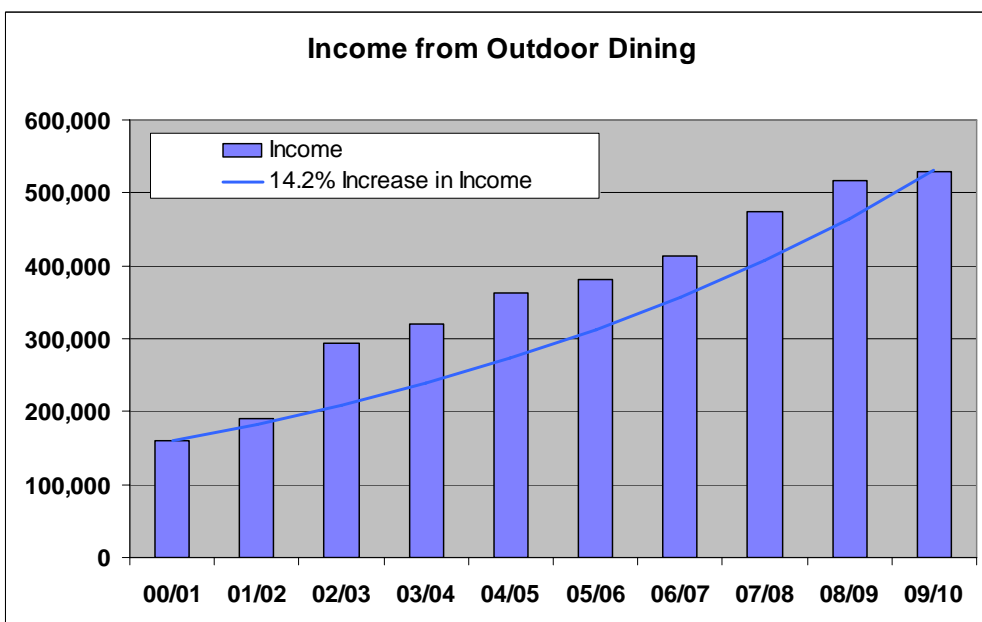


Figure 4.4 Outdoor Dining Income

4.1.4.5 Grants - Operating and Capital

Council's Financial Management Policy (CL09-FM) recognises the importance of actively pursuing and maintaining grant funding. Generally any matching funds required from Council for non-recurrent grants are sourced from the existing level of internally restricted assets (i.e. internal reserves). Future matching of funds is uncertain. The assumed increase in recurrent grant funding is based on CPI. However if there is any reduction in recurrent grants such as FAG and the Roads to Recovery, there will be corresponding decreases in the funding available to meet the cost of providing services.

4.1.4.6 Net Gain from Disposal of Assets

All funds generated from the sale of assets will be directed to assets that offer improved community benefits or are income-producing. Revenue from asset sales will not be directly used to offset recurrent operating expenditure. In effect, gains from asset sales are not available for the continued provision of existing services.

4.2 Expenditure Assumptions

4.2.1 Employee Costs

The current organisational structure (i.e. the budgeted staff establishment) comprises 388⁴ full time equivalent (FTE) staff positions across six Divisions and the General Manager's Office. The FTE comprised of a headcount of 489 people; whilst there are 111 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

In 2009/10 as a result of planned reductions in services and staffing levels, Council reduced its FTE by 24 positions (8%). Council carried forward these reductions in 2010/11 and will continue the same going forward, with the exception of minor changes and planned productivity gains.

Changes in employee costs impact both on revenue and expenditure. Terminations will impact on the employee entitlements' reserve, employee entitlements liability as well as recruitment and training costs.

The following analysis details what drives North Sydney Council's employee costs:

4.2.1.1 Award Increases

The known Award increases commencing on or after 1 November 2010 include:

- 2.6% increase effective from 1 November 2010;*
- 2.15% increase effective from 1 July 2011;*
- 3.25% increase effective from 1 July 2012; and*
- 3.25% increase effective from 1 July 2013.*

4.2.1.2 Market Competitiveness

Council aims to provide a fair reward system for employees which allows for internal

⁴ The head count is based on payroll information as at 8 March 2011.

equity and external competitiveness. Council aims to position itself at the 75th percentile of salaries at comparable Councils.

Council participates in an annual salary survey conducted by Mastertek Consultants. The last survey was conducted in April 2010. The survey compared 143 positions typically found in NSW Local Government and involved 18 councils from within the Sydney Metropolitan Area (13) and regional NSW (5).

Council typically compares itself against the metropolitan councils. The comparison takes into account top and bottom of salary ranges and some market loadings required in specific, hard to recruit positions. Council is at 95.25% of the 75th percentile for Indoor (Professional and Administrative) staff and 96% of the 75th percentile for Outdoor (Unskilled, semi-skilled and trade) staff.

Note: While the DLG issued comparative data provides a guide it can not be relied upon as an accurate comparison. It would appear councils use different data when calculating the number of employees. North Sydney Council has revised its number of employees based on the following criteria: FTE staff is based on the total number of full, part time and casual employees on Council's payroll on the last pay day for the financial year of reporting. In 2008/09, the revised FTE was 376 and 2009/10 was 356. Applying the new staffing number brings Council's average cost per employee for 2008/09 to \$79,273.94, blow similar sized neighbouring councils.

4.2.1.3 Salary System

The Mastertek survey identified salary systems and sustainability as a "hot topic" in the 2010 Survey Summary:

"A major challenge for many councils is that of managing increasing salary costs against a backdrop of significant financial restrictions such as rate pegging and cost shifting from the State Government. In response, a large proportion of survey respondents have indicated that the salary systems currently in place are, or will be, reviewed with a particular focus on achieving more sustainable projections in terms of salary growth into the future. Many salary systems currently in place have provided wage growth of up to 5% per annum and beyond in many cases. Those figures are clearly not sustainable if income does not grow at a similar rate. Many councils are also looking critically at the 'return on investment' for the organisation and its community in relation to the annual salary growth and looking at ways to improve and strengthen the link between employee development and performance and the opportunities for salary progression".

The Local Government (State) Award requires that each Council establishes a salary system and provides for a system of progression through a salary range. Council's salary system has established a series of grades for each position, based on a job evaluation system and market comparisons. Staff are able to progress through their salary grade range in compliance with Award requirements.

Councils may also make available access to bonus payments or other opportunities for additional reward for those employees who have progressed through the salary system to the maximum point/step for their position. It should be noted that skills and performance progression increases are paid on top of Award increases.

In 2009 Council, in consultation with employees and Unions, reviewed its Performance Planning and Assessment System (PPA) in order to make it a more sustainable system. The result of the review saw a saving in salary increases and

incentives of \$344,000 between the 2009/10 and 2010/11 performance cycles. This saving will be carried forward throughout the life of this plan.

4.2.1.4 Employee Transport Allowance

Most other councils draw a significant portion of their labour force from within their LGA. High housing prices in North Sydney precludes many employees from living within the LGA. The additional travel times and the difficulty finding parking is a significant detriment to many potential employees.

As indicated in Council's Workforce Strategy the average daily two-way travel distance is 42km, with 70% of employees travelling more than 18km each day to and from work.

As Council does not provide parking for employees in contrast to the majority of other councils, it has established a transport allowance for eligible employees in order to remain competitive in the employment marketplace.

The cost of providing parking to staff, particularly in close proximity to a CBD is factored at approximately \$300 per month per employee or \$3,600 per annum. North Sydney Council has progressively introduced a Transport Allowance for various levels of staff to compensate for the lack of employee parking facilities and as an attraction and retention strategy. The cost impact of introducing the Transport Allowance is \$275,000 per annum. The following costs apply. The rates vary from \$400 p.a. to \$2,000 p.a. depending on the grading of the position.

Figure 4.5 illustrates the one-way distance employees need to travel to work each day.



Figure 4.5 Employee Travel Distances

4.2.1.5 Employee Overhead Model

Total employee costs are a combination of direct wages and salaries plus overheads that include workers compensation, superannuation, training and advertising. Workers compensation ranges from 2.3% (year 1) to 2.5% (years 2 to 10), training remains steady at 1.5% and superannuation has dropped from 12.75% (years 1 and 2) to 12% (years 3 to 10). The recent review of the PPA System has resulted in a decrease from the previously projected increase (2009/10) of 4.5% p.a.

Employee Costs - Salaries plus overheads					
Year	Salary - Award Increase	Salary - PPA Increase	Salary %Increase	Net Movement in Overheads	Projected Increase in Employee Costs
1	2.15%	1.90%	4.05%	-0.03%	4.02%
2	3.25%	1.00%	4.25%	-0.17%	4.08%
3	3.25%	1.00%	4.25%	-0.66%	3.59%
4	3.00%	1.00%	4.00%	0.01%	4.01%
5	3.00%	1.00%	4.00%	0.01%	4.01%
6	3.00%	1.00%	4.00%	0.02%	4.02%
7	3.00%	1.00%	4.00%	0.00%	4.00%
8	3.00%	1.00%	4.00%	0.00%	4.00%
9	3.00%	1.00%	4.00%	0.00%	4.00%
10	3.00%	1.00%	4.00%	0.00%	4.00%

Figure 4.6 Employee Costs

Staffing numbers are expected to remain stable as indicated in Figure 4.6. In the next three years, there are expected to be some retirements from longer serving staff. This has been reflected through a decrease in superannuation and long service leave costs from years 1 to 3.

The funding level of Council's employee entitlements reserve (including long service leave) is more than adequate to cover projected total employee leave liabilities, and will not require abnormal cash injections in the medium term.

4.2.2 Borrowing Costs

Council has been debt free for many years, however there will be significant demands on Council to acquire additional public open space and to redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it may become necessary to start a controlled borrowing program. In addition, Council will be seeking to transfer value between existing and new assets through asset sales and property leasing opportunities.

If needed, borrowing will be undertaken in accordance with Council's Financial Management Policy (CL09-FM):

- That the capital cost of infrastructure be recognised over the period during which the benefits will be enjoyed.
- That loan funds are a resource to fund the replacement and upgrading of existing infrastructure and fund the creation of new infrastructure.
- That loan funds will be limited:
 - to the acquisition or enhancement of income producing assets;
 - to the construction and/or upgrading of buildings;
 - to infrastructure assets that have a life expectancy of greater than 10 years.
- That loan borrowings will not exceed a 'net debt service ratio' of 5%.

Debt will only be approved where there is an agreed economic, social, or environmental benefit from a project and other sources of funding are not available.

In the year 2011/12 Council is prepared to borrow for two significant projects, the Alexander St Car Park Redevelopment and the Replacement Parking Meter Solution. The debt servicing of these loans is expected to be sourced from the users of these services and the terms and conditions for each loan, have yet to be determined.

- The Alexander St Car Park Redevelopment loan of \$5m will be for 20 years at an indicative interest rate of 7.5%.
- The Replacement Parking Meter Solution loan of \$4m will be for 10 years at an indicative interest rate of 8.5%.

4.2.3 Materials and Contracts

4.2.3.1 Road Construction

Each year Council awards a contract to undertake road pavement works in the LGA. Typically the contract entails milling the old road pavements to various depths and the supply and lay of asphaltic concrete. The costs of these works remained fairly static until 2007/08. Over 2008/09 and 2009/10 the costs increased by 6% and 23 % respectively. Since 2005/06 the cost has risen by 4.6% p.a. Since 06/07 the average annual increase has been 5.7%. Figure 4.7 illustrates the annual cost to undertake the same typical mix of works.

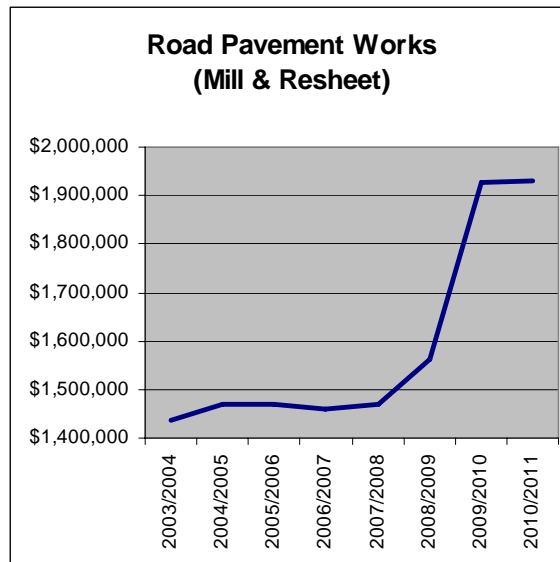


Figure 4.7 Road Pavement Works Annual Costs

In 2009/10 Council delivered approximately \$1.8m worth of civil infrastructure renewal and maintenance. The primary method of delivery is through Council's Annual Schedule of Rates Contract. This works covers drainage, footpaths, kerb and gutter and graffiti removal. Over the last five years the average annual increase has been 4.8%. Figure 4.8 represents the cost of delivering a typical basket of civil projects over the last 10 years.

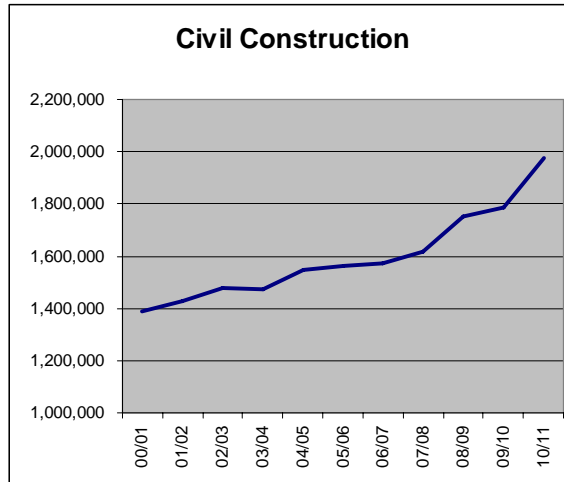
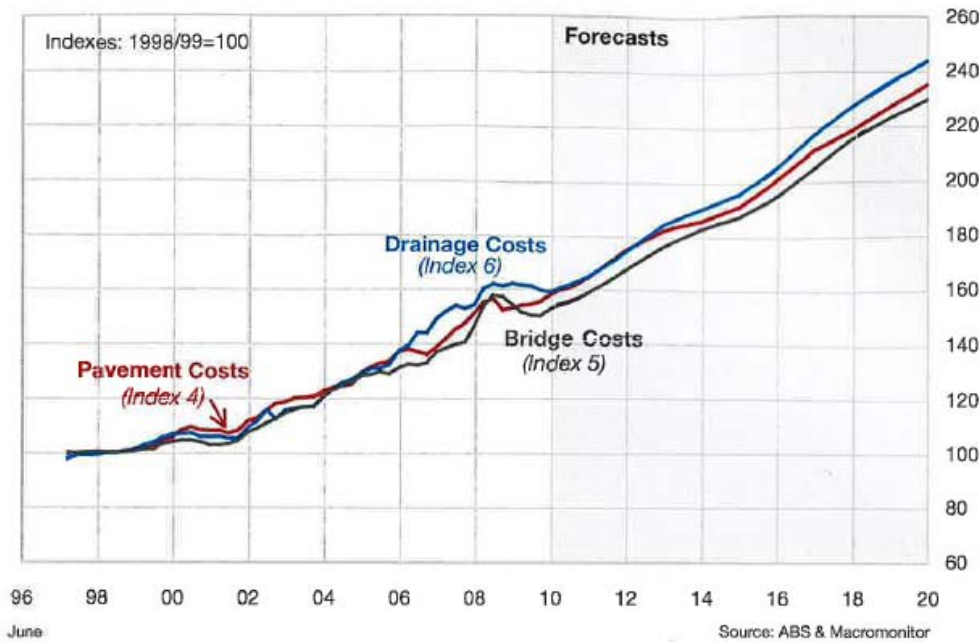


Figure 4.7 Civic Construction Annual Costs

Adopting an annual increase of 3.9% in line with the IPWEA is reasonable. Council's cost escalation history is in line with the findings of the NSW Local Road Construction Cost Forecast 2010 - 2020 prepared by MacroMonitor on behalf of IPWEA:

Chart 13: Road & Bridge Construction Cost Indexes

Local Government – New South Wales



2.9.2. Outlook for output costs

During the strong upturn in road construction from 2001 to 2008, total New South Wales road construction output costs increased by a healthy average annual rate of 5.1% per year. It is estimated that local government road costs also increased by 5.1% per year, on average, over this time. There were some ups and downs in the rate of cost growth during this period, but cost inflation remained strongly positive. This rate of cost inflation reflected the strong growth in road construction, growth in other areas of construction and in the general economy during that time.

One slightly weaker period of inflation was experienced in 2003/04, due partly to a decline in bitumen and fuel prices and also due to the slowing in some other materials prices. A similar slowing of cost inflation occurred in 2006/07. Again this was caused, in part, by the flow-on effects of the decline in oil, fuel and bitumen prices, but was also related to the big drop in New South Wales road construction (which in turn resulted from falls in Private sector motorway and subdivision construction).

4.2.4 Depreciation

Accounting standard AASB 116 that deals with property, plant and equipment states (paragraph 31):

"After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a re-valued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date."

As comparable market transactions for the majority of Council's assets do not exist fair value is determined by depreciated replacement cost e.g. the current cost of replacement less depreciation based on the amount of the assets useful life already consumed. Subsequent depreciation expense is then based on the current replacement cost and the useful life of the asset.

It is reasonable to assume that the current replacement costs of Council's assets will continue to increase over time but that their useful lives will remain static. Therefore as assets are periodically re-valued to comply with AASB116 Council's depreciation expense is obviously going to increase. Essentially the amount of economic benefits of an asset consumed during a period will be priced at their current value rather than their historic cost.

The last major class of assets still booked at cost is "other structures". This asset class includes fences, playground and sporting equipment, lighting, seawalls, retaining walls etc. DLG circular 09/09 requires Other Structures to be re-valued at fair value by 30 June 2011.

As part of the change to the revaluation method Council has had to re assess the useful lives and replacement costs of its property, plant and equipment assets. This has resulted in significant changes in the annual depreciation charge for some asset classes.

The 2012 depreciation expense will be based on fair value and is estimated to be \$1.85m, an increase of \$0.6m. Therefore total annual depreciation based on "fair value" will be approximately \$15.5m, an increase of \$4.6m from 2009/10.

The information from Council's various asset management plans has been based on data collected since 1993, and regularly updated. At present all assets included in 'other structures' such as sea walls, wharves, jetties and fences are being assessed for condition and eventual re-valuation based on fair value.

Both the asset management plans and financial systems use the same replacement costs and useful lives.

Figure 4.9 represents the impacts from future re-valuations represented as percentage increases:

Annual percentage projected increases by category										
Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Plant and Equipment		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Office Equip		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Furniture and Fittings		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Operational land		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Community land		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Land Improvements - depreciable		0.00%	0.00%	15.20%	0.00%	0.00%	12.04%	0.00%	0.00%	9.54%
Buildings Specialised	0.00%	8.24%	0.00%	0.00%	11.71%	0.00%	0.00%	15.43%	0.00%	0.00%
Buildings Non Specialised	0.00%	8.24%	0.00%	0.00%	11.71%	0.00%	0.00%	15.43%	0.00%	0.00%
Other Structures		0.00%	0.00%	15.20%	0.00%	0.00%	12.04%	0.00%	0.00%	9.54%
Roads, bridges and footpaths		0.00%	15.41%	0.00%	0.00%	10.20%	0.00%	0.00%	12.80%	0.00%
Storm water drainage		0.00%	15.96%	0.00%	0.00%	11.40%	0.00%	0.00%	14.87%	0.00%
Heritage collection		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Library books		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Note: shading indicates the year of re-valuation for each asset class

Figure 4.7 Future Revaluations

4.2.5 Other Expenses

4.2.5.1 Street Lighting

There are two basic components to the cost of providing street lighting - power costs and the costs of providing and maintaining the lights. The power costs are now subject to competitive tender, however it is predicted that electricity prices will triple over the 10 year period and this equates to approximately 11% to 12% increase p.a. The provision and maintenance of the lights is a monopoly service delivered by Energy Australia (EA). This is also an area where there has been significant uncertainty around pricing. The current EA pricing structure is causing Council a dilemma. The older less efficient lights are far cheaper to own than the newer more efficient lights. As Council moves over to the more efficient lights we are seeing a significant jump in the cost of lighting.

Compounding this is the RTA rebate given to Council for the Traffic Route Lighting Subsidy. This rebate is now only increasing in line with inflation effectively transferring the additional costs of the traffic route lighting onto Council.

It is assumed that street lighting costs will increase in excess on average of 10% p.a. Figure 4.10 shows street lighting costs from 2000/01 to 2009/10.

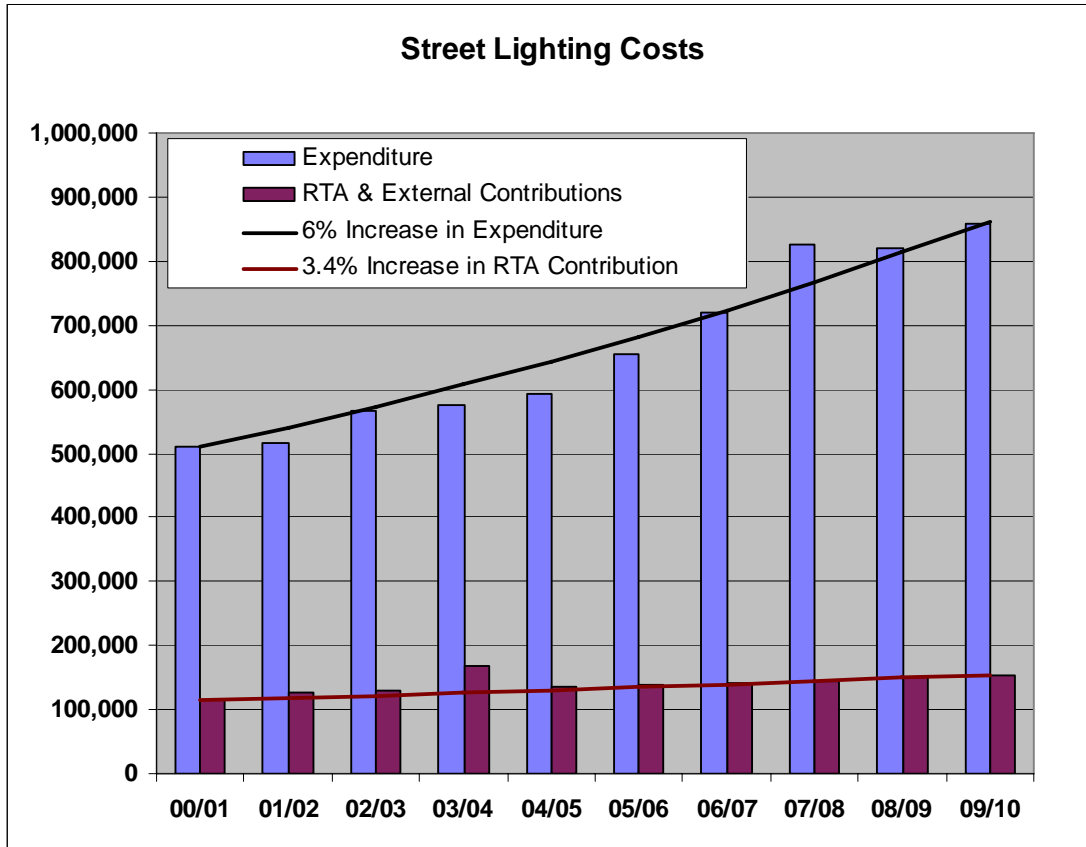


Figure 4.10 Street Lighting Annual Costs

4.2.5.2 Electricity

Figure 4.11 shows an average cost increase of 6.2%. Council also achieved a 7% reduction in power consumption over the last five years. The cost increase last year was nearly 30%. Electricity prices are expected to rise by approximately 11% over the next 10 years.

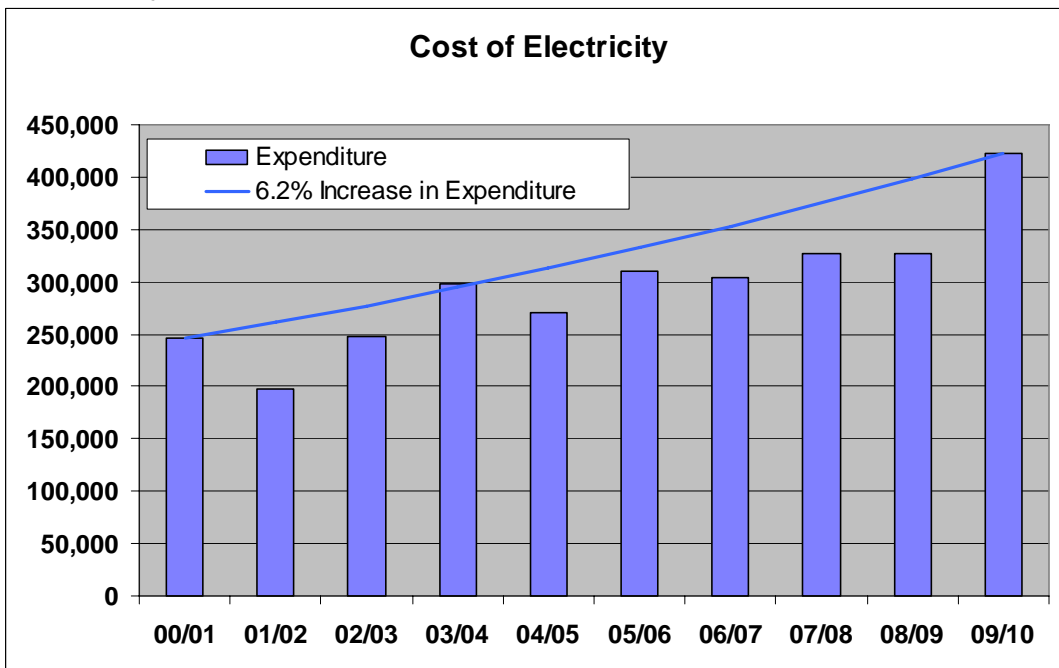


Figure 4.11 Electricity Annual Costs

4.2.5.3 Property Insurance

The increase in property insurance rates has been reasonably constant over the last 10 Years at 14%p.a. This trend is expected to continue into the future. Figure 12 shows property insurance costs from 2000/01 to 2009/10.

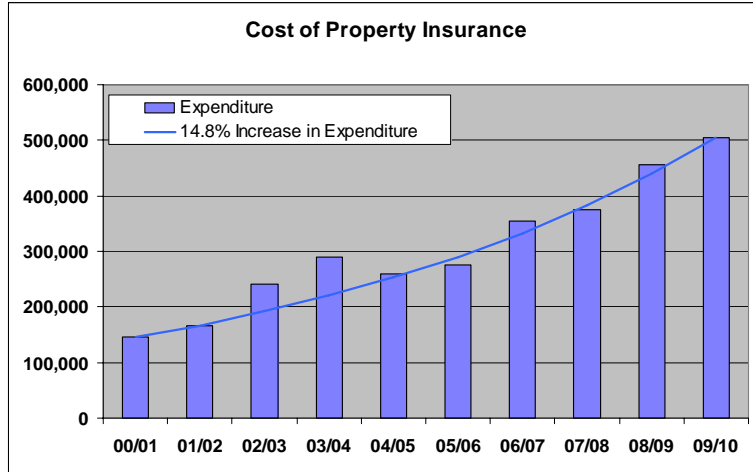


Figure 4.12 Property Insurance Annual Costs

4.2.5.4 Water

Council has made substantial reductions in water consumption; however opportunities for further savings are diminishing. Water and sewer rates are expected to rise by approximately 5% over the next 10 years. Figure 13 shows water costs from 2000/01 to 2009/10.

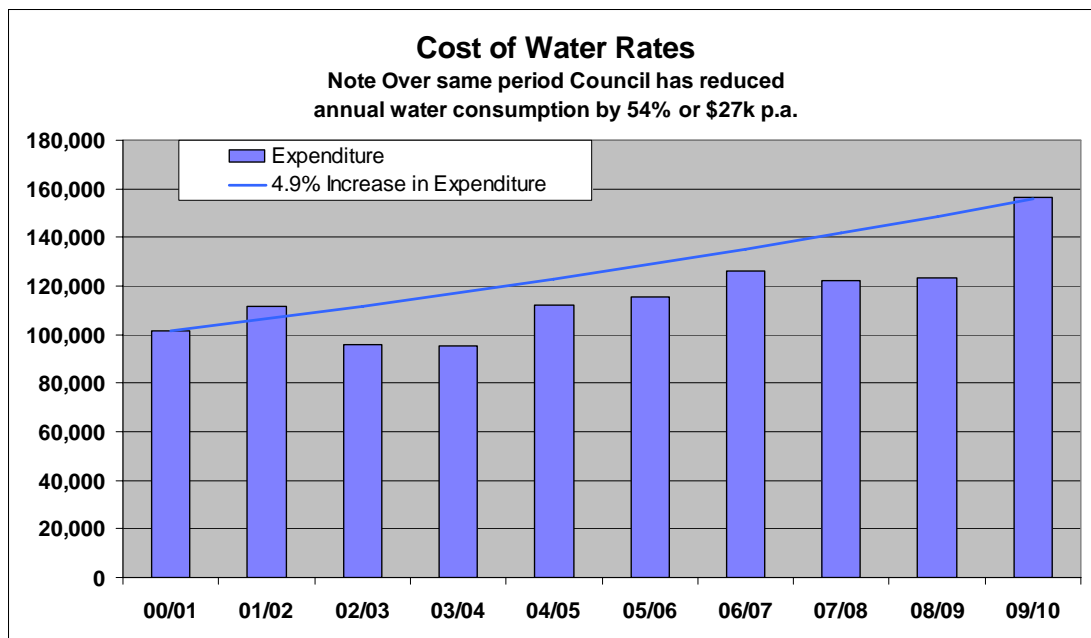


Figure 4.13 Water Annual Costs

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5. Long Term Financial Model - (3) Scenarios

The LTFP expresses in financial terms the activities that Council proposes to undertake over the short, medium and long term and will guide the future strategies and actions of Council to ensure that it continues to operate in a sustainable manner.

This LTFP is to provide a benchmark of the financial position based on current strategies projected out ten years. The LTFP fits in with Council's integrated planning and reporting framework in the long term, in terms of the 2020 Vision, Community Strategic Plan; the medium term, in terms of the Delivery Program; and in the short term, in terms of the Operational Plan.

Financial strategies or scenarios provide direction and guidance. By including such scenarios Council will know how much flexibility there is within the plan and will be able to strategize to develop the best plan for the Council and to meet community expectations.

Three scenarios have been developed to demonstrate the impact of changes in assumptions:

Scenario 1 - known as the 'Base Case' this is the lowest level from which the plan has been developed.

Scenario 2 - includes a 2.5% rate increase above CPI, each year for 7 years from, 2011/12 (Year 2). Note: in the adopted 2010/11 version of the LTFP Scenario 2 was originally based on 5% including the annual rate peg.

Scenario 3 - includes a 3% rate increase above CPI each year for 7 years from 2011/12 (Year 2).

Council will remain financially sustainable over the ten year period under both Scenarios 2 and 3 in terms of maintaining a balanced budget, sufficient unrestricted cash and available working capital, strong liquidity, sufficient cash reserves and a good debt collection ration. However, Council will not be able to maintain all categories of assets at a satisfactory level under Scenario 1..

Council at its meeting 10 May 2010 endorsed Scenario 3 of the LTFP. Council resolved that a further report be provided to Council on a consultation strategy to be undertaken during 2010/11 with respect to Scenario 3.

Council at its meeting 20 September 2010 endorsed the Community Engagement Strategy detailing how Council would consult with stakeholders and involve them in the decision making process. Phase 1 and 2 consultation opportunities occurred from October 2010 to March 2011.

The 2011/12 rate peg amount was announced in December 2010 as 2.8%.

For each of the scenarios the following projected annual CPI increases will apply:

- 2011/12 - 3%
- 2012/13 - 2.8%
- 2013/14 - 2.4%
- 2014/15 - 2.5%
- 2015/16 - 2.7%
- 2016/17 - 2.6%

- 2017/18 - 2.2%
- 2018/19 - 2.4%
- 2019/20 - 2.8%

The following assumptions apply in both Scenarios 2 and 3:

a) The Infrastructure Levy is due to expire on 30 June 2012 (Year 1). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 12.3% increase shown for year 2 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

b) Similarly, the Environmental Levy is due to expire on 30 June 2013 (Year 2). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 11.9% increase shown for year 3 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

Including the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy in the both scenarios means that Council will have this quantum of rates in perpetuity. Council will not need to make further SRV applications to IPART.

c) Both the Neutral Bay and the Crows Nest Mainstreet Levies are due to expire on 30 June 2013 (Year 2). It is not proposed to incorporate them into this SRV application. Whilst it is considered that they will continue at that time and at the same quantum, it is proposed that a separate SRV application under Sec 508(2) of the Local Government Act will be made to IPART at that time. This type of application is generally time limited. This course of action will allow Council to further consult with the community regarding the relevance of each of these levies prior to the application being made.

5.1 Scenario 1: Base Case - No Policy Changes from 2010/11 (Year 1)

5.1.1 Assumptions

- Ordinary Rates and annual charges are forecast to increase by 2.6% per annum in 2010/11 (Year 1), by 2.8% per annum in 2011/12 (Year 2) and by the abovementioned projected CPI increases over the remaining life of the plan.
- Special Rates are forecast to continue to raise the following approximate amounts of revenue per annum over the life of the plan:

Environmental Levy	\$1.8m;
Crows Nest Mainstreet Levy	\$298,000;
Neutral Bay Mainstreet Levy	\$200,000; and
Infrastructure Levy	\$1.6m.

- User Charges and Fees, Other Revenues and Grants and Contributions provided for Operating Purposes are forecast to increase *annually by the projected increase in the CPI* over the life of the plan.
- Council's investment portfolio is forecast to provide returns at the rate of 6% per annum over the life of the plan.
- Employee Benefits and On-Costs are forecast to increase by approximately 4% per annum over the life of the plan.
- Materials and Contracts and Other Expenses are forecast to increase *annually by the projected increase in the CPI* over the life of the plan.
- Advertising on Council infrastructure raised an additional \$500,000 of revenue in 2010/11 (year 1). This new revenue stream is then forecast to increase *annually by the projected increase in the CPI* over the life of the plan.
- A \$5m loan will be obtained in 2011/12 to finance the upgrade of the Alexander Street Car Park (by PPP), the repayments of which will be funded from increased takings from this facility.

5.1.2 Commentary on Trends (Appendix 2)

- Income Statement: Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. Other than revenue generated from advertising on Council infrastructure and increased takings from the upgraded Alexander Street Car Park (which is not expected to exceed the repayments on the loan obtained to fund the project), no new revenue streams are anticipated.
- Net Operating Result: From 2011/12, the operating result is forecast to deteriorate significantly. Over the life of the plan, the net operating result is forecast to deteriorate by an average of approximately \$1.1m per annum, as shown in Figure 5.1.1.

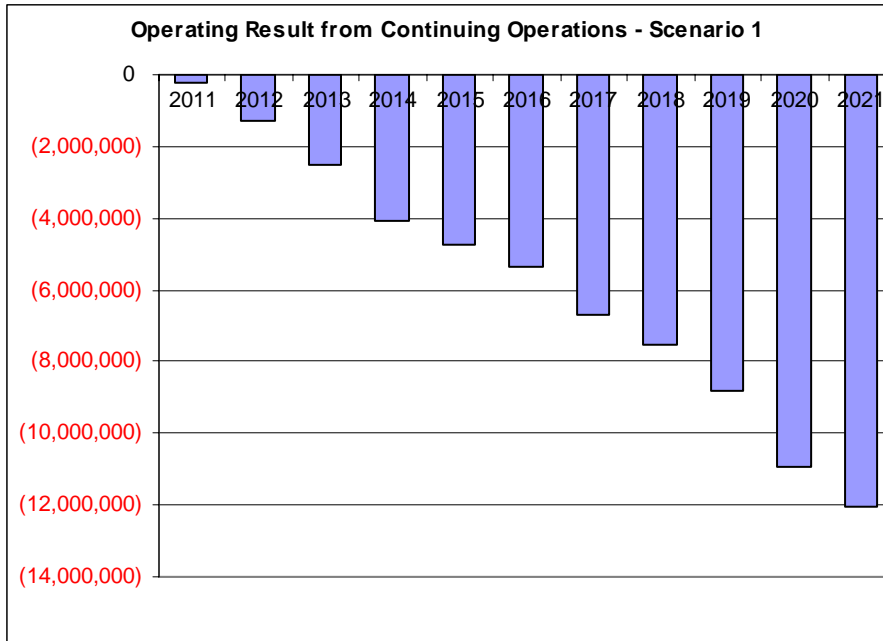


Figure 5.1.1 Net Operating Result

- Net Operating Result before capital grants and contributions: *From 2011/12, the Net Operating Result before Capital Grants and Contributions is forecast to deteriorate by approximately \$1.2m per annum over the life of the plan, as shown in Figure 5.1.2.*

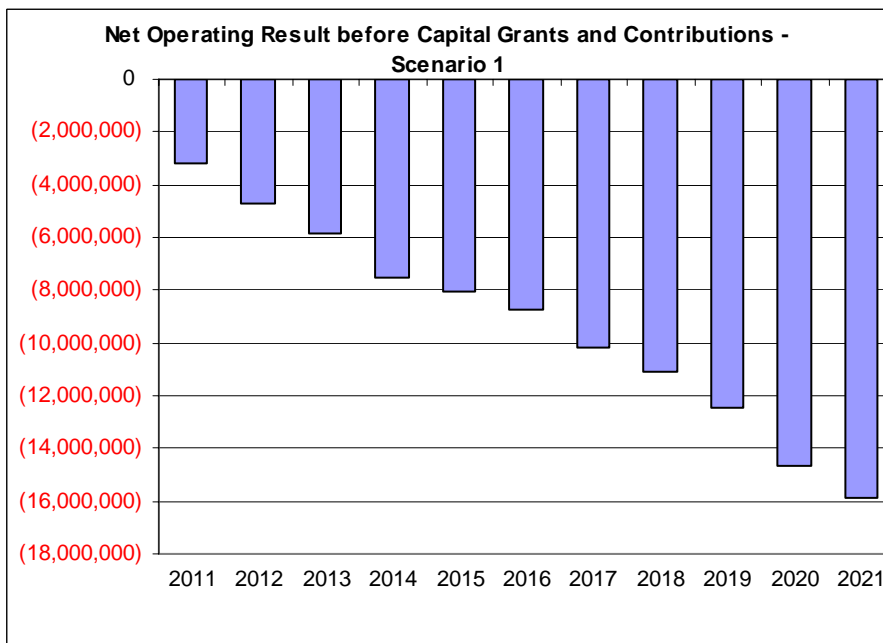


Figure 5.1.2 Net Operating Result before Grants and Contributions

- Balance Sheet and Cash Flow Statement: The funding of forecast operating deficits will lead to significant falls in Council's cash and investments. This will, in turn, result in reductions in the level of funds available for future capital projects represented by significant reductions in transfers to the Capital Works Reserve.

This is the “benchmark” reflecting Council’s current spending. It is assumed that service levels will not alter significantly over the next ten years. The future years are projected taking into account various inflationary factors including adjustments for CPI, wages index and other increases in revenue and costs.

In this scenario, the operational revenue is not sufficient to meet the operational expenditure and over time a growing income gap results from the increasing annual deficit. To be sustainable, Council will need to fund this deficit arising from the growing income gap or significantly adjust the levels of services provided.

5.2 Scenario 2: 2.5% rate increase above CPI each year for 7 years from 2011/12 (Year 2)

5.2.1 Assumptions

- As per Scenario 1
- Ordinary Rates are forecast to increase by:
 - 2.6% per annum in 2010/11 (year 1);
 - 5.5% per annum from 2011/12 (year 2 to 8); and
 - 2.4% in 2018/19 to 2.8% in 2019/20 (years 9-10).
- *The quantum of rates received from Infrastructure Levy and the Environmental Levy will be incorporated into ordinary rates upon their expiration in 2012 and 2013 respectively.*

5.2.2 Commentary on Trends (Appendix 3)

- Income Statement: Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. However, with additional revenue from ordinary rates from 2011/12 to 2017/18, the impact of this is not expected to be as significant as was the case with Scenario 1.
- *Net Operating Result: From 2011/12, the Net Operating Result is forecast to deteriorate by approximately \$350,000 per annum for the life of the plan. This is approximately \$750,000 more favourable than that for Scenario 1 due to additional revenue from ordinary rates, the impact of the abovementioned new revenue streams and an anticipated increase in developer contributions received as economic conditions improve, as shown in Figure 5.2.1.*

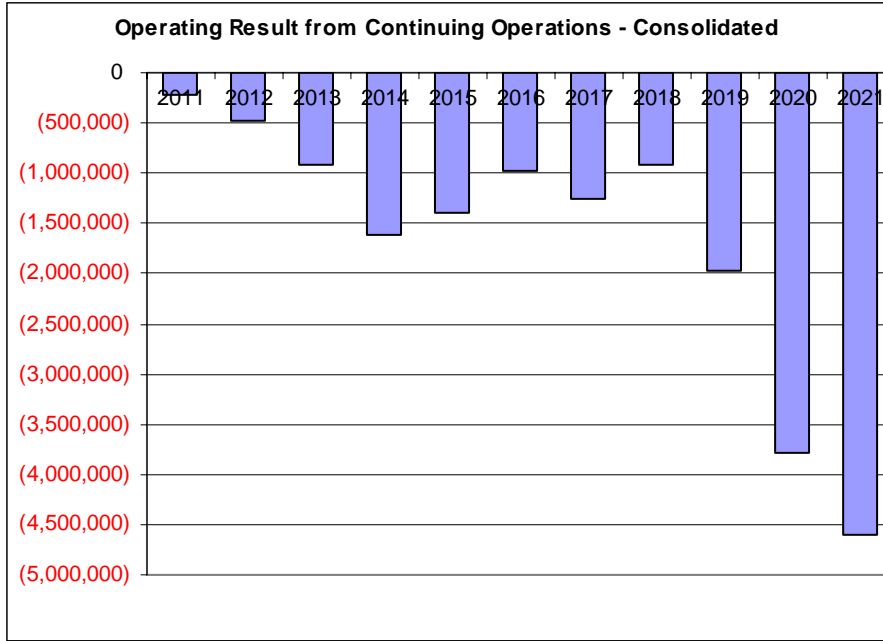


Figure 5.2.1 Net Operating Result

- Net Operating Result before capital grants and contributions: The Net Operating Result before Capital Grants and Contributions is forecast to be approximately \$450,000 per annum. This is approximately \$800,000 more favourable than that for Scenario 1, due to additional revenue from ordinary rates and the impact of the abovementioned new revenue streams, as shown in Figure 5.2.2.*

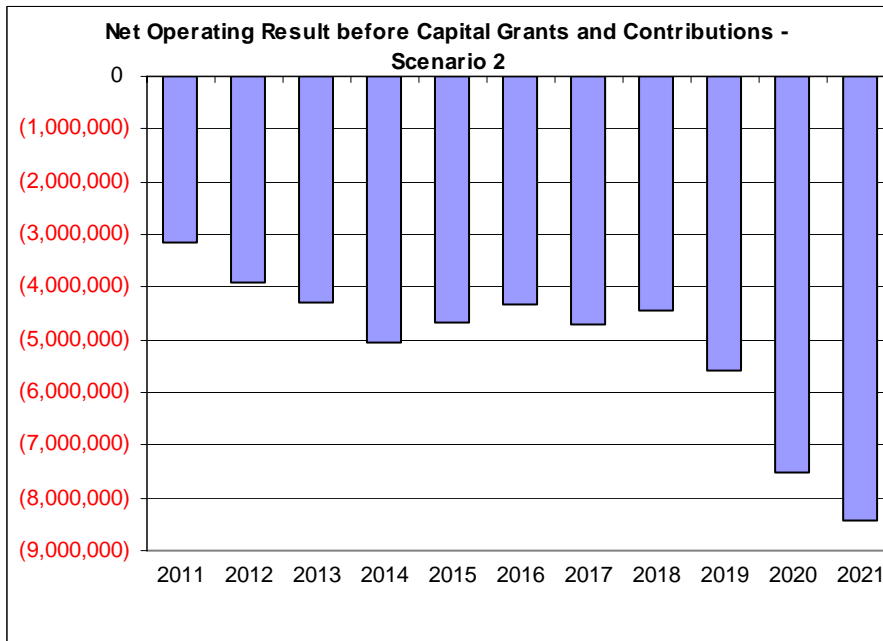


Figure 5.2.2 Net Operating Result before Grants and Contributions

- *Balance Sheet and Cash Flow Statement: Improved operating results will result in increases in the level of funds available for future capital projects as opposed to scenario 1. However, this will not maintain the current level of transfers to the Capital Works Reserve as in 2010/11.*

5.3 Scenario 3: 3% Rate increase above CPI each year for 7 years from 2011/12 (Year 2)

5.3.1 Assumptions

- As per Scenario 1
- Ordinary Rates, which are forecast to increase by:
 - 2.6% per annum in 2010/11 (year 1);
 - 6% per annum from 2011/12 (year 2 to 8); and
 - 2.4% in 2018/19 to 2.8% in 2019/20 (years 9-10).
 - The quantum of rates received from Infrastructure Levy and the Environmental Levy will be incorporated into ordinary rates upon their expiration in 2012 and 2013 respectively.

5.3.2 Commentary on Trends (Appendix 4)

- *Income Statement: Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. However, with additional revenue from ordinary rates from 2011/12 to 2017/18, the impact of this is not expected to be as significant as was the case with Scenarios 1 and 2.*
- *Net Operating Result: The Net Operating Result is forecast to deteriorate by \$270,000 per annum. This is approximately \$830,000 per annum more favourable than Scenario 1 and approximately \$80,000 per annum more favourable than Scenario 2, as shown in Figure 5.3.1.*

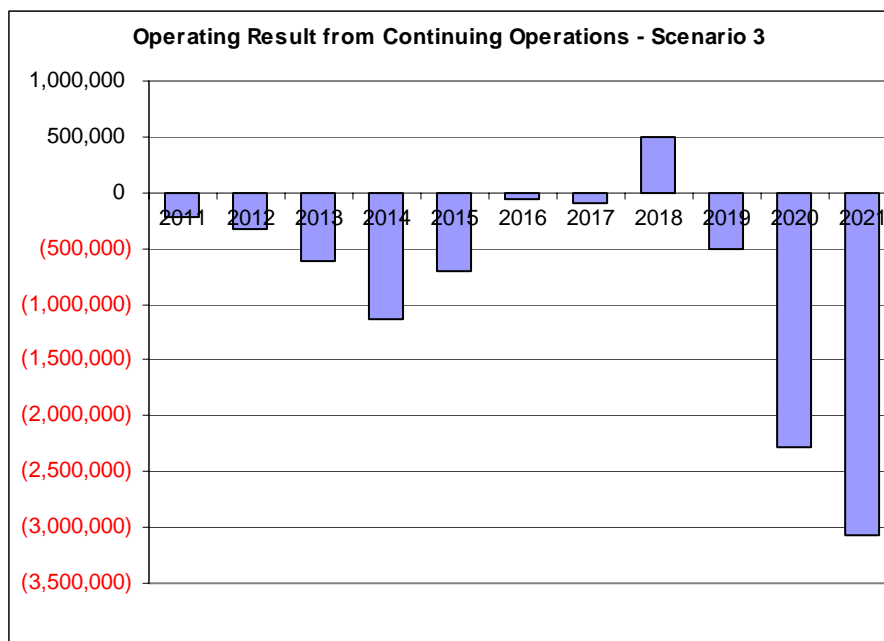


Figure 5.3.1 Net Operating Result

- Net Operating Result before capital grants and contributions: The Net Operating Result before Capital Grants and Contributions is forecast to *deteriorate by approximately \$310,000 per annum. This approximately \$890,000 per annum more favourable than Scenario 1 and approximately \$140,000 more favourable than Scenario 2*, as shown in Figure 5.3.2.

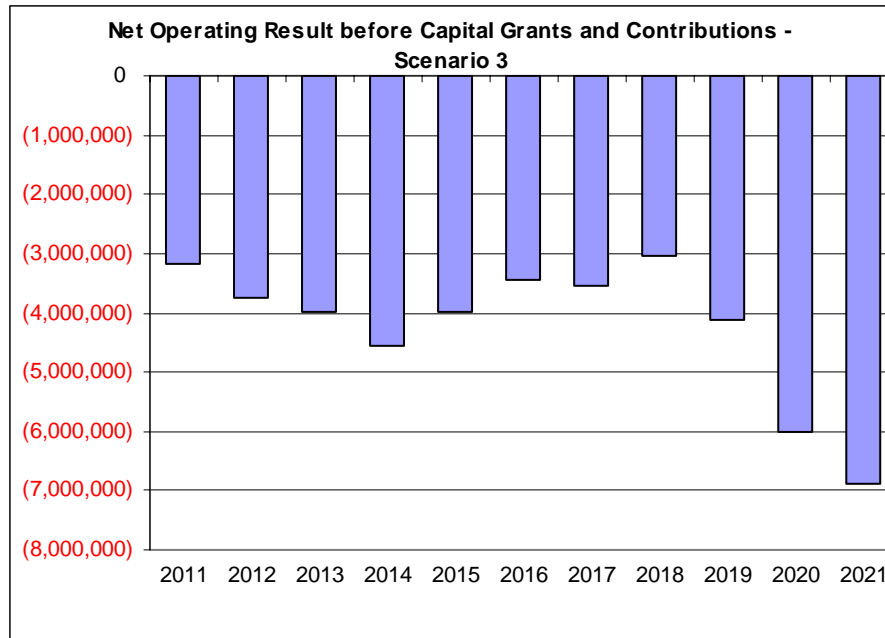


Figure 5.3.2 Net Operating Result before Grants and Contributions

- Balance Sheet and Cash Flow Statement
 Cash and investments: Forecast operating surpluses from 2011/12 to 2017/18 will result in increases in Council's cash and investments. This will in turn, result in increases in the level of funds available for future capital projects and will be represented by increases in the transfers to the capital works reserve over and above the 2010/11 levels.

6. Monitoring and Evaluation

Performance reporting will be in accordance with the Note 13 - Statement of Performance Measures of the current Accounting Code and Council's Financial Management Policy (CL09-FM).

Council will review the Long Term Financial Plan each year as part of the development of the annual Operational Plan. The review will include an assessment of the previous year's performance in terms of the accuracy of the projections made in the LTFP compared to the actual results. Evaluation will include reviewing and amending estimates and scenarios, where long term goals are not being achieved or where changes have affected set goals and strategies. Assumptions will be adjusted to improve the accuracy of the LTFP over the longer term.

Council will not only monitor its performance against the LTFP and the annual budget, but has also developed key performance indicators to assess its long term financial sustainability. Council's Financial Management Policy includes several indicators including:

- Loan borrowings will not exceed a 'net debt service ratio'
- Unrestricted current ratio
- Available cash position
- Asset renewal expenditure
- Debt service ratio
- Collection performance (outstanding debtors ratio)

The following indicators are also included in the 2020 Vision:

- Operating balance ratio
- Rates and Annual Charges ratio
- Building and infrastructure renewal ratios
- Broad liabilities ratio

The following indicators are also included in the Delivery Program 2010/11-2013/14:

- Investment rate of return (% greater than 90 day UBSA Bank Bill Index)
- Increase in property portfolio revenue

Council will thoroughly evaluate the LTFP every four years, in line with the review of the Community Strategic Plan. This will occur 3 to 9 months after each local government election. The Resourcing Strategy, including LTFP, will be reviewed and updated and a draft Community Strategic Plan and resourcing options presented to the community.

Performance will be monitored by Council's Senior Management Team (MANEX) via quarterly performance reporting against the Operational Plan and the annual budget.

Appendix 1: Terms Used in this Plan

Asset renewals	Is the replacement and/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or refurbishment of old assets) that increase capacity/performance.
Available Funds	Refer to the Financial Management Policy for definition.
Borrowings	Refer to the Financial Management Policy for definition.
Building and infrastructure renewals ratio	Assesses the adequacy of renewal of building and infrastructure assets compared to rate at which those assets are depreciated. It is calculated by dividing the amount expended on building and infrastructure renewals by the amount expense in depreciation for building and infrastructure assets.
Budget	The annual financial activities and financial statements Council has adopted to monitor its performance. The budget is subject to an annual audit at the end of the financial year.
CBD	Refers to the Central Business District in the suburb of North Sydney, which is the economic centre of the North Sydney local government area.
Capital Expenditure	Defined as expenditure on all asset classes plus the net transfer to the plant replacement reserve and transfers to the infrastructure reserve.
Capital Sustainability	If the cost of council's recurrent operations are met from its recurrent revenues over the medium term (e.g. 5 years) and not partly funded from its capital revenues (e.g. proceeds from asset sales, developer contributions and capital grants) it is considered to be financially sustainable on a recurrent basis. But if it reports operating deficits greater than 10% of its operating revenues in any one year, it is considered financially unsustainable. ⁵
Capital Works	Defined as buildings and engineering works to create an asset, as well as constructing or installing facilities and fixtures with, and forming an integral part of those works.
Cash	Describes cash on hand and demand deposits.
Community Strategic Plan	The Community Strategic Plan (known as the 2020 Vision) is the highest level plan that a council is required to prepare. The purpose of the plan is to identify the community's main priorities and expectations for the future. The plan outlines the goals, objectives and strategies for achieving the long term vision for North Sydney. The Community Strategic Plan guides decision making and resource allocation to achieve a stated vision for the future. The Community Strategic Plan must cover a minimum 10 year time frame and is renewed every 4 years.

⁵ IPART Report on the Revenue Framework for Local Government, page 78

Consumer Price Index (CPI)	Measure of price movements of a standard basket of goods including food, alcohol, tobacco, clothing and footwear, housing and housing contents.
Council	Describes North Sydney Council.
Debt	Refer to the Financial Management Policy for definition.
Debt Service Ratio	Represents Council's ability to service debt out of uncommitted or general purpose funds available for operations.
Delivery Program	A plan that complies with the relevant provisions of the Local Government Act and identifies Council's strategic direction and objectives for at least four years into the future. It summarises the initiatives, performance measures and resources required to deliver these activities for the years of the plan.
Expenses	Encompasses losses as well as those expenses that arise in the course of Council's ordinary activities.
Financial Modelling	Refer to the Financial Management Policy for definition.
Governance	The values, policies and procedures a council and its staff adopt, to provide ethical, transparent and accountable local governance.
Income Statement	A statement of income and expenditure for a period, usually a year.
Integrated Planning and Reporting Framework	An approach to provide strategic direction and review our progress towards delivering identified priorities. North Sydney has an integrated approach to move towards sustainability.
Liability	Is a present obligation for the entity arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.
North Sydney	Describes the entirety of the North Sydney local government area.
Operating Result	Refer to the Financial Management Policy for definition.
Part 3A Assessments	The NSW Minister for Planning forms an opinion as to whether a proposal should be declared a project to be assessed under Part 3A of the <i>Environmental Planning and Assessment Act 1979</i> (EP&A Act).
Rates and annual charges ratio	Is designed to assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts. The rates and annual charges ratio is calculated by dividing the rates, annual and extra charges outstanding by rates, annual and extra charges collectible.
Recurrent Sustainability	A council is considered to be financially sustainable when its service and infrastructure levels and standards are met over a ten year period according to a long term plan and

consistent with key financial benchmarks; that is where the council's long term financial requirements are matched by its long term financial capacity. A council is considered to be financially unsustainable on a capital basis if is not able to meet its asset renewal requirements over a ten year period.⁶

Revenue

Arises in the course of Council's ordinary activities and is referred to by a variety of different names including sales, fees, interest, dividends and rent.

Section 94

Section 94 funds are developer contributions. Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions, from developers, for public facilities required as a consequence of development. Section 94 contributions are adjusted annually by CPI, and are detailed in the Fees and Charges Schedule for the current year and Council's Section 94 Contributions Plan.

Sustainability

Maintaining and enhancing quality of life, while ensuring the viability of the community, now and in the future, through an integrated consideration of social, environmental, economic and governance factors.

⁶ IPART Report on the Revenue Framework for Local Government, page 80

List of Acronyms

ABS	Australian Bureau of Statistics
CBD	Central Business District
CLS	Community Library Services
CS	Corporate Services
CSP	Community Strategic Plan
CPI	Consumer Price Index
DA	Development Application(s)
DWM	Domestic Waste Management charge
EA	Energy Australia
EPS	Engineering and Property Services
ERP	Estimated Resident Population
FIM	Finance and Information Management
FT	Full Time
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GST	Goods and Services Tax
IPR	Integrated Planning and Reporting
LGA	Local Government Area
LTFP	Long Term Financial Plan
MANEX	Management Executive i.e. Senior Management Team
MDAF	Mixed Development Apportionment Factor
NSC	North Sydney Council
OSES	Open Space and Environmental Services
PDS	Planning and Development Services
PPA	Performance Planning and Assessment System
PPP	Public Private Partnership
PT	Part Time
QBL	Quadruple Bottom Line
RBA	Reserve Bank of Australia
S94	Section 94 contributions
SEIFA	Socio-Economic Indexes for Areas
SES	State Emergency Service
SLA	Statistical Local Area
SRV	Special Rate Variation
UBSA	Bank Bill Index

Appendix 2: Financial Management Policy (CL09-FM)

ADOPTED: 21 JUNE 2010

RELATED TO 2020 VISION DIRECTION 5. OUR CIVIC LEADERSHIP

RESPONSIBLE DIRECTOR: FINANCE AND INFORMATION MANAGEMENT

1. STATEMENT OF INTENT

- 1.1. This Policy provides a clear direction and context for decision making that guides the allocation, management and use of Council's financial resources. Adherence to this Policy will ensure that robust and transparent financial management is established and maintained to meet the Council's accountability to the community for the stewardship of community assets both now and into the future.
- 1.2. Under the Local Government Act, Council is required to prepare and adopt an annual budget. Council is also required to prepare a Long Term Financial Plan for a minimum period of 10 years. The Long Term Financial Plan will summarise the financial impacts of the goals and objectives identified in the Community Strategic Plan, determine their sustainability, and set the future financial direction of the Council.
- 1.3. The Long Term Financial Plan will be used to assist decision making during finalisation of the Community Strategic Plan and the development of the Delivery Program.
- 1.4. The Long Term Financial Plan must be reviewed in detail at least annually as part of the development of the Operational Plan; and must be reviewed in detail as part of the four yearly review of the Community Strategic Plan.

2. ELIGIBILITY

- 2.1 This Policy applies to all Councillors, employees with delegated authority and external consultants employed as representatives of Council.

3. DEFINITIONS

- 3.1 A 'financial model' is a decision making and problem-solving tool. It is a guide for future trends and actions. It will also provide an opportunity for council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term. A 'financial plan' is Council's response to those future trends.
- 3.2 The term 'financial sustainability' describes a state when Council will have sufficient funds to meet all its resource and financing obligations and be able to respond to adverse changes in financial conditions.

4. PROVISIONS

This Policy is linked to Council's vision, mission and core values as outlined in the 2020 Vision, Community Strategic Plan. The provisions are as follows:

- 4.1 **Organisational Sustainability**

All relevant legislative requirements together with environmental, social, economic and governance factors are to be taken into account.

4.2 **Guiding Principles**

The following guiding principles must be observed by Councillors, employees and consultants when preparing the Long Term Financial Plan:

- 4.2.1 Prudent management of financial risks relating to debt, assets and liabilities. Council will set financial parameters within which the organisation could operate and remain financially stable and operationally focused.
- 4.2.2 Provision of reasonable stability in the level of rate burden.
- 4.2.3 Consideration of the financial effects of Council decisions on future generations.
- 4.2.4 Future lifecycle costs will be reported and considered in all decisions relating to new services and upgrading of existing services and asset renewal.
- 4.2.5 Future service levels will be determined in consultation with the community.
- 4.2.6 Provision of accurate and timely disclosure of strategic financial information.
- 4.2.7 New revenue sources to be identified where possible.

4.3 **Financial Sustainability**

The following aims and parameters are designed to assist Council in achieving financial stability, affordability, focus and efficiency:

- 4.3.1 Council will aim to maintain Available Funds (the unallocated portion of all future revenues) between 6% and 8% of rating revenue. Available Funds are 'working capital' used to meet short term cash requirements, provide contingency for unexpected costs or loss of revenue, and to provide the flexibility for Council to take advantage of opportunities that may arise from time to time.

While it is anticipated that at a point in time the Available Fund balance may fall below the targeted level, the onus in planning is to ensure adequate adjustment is made to restore the balance through future programs, within an acceptable timeframe.

- 4.3.2 Borrowings are funds that a Council may source from external parties either by overdraft, loans or by any other means approved by the Minister for Local Government such as finance leases.

Council has been debt free for many years, however there may be significant demands on council to acquire additional public open space and to redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it may become necessary to start a controlled borrowing program. In addition,

Council will be seeking to transfer value between existing and new assets through asset sales and property leasing opportunities. If needed, borrowing will be undertaken in line with the following principles:

- That the capital cost of infrastructure be recognised over the period during which the benefits will be enjoyed.
- That loan funds are a resource to fund the replacement and upgrading of existing infrastructure and fund the creation of new infrastructure.
- That loan funds will be limited:
 - to the acquisition or enhancement of income producing assets;
 - to the construction and/or upgrading of buildings;
 - to infrastructure assets that have a life expectancy of greater than 10 years.
- That loan borrowings will not exceed a 'net debt service ratio' of 5%.

Debt will only be approved where there is an agreed economic, social, or environmental benefit from a project and other sources of funding are not available.

4.3.3 Leasing facilities are broken down into two types, operating and finance, with the main difference being that finance leases entail the notion of ownership and subsequently fall under the umbrella of Council's global borrowing limit, whereas operating leases represent rental arrangements that are not included in the global borrowing limit. Presently, Council has no "finance" leases and several operating leases.

4.3.4 The operating result (before capital) is considered to be the one of the main indicators of the long term viability of Council. In broad terms a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services), and to continue to renew existing assets. The indicator includes significant accounting and engineering estimates relating to the consumption of long lived assets (depreciation) which significantly impact this result. This estimating process requires continued refinement and consultation across the industry between engineering and finance professionals.

Note 1 'Summary of Significant Accounting Policies' of the Annual Financial Statements sets the framework for the accounting and recognition (capitalisation) of Council's physical assets. This note will be reviewed and replaced by an Asset Accounting and Capitalisation Policy, which may in turn impact on the levels of depreciation recorded as part of the above operating result.

4.3.5 A number of financial health-check indicators have been developed by the Local Government Finance Professionals through the Local Government Managers of Australia (LGMA). To make the indicators more readily understood by the wider community a colour coding 'traffic light' system has been used to rate and present the Council's performance under the health check. These indicators should reflect trends over a 4 year perspective.

The key indicators council currently uses are as follows:

Unrestricted Current Ratio

Definition:	Current Assets less Externally Restricted Current Assets divided by Current Liabilities less Specific Purpose Current Liabilities.
Purpose:	Measure the liquidity or solvency of Council, i.e. Council's ability to pay its debts as they fall due.
Benchmark:	Less than 1:1 = Red 1:1 to 2:1 = Amber 2:1 to 10:1 = Green Over 10:1 = Red

Available Cash Position

Definition:	(a) Available Cash Assets = Cash Assets less Externally Restricted Assets. (b) Unrestricted Available Cash Assets = Available Cash Assets less Internally Restricted Assets.
Purpose:	Assess Council's available funds and reflect its capacity to respond to opportunities or react to unforeseen commitments that may arise.

Asset Renewal Expenditure

Definition:	Capital Expenditure on Existing Assets divided by Annual Depreciation.
Purpose:	A long term indicator of the condition of and the cost to maintain public infrastructure assets.
Benchmark:	Greater than 1:1 = Green Less than 1:1 = Red

Debt Service Ratio

Definition:	Net Debt Service Cost divided by Total Revenue from Ordinary Activities.
Purpose:	Show the amount of annual revenue necessary to service annual debt obligations and indicate the commitment of or from future revenue necessary to fund long term capacity.
Benchmark:	Less than 10% = Green 10% to 15% = Amber Greater than 15% = Red

Collection Performance (Outstanding Debtors Ratio)

Definition:	Outstanding Rates, Annual Charges and Fees divided by Invoices Raised plus Arrears Brought Forward.
Purpose:	Measure the effectiveness of Council in recovering debts legally owed to it.
Benchmark:	Less than 4% = Green 4% to 5% = Amber Greater than 5% = Red

- 4.3.6 Council's annual allocations to recurrent and non-recurrent budgets will generally not exceed anticipated cash inflows and be consistent over the medium term. Council's cash reserves which are above the minimum requirement will be made available for re-allocation.
- 4.3.7 The full life cost of capital expenditure will be considered before capital projects are approved. Asset renewal, maintenance, and

operational costs impacting on future budgets will be included in forecasts as part of the capital budgeting process.

- 4.3.8 Capital expenditure decisions need to be fully informed by understanding the impacts on future results. A building can not be considered as a one-off cost. It will have operational costs for electricity, water, and consumables and will normally involve services that will require operational budgets, including employee costs. The building will then need to be maintained and eventually renewed and or be disposed of. Consideration of these costs and any potential revenue must be part of the initial process and be recorded in future estimates to aid further financial planning.
- 4.3.9 Council's will review its longer term rating strategy (model) annually as part of its Long Term Financial Plan. Business and residential rating structures will form part of the review.
- 4.3.10 Council's pricing methodology will be applied consistently for all fees and charges. Fees and charges will be reviewed annually to ensure compliance and currency. The Schedule of Fees and Charges will include each fee to be levied, the purpose of the fee, the current amount of the fee and the GST inclusive price.

The factors that determine Council's Pricing Policy are equity, user pays and market rates:

- Prices represent either the full recovery of costs or the current market-rate whichever is the greater, except to those individuals or groups that have been identified as disadvantaged and in need of "special consideration".
 - Council reserves the right to vary this pricing policy on any reasonable basis having regard for specific circumstances.
 - Council documents that are made available on Council's website will be free of charge except for those variations identified in the Schedule of Fees and Charges.
 - Council will charge a fee for the use of credit cards by customers when making payments.
- 4.3.11 Council's revenue strategies will be considered as part of the longer term financial planning in accordance with its Resourcing Strategy. Rates increases are determined by the Minister for Local Government and rate variations beyond this level will be linked to community expectations for services.
- 4.3.12 Council will actively pursue grant funding and other contributions to assist in the delivery of core services.
- 4.3.13 Council will invest surplus cash in accordance with its Investment Policy. Returns on externally restricted cash will be transferred to restricted cash and treated as capital revenue where required. Estimated returns on unrestricted investments will be partly applied to the recurrent budget (maximum - up to the projected CPI rate of return) and the balance transferred to internally restricted reserves.
- 4.3.14 All funds generated from the sale of assets will be directed to assets that offer improved community benefits or are income-

producing. Revenue from asset sales will not be directly used to offset recurrent operating expenditure.

- 4.3.15 Bonus income is deemed to be income received either outside the normal budgeting process or income received within the standard budget but of an amount that would be abnormally large by its nature (a variation greater than \$100,000).

This income should in the first instance be applied to any losses of income brought about by market fluctuations (e.g. rent reviews) then any surplus would be a transfer to the reserves. Up to 50% of funds received may be allocated for income-producing projects and the balance, allocated to internally restricted reserves.

- 4.3.16 Consideration will be given to those members of the community, who because of their special circumstances may not be able to access the service:

Pensioners	up to 50% of "full cost" or the maximum permitted under the legislation.
Non Profit Organisations or Groups	up to 50% of "full cost".
Permanent Hirers of Facilities	up to 15%.
Children/Students	up to 50% of "full cost" or the maximum permitted under the legislation.

- 4.3.17 Council will adopt the maximum interest rate applicable each year for outstanding rates and domestic waste management charges.

- 4.3.18 Council will maintain an ongoing review of its services that seeks to better define service requirements, refine delivery methods and balance service aims against affordability for both the Council and our customers.

5. RESPONSIBILITY/ACCOUNTABILITY

- a. The Financial Services Department is the key stakeholder of this Policy. However all related Departments/Council staff that have direct or indirect association to financial planning and management, are also responsible for the whole or part lifecycle management of Council's financial management.
- b. The effectiveness of this Policy shall be reviewed at least once during the term of Council.

6. RELATED POLICIES/DOCUMENTS/LEGISLATION

The Policy should be read in conjunction with:

- 2020 Vision, North Sydney Community Strategic Plan
- Annual Financial Statements - Note 1 Summary of Significant Accounting Policies
- Asset Management Policy
- Asset Management Strategy
- Investment Policy
- Local Government Act 1993
- Regulations under the Act
- Schedule of Fees and Charges

Appendix 3: 10 Year Financial Model - Scenario 1 (Base Case)

North Sydney Council

10 Year Financial Plan for the Years ending 30 June 2021 - Scenario 1

INCOME STATEMENT - CONSOLIDATED	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	35,196,000	37,030,521	38,099,632	39,238,424	40,374,698	41,552,808	42,783,673	44,041,251	45,296,549	46,291,309	47,479,715	48,701,396
User Charges & Fees	18,180,000	18,036,415	18,486,876	19,004,509	19,460,617	19,947,132	20,485,705	21,018,333	21,480,736	21,996,274	22,612,170	23,245,310
Interest & Investment Revenue	2,783,000	3,321,000	2,020,000	2,131,100	2,248,311	2,371,968	2,502,426	2,640,059	2,785,262	2,938,452	3,100,067	3,270,570
Other Revenues	22,601,000	14,650,720	14,716,670	15,128,737	15,491,826	15,879,122	16,307,858	16,731,863	17,099,964	17,510,363	18,000,653	18,504,671
Grants & Contributions provided for Operating Purposes	3,534,000	3,079,729	3,217,343	3,301,763	3,376,148	3,455,493	3,543,327	3,630,193	3,705,605	3,789,683	3,890,128	3,993,385
Grants & Contributions provided for Capital Purposes	6,761,000	2,950,021	3,428,260	3,353,048	3,427,296	3,287,455	3,374,932	3,461,471	3,536,710	3,620,535	3,720,561	3,823,387
Other Income:												
Net gains from the disposal of assets	-	363,723	114,328	117,529	120,350	123,359	126,689	129,983	132,843	136,031	139,840	143,755
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-	-	-
Total Income from Continuing Operations	89,055,000	79,432,129	80,083,109	82,275,109	84,499,245	86,617,336	89,124,610	91,653,153	94,037,670	96,282,646	98,943,133	101,682,476
Expenses from Continuing Operations												
Employee Benefits & On-Costs	30,877,000	31,716,946	33,552,126	34,900,921	36,324,879	37,628,942	39,137,863	40,707,291	42,343,724	44,037,473	45,798,972	47,630,931
Borrowing Costs	-	500	500	718,223	687,970	655,315	620,065	582,013	540,937	496,595	448,726	397,049
Materials & Contracts	22,485,000	25,746,384	24,871,681	25,574,567	26,196,397	26,859,424	27,592,469	28,318,465	28,951,995	29,657,104	30,496,620	31,360,097
Depreciation & Amortisation	10,875,000	14,433,100	15,041,200	15,257,793	16,540,974	16,903,221	17,214,240	18,217,830	18,553,039	18,992,746	20,375,417	20,681,049
Impairment	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	7,090,000	7,753,622	7,881,636	8,334,445	8,805,804	9,324,619	9,901,290	10,525,239	11,184,799	11,919,678	12,749,781	13,660,656
Interest & Investment Losses	-	-	-	-	-	-	-	-	-	-	-	-
Net Losses from the Disposal of Assets	49,000	-	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	25,000	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	71,401,000	79,650,552	81,347,143	84,785,949	88,556,023	91,371,520	94,465,927	98,350,838	101,574,494	105,103,596	109,869,516	113,729,782
Operating Result from Continuing Operations	17,654,000	(218,423)	(1,264,034)	(2,510,840)	(4,056,778)	(4,754,184)	(5,341,316)	(6,697,686)	(7,536,824)	(8,820,949)	(10,926,383)	(12,047,306)
Discontinued Operations - Profit/(Loss)												
Net Profit/(Loss) from Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Result for the Year	17,654,000	(218,423)	(1,264,034)	(2,510,840)	(4,056,778)	(4,754,184)	(5,341,316)	(6,697,686)	(7,536,824)	(8,820,949)	(10,926,383)	(12,047,306)
Net Operating Result before Grants and Contributions provided for Capital Purposes												
	10,893,000	(3,168,444)	(4,692,294)	(5,863,888)	(7,484,074)	(8,041,639)	(8,716,248)	(10,159,157)	(11,073,534)	(12,441,484)	(14,646,944)	(15,870,693)

North Sydney Council
10 Year Financial Plan for the Years ending 30 June 2020
Scenario 1 - Base Case - No Policy Changes

CASH FLOW STATEMENT	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	36,827,888	37,864,739	38,927,071	39,976,552	41,057,514	42,170,903	43,317,690	44,498,878	45,715,498	46,968,615
User Charges & Fees	18,228,399	19,260,871	19,846,794	20,427,539	21,025,698	21,641,793	22,276,363	22,929,961	23,603,158	24,296,543
Interest & Investment Revenue Received	1,821,000	1,838,840	1,856,858	1,875,057	1,764,000	1,764,000	1,764,000	1,632,647	1,296,480	887,201
Grants & Contributions	4,497,348	5,609,203	5,719,512	5,934,634	5,892,416	6,069,189	6,251,265	6,436,295	6,629,383	6,828,264
Other	12,187,421	12,938,012	13,027,749	13,103,742	13,180,847	13,259,084	13,338,476	13,419,045	13,500,815	13,583,810
Payments:										
Employee Benefits & On-Costs	(31,063,425)	(32,664,604)	(34,021,592)	(35,596,342)	(37,086,923)	(38,856,389)	(40,536,440)	(42,360,429)	(44,256,162)	(46,239,056)
Materials & Contracts	(24,273,902)	(24,138,427)	(24,899,607)	(25,232,585)	(26,653,376)	(27,081,114)	(28,087,348)	(29,110,389)	(30,208,458)	(31,371,484)
Borrowing Costs	(500)	(338,000)	(329,540)	(320,509)	(310,868)	(300,577)	(289,591)	(277,863)	(265,344)	(251,980)
Other	(7,431,868)	(7,773,251)	(8,064,500)	(8,395,950)	(8,712,792)	(9,080,361)	(9,432,386)	(9,810,771)	(10,202,493)	(10,610,253)
Net Cash provided (or used in) Operating Activities	10,792,361	12,597,382	12,062,745	11,772,139	10,156,516	9,586,527	8,602,027	7,357,373	5,812,878	4,091,660
Cash Flows from Investing Activities										
Receipts:										
Sale of Investment Securities	-	-	-	-	6,186,483	-	-	30,321	4,882,355	4,483,690
Sale of Infrastructure, Property, Plant & Equipment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Payments:										
Purchase of Infrastructure, Property, Plant & Equipment	(16,508,228)	(13,249,286)	(12,100,845)	(13,036,433)	(15,310,279)	(9,823,812)	(10,349,197)	(10,959,350)	(14,071,227)	(14,563,329)
Net Cash provided (or used in) Investing Activities	(15,508,228)	(12,249,286)	(11,100,845)	(12,036,433)	(8,123,796)	(8,823,812)	(9,349,197)	(9,929,029)	(8,188,872)	(9,079,639)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	5,000,000	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	-	(125,333)	(133,793)	(142,825)	(152,465)	(162,757)	(173,743)	(185,470)	(197,990)	(211,354)
Net Cash Flow provided (used in) Financing Activities	5,000,000	(125,333)	(133,793)	(142,825)	(152,465)	(162,757)	(173,743)	(185,470)	(197,990)	(211,354)
Net Increase/(Decrease) in Cash & Cash Equivalents	284,133	222,763	828,107	(407,119)	1,880,255	599,958	(920,913)	(2,757,126)	(2,573,983)	(5,199,333)
plus: Cash, Cash Equivalents & Investments - beginning of year	20,285,103	20,569,236	20,791,999	21,620,106	21,212,987	23,093,241	23,693,200	22,772,287	20,015,161	17,441,178
Cash & Cash Equivalents - end of the year	20,569,236	20,791,999	21,620,106	21,212,987	23,093,241	23,693,200	22,772,287	20,015,161	17,441,178	12,241,845

North Sydney Council
10 Year Financial Plan for the Years ending 30 June 2020
Scenario 2 - 2% rate increase above CPI (3%) each year for 7 years

CASH FLOW STATEMENT	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	36,827,888	38,340,956	39,937,210	41,562,320	43,263,437	45,044,203	46,908,439	48,860,150	50,234,810	51,623,488
User Charges & Fees	18,228,399	19,251,580	19,836,835	20,417,045	21,014,648	21,630,165	22,264,134	22,917,107	23,602,694	24,296,073
Interest & Investment Revenue Received	1,821,000	1,838,840	1,856,858	1,875,057	1,764,000	1,764,000	1,632,647	1,296,480	887,201	887,201
Grants & Contributions	4,497,348	5,609,203	5,719,512	5,934,634	5,892,416	6,069,189	6,251,265	6,436,295	6,629,383	6,828,264
Other	12,187,421	12,931,771	13,021,212	13,097,011	13,173,920	13,251,960	13,331,153	13,411,523	13,500,550	13,583,548
Payments:										
Employee Benefits & On-Costs	(31,063,425)	(32,664,604)	(34,021,592)	(35,596,342)	(37,086,923)	(38,856,389)	(40,536,440)	(42,360,429)	(44,256,162)	(46,239,056)
Materials & Contracts	(24,273,902)	(24,138,427)	(24,899,607)	(25,232,585)	(26,653,376)	(27,081,114)	(28,087,348)	(29,110,389)	(30,208,458)	(31,371,484)
Borrowing Costs	(500)	(338,000)	(329,540)	(320,509)	(310,868)	(300,577)	(289,591)	(277,863)	(265,344)	(251,980)
Other	(7,431,868)	(7,773,251)	(8,064,500)	(8,395,950)	(8,712,792)	(9,080,361)	(9,432,386)	(9,810,771)	(10,202,493)	(10,610,253)
Net Cash provided (or used in) Operating Activities	10,792,361	13,058,069	13,056,388	13,340,683	12,344,463	12,441,076	12,173,225	11,698,269	10,331,461	8,745,800
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Payments:										
Purchase of Infrastructure, Property, Plant & Equipment	(16,508,228)	(13,249,286)	(12,100,845)	(13,036,433)	(15,310,279)	(9,823,812)	(10,349,197)	(10,959,350)	(14,071,227)	(14,563,329)
Net Cash provided (or used in) Investing Activities	(15,508,228)	(12,249,286)	(11,100,845)	(12,036,433)	(14,310,279)	(8,823,812)	(9,349,197)	(9,959,350)	(13,071,227)	(13,563,329)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	5,000,000	-	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	-	(125,333)	(133,793)	(142,825)	(152,465)	(162,757)	(173,743)	(185,470)	(197,990)	(211,354)
Net Cash Flow provided (used in) Financing Activities	5,000,000	(125,333)	(133,793)	(142,825)	(152,465)	(162,757)	(173,743)	(185,470)	(197,990)	(211,354)
Net Increase/(Decrease) in Cash & Cash Equivalents	284,133	683,449	1,821,749	1,161,425	(2,118,281)	3,454,508	2,650,285	1,553,449	(2,937,756)	(5,028,883)
plus: Cash, Cash Equivalents & Investments - beginning of year	20,285,103	20,569,236	21,252,685	23,074,435	24,235,860	22,117,578	25,572,086	28,222,371	29,775,820	26,838,064
Cash & Cash Equivalents - end of the year	20,569,236	21,252,685	23,074,435	24,235,860	22,117,578	25,572,086	28,222,371	29,775,820	26,838,064	21,809,181

Appendix 6: Summary of Past Efficiency Gains and Productivity Savings

Council has a performance review and improvement strategy in place, whereby reviews are undertaken on a regular, planned and ad hoc basis of various areas of the organisation. These reviews may be undertaken in-house, or with external assistance. As a result of the strategy, ongoing productivity improvements have been made, which have freed up resources for re-allocation to other priorities as well as producing efficiency gains, improving income and producing expenditure reductions. Following is a summary of all Council service areas and reviews undertaken systematically over the ten year period.

General Manager's Office (GM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
General Manager's Office	Mayor's Office: Executive support of Mayor in civic duties; Citizenship Ceremonies	4.1.3.2 Celebrate diversity within the community	Review of structure, service levels and performance	2001	Full-time Executive Assistant position: Streamlined management of citizenship ceremonies	Citizenship Ceremony budget has only risen from \$2000 to \$2500 over 9 years
	GM's Office: Executive support of GM in organisation administration	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	2001	Full-time Executive Assistant Position: Provision of support to both GM and Director of Corporate Services; Streamlined management of Delegations and Pecuniary Interest Returns	More efficient provision of support
	Legal Services: Management of all legal functions for and within Council; Provision of legal advice to Council, and	5.4.2.2 Implement best practice governance strategies	Review of structure, service levels and performance	2001	In 2000/2001, Council's legal expenditure was \$1.92 million. Council reviewed the provision of legal services for the Council in 2001. The review led to employment of an experienced lawyer. Council efficiently conducts its legal processes and advice is sought when it cannot be provided in-house. Procedures are in place to ensure that Council is able to recoup legal expenditure when appropriate. Council has sought tenders for the provision of external legal services three times since 2001 - ensuring competitiveness and service delivery. In 2009/2010, Council's legal expenditure was \$733,000.	Reduction of legal expenditure by 300% over 9 years

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Community Development	Children's Services	4.4.1.4 Provide childcare services including Family Day Care and Vacation Care programs	Review of structure, service levels and performance	2004	Vacation Care: A review led to vacation care being put out to tender. It is now being provided by an external child care provider.	\$20,000 p.a.
				2008	Further reviews undertaken on regular basis to align resources and demands.	More efficient distribution of resources
				2009	Negotiation with Lane Cove and Mosman Councils to manage their FDC schemes for a fee: discussions on hold	\$17,000 p.a.
				2010	Review of fees charged to FDC parents Review in 2010 led to restructure of Family Day Care. Participation in Regional Benchmarking project with view to future savings through co-operation.	
	Aged and Disability	4.4.1.4 Increase access to services and information support for families, young people and older people	Review of structure, service levels and performance	2009	Crows Nest Centre is outsourced provider of aged and disability services. Review of Plan of Management undertaken. Decision to reduce Council subsidy commensurate with Centre's ability to obtain revenue from other sources. Review of Nutcote Museum's recurring deficit – new Management Plan introduced. Review of Kirribilli Neighbourhood Centre's (KNC's) monthly market. Capital investment in venue stabilised centre's balance sheet. Worked with KNC to attract Commonwealth grant of \$300,000	Savings of \$66,000 p.a.
	Community Transport	4.3.1.7 Continue provision of community transport enabling older	Review of structure, service levels and performance	2010	Independent review commissioned to guide Strategic Plan and contract renewal due in 2011.	Expansion of services

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		<i>people and people with disabilities to access services and leisure activities</i>				
	<i>Arts and Cultural Development</i>	<i>4.1.5.1 Develop and implement a diverse range of arts and cultural programs</i>	<i>Review of structure, service levels and performance</i>	<i>2004</i>	<i>Review of demands and available resources to meet demands. Decision by Council to increase level of cultural activity led to additional part-time resource</i>	<i>Expansion of services</i>
	<i>Youth Services</i>	<i>4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities</i>	<i>Review of structure, service levels and performance</i>		<i>Year 1: Youth worker position not replaced Years 2&3: reduction of staffing position (equivalent to same level of saving)</i>	<i>Savings of \$50,000 p.a.</i>
	<i>Aboriginal Social Planning</i>	<i>4.3.1.4 Establish partnerships and programs to improve social conditions and outcomes amongst particular communities</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Regional program involving 11 Northern Sydney Councils. Combined program to achieve efficient service delivery. Program to end at 30 June 2011. Attracted State Grant</i>	<i>\$15,000</i>
<i>Library Services</i>	<i>Reader Services</i>	<i>4.2.3.5 Develop and enhance quality of library services and events</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Restructure, reducing cost of Management, restoring frontline hours</i>	<i>\$16,000 p. a.</i>
	<i>Collection Services</i>	<i>4.2.3.1 Continue to review library collection management guidelines</i>	<i>Review of structure, service levels and performance</i>	<i>2007/08</i>	<i>Library restructure: A review was undertaken of the book purchasing and cataloguing area, with the result that cataloguing was outsourced and 3 staffing positions saved in a time of increasing circulation and library visits.</i>	<i>\$166,000 p.a.</i>
				<i>2009</i>	<i>Further library efficiencies: Further savings are planned through adjustment of staff</i>	<i>\$50,000 p.a.</i>

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					hours.	
	Historical Services	4.1.4.3 Promote access to local history through North Sydney Heritage Centre, local museums and signage	Review of structure, service levels and performance	2009	Restructured Historian's role to allow for part time written work and contract Curator. Won Queensland Premier's Prize for History	Expansion of services
	Shorelink	4.2.3.3 Promote outreach library services and online databases	Review of structure, service levels and performance	2009 2010	Managed Services for five Council Shorelink Network: This allows for improved bandwidth for public access to the Libraries database, and a decrease in staffing. Move to Managed Services. Reduction of Shorelink staff	\$7,000 p.a.

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Communications	Public Relations Website maintenance Graphic Design	5.3.1.1 Enhance Council's existing external communications methods	Review of structure, service levels and performance	March 2009	Communications - Savings through streamlining staffing positions & reducing editions of Community News and corporate advertising	\$72,000
	In-house printing service	5.4.2.2 Implement best practice governance strategies	Review of service delivery method and scope	2008	External and internal communications and advertising: Methods of production have been reviewed and new methods introduced, including new digital printer; using electronic rather than paper communication where possible; using on-line advertising	\$60,000

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
				2009	Communications: Savings achieved through streamlining staffing positions and Council communications	
Corporate Administration	Council, Committee and reference Group Meetings Councillor support Word-processing and admin support	5.4.1.1 Ensure relevant Council processes and decisions are accessible	Review of structure, service levels and performance	March 2009	Administration: Savings will be achieved through streamlining staffing positions	\$60,000
Corporate Planning and Governance	Corporate Planning and Governance	5.1.2.2 Develop and maintain effective reporting systems that enable Council to measure and report on performance	Review of structure, service levels and performance	2009	Corporate planning, Savings achieved through streamlining staffing positions & reducing Precinct funding	\$90,000
	Community Engagement	5.2.1.4 Support the Community Precinct System	Review of structure, service levels and performance	2007	Precincts System Review: An external review was undertaken of Council's Precincts system. This led to a re-organisation of resources to provide better targeted support to Precinct Committees (although there were no cost savings, there were improved efficiencies)	Improved efficiencies
Customer Services	Counter Services Call Centre Booking Services	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	November 2008	Customer services review: A review has identified areas of down time in the front-line customer services area, and as a result shifts were re-organised, with savings of 1.5 FTE staff. Review of hours of operation saw a further reduction of one staffing position	\$90,000 p.a. \$60,000 p.a.
Human Resources	Human Resources OH&S	5.4.4.2 Implement best practice	Review of structure, service levels and	2009	HR staffing: Review of structure, roles and work methods leading to efficiencies	\$30,000 per annum

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		<i>Human Resource policies and strategies</i>	<i>performance</i>		<i>Suspension of a number of training programs and staff support budgets for 2009/10 year only</i>	<i>\$164,000</i>
<i>Ranger and Parking Services</i>	<i>Ranger Services Parking Services</i>	<i>2.5.2.1 Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes</i>	<i>Review of structure, service levels and performance</i> <i>Review of service delivery processes and standards</i>	<i>2009</i> <i>2010</i>	<i>Ranger and parking services review and restructure: This area was reviewed and one position removed from the structure as a result.</i> <i>Operational and process review A review was undertaken to ensure that ranger and parking services processes and procedures were effective and efficient</i>	<i>\$50,000</i> <i>Improved efficiency in service delivery</i>

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
<i>Engineering Infrastructure</i>	<i>Road assets; Design Projects; Drainage Infrastructure; Footpath and Cycleway; Engineering Investigations; Infrastructure Levy Program; Local Emergency Management; Pollution Control device cleaning; Stormwater investigations</i>	<i>2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs</i>	<i>Review of structure, service levels and performance</i> <i>Review of Asset Management Plans</i>	<i>March 2009</i> <i>Annually</i>	<i>Council Contracts out a significant portion of its Engineering & Property Maintenance Tasks and almost all of the Capital works program. The tendering system ensures Council obtains best value.</i> <i>Internal delivered works are completed under a "Job Card" system. This enables Council to compare the costs with contracted works.</i>	<i>More services achieved for the same or less funding</i>
<i>Property Assets</i>	<i>Management of investment property portfolio</i>	<i>2.1.1.3. Develop a program of infrastructure asset</i>	<i>Review of structure, service levels and performance</i>	<i>2008 and 2010</i>	<i>Investment property management outsourced: The six year contract was awarded 2006</i>	<i>Income increased by 2.7% per annum over the</i>

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	(licences/leases)	acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs			as a 2x2x2 contract with renewal subject to satisfactory performance. An independent consultant is engaged to undertake the review.	last 5 Years (05/06 to 09/10) This is in spite of the GFC in 2008
	Maintenance of Council owned property assets Coordination of property asset management plans; Land management Property legal services	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of Property Asset Management Plan	2010 and annually	Streamlined service delivery. Property maintenance on Council Buildings delivered in a similar manner to Engineering Infrastructure. Property Maintenance on the Commercial property portfolio is delivered through the Property Management Consultant. This component is subject to the independent review.	More services achieved for the same or less funding
Project Management	Major building and streetscape project formulation, programming, estimates, planning and design consultancy; Delivery of building upgrade projects, internal workspace fit outs; Coordination of Streetscape works program	2.2.4.5 Increase community engagement in providing streetscapes, neighbourhoods, villages and commercial centres	Review of structure, service levels and performance gaps	March 2009	Reduction of staffing position	\$120,000
Traffic Services	Investigation, analysis, design and advice on traffic and transport matters; Setting priorities for funding maintenance and installation of traffic facilities; Management of on-street parking	2.5.1.1 Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities	Review of on-street parking management strategy	March 2010	Tender for new parking meters and on-street parking management system. Improved efficiency and productivity of parking management	Parking Income increased by 3.1% per annum over the last 5 Years (05/06 to 09/10) This is in spite of the GFC in 2008. Cost

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	Coordination of the Traffic Committee Road safety programs and education					have been contained at 2.8%
Works Engineering	Plant and fleet management	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of performance	Annually	Regular reviews of whole of life operational cost of each item of plant and appropriate decisions are then made to achieve best value when plant is replaced. Savings are achieved at plant changeover	Internal hire rate has increased by less than the inflation rate over time
	Road restorations Maintenance of roads, footpaths, kerb and gutter, stormwater drainage, marine structures, road furniture, fences, street lighting, retaining walls and bus shelters	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings	Review of Council's Road Pavement Asset Management Plan, and methods of service delivery	2009	Streamlining of road patching: Delivery of asphalt maintenance has been modified reducing the need to undertake "heavy patching". Contractors now deliver the smaller amount of heavy patching. Council has set up an additional "pot hole" truck to increase responsiveness in this area. For less money Council is providing an improved level of service. Streamlining of road waste disposal: Waste bins stockpile the waste from Council's road and footpath sweepers. Previously the sweepers disposed of this material at the Artarmon Waste Transfer Station. Contractors have been engaged to collect and dispose of the waste from the depot. There are significant savings in the cost of waste disposal as well as improvements in productivity with reduced travel times for the sweepers.	\$60,000 per annum \$25,000 saving per annum on waste disposal costs and a 15% improvement in productivity.
					Engineering works streamlining: A number	\$120,000 p.a.

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					of positions amalgamated to streamline processes.	
	Metered parking	2.5.2.2 Use technology to manage parking	Review of service level and performance	2008/9	Review of parking meter data retrieval: This led to a change of provider and call charge rate reductions	\$30,000 per annum
	Car parking stations	2.5.2.3 Provide integrated and efficient parking options in villages and retail areas	Review of structure, service levels and performance	Year 2003	Introduction of central management for all Council paid car parks: <ul style="list-style-type: none"> - installation of boom gates - credit card payments - closed Circuit TV Skeleton staff operates from central control room. Significant reduction in staff and improved efficiency and effectiveness.	Savings \$150,000 p.a. Increase in revenue
	Graffiti removal	2.2.4.4 Build pride in community assets that assist in maintenance as well as deterring graffiti and vandalism	Review of service delivery method and scope	2006	Outsourced service delivery. Contract for removal of all graffiti on Council and private property for the same cost as the previous contract for removal from just Council property.	Revised terms of contract and the scope of works have resulted in savings estimated to be in the order of \$45,000

Finance and Information Management Division (FIM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Document Management	Coordination of incoming and outgoing correspondence (hard copy and digital) Archiving Disposal of records	5.4.6.1 Implement best practice records management	Review of service delivery methods, processes and standards	2001	Upgrade to a digitised (electronic) document management system: <ul style="list-style-type: none"> (a) significant improvements in data retention, data recovery and access (efficiencies to customer service) 	\$100,000 per annum

Finance and Information Management Division (FIM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	Access to information				(b) (b) also significant savings in physical storage costs	
Financial Services	Financial Planning Financial Operations	5.5.1.2 Implement best practice financial planning	Review of cash management process	2002	Review of the 'Cash to Cash' cycle to ensure that the management of debtors' cash and creditors is efficient. Improved Council's management of its working capital	\$100,000 per annum
Information Technology	Corporate database administration Networks Administration	5.4.6.4 Provide suitable information technology hardware and software across the organisation	Review of service delivery method	2007	Fixed and mobile call charges tender: A tender for all Council's phone call charges led to considerable ongoing savings	\$120,000 per annum
			Review of service delivery method	2008	Review of computing and printing hardware: Implementation of multifunction devices to replace printers. Implementation of virtualisation of the servers, reducing numbers as well as energy consumption.	\$70,000 (approx. in hardware savings) \$5,000 (ongoing maintenance)
			Review of service delivery method	2010	New phone system (VOIP) & internet provider: This has replaced outdated equipment and software, reducing replacement and management costs of the phone system, and bringing all Council outposts into the one coordinated system. This has also provided significant efficiencies across Council, estimated to be between 5% to 8% for the majority of employees (ie 15 to 45 mins per day)	Productivity improvements of 5% to 8% – freeing up resources for other priorities
Risk Management	Risk mgt strategies and policies Claims management	5.4.5.1 Implement best practice risk management strategies	Review of service delivery processes	2002	Review of claims management and processing practices	60% reduction in average cost of claims
	Annual insurance program		Review of policy	2005	Review of public liability insurance deductible and claims management	\$200,000 per annum

Finance and Information Management Division (FIM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					practices (i.e. increase)	

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Aboriginal Heritage Office	Monitoring, preservation and protection of Aboriginal sites Community and school education and awareness programs Liaison with Metropolitan Local Aboriginal Land Council	4.1.4.4 Preserve local sites of Aboriginal significance	Review of structure, service levels and performance	Review annually - last review 2010	This is a joint program across a number of Councils, administered by North Sydney Council. Commencing with five northern Sydney Councils, the program has expanded to include eight Councils, all of which make an annual contribution to operating costs. Through each annual review by participating Councils, the program has become more accountable and more efficient. North Sydney Council's financial contribution has reduced over time.	\$3000 expenditure reduction in 2010/2011
Environmental Services	Street Cleaning	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings	Review of structure, service levels and performance	2007 2009	Review of Street Cleaning: A review of the street cleaning program was completed in 2007. This review investigated how the Council was delivering the Councils street cleaning program against the community's expectation for this service. The review resulted in the realignment of the service to best meet the expectations of the community resulting in a more effective and efficient use of Council resources. Street cleaning service efficiencies: Reduction in numbers of street cleaners, with work being undertaken through mechanical means	Efficiency gains leading to improved performance \$98,000

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	<i>Bushland management</i>	<i>1.1.1.2 Rehabilitate bushland areas</i>	<i>Review of structure, service levels and performance</i>	<i>2009</i>	<i>Bushland Management efficiencies: Restructure and redistribution of workload resulted in a reduction of .5 of a position</i>	<i>\$30,500</i>
	<i>Waste Management</i>	<i>1.3.2.2 Effectively manage Council's waste collection and disposal contracts</i>	<i>Review of domestic waste management charges</i>	<i>2005</i>	<i>Waste management charges review: Comparative review undertaken across Sydney metropolitan Councils that determined North Sydney's DWM is charge one of the lowest in the Sydney metro area</i>	<i>Improved customer satisfaction</i>
	<i>Sustainability Programs</i>	<i>1.3.1.6 Implement environmental sustainability programs to facilitate community stewardship</i>	<i>Review of strategies, projects and service delivery methods</i>	<i>2010</i>	<i>Sustainability programs are funded through the Environment Levy, and are reviewed annually as well as every five years in consultation with the community. Based on community input and expectations, the scope of the programs has expanded</i>	<i>Improved customer satisfaction</i>
	<i>Tree Preservation</i>	<i>1.1.2.1 Maximise tree plantings to enhance canopy cover in developed areas</i>	<i>Review of service levels and performance</i>	<i>2009</i>	<i>Tree Preservation Officer's position review: As a result of this review this position now also is responsible for delivery of the noxious weed act, therefore achieving a considerable efficiency improvements and subsequent savings in other areas.</i>	<i>Efficiency gains leading to improved performance</i>
<i>Landscape Planning and Design</i>	<i>Preparation of Parks and Reserves Strategic Plans Landscape Project documentation and design Landscape contract management</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Parks and gardens efficiencies: Reduction in parks administration area</i>	<i>\$84,000</i>
<i>Mollie Dive Function Centre & Event</i>	<i>Function Centre and Community event</i>	<i>3.2.2.3 Continue to source major</i>	<i>Review of structure, service levels and</i>	<i>2009</i>	<i>Community event management efficiencies: Restructure resulted in this</i>	<i>\$60,583</i>

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Management	management	regional and sporting events	performance		program being reduced from 1.4 positions to .4 of a position	
North Sydney Olympic Pool	Operation of the Olympic Pool complex	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of service levels and performance	2010	Customer satisfaction surveys were undertaken over the year. The results identified areas for improvement which were all addressed	Improved customer satisfaction
Parks and Reserves	Sportsgrounds management and maintenance	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of structure, service levels and performance	2007	Review of Parks and Reserves Program: A review of the Program was undertaken in 2007. The review re-examined the structure of the program, the method of work delivery, productivity, occupational health and safety and program performance management. The review resulted in significant efficiency gains that were reinvested into the program to achieve an increased level of service.	Efficiency gains leading to improved performance
	Parks and Gardens management and maintenance	1.4.1.1 Provide a range of recreational facilities for people of all ages	Review of structure, service levels and performance	2007	Review of Parks and Reserves Program: A review of the Program was undertaken in 2007. The review re-examined the structure of the program, the method of work delivery, productivity, occupational health and safety and program performance management. The review resulted in significant efficiency gains that were reinvested into the program to achieve an increased level of service.	Efficiency gains leading to improved performance
					2009	Parks and Reserves efficiencies: Reduction in one full position whilst maintaining existing service levels
	Tree management and maintenance	1.1.2.2 Implement the North Sydney Street Tree Strategy	Review of structure, service levels and performance	2007	Review of tree management operation: This review significantly improved the work flow of the operation resulting in	Efficiency gains leading to improved

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
					significant efficiency gains that were reinvested into increased service levels	performance

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
Administration Services	Processing of DA applications, certificates and advertising	2.3.1.1 Effective development assessment and determination processes	Review of service delivery method	2003	P&DS Filing/archiving project: This involved scanning of all old hard copy DA and BA files from 1995 to 2001 (and ongoing) onto CDs, which are registered in Council's document management system. This improved work practice allows customers to come and view older DA plans and information online, rather than waiting for hard copy files to be retrieved, saving time for customers and records staff.	Efficiency gains leading to improved performance
			Review of service delivery method	2007	Introduction of E-Planning: This includes DA Tracking and having all planning documents available on Council's website, with continual review of content and updating of legislation. This saves customers' time in having to come into customer services to view details of applications, but also has saved time for assessment officers in dealing with enquiries. Also on the website is i.d profile, which provides community profile, demographics and statistics and allows customers to filter information in relation the North Sydney LGA - all information is updated regularly with ABS and census data	Efficiency gains leading to improved performance

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
Development Services	Planning Advisory service Construction and technical service Assessment services	2.3.1.1 Effective development assessment and determination processes	Review of service delivery processes, standards and methods	Audit 2008	Planning and Development Services Review: In 2008, an independent PDS systems review was undertaken by Morrison Low leading to the conclusion that PDS was very efficient, but with some recommendations about re-organisation of resources within the PDS area and in support of the PDS area, to better target areas of highest demand. However budget constraints meant this could not occur.	Efficiency gains leading to improved performance
			Review of budget	Budget 09/10	Significant reductions in staffing positions to achieve required savings. Single redundancy (Executive Planner), Positions not replaced - Team Leader Construction and Technical, Student Town Planner, Student Strategic Planner and Assessment Officer. Consequences of Budget/staff reduction: <ul style="list-style-type: none"> DA turnaround times increased. Strategic Planning 149 certificates assessed by senior staff, instead of the student position. 	\$185,000
Environment and Building Compliance	Environmental Health Environmental Protection Building Compliance	2.3.2.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	Review of team structure	2005	A review of the team structure in 2005 and the introduction of a Manager Position to oversee functions and streamline team performance.	Efficiency gains leading to improved performance and accountability
			Review of method of Food Shop Inspections (regulatory)	2006	Food shop inspections carried out by Environmental Health staff. Previously Council engaged a consultant to undertake this regulatory function. Education of foodshop proprietors through training and leaflets/brochures.	Savings of \$25,000 per year on consultancy fees – outsourcing.

<i>Planning and Development Services (PDS)</i>						
<i>Service Area</i>	<i>Description of Activities</i>	<i>Related 2020 Vision Strategy</i>	<i>Service Review</i>	<i>Date of Review</i>	<i>Productivity Improvements</i>	<i>Savings made/ Income generated</i>
				2010	<i>New staff training and inspection requirements introduced by NSW Health.</i>	<i>More regularised inspection program - resulting in huge improvements to the standards of food shop premises in the NSC community</i>
			<i>Introduction of new reporting systems (Dataworks and Authority) to assess workloads and delivery timeframes</i>	2009	<i>Data entry and allocation of all new Environmental and Building Compliance tasks by PDS Administration staff. New reports developed with IT.</i>	<i>Improved customer satisfaction - Customer Service staff have access to tasks and current status for customers Efficiency gains leading to improved performance</i>
			<i>Review of Compliance Team</i>	2010	<i>As a result from the findings of the PDS Audit in 2008, the Compliance section has been reviewed and a new Compliance Officer position has been created.</i>	<i>Cost increase implication of \$78,000 per annum. Efficiency gains leading to improved performance and accountability</i>
<i>Strategic Planning</i>	<i>Strategic planning</i>	<i>2.2.2.4 Monitor legislative and regulatory changes relating to land use planning</i>	<i>Heritage Review</i>	<i>2008/2009</i>	<i>Database updated and project completed in-house. All attributes checked and correctly applied to applicable properties.</i>	<i>Website updated - heritage status and significance available for customers</i>

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
			<i>Data integrity program (Authority system) review</i>	<i>2008-2010</i>	<i>Joint review of all attributes data stored in the Authority property database. IT Mapping, Strategic Planning and Administration Planning. Database 100% checked and updated. Authority property data is 99.9% accurate. Only a small number of "unreal" properties not validated.</i>	<i>Authentication and validation of property parcel data completed in-house. Major project co-ordinated between departments. Efficiency gains leading to improved performance and issuance of certificates</i>

Appendix 7: Summary of Future Efficiency Gains and Productivity Savings

The process of service reviews will continue into the future, as part of North Sydney Council's performance review and improvement strategy and its commitment to productivity improvement. Each year service reviews of selected areas will be undertaken. Productivity improvements planned in 2011/12 and beyond are described in the following:

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
GM's Office	Legal Services: Management of all legal functions for and within Council. Provision of legal advice to Council	5.4.2.2 Implement best practice governance strategies	Review of legal service delivery process	March 2011	Audit of the provision of external and internal legal services through the organisation. Greater use of in-house lawyer throughout the organisation.	\$50,000 savings p.a.
Community & Library Services (CLS)	Community Transport	4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities	Review of structure, service levels and performance	April 2011	Independent review commissioned to guide Strategic Plan and contract renewal due in 2011. Service better distributed across LGA for no additional expense	Expansion of services (no additional expenditure)
	Library Services	4.2.3.5 Develop and enhance quality of library services and events	Review of management structure, service levels and performance	June 2011	Reduction of resources allocated to management in the library and reallocation to direct customer service	\$43,000 savings p.a.
Corporate Services (CS)	Corporate Planning and Governance	5.4.2.2 Implement best practice governance strategies	Restructure	March 2011	Integration of two Departments under one Manager - consolidation of responsibilities in Governance Section	\$43,000 estimated savings
	Review of After Hours Telephone Service	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of service provider via EOI	May 2011	Savings in after hours call costs	\$7,200 estimated savings

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
	<i>Call Centre message service</i>	<i>5.4.3.1 Implement strategies to ensure excellence in customer service</i>	<i>Review of Service Delivery</i>	<i>May 2011</i>	<i>Savings in productivity as a result of the increased use of internal voice mail vs. e-mail messaging</i>	<i>\$20,000 estimated savings</i>
<i>Engineering & Property Services (EPS)</i>	<i>On Street Parking Management</i>	<i>2.5.2.2 Use technology to manage parking</i>	<i>Review of service delivery mechanism and method</i>	<i>June 2011</i>	<i>Council is currently tendering for a comprehensive integrated system covering all aspects of on street parking management. Expect improved efficiencies in parking surveys and better compliance in regard to paid parking</i>	<i>\$35,000 savings in survey costs; and an increase in income of \$100,000</i>
	<i>Fence Renewal Program</i>	<i>2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings</i>	<i>Review of service delivery method and standards</i>	<i>June 2011</i>	<i>Review of fence renewal delivery program being undertaken by Contractors. The initial review showed that contractors were not set up to reuse the fence timbers. New service deliver program using in-house staff will see significant reuse of material saving on purchase and disposal costs</i>	<i>\$100,000 saving</i>
<i>Finance & Information Management (FIM)</i>	<i>Insurance Claims Management Service (outsourcing)</i>	<i>5.4.5.3 Maintain an appropriate insurance program</i>	<i>Review of service delivery method and standards</i>	<i>June 2011</i>	<i>Review completed. Due to the adoption of ISO 31000 (new risk mgt standard), internal resources will be released to progress this project.</i>	<i>\$80,000 savings p.a.</i>
	<i>Provision of Property Certificates (on-line) - Section 603 and 149</i>	<i>5.4.6.1 Implement best practice records management</i>	<i>Review of service delivery method and standards</i>	<i>May 2011</i>	<i>Review completed. Moving to an on-line service will improve the efficient (annual) production of 6,000 certificates and improve the response times to customers (equivalent to a 10% productivity improvement).</i>	<i>\$60,000 savings p.a.</i>

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
	<i>Firewall Management (incl. provision of equipment)</i>	<i>5.4.6.4 provide suitable information technology hardware and software across the organisation</i>	<i>Review of service delivery method and standards</i>	<i>March 2011</i>	<i>Review completed. By re-investing in hardware and outsourcing the management, a 30% reduction in annual costs is expected.</i>	<i>\$15,000 savings p.a.</i>
<i>Open Space & Environmental Services (OSES)</i>	<i>Sport and Recreation Needs Planning</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages and abilities</i> <i>4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities</i>	<i>Review of service delivery method</i>	<i>2011</i>	<i>A review of the existing recreational planning program is planned to be undertaken in 2011</i>	<i>\$50,000 savings p.a.</i>
	<i>Function Centre</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages and abilities</i>	<i>Review of service delivery method</i>	<i>2012</i>	<i>A review of the North Sydney Oval Function Centre operation is scheduled for 2012 to determine the future viability of the Centre and service delivery mode</i>	<i>Potential for improved income</i>
<i>Planning & Development Services (PDS)</i>	<i>Environmental Health Environmental Protection Building Compliance</i>	<i>2.3.2.2 Inspect food premises to ensure compliance with the Food Standards Code</i>	<i>Food Shop Inspections - (regulatory)</i>	<i>2011</i>	<i>New staff training and inspection requirements introduced by NSW Health. All food premises to be inspected as per their risk category. All food premises to appoint an accredited Food Safety Supervisor (FFS) by 1 October 2010. Council to record certificate details of each FFS.</i>	<i>More frequent inspection program - resulting in improvements to the standards of food shop premises in the North Sydney LGA</i>
	<i>Development Assessments</i>	<i>2.3.1.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause</i>	<i>Planning Advisory Service</i>	<i>2011/2012</i>	<i>New planning legislation - State and Federal Governments. The Planning Advisors facilitation of new government initiatives. (e.g. environmental sustainability</i>	<i>Service provision/ Community education with regard to Planning Legislation "mum and dad" developers, staff, Councillors and</i>

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
		<i>nuisance</i>			<p><i>initiatives such as solar panels and water management)</i></p> <p><i>Education provided to Customers (website updates/links and 12 free meeting appointments per week), Council staff (meetings and email updates), Councillors (via the Councillor Bulletin) and Precincts (via the Precinct e-bulletin and meeting attendance).</i></p>	<i>Precincts</i>

11 Certification by the General Manager and the Responsible Accounting Officer

I certify that to the best of my knowledge the information provided in this application is correct and complete.



General Manager (Penny Holloway):

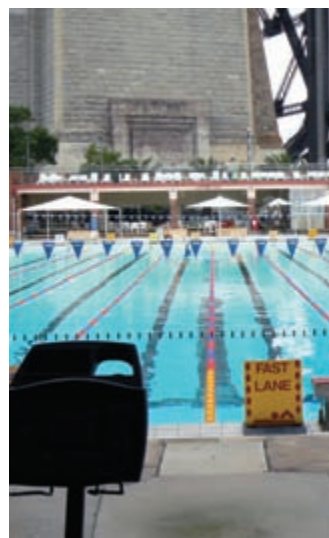
Signature Date: 25th March 2011



Responsible Accounting Officer (Garry Ross):

Signature Date: 25th March 2011

Once signed, this certification must be scanned and emailed to localgovernment@ipart.nsw.gov.au.



North Sydney Council Amended Delivery Program 2010/2011-2013/2014

2020VISION
LIVING SUSTAINABLY



MARCH 2011

The 2020 Vision Logo



The “Sustainability Compass” symbolises setting the compass on the path towards sustainability. The four points of the compass describe the different dimensions - environment, society, economy and governance, of sustainability.

This is the first Delivery Program for North Sydney Council, prepared in accordance with the Integrated Planning and Reporting Framework requirements.

It has been prepared by North Sydney Council in consultation with the North Sydney community.

We acknowledge and thank all interested stakeholders for their contributions towards this plan.

This program reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast.

The document can be viewed online at www.northsydney.nsw.gov.au/deliveryprogram

For further information contact Council’s Manager Corporate Planning and Governance on 9936 8463 or email council@northsydney.nsw.gov.au

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Foreword

We are pleased to present the North Sydney Council Delivery Program 2010/11-2013/14. This is the first Delivery Program prepared by North Sydney Council in accordance with the State Government's new Integrated Planning and Reporting Framework requirements.

The Delivery Program is a statement of commitment to our community. In preparing the Program, Council is accounting for its stewardship of the community's long term goals as set out in the 2020 Vision North Sydney Community Strategic Plan 2009-2020. The Program outlines how we intend to work towards achieving these goals during the Council's term of office and what our priorities are.

The Delivery Program outlines Council's priorities and service delivery programs over the next four years, set out under five key Directions. These priorities will be resourced through our annual budgets and Resourcing Strategy, which includes a ten year Long Term Financial Plan.

Supporting the Delivery Program is an annual Operational Plan, which details the individual projects and activities that will be undertaken each year to achieve the commitments made in the Delivery Program.

There are a significant number of projects planned for the next four years, as outlined in this document, which will require the ongoing commitment of Councillors, senior management, all staff, and most importantly the community.

We would like to acknowledge the contributions made by a wide range of stakeholders, including groups and individuals, for their passion and enthusiasm. We look forward to continued positive growth and sustainability in North Sydney, and of course a happy and supported community.

Council also acknowledges the Cammeraygal people, who were the traditional owners of this land and who are part of the oldest surviving continuous culture in the world. The 2020 Vision, Delivery Program and accompanying annual Operational Plans recognise North Sydney's Indigenous heritage and culture.

Having developed a cohesive picture of what the community expects North Sydney to become, Council has prepared a clear picture of the direction it intends to take, and the measures of success along the course.



Cr Genia McCaffery
MAYOR



Penny Holloway
GENERAL MANAGER

1. Introduction

The 2020 Vision, North Sydney Community Strategic Plan 2009-2020 is North Sydney Council's most important strategic document. Council will use the 2020 Vision to guide and inform its planning and decision making for the next eleven years.

Council is the key driver of the 2020 Vision, but implementation of the Vision is also the responsibility of all community stakeholders. Council does not have full responsibility for implementing or resourcing all the community's aspirations. Other stakeholders, including government agencies, non-government organisations, community groups and individuals also have a role to play in delivering these outcomes.

Through the North Sydney Council Delivery Program 2010/11-2013/14, Council outlines how the objectives of the 2020 Vision will be implemented through projects and services during its term of office. The implementation will be within the resources identified in the accompanying Resourcing Strategy.

Council's Resourcing Strategy is made up of the following components:

- Long Term Financial Plan (10 years)
- Asset Management Strategy and Asset Management Plans (10 years)
- Workforce Strategy (4 years)

The Delivery Program replaces the former 3-year Management Plan. It is a fixed-term four year plan, designed as a single point of reference for all projects and services to be undertaken by Council during its term of office. All plans, activities and funding allocations must be directly linked to this Program.

The following diagram shows illustrates the relationship between the various levels of the Council's Integrated Planning and Reporting Framework (IPR).

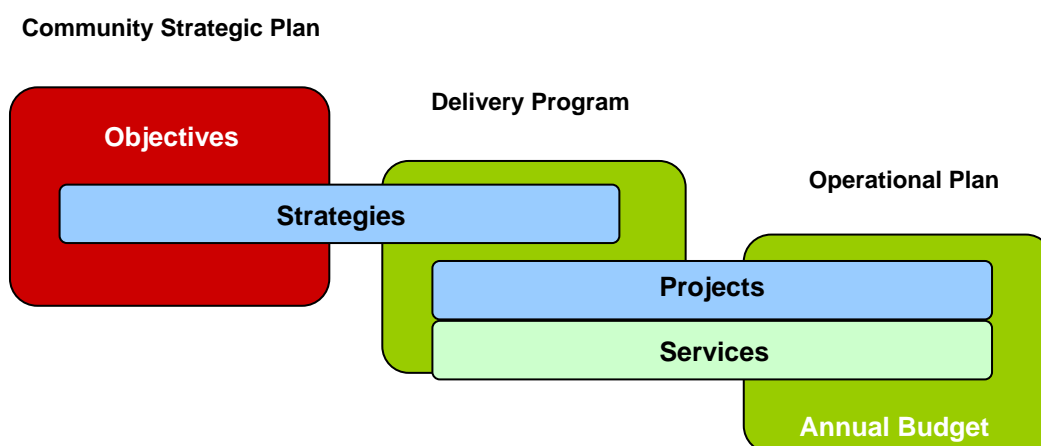


Figure 1.1 Relationship between Plans

It should be noted that the IPR represents a significant improvement in Council's corporate planning processes. It will take some time to realise the full benefits of the changes as the Delivery Program and Operational Plans are refined and improved.

The Delivery Program has been prepared by North Sydney Council, but has been informed by the community. Council has drawn from community feedback provided

by local residents and businesses, other levels of government, educational institutions, non-government community and cultural organisations and groups in the development of the 2020 Vision.

The Delivery Program is also informed by Council's long term Resourcing Strategy. The Resourcing Strategy focuses on long term financial planning, asset management planning and workforce planning. The Resourcing Strategy is the critical link between the 2020 Vision and the Delivery Program, detailing the provision of resources required to implement strategies established by the 2020 Vision for which Council is responsible.

Similarly the Delivery Program is also informed by Council's Local Environment Plan (LEP). The LEP outlines Council's strategic land use policy and development framework for the LGA. It is a requirement of the Environmental Planning and Assessment Act 1979 and associated Regulations. The LEP is the principle legal document for controlling development at the council level.

Council's LEP 2009 and Development Control Plan 2010 (DCP) were reviewed concurrently with the preparation of the 2020 Vision and Delivery Program. The key result areas identified through the IPR consultations have been incorporated within the LEP and DCP. These references are detailed within the Delivery Program.

The Delivery Program 2010/11-2013/14 consists of six parts:

1. Introduction

Introduce the Delivery Program's, describes its role and function and its position with Council's IPR Framework.

2. Our Organisation

Details Council's vision, mission and values; our charter; an overview of Council's organisational structure and a profile of the North Sydney LGA.

3. Our Planning and Reporting Framework

Outlines Council's commitment to organisational sustainability and highlights the broader context in which North Sydney Council operates.

4. Our Delivery Program

Details how the plan was developed and outlines the Directions that describe what sort of future our community wants for North Sydney, and outlines the projects and services needed to achieve the goals and strategies of the 2020 Vision; and explains how we will measure performance against the five key Directions:

- Direction 1. Our Living Environment
- Direction 2. Our Built Environment
- Direction 3. Our Economic Vitality
- Direction 4. Our Social Vitality
- Direction 5. Our Civic Leadership

5. Resourcing the Delivery Program

Presents Council's planned income and expenditure to support the Delivery Program, including explanation of Council's current and proposed rating structure.

6. Monitoring and Reporting

Details Council's how performance is monitored and reported; and how and when the Program is reviewed.

In accordance with IPR requirements, the Delivery Program is reviewed each year in conjunction with preparation of the annual Operational Plan and Budget. Following Council's endorsement the amended plan is placed on exhibition for 28 days and public submissions are accepted and considered before the final Program is adopted.

The following preparation timetable/engagement strategy has been adopted by Council:

	2010	2011	2012
Draft Delivery Program endorsed by Council	10 May	<i>11 April</i>	
Public exhibition of the Draft Delivery Program commenced	12 May	<i>14 April</i>	TBA
Community Information Session held	3 June	<i>5 May</i>	TBA
Council meeting to consider submissions and adopt the final/amened Delivery Program	21 June	<i>30 May</i>	TBA

Notes:

1. *During the annual public exhibition of the proposed amendments to the Delivery Program, significant amendments are indicated in italics and/or ~~strike through~~. Following adoption of the final Program such indications will be removed.*
2. *A community information session will be held on Thursday 5 May 2011, 6.15pm to 8pm in the Hutley Hall, 200 Miller Street, North Sydney. This session is open to the public and will provide an opportunity ask questions of Council's Senior Management Team (MANEX) about the Draft Program. For further information about the session phone Council's Call Centre on 9936 8110. Alternatively feedback can be provided via the online Budget Allocator tool at <http://northsydney.budgetallocator.com> during the public exhibition period.*
3. *On 14 March 2011, Council resolved to apply to IPART under section 508A of the Local Government Act, for a special rate variation (SRV) to fund maintenance of existing services and infrastructure at a high standard, replacement of ageing infrastructure; and to provide additional infrastructure.*
4. *In accordance with Council's Long Term Financial Plan (LTFP) the four year financial estimates included within the Delivery Program include two*

scenarios:

- i) Without a rate increase - Scenario 1, known as the 'Base Case', which is based on a 2.8% increase in 2011/12 in accordance with the State allowed increase, subsequent years allow for an increase in accordance with projected CPI; and*
- ii) With a rate increase - Scenario 2, which is based on a 5.5% rate increase, each year for 7 years, from 2011/12 (Year 2). The rate increase is inclusive of the allowed 2.8% in 2011/12. For full details refer to Section 5. All projects and services proposed to be funded by the SRV are highlighted throughout the Program in **bold**.*

2. Our Organisation

This section provides an overview of North Sydney's community and Council including our vision, mission and values; our charter; introducing your councillors, Council's organisational structure, and a snapshot of the geographic and demographic profile of North Sydney.

2.1 Our Vision, Mission, Values and Charter

2.1.1 Our Vision

North Sydney is a vibrant community with a major and unique commercial centre surrounded by related villages and neighbourhoods. We celebrate community harmony, respect and diversity and our locality is recognised for its excellence in innovation, business and sustainability.

Our residents, workers and students are proud to belong to this community and we welcome those who visit and enjoy the area. Our community supports environmental, social and economic sustainability through civic leadership and local and practical solutions.

2.1.2 Our Mission

To be leading edge in serving the community of North Sydney by caring for its assets, improving its appearance and delivering services to its people in a financially, socially and environmentally responsible manner.

2.1.3 Our Core Values

Sustainability - equity, preservation, justice and precaution

Community service - efficiency, effectiveness and responsiveness

Open government - transparency and accountability

Ethical conduct - honesty and integrity

Justice - fairness and equity

Quality - innovation and excellence

Teamwork - cooperation and respect

2.1.4 Council's Charter

In addition to the Council's Charter under Section 8 of the Local Government Act, 1993, North Sydney Council has adopted its own Charter:

- We will leave to future generations a better environment than we inherited. Sustainability will be a call to action across our community. In partnership with our community, we will ensure that responsible stewardship of the local environment is a guiding principle in all our activities. We will develop new local parks and sporting facilities, broaden the use of our existing open space

and recreation resources and improve how we care for and manage them. We will work with other organisations, locally and regionally, to realise these ends. The importance of providing opportunities for community health and wellbeing will be central to all of our open space and recreation planning.

- We will work with our community to create a built environment that is well designed, welcoming, safe, accessible and beautiful and which truly reflects our local heritage. We will protect the character of our urban environment whilst managing growth. We ensure that North Sydney's networks of roads, footpaths, seawalls and other local infrastructure is maintained to a standard that meets our community's expectations. Funding for major new infrastructure will be spread over the life of the asset. We will bring together other levels of government in sharing responsibility for our local infrastructure. We will make North Sydney pedestrian and bike friendly. The use of public transport and other alternatives to the private car will be encouraged through the improvement and expansion of sustainable transport options and the encouragement of car sharing options.
- We will preserve the economic vitality of the North Sydney Central Business District and unique commercial centres. From a strong commercial heart, our CBD will host a thriving business community, provide diverse social and cultural activities and work in harmony with surrounding residential areas and other commercial centres nearby. The CBD will be internationally recognised as a place for innovation, excellence and Ecologically Sustainable Development. Our commercial centres will remain economically viable, healthy and attractive. Our neighbourhoods will be strengthened so that there are village centres with shops and places to meet within walking distance of residential areas.
- We will strengthen bonds in our community and give more recognition and support to our social and cultural diversity. A safer environment for people who live in and visit North Sydney will be created, and we will promote a sense of community responsibility for our collective wellbeing. We will ensure 'universal access' to our community services and facilities through continuous needs analysis and planning. We will pursue investment opportunities to enhance community assets under Council's care in the interests of quality of life, amenity and public safety. We will always regard our role in delivering services to the community as vital. We will work in partnership with other levels of government in planning and providing services. Central to our focus will be the needs of youth, families and older people as well as those with special needs.
- We will continue our established tradition of good governance and we will be a leader in ethical, transparent and open government. We will be worthy of and receive the highest level of community confidence in our capacity to govern. We will adopt a sustainable approach to our financial planning, explore additional sources of income and minimise risks to our organisation. Achieving this will ensure that we are able to maintain a healthy and secure financial position whilst providing our community with a high level of service.

2.2 Our Councillors

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Councillor Trent Zimmerman

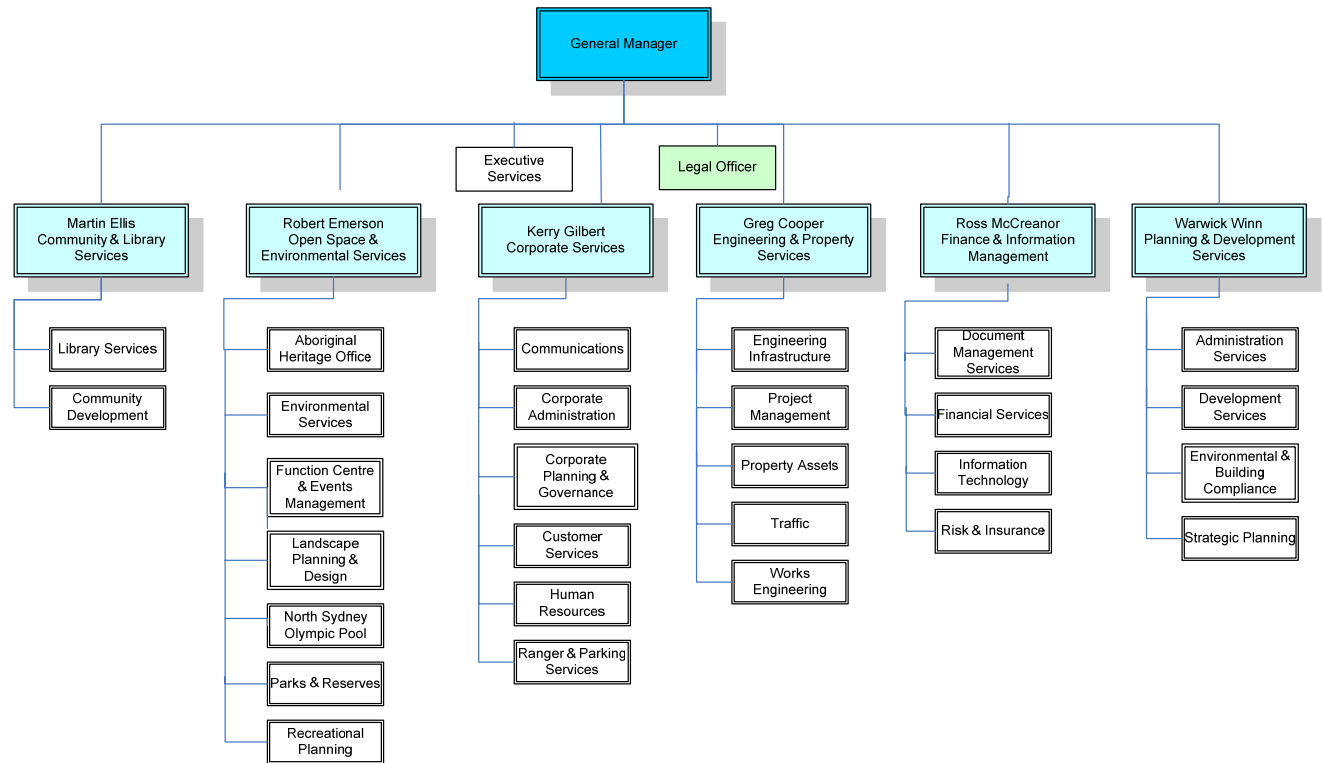


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2.3 Our Organisational Structure

North Sydney Council is constituted under the Local Government Act 1993. The organisational structure under which Council operates is set out below:



2.3.1 The role of the General Manager and Senior Management

General Manager, Penny Holloway

The General Manager is responsible for the operation of Council's organisation and for implementing the policies and decisions of the Council. The General Manager is responsible for the day to day management of Council, exercising any functions delegated by the Council; and the appointment, direction and dismissal of staff.

Responsible to the General Manager are six Directors who manage the Divisions of Community and Library Services, Corporate Services, Engineering and Property Services, Finance and Information Services, Open Space and Environmental Services and Planning and Development Services.

The General Manager, along with the Directors comprises the Senior Management Team (MANEX) that ensures the organisation is meeting its obligations and provides staff with strategic direction. The role of the General Manager is also to oversee Mayoral and Councillor support and legal services.

Director Community and Library Services, Martin Ellis

The Community and Library Services (CLS) Division plans and delivers a vast range of services including programs for seniors and people with special needs, family and children services, youth services and community events to encourage community connectedness. The Division is also responsible for management of Stanton Library and the North Sydney Heritage Centre.

Director Corporate Services, Kerry Gilbert

The Corporate Services (CS) Division coordinates governance, customer services, communications, community engagement, human resources, parking management, companion animal management and corporate administration. Another key role is coordination of integrated planning and forward planning for Council. The Division undertakes the process to establish a shared vision and strategic directions through consultation with the community.

Director Engineering and Property Services, Greg Cooper

The Engineering and Property Services (EPS) Division is responsible for the delivery of infrastructure and commercial operations. Operational activities include the maintenance of built assets including buildings, roads, footpaths and drainage. Commercial operation activities include parking meters, parking stations and the commercial property portfolio. Engineering and Property Services also delivers capital works projects, manages traffic planning and facilities, provides road safety education programs and manages Council's fleet and plant.

Director Finance and Information Management, Ross McCreanor

The Finance and Information Management (FIM) Division provides financial services, risk management and insurance, information technology services and document management services. Activities also include the management of Council's investment portfolio and long term financial planning.

Director Open Space and Environmental Services, Robert Emerson

The Open Space and Environmental Services (OSES) Division's key responsibilities include waste management, environmental services and sustainability, bushland management and parks and reserves management. Tree management is managed by this Division as well as management of the North Sydney Olympic Pool and the North Sydney Oval and Function Centre, public events, recreational planning, Aboriginal heritage, street cleaning, and landscaping planning and design.

Director Planning and Development Services, Warwick Winn

The Planning and Development Services (PDS) Division's key responsibilities are assessing and determining development applications and the regulation of strategic land use planning through planning instruments such as heritage controls. The Division also ensures that building and health regulations are enforced and supports local government area-wide economic development.

2.3.2 Employee Profile

The current (as at March 2011) organisational structure (i.e. the budgeted staff establishment) comprises 388 full time equivalent (FTE) staff positions across six Divisions and the General Manager's Office. The FTE comprised of a headcount of 489 people as detailed in the table below; whilst there are 111 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

Division	Full time (FT)	Part time (PT)	Casual
General Manager's Office	4	0	0
Community and Library Service	22	35	27
Corporate Services	66	11	2
Engineering and Property Services	46	3	12
Finance and Information Management	34	3	0
Open Space and Environmental Services	94	16	67
Planning and Development Services	41	3	3
Total FT, PT and Casual Headcount	307	71	111

2.4 North Sydney in Profile

2.4.1 Key Facts:

- North Sydney local government area (LGA) is located 3km from the Sydney GPO and covers 10 square kilometres.
- North Sydney's estimated resident population in 2009 was 63,941.
- By 2020 North Sydney is expected to increase to 64,551 people.
- Over 50,000 people travel daily to North Sydney for work and study. The State Government's employment capacity target for North Sydney is 15,000 by 2031 (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney has a low proportion of households with children, compared to the Sydney average with 88.6% of the population being over 18 years.
- North Sydney has a larger percentage of 25 to 34 year olds (27.4%) compared to the Sydney average.
- North Sydney is a relatively affluent community with above average incomes. Overall 47.1% of households earn \$1,700 or more per week, whilst 9.5% are low income households, earning less than \$500 per week.
- Overall, 60.9% of the population hold tertiary qualifications compared with 43% for the Sydney average.
- Of our 15,000 students attending schools and tertiary institutions in North Sydney, only one in five live in the LGA.
- Almost a third of North Sydney's population was born overseas; 18.2% are from a non-English speaking background, compared with 24% for the Sydney average.

- Dwelling density is higher in North Sydney than in other parts of Sydney with almost 25% residing in medium density dwellings (semi-detached, row, terrace, townhouses and villa units); while 52.6% live in high density dwellings (flats and apartments).
- By 2031 North Sydney is be required by the State Government to provide an additional 5,500 dwellings (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney is home to one of the largest business districts in Australia as well as several smaller commercial centres. More than 45,000 businesses operate from North Sydney.
- Approximately 15-20% of North Sydney is open space, including seven parks with multiple sports fields and 188 larger parklands to pocket parks and smaller garden areas.

For more information about North Sydney's demographic characteristics, please refer to the demographic profile, on Council's website at www.northsydney.nsw.gov.au

Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2001.



Figure 2.3 Map of North Sydney Local Government Area, showing Ward boundaries

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3. Our Planning and Reporting Framework

This section outlines Council's commitment to sustainability and the principles of quadruple bottom line; provides an overview of Council's corporate planning and reporting framework; outlines how to read the Delivery Program and how it was developed, and consultation with the community conducted in preparing the plan.

3.1 Living Sustainably

On behalf of their communities councils are required to:

- Properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development;
- Have regard to the long term and cumulative effects of its decisions¹,
- Take into consideration the principles of ecologically sustainable development (ESD) in carrying out their responsibilities; and
- Under the new Integrated Planning and Reporting Framework are to adequately address environmental, social, economic and civic leadership (governance) considerations. This approach is referred to as “the quadruple bottom line” (QBL).

The underpinning ideals of the 2020 Vision are for the North Sydney community to become sustainable. This has been a key message coming from the community over the last few years. The 2020 Vision encourages the North Sydney community to aspire to a more sustainable future, to provide for integrated decision making and coordinated use of resources; to provide a long term focus for decisions, as well as ensuring Council is accountable to the community.

The community adopted the tagline of “Living Sustainably” for the 2020 Vision as sustainability underpins all aspects of the North Sydney Community Strategic Plan. The Plan is founded on the guiding principles of sustainability and QBL. The 2020 Vision adequately addresses environmental, economic, social and civic leadership considerations; as illustrated in Figure 3.1. Applying a QBL approach ensures that community priorities are addressed in a balanced and holistic manner.



Figure 3.1 Sustainability at North Sydney Council

¹ Councils Charter: Section 8 of the Local Government Act, 1993

Council through its Organisational Sustainability Policy (CL08-OG) acknowledges that its decisions and actions have an impact on the quality of life of both present and future generations. The desired result is to balance sustainability considerations to provide positive influences toward community wellbeing while maintaining or enhancing those aspects the community most values in the ecological, social, cultural and economic environments. The wider North Sydney community endorsed these sentiments during the consultation for the development of the 2020 Vision, and as such each of the five Directions equally reflect environmental, economic, social and civic leadership considerations.

Council, as an organisation, has adopted a QBL approach to its planning, reporting and decision-making through its Organisational Sustainability Program. This means that planning, reporting and decision making will include consideration of environmental, economic, social and governance implications in the context of the overall aim of working towards sustainability.

Council had already undertaken a number of initiatives to address sustainability within its plans, reports, processes and operations. However, the adoption of a formalised QBL approach to planning, reporting, decision making and operations was adopted to assist Council's in more accurately defining and reporting its performance.






Council's QBL assessment process is used for evaluating all new works, projects and services. The program, which includes a Sustainability Assessment Toolkit, provides guidance to Council in determining the significance of projects. As part of its consideration, Council takes into account how important the proposal and/or decision is in terms of the achievement of, or ability to achieve the community goals and objectives as identified in the 2020 Vision.

This framework gives the community some certainty about how Council will approach its consideration of proposals and/or decisions. Council will consider each proposal and/or decision on a case-by-case basis. Significant proposals and/or decisions that deviate from the Delivery Program will require the amended Program to be placed on public exhibition for 28 days.

3.2 Strategic Priorities as Identified in the Community Strategic Plan

A comprehensive process was undertaken to review and establish Council's Community Strategic Plan (2020 Vision). The process took place over an 18 month period with significant community input derived through several consultation phases ; and resulted in the identification of goals and strategies and subsequently via the Delivery Program the programs, projects and services to fulfill the strategies for which Council is responsible.

Each Direction encompasses a range of themes, as detailed in the following table.

Directions	Key Themes
<p>1: Our Living Environment</p> 	<ul style="list-style-type: none"> • Bushcare and natural corridors • Energy and climate change • Environmental sustainability • Foreshores and waterways • Open space • Sporting fields and recreational facilities • Water quality • Waste and recycling services • Wildlife and marine life
<p>2: Our Built Environment</p> 	<ul style="list-style-type: none"> • Asset management • Heritage conservation • Land use • Planning controls • Streetscapes and neighbourhoods • Traffic and transport management and planning
<p>3: Our Economic Vitality</p> 	<ul style="list-style-type: none"> • Commercial centres and villages • Economic development • Employment - retention/worker population • Tourism and public events
<p>4: Our Social Vitality</p> 	<ul style="list-style-type: none"> • Access and equity • Aged/seniors • Arts and culture • Children and families • Community and Linguistically Diverse communities • Community safety • Community development • Community services and facilities • Disability services • Education • Events and social activities • Health and wellbeing • Housing and accommodation • Library services • Local history and heritage • Philanthropy • Road safety • Volunteering • Young people
<p>5: Our Civic Leadership</p> 	<ul style="list-style-type: none"> • Communications • Community engagement • Corporate planning • Customer service • Financial management • Governance • Human Resources • Information Technology • Organisational management • Partnerships • Risk management

3.3 Integrated Planning and Reporting Framework

Council has developed an integrated planning, reporting and decision making process that aligns organisational planning, processes and performance to the 2020 Vision, Community Strategic Plan.

Our integrated planning and reporting framework is designed to cascade the strategic objectives into measurable actions at all levels of the organisation. Our framework comprises the following plans:

- **2020 Vision, North Sydney Community Strategic Plan 2009-2020** sets the direction for the other plans by describing the future that we want for North Sydney around five themes, known as 'Directions', each with long term goals, objectives, strategies and indicators. A Social Plan for North Sydney 2008-2012 also informs the 2020 Vision².
- **North Sydney Council Delivery Program 2010/11-2013/14** describes the services we will deliver and projects we will undertake over the next four years to achieve the community's long term goals. These are organised by Direction. A four year budget is also included.
- **North Sydney Council Operational Plan** describes services, service levels and projects and performance measures to be delivered by each functional area of the organisation in the coming year.

Informing, and being informed by these plans is our Resourcing Strategy which encompasses:

- Long Term Financial Plan
- Asset Management Strategy and Asset Management Plans
- Workforce Strategy

Council has reviewed the Local Environment Plan (LEP), the strategic land use policy and development framework for the municipality so that it reflects the long term goals in the 2020 Vision.

Reviews on progress towards achieving key performance indicators and progress of current projects outlined in the Operational Plan and a financial assessment of performance are reported quarterly to Council in accordance with the Local Government Act 1993.

Other Plans and Strategies

A full list of related strategic plans and strategies is provided in the Appendix. Copies of plans and strategies are available on Council's website at www.northsydney.nsw.gov.au.

² Under the Integrated Planning and Reporting Framework requirements councils are no longer required to prepare separate social/community plans. Council has integrated its current Social Plan into the 2020 Vision.

The following diagram illustrates Council’s IPR Framework:



Figure 3.2 Planning and Reporting Framework

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4. Our Delivery Program

North Sydney Council's Delivery Program 2010/11-2013/14 was produced in accordance with Section 404 of the Local Government Act 1993 which specifies that the Delivery Program must meet certain requirements.

The Delivery Program covers a fixed period from 1 July 2010 to 30 June 2014. It establishes the overall operating framework for all Council activities and is the foundation on which all other organisational plans, such as the Operational Plan and individual performance plans are based.

The Delivery Program details the projects and services that Council intends to undertake, the resources required to deliver them, how achievement of those actions will be measured (key performance indicators), and Council's expected income and expenditure. Full details of how these actions will be resourced is detailed in Council's accompanying Resourcing Strategy.

The Delivery Program also provides an instrument of public accountability and the basis for measuring the performance of Council. Council reviews and reports quarterly to the community on Council's progress against the Delivery Program by measuring performance against specific indicators and progress of current projects outlined in the annual Operational Plan.

Council reviews its Delivery Program each year, before preparing the Operational Plan to ensure it is still on the right track for moving towards the 2020 Vision. Council prepares a new Delivery Program for its elected term every four years.

4.1 Preparation of the Delivery Program

The Delivery Program has been developed in a climate of continuing social, political, economic and environmental change. Greater demands are being made on local government, both by our customers in terms of civic leadership - governance, transparency and accountability; as well as pressures of the global economic down turn, environmental regulation and structural reform. It is clear that Council's performance is under increasing scrutiny at every level and it is essential that we regularly examine all services and functions for which we are responsible to ensure that they are delivered efficiently, effectively and to the satisfaction of our customers.

The Delivery Program is developed on the basis of a collaborative partnership between Councillors and the organisation and utilises input from the North Sydney community.

Developing the Delivery Program (and subsequent Operational Plans) included the following:

- a) Review of Council's wide range of existing plans that identify community issues, including social plans, State of the Environment reports, cultural plans, transport studies, environmental management plans, heritage studies, Section 94 contribution plans and land use strategies.*
- b) Consideration of the priorities and expected levels of services that were expressed by the community during the engagement process for the development of the 2020 Vision. Appendix 3 summarises the community priorities used to inform Council's IPR Framework;*

- c) *Consideration of community priorities and expected levels of services that were expressed by the community gathered via Council's biennial Customer Satisfaction Surveys. Appendix 4 summarises community feedback used to inform the Delivery Program;*
- d) *Community feedback gathered during the engagement process regarding the proposed special rate variation. The extensive 4 month consultation held October 2010 to March 2011, yielded a substantial amount of information about community priorities, largely from a self selected group of 3,763 respondents; and*
- e) *Divisional workshops where staff were asked to identify internal and external issues affecting North Sydney as either opportunities to be seized or challenges requiring a response through a review of existing sub plans and strategies.*

This included:

- *A review of the achievements against the 2009/10 Management Plan and 2010/11 Operational Plan and identification of issues/actions still to be addressed.*
- *Identifying specific projects to address identified needs.*
- *Reviewing service levels and identifying gaps in service provision.*
- *Identifying and developing key performance indicators and targets as the primary tool in assessing Council's performance in delivering the Delivery Program.*
- *Reviewing resource implications of proposed actions to ensure Council is directing appropriate resources towards areas of priority.*

Each year Council reviews its current operations and identified future productivity savings and efficiency gains. A schedule of planned cost savings and productivity improvements are outlined in Appendix 7 of Council's Long Term Financial Plan..

Each year during the public exhibition of the Operational Plan and Budget Council hosts a community information session, open to the public, which provides an opportunity for community members to raise issues and concerns regarding the proposed plan with Council's General Manager, Mayor, Councillors and senior staff. Refer to page 6 for session details.

As part of the preparation of the 2011/12 Operational Plan and Budget an interactive online budget allocator tool facilitated by Bang The Table Pty Ltd was utilised. It allowed participants to review significant areas of spending that reflected a proportion of Council's allowed annual budget. The purpose of the tool was to explain to the community Council's process for preparing a budget and to gather further feedback regarding community priorities.

4.1.1 Planning, Reporting and Decision Making Framework

A core management objective is to optimise effectiveness and efficiency and to that end a systematic approach to organisational sustainability has been introduced. In anticipation of the introduction of IPR legislation, Council adopted a QBL approach to its planning, reporting and decision making framework; taking into consideration a broad range of social, environmental, economic and governance issues/implications.

Council had already undertaken a number of initiatives to address sustainability within its plans, reports, processes and operations. However, the adoption of a formalised QBL approach to planning, reporting and decision making was adopted to assist Council in more accurately defining and reporting its performance.

The 'North Sydney Council Organisational Sustainability Program' guided by Council's Organisational Sustainability Policy (CL08-OM), was adopted in 2009 to embed sustainability considerations into all Council planning, reporting, decision making processes, and operations. The program, which includes a Sustainability Assessment Toolkit, provides guidance to Council when determining the significance of projects. As part of its consideration, Council takes into account how important the proposal and/or decision is in terms of the achievement of, or ability to achieve the community goals and objectives as identified in the 2020 Vision.

This framework gives the community some certainty about how Council will approach its consideration of proposals and/or decisions. Council will consider each proposal and/or decision on a case-by-case basis. Significant proposals and/or decisions that deviate from the Delivery Program will require the amended Plan to be placed on public exhibition for 28 days.

4.1.2 Service Levels

Council delivers services through 29 departments/functions. Analysis and community consultation has shown that if Council is to meet the objectives and targets of the 2020 Vision, all of these services need to be maintained at their existing level and some services will require enhancement in service levels.

Ongoing reviews of service levels, in consultation with the community and having regard to their full service deliver costs are undertaken on a regular, planned and ad hoc basis to ensure that funding allocations are both justifiable and sustainable. This includes periodic reviews Council's Service Level Agreements (SLAs) to ensure that current service levels meet community need and expectation. A 'project' (5.4.3.3.1) has been included in the Delivery Program ensuring that SLAs are reviewed every two years. This review complements Council's biennial Customer Satisfaction Survey.

As previously indicated, Council conducts a Customer Satisfaction Survey every two years to determine community attitudes towards the services and facilities it provides. This provides Council with feedback about the quality and appropriateness of each of its services, and this information is used in the development of the Delivery Program to ensure areas that are not meeting community expectation are reviewed and form the basis of the suite of indicators used to measure Council's performance.

Customer Satisfaction Surveys were conducted in 2002, 2004, 2006, 2009³ and 2010. The survey is conducted on Council's behalf by an independent research company. The survey sample consists of 400 residential customers (both owners and renters) and 200 business customers, drawn randomly from electronic White Pages

³ Surveys are usually conducted in November, however due to the 2008 local government election being deferred to September 2008; Council chose to defer the 2008/09 survey until after the New Year. The CSS conducted in February 2009 was incorporated within the engagement strategy for the review of the 2020 Vision. The CSS results are available on Council's website.

listings. Quotas were set for business type in accordance with total listings in North Sydney.

Council aims to collect data on our performance which is objective, fact based and practical. The Customer Satisfaction Survey is a good example of how Council uses both qualitative and quantitative indicators to help measure the effectiveness of the services it provides.

4.2 The Delivery Program in Detail

This section is divided into five Directions of the 2020 Vision, each outlining the activities for the next four years as well as the financial estimates for Council activities including capital works:

- Direction 1. Our Living Environment
- Direction 2. Our Built Environment
- Direction 3. Our Economic Vitality
- Direction 4. Our Social Vitality
- Direction 5. Our Civic Leadership

The following outlines how each of the Directions are organised. The Directions, goals, objectives and strategies are extracted from the 2020 Vision:

Direction	The five primary areas Council is focused on to achieve the vision. They represent the major challenges and opportunities that the community has identified as needing to be addressed in North Sydney. However, they do not set specific milestones or determine ways to get there. The Directions are reviewed every four years.
Goal	An outcome that needs to be achieved in the longer term in order to achieve the community vision. A goal is broad. Goals are broken down into more precise, focused objectives. It states <i>what</i> is to be achieved but not <i>how</i> it is to be achieved.
Objective	Objectives are similar to goals as they are desired positions for achievements. However objectives have more specific aims that suggest a course of action or actions.
Strategy	Strategies are a way of achieving objectives, goals and/or targets. Each goal/objective in the 2020 Vision is supported by one or more objective or goal. Each project and service within the Delivery Program contributes to a strategy within the 2020 Vision.

Projects

A specific initiative that Council proposes to implement to achieve an objective. Projects have a short term focus, generally within a set budget and having a finite duration defined by planned start and finish dates.

Services

The services Council carries out on an ongoing basis. How the outputs (the actual deliverables of services) will be achieved. Includes KPIs.

Each project is identified in a table as demonstrated below:

2020 Vision Strategy	Strategy in the 2020 Vision project is linked to
Project	Description of project
QBL Link	Element of QBL project directly contributes to
Division	Division of Council responsible for implementation of project
Function	Function of Council responsible for implementation of project
2010/11 to 2013/14	Symbol indicates which year the project will be undertaken

Each service is identified in a table as demonstrated below:

Service	Name of service
2020 Vision Strategy	Strategy in the 2020 Vision service is linked to
QBL Link	Element of QBL service directly contributes to
Division	Division of Council responsible for implementation of service
Function	Function of Council responsible for implementation of service
Key Performance Indicators	Description of Key Performance Indicator
2009/10 Actual	Actual result last financial year (LFY)
2010/11 to 2013/14 Target	Key Performance Indicator target

4.2 Preparation of the Delivery Program

The Delivery Program is developed on the basis of a collaborative partnership between Councillors and the organisation and utilises input from the North Sydney community.

Developing the Delivery Program included the following:

- A review of the achievements against the 2009/10 Management Plan and identification of issues still to be addressed.
- Identifying internal and external issues affecting North Sydney as either opportunities to be seized or challenges requiring a response.
- Identifying specific projects to address identified needs.
- Reviewing and identifying gaps in service provision.
- Identifying and developing key performance indicators and targets as the primary tool in assessing Council's performance in delivering the Delivery Program.

- ~~Reviewing resource implications of proposed Council actions to ensure Council is directing appropriate resources towards areas of priority.~~
- ~~Community consultation included seeking input from the community on the Draft Delivery Program, via public exhibition and a public meeting.~~

~~Project-based Community Consultation~~

~~Each year when Council prepares the Delivery Program a rolling planning process brings together all the feedback Council receives from the community throughout the year. During the past year the community has been extensively consulted on a range of issues and strategies. The community was integral in developing the 2020 Vision, North Sydney Community Strategic Plan. The directions, goals, objectives and strategies were all developed with input from the community. Council has taken into consideration the community's input from these consultations when developing this Delivery Program.~~

~~Customer Satisfaction Survey~~

~~Council conducts a Customer Satisfaction Survey every two years, to determine community attitudes towards the services and facilities it provides. This provides Council with feedback about the quality and appropriateness of each of its services, and this information is used in the development of the Delivery Program and budget to ensure areas that are not meeting community expectation are reviewed.~~

~~The Customer Satisfaction Survey results are available on Council's website at www.northsydney.nsw.gov.au.~~

4.3 Direction 1: Our Living Environment



Where will we be in 2020?

North Sydney in 2020 is greener and cleaner. As a community we ensure that responsible stewardship of our natural environment is a guiding principle in all our activities. We will leave to future generations a better environment than we inherited. The natural beauty of North Sydney is one of its greatest assets, and in 2020, North Sydney is held up as model of sustainable living.

Council has actively led the way in enhancing the environmental sustainability of North Sydney, particularly the protection of the natural environment, and the promotion of responsible energy use and environmentally sustainable business practices. By 2020, biodiversity programs have led to the improvement of the health and quality of bushland areas and waterways. The major improvements have largely been achieved by local communities, who work with Council to plant, protect and enhance their local environment. The sustainability of remnant bushland and aquatic habitats along the harbour foreshores and in waterways has been achieved with minimal impact by urban development.

Community knowledge of the natural environment has been significantly enhanced through a number of initiatives. This has included wide ranging environmental education programs including those held through the Coal Loader Sustainability Centre. Negative impacts on air and water quality have been minimised through years of careful monitoring and planning.

Innovative strategies for minimising the consumption of natural resources and production of waste have been embraced by the community. The implementation of waste minimisation and resource recovery strategies, together with extensive community education programs, has resulted in the community embracing the concept of a low waste society.

Energy initiatives, such as water reuse schemes and the promotion and use of clean and renewable energy has created a cleaner and more energy efficient community. Cogeneration and trigeneration energy production contributes towards North Sydney's energy requirements. North Sydney is well known for its initiatives in encouraging the use of renewable energy sources.

The North Sydney community is still at risk from unavoidable natural hazards as the result of climate change however these risks have been reduced through mitigation and adaptation.

Our local open space and recreation areas such as Balls Head, Berry Island, Tunks Parks, Cremorne Reserve and St Leonards Park are some of our greatest treasures. A range of quality recreational activities both active and passive is available to suit all ages, interests and abilities. Management and maintenance of sporting facilities considers the high demand for their availability and the impact of drought which may persist as an issue as a result of climate change. Public access to the foreshore is maximised.

Direction 1. Our Living Environment - Financial Estimates**Scenario 1 - Estimates without SRV, inclusive of 2.8% rate peg**

	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
1.1 Natural Environment & Urban Greenspace				
Operating Expenditure	1,405,103	1,438,410	1,478,172	1,513,983
Operating Income	-500	-500	-514	-526
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.2 Health & Cleanliness of Local Waterways				
Operating Expenditure	345,490	368,308	380,877	392,202
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.3 Environmental Footprint				
Operating Expenditure	12,155,920	12,320,573	12,718,781	13,077,473
Operating Income	-11,385,267	-11,699,602	-11,976,371	-12,220,244
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.4 Public Open Space, Recreation Facilities & Service				
Operating Expenditure	9,333,551	9,587,267	9,958,007	10,204,082
Operating Income	-2,677,419	-2,675,150	-2,750,054	-2,816,056
Capital Expenditure	728,105	939,352	390,000	260,000
Capital Income	-93,105	-159,352	0	0
Totals				
Operating Expenditure	23,240,064	23,714,558	24,535,837	25,187,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-15,036,826
Capital Expenditure	728,105	939,352	390,000	260,000
Capital Income	-93,105	-159,352	0	0

Scenario 2 - Estimates with 5.5% SRV

	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
1.1 Natural Environment & Urban Greenspace				
Operating Expenditure	1,405,103	1,438,410	1,478,172	1,513,983
Operating Income	-500	-500	-514	-526
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.2 Health & Cleanliness of Local Waterways				
Operating Expenditure	345,490	368,308	380,877	392,202
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.3 Environmental Footprint				
Operating Expenditure	12,155,920	12,320,573	12,718,781	13,077,473
Operating Income	-11,385,267	-11,699,602	-11,976,371	-10,405,246
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
1.4 Public Open Space, Recreation Facilities & Service				
Operating Expenditure	9,333,551	9,587,267	10,043,007	10,324,082
Operating Income	-2,677,419	-2,675,150	-2,750,054	-2,816,056
Capital Expenditure	728,105	1,489,352	1,100,000	1,490,000
Capital Income	-93,105	-159,352	0	0
Totals				
Operating Expenditure	23,240,064	23,714,558	24,620,837	25,307,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-13,221,828
Capital Expenditure	728,105	1,489,352	1,100,000	1,490,000
Capital Income	-93,105	-159,352	0	0

Direction 1 Our Living Environment

Goal: 1.1 Enhance the local natural environment and urban greenspace.

Objective: 1.1.1 To protect, enhance and rehabilitate native vegetation communities and ecosystems.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.1.1.1	Conduct baseline mapping of North Sydney's flora species and vegetation communities and assess ecological condition	1.1.1.1.1	Update and enhance bushland vegetation and asset data on Council's Geographical Information System (GIS)	OSES	Environmental Services	•	•		
Env	1.1.1.1	Conduct baseline mapping of North Sydney's flora species and vegetation communities and assess ecological condition	1.1.1.1.2	Implement an assessment program to measure biodiversity rehabilitation	OSES	Environmental Services				•
Env	1.1.1.1	Conduct baseline mapping of North Sydney's flora species and vegetation communities and assess ecological condition	1.1.1.1.3	Update Council's comprehensive flora and fauna database	OSES	Environmental Services	•	•	•	•
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.1	Review Bushfire Risk Management Plan	OSES	Environmental Services			•	•
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.2	Review Bushland Rehabilitation Plans for Middle Harbour and Port Jackson	OSES	Environmental Services		•	•	
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.3	Review Fauna Rehabilitation Plans for Middle Harbour and Port Jackson	OSES	Environmental Services		•	•	
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.4	Promote community partnerships in Bushcare	OSES	Environmental Services	•	•	•	•
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.5	Prepare and implement a wildlife corridor strategy on public land	OSES	Environmental Services	•	•	•	•
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.6	Integrate best practice performance monitoring and evaluation into bushland	OSES	Environmental Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
				rehabilitation contract						
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.7	Rationalise bushland walking track system and undertake upgrade projects	OSES	Environmental Services	•	•	•	•
Env	1.1.1.2	Rehabilitate bushland areas	1.1.1.2.8	Undertake slope stabilisation and drainage rehabilitation projects	OSES	Environmental Services			•	•
Env	1.1.1.3	Integrate biodiversity conservation in environmental planning instruments	1.1.1.3.1	Integrate biodiversity controls into Council's LEP and DCP	PDS	Strategic Planning	•	•		
Env	1.1.1.3	Integrate biodiversity conservation in environmental planning instruments	1.1.1.3.2	Review development controls and conditions regarding landscape vegetation and bushland management	PDS	Strategic Planning	•	•		
Env	1.1.1.4	Monitor and address threats to biodiversity using best practice	1.1.1.4.1	Participate in regional programs to monitor the effect of climate change on biodiversity	OSES	Environmental Services		•	•	•
Env	1.1.1.5	Implement community education programs regarding enhancement of the natural environment	1.1.1.5.1	Develop and implement the Coal Loader Community Bushcare Nursery project	OSES	Environmental Services		•	•	•
Env	1.1.1.5	Implement community education programs regarding enhancement of the natural environment	1.1.1.5.2	Promote and expand the Adopt-a-Plot community engagement program	OSES	Environmental Services	•	•	•	•
Env	1.1.1.5	Implement community education programs regarding enhancement of the natural environment	1.1.1.5.43	Distribute Bushland Neighbours Information Kit	OSES	Environmental Services		•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.1.1.2	Rehabilitate bushland areas	PA01 Bushland Management	OSES	Environmental Services	Bushcare education program completed (% of	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						identified for year)								
						Active Bushcare volunteers	200	volunteers	200	volunteers	200	volunteers	200	volunteers
						Bushcare volunteer hours	3000	hours	3000	hours	3000	hours	3000	hours
						Attendance at Bushcare workshops and events	80	people	tbd	people	tbd	people	tbd	people
						Bushfire management activities (% of identified for year)	100	%	100	%	100	%	100	%

Direction 1 Our Living Environment

Goal: 1.1 Enhance the local natural environment and urban greenspace.

Objective: 1.1.2 To ensure quality urban greenspaces.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.1.2.1	Maximise tree plantings to enhance canopy cover in developed areas	1.1.2.1.1	Develop and implement canopy enhancement program	OSES	Parks and Reserves	•	•	•	•
Env	1.1.2.2	Implement the North Sydney Street Tree Strategy	1.1.2.2.1	Implement and review Street Tree Strategy	OSES	Parks and Reserves	•	•	•	•
Env	1.1.2.3	Develop an Urban Forest Policy	1.1.2.3.1	Prepare and implement Urban Forest Policy and Action Plan	OSES	Parks and Reserves	•	•	•	•
Env	1.1.2.4	Promote community gardens, including the Streets Alive program	1.1.2.4.1	Support the establishment of community gardens	OSES	Environmental Services	•	•	•	•
Env	1.1.2.4	Promote community gardens, including the Streets Alive program	1.1.2.4.2	Develop and implement sustainable food program	OSES	Environmental Services	•	•	•	•
Env	1.1.2.5	Promote use of local native plants	1.1.2.5.1	Promote and expand Native Haven's and Wildlife Watch programs	OSES	Environmental Services	•	•	•	•
Env	1.1.2.7	Encourage rooftop and hard surface greening	1.1.2.7.1	Develop and implement 'greenroof' rooftop and hard surface greening education program	OSES	Environmental Services		•	•	•
Env	1.1.2.8	Ensure landscape requirements on development sites are met	1.1.2.8.1	Incorporate landscape criteria into Council's LEP and DCP	PDS	Strategic Planning	•	•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
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QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.1.2.2	Implement the North Sydney Street Tree Strategy	PA02 Street tree management	OSES	Parks and Reserves	Street trees maintained in accordance with schedule	100	%	100	%	100	%	100	%
Env	1.1.2.1	Maximise tree plantings to enhance canopy cover in developed areas	PA03 Tree preservation	OSES	Environmental Services	Applications responded to within 7 working days	100	%	100	%	100	%	100	%
Env	1.1.2.6	Reduce noxious weeds	PA04 Weed control	OSES	Parks and Reserves	Weeds treated monthly	100	%	100	%	100	%	100	%

Direction 1 Our Living Environment

Goal: 1.2 Improve the health and cleanliness of local waterways.

Objective: 1.2.1 To improve creek and harbour water quality.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.2.1.2	Capture and remove gross pollutants from stormwater	1.2.1.2.1	Implement catchment education program	OSSES	Environmental Services	•	•	•	•
Env	1.2.1.2	Capture and remove gross pollutants from stormwater	1.2.1.4.1	Integrate water sensitive urban design considerations into Council's LEP and DCP	PDS	Strategic Planning	•	•		
Env	1.2.1.4	Promote and implement water sensitive urban design	1.2.1.4.3	Conduct stormwater rehabilitation works	EPS	Engineering Infrastructure	•			•
Env	1.2.1.4	Promote and implement water sensitive urban design	1.2.1.4.4	Implement bioretention trial	OSSES	Environmental Services	•			
Env	1.2.1.6	Advocate for improved sewerage infrastructure	1.2.1.6.1	Utilise all professional/regional local government cooperatives to lobby for improvements to existing sewage infrastructure	OSSES	Environmental Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.1.2.5	Promote use of local native plants	PA05 Environmental pollution enforcement	CS	Ranger and Parking Services	Environmental pollution incidences responded to immediately	100	%	100	%	100	%	100	%
Env	2.1.2.1	Provide and maintain stormwater infrastructure	PA06 Pollution control device cleaning	EPS	Engineering Infrastructure	Devices inspected in accordance with schedule and cleaned as required	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
		that is consistent with ecologically sustainable development (ESD) principles				Stormwater litter captured	300	tonnes	300	tonnes	300	tonnes	300	tonnes	
Env	1.2.1.3	Monitor water quality	PA07	Water quality monitoring	OSSES	Environmental Services	Creek water quality compliance with ANZECC guidelines	100	%	100	%	100	%	100	%

Direction 1 Our Living Environment

Goal: 1.3 Improve North Sydney's environmental footprint and encourage responsible use of natural resources.

Objective: 1.3.1 To effectively communicate and promote sustainable energy, water and waste practices to the community.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.3.1.1	Promote renewable energy	1.3.1.1.1	Implement Greenhouse Action Plan	OSES	Environmental Services	•	•	•	•
Env	1.3.1.1	Promote renewable energy	1.3.1.1.2	Implement energy conservation community education and capacity building projects	OSES	Environmental Services	•	•	•	•
Env	1.3.1.2	Promote efficient use of water and use of recycled water	1.3.1.2.1	Implement Water Management Plan	OSES	Environmental Services	•	•	•	•
Env	1.3.1.2	Promote efficient use of water and use of recycled water	1.3.1.2.2	Improve irrigation systems within sports fields	OSES	Parks and Reserves	•	•	•	
Env	1.3.1.4	Advocate for the introduction of container deposit legislation and extended producer responsibility	1.3.1.4.1	Review waste treatment technologies	OSES	Environmental Services	•	•	•	•
Env	1.3.1.5	Pursue resource recovery and advanced waste treatment technologies	1.3.1.5.1	Lobby for the introduction of container deposit legislation and extended producer responsibility	OSES	Environmental Services	•	•	•	•
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.1	Implement waste reduction community education programs	OSES	Environmental Services	•	•	•	•
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.2	Develop Real Estate Agents Kit	OSES	Environmental Services	•			
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.3	Conduct and promote National Waste Recycling Week activities	OSES	Environmental Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.4	Coordinate Clean Up Australia Day in North Sydney	OSES	Environmental Services	•	•	•	•
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.5	Promote the Household Chemical Collection program	OSES	Environmental Services	•	•	•	•
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.6	Implement e-waste collection service	OSES	Environmental Services	•	•	•	•
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.7	Providing public place recycling facilities	OSES	Environmental Services	•	•	•	•
Env	1.3.1.7	Implement environmental sustainability programs to facilitate community stewardship	1.3.1.6.8	Contribute to NSROC State of Environment Regional Report	OSES	Environmental Services	•	•	•	•
Env	1.3.1.7	Redevelop the Coal Loader site as a centre for sustainability	1.3.1.7.1	Seek funding for Centre for Sustainability	OSES	Landscape Planning and Design	•	•	•	•
Env	1.3.1.8	Ensure that sustainable energy, waster and waste management practices are included in all environmental planning and development controls	1.3.1.8.1	Incorporate sustainable energy, water and waste management practices into LEP and DCP	PDS	Strategic Planning	•	•		
Env	1.3.1.10	Recognise community champions in environmental sustainability	1.3.1.10.1	Recognise community, business and school sustainability champions	OSES	Environmental Services	•	•	•	•
Env	1.3.1.11	Investigate best practice initiatives to prepare North Sydney LGA for the impacts of climate change and seal level rise	1.3.1.11.1	Continue to participate in professional/regional local government cooperatives in order to address climate change	OSES	Environmental Services	•	•	•	•
Env	1.3.1.11	Investigate best practice initiatives to prepare North Sydney LGA for the impacts of climate change and seal level rise	1.3.1.11.2	Lobby to address the local impacts of climate change	OSES	Environmental Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Env	1.3.1.6	Implement environmental sustainability programs to facilitate community stewardship	PA08	Environmental sustainability education	OSES	Environmental Services	Residents participating in sustainability programs	300	residents	350	residents	400	residents	450	residents
						Schools participating in greenSchool program	5	schools	6	schools	7	schools	8	schools	
						Businesses participating in sustainability programs	30	businesses	40	businesses	50	businesses	60	businesses	
						Residential recyclables collected	7750	tonnes	7800	tonnes	7850	tonnes	7900	tonnes	
						Residential greenwaste collected	1100	tonnes	1100	tonnes	1100	tonnes	1100	tonnes	
						Pre-booked waste collected as scheduled	100	%	100	%	100	%	100	%	
						Dumped rubbish removed within 3 working days	100	%	100	%	100	%	100	%	
						Litter bins serviced in accordance with schedule	100	%	100	%	100	%	100	%	
						Residents satisfied with waste collection services	80	%	80	%	80	%	80	%	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Missed services responded to within 24 hours	100	%	100	%	100	%	100	%

Direction 1 Our Living Environment

Goal: 1.3 Improve North Sydney's environmental footprint and encourage responsible use of natural resources.

Objective: 1.3.2 To demonstrate and promote environmentally sustainable business practices in Council's own activities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.3.2.1	Implement measures to improve the environmental performance of Council's existing buildings	1.3.2.1.1	Incorporate sustainable water, energy and waste reduction measures into Council's buildings	EPS OSES	Property Assets Environmental Services	•	•	•	•
Env	1.3.2.1	Implement measures to improve the environmental performance of Council's existing buildings	1.3.2.1.2	Implement use of additional Green Power	EPS	Property Assets	•	•	•	•
Env	1.3.2.2	Advocate for and investigate efficient street and public domain lighting	1.3.2.2.1	Investigate initiatives to reduce public domain lighting energy consumption	EPS	Traffic Services	•	•	•	•
Env	1.3.2.2	Advocate for and investigate efficient street and public domain lighting	1.3.2.2.2	Incorporate all available energy efficiency measures in all future lighting capital upgrades	EPS OSES	Traffic Services Parks and Reserves	•	•	•	•
Env	1.3.2.3	Investigate the use of cogeneration and trigeneration	1.3.2.3.1	Undertake feasibility studies to assess suitability of energy cogeneration at North Sydney Olympic Pool, Council Chambers and Stanton Library	OSES EPS	Environmental Services Property Assets		•	•	•
Env	1.3.2.3	Investigate the use of cogeneration and trigeneration	1.3.2.3.2	Seek funding for energy cogeneration at North Sydney Olympic Pool, Council Chambers and Stanton Library	OSES EPS	Environmental Services Property Assets	•	•	•	•
Env	1.3.2.4	Increase the use of recycled water	1.3.2.4.1	Implement Stage 4 Stormwater Recycling Program (Tunks Park)	EPS	Engineering Infrastructure		•	•	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.3.2.5	Implement Council staff education and capacity building to reduce energy, water and waste	1.3.2.5.1	Provide resources, tools, recognition and training to reduce Council energy, water consumption and waste production	OSES	Environmental Services	•	•	•	•
Env	1.3.2.6	Introduce initiatives to decrease greenhouse gas emissions of Council fleet	1.3.2.6.1	Review fleet management options to reduce fuel consumption	EPS	Works Engineering	•	•	•	•
Env	1.3.2.7	Implement sustainable procurement practices	1.3.2.7.1	Incorporate sustainability provisions into the Purchasing Policy and Procedures	Finance and Information Management	Financial Services	•	•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.3.2.1	Implement measures to improve the environmental performance of Council's existing buildings	PA10 Council sustainability	OSES	Environmental Services	Council energy use	134504	gigajoules	tbd	tbd	tbd	tbd	tbd	tbd
						Council water use	118568	kilolitres	tbd	tbd	tbd	tbd	tbd	tbd

Direction 1 Our Living Environment

Goal: 1.3 Improve North Sydney's environmental footprint and encourage responsible use of natural resources.

Objective: 1.3.3 To reduce air and noise pollution and ensure compliance with regulatory legislation.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.3.3.3	Identify, monitor and take regulatory action if required against breaches and environmental legislation	1.3.3.3.1	Undertake environmental audits of businesses	PDS	Environmental and Building Compliance	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.3.3.1	Identify, monitor and take regulatory action if required against breaches and environmental legislation	PA11 Noise and air quality monitoring	PDS	Environmental and Building Compliance	Environment and health requests responded to within 21 days	100	%	100	%	100	%	100	%

Direction 1 Our Living Environment

Goal: 1.4 Provide appropriate public open space, recreation facilities and services.

Objective: 1.4.1 To ensure existing parks and reserves meet the community's recreational needs.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.1	Review and implement all Parks Plans of Management	OSES EPS	Landscape Planning and Design	•	•	•	•
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.2	Incorporate adequate provision of recreational spaces and opportunities in Council's LEP and DCP	PDS	Strategic Planning	•			
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.3	Review and implement opportunities to increase cross linkage with State Government recreational programs and assets	OSES	Recreational Planning	•	•	•	•
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.4	Refurbish existing public toilet amenities in Anderson Park and Lavender Bay Parklands (Quibaree Park)	OSES	Landscape Planning and Design		•	•	
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.5	Improve lighting at Forsyth Park, Smoothey Park and Bon Andrews Oval	OSES	Recreational Planning	•	•		•
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.6	Upgrade Lane 9 gymnasium equipment at North Sydney Olympic Pool	OSES	North Sydney Olympic Pool	•			
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1.7	Construct a new park on Uniting Church land at corner of Shirley Road and Nicholson Street, Wollstonecraft	OSES	Landscape Planning and Design	•			

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Social	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	1.4.1.1. 8	Refurbish Skate Plaza, Cammeray	Community and Library Services	Community Development	•			•
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.9</i>	<i>Prepare design for Bon Andrews Oval Pavilion upgrade</i>	<i>OSES</i>	<i>Landscape Planning and Design</i>		•		
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.10</i>	<i>Refurbish corporate spectator facilities at North Sydney Oval</i>	<i>OSES</i>	<i>Parks and Reserves</i>			•	
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.11</i>	<i>Improve ancillary facilities at sports grounds</i>	<i>OSES</i>	<i>Parks and Reserves</i>	•	•		
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.12</i>	<i>Upgrade Green Park playground</i>	<i>OSES</i>	<i>Parks and Reserves</i>			•	
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.13</i>	<i>Upgrade Cremorne Point Reserve</i>	<i>OSES</i>	<i>Parks and Reserves</i>			•	
<i>Social</i>	<i>1.4.1.1</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.14</i>	<i>Implement sports ground tree planting program</i>	<i>OSES</i>	<i>Parks and Reserves</i>		•		
<i>Social</i>	<i>1.4.1.2</i>	<i>Provide a range of recreational facilities for people of all ages and abilities</i>	<i>1.4.1.1.15</i>	<i>Undertake Christie Street Reserve landscaping</i>	<i>OSES</i>	<i>Parks and Reserves</i>		•		
Social	1.4.1.2	Provide a welcoming and vibrant waterfront with integrated green public spaces	1.4.1.2.1	Implement Stages 2 and 3 of the Lavender Bay parklands improvement program (Foreshore Lighting)	OSES	Parks and Reserves		•	•	
Env	1.4.1.3	Secure additional grant funding for the provision and upgrade of recreational facilities	1.4.1.3.1	Apply for grant funding for relevant projects	OSES	Landscape Planning and Design	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.4.1.4	Work with neighbouring councils and other land managers to accommodate regional demand for sporting facilities	1.4.1.4.1	Assist with preparation of NSROC Regional Sports Strategy	OSES	Recreational Planning	•			
Env	1.4.1.4	Work with neighbouring councils and other land managers to accommodate regional demand for sporting facilities	1.4.1.4.2	Implement NSROC Regional Sports Strategy recommendations	OSES	Recreational Planning		•	•	•
Env	1.4.1.5	Improve equity of access to open space and recreation facilities	1.4.1.5.1	Upgrade change/toilet facilities to improve accessibility in accordance with Australian Standards	OSES	Landscape Planning and Design	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Env	1.4.1.1	Provide a range of recreational facilities for people of all ages and abilities	PA12 Landscape planning and design	OSES	Landscape Planning and Design	Designs and specifications for landscape planning and design program completed (% of identified for year)	100	%	100	%	100	%	100	%
						Landscape planning and design improvement projects completed on time and to adopted standard (% of identified for this quarter)	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Park patrols carried out bi-weekly	100	%	100	%	100	%	100	%
						Events on North Sydney Oval	100	events	100	events	100	events	100	events
						Recreational facilities meet condition standards	100	%	100	%	100	%	100	%
						Residents satisfied with open space maintenance	87	%	n/a	n/a	87	%	n/a	n/a

Direction 1 Our Living Environment

Goal: 1.4 Provide appropriate public open space, recreation facilities and services.

Objective: 1.4.2 To provide new open space and recreation facilities as opportunities arise.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	1.4.2.1	Advocate for the release of Crown Land holdings for public recreation	1.4.2.1.1	Investigate potential additional public open space opportunities through redundant crown land uses	OSES	Landscape Planning and Design	•	•	•	•
Env	1.4.2.2	Pursue land swap and lease agreements	1.4.2.2.1	Contact with public schools and owners of private facilities to lease for public use	OSES	Recreational Planning	•	•	•	•
Env	1.4.2.3	Pursue partnerships to access areas of land not dedicated as public open space	1.4.2.3.1	Implement Open Space Provision Strategy	OSES	Landscape Planning and Design	•	•	•	•
Env	1.4.2.3	Pursue partnerships to access areas of land not dedicated as public open space	1.4.2.3.2	Contact owners of land with potential to lease these for public use	OSES	Landscape Planning and Design	•	•	•	•
Env	1.4.2.3	Pursue partnerships to access areas of land not dedicated as public open space	1.4.2.3.3	Assess offers by private property owners who approach Council regarding land offered as open space	OSES	Landscape Planning and Design	•	•	•	•
Env	1.4.2.4	Pursue opportunities to upgrade and enhance foreshore access	1.4.2.4.1	Construct dinghy storage facilities, pedestrian access and dedicated water access point for non-motorised craft at Tunks Park and Primrose Park	OSES	Landscape Planning and Design	•	•		•

4.4 Direction 2: Our Built Environment



Where will we be in 2020?

An integrated approach to planning and good urban design has been reflected in a built environment that is consistent with sustainability principles, local character and the natural environment.

Council's planning policies build on the strategic policies set by the State Government. New development to accommodate additional residents and workers as projected under State Government policy is continuing without loss to local amenity or damage to the environment. The community is an integral partner in decisions regarding the built environment in their area.

Commercial and village centres have retained their distinct character and strong identity with a relaxed, pedestrian friendly village atmosphere and a mix of services. North Sydney in 2020 has significant and inviting public spaces. The community takes pride in North Sydney being an attractive place to live. Active use of public spaces has helped to ensure that there is a range of activities available to different groups of people during both day and night.

North Sydney in 2020 provides a diverse range of affordable housing types important for all ages and lifestyles. These housing options play a valuable role in attracting and retaining specific population groups. Proactive planning decisions have resulted in improving the housing options for the elderly and to meet the needs of disadvantaged residents.

The heritage value of assets is recognised and protected and has strengthened the identity of local communities as well as provides a point of interest for residents and tourists alike. More contemporary planning provisions have strengthened the significance of heritage and allowed redevelopment to take place.

North Sydney has outstanding examples of good design and consolidated its reputation as a municipality with a strong culture of design excellence. Properties are increasingly energy and water efficient.

Infrastructure is more sustainable, well maintained and suitable to the community's needs and is constructed with the highest principles of urban design. Improved drainage systems have improved the health of waterways and reduced the risk of flooding.

Public transport and alternative means of transport are the mode of choice for trips to, from and within North Sydney. The community's reliance on the car has reduced. Considerable effort has been made to improve public transport and reduce traffic congestion, particularly through the use of more innovative and environmentally friendly systems such as walking, bike riding and car pooling. Alternatives are readily available and have improved community access to social activities, services and commercial centres.

Direction 2. Our Built Environment - Financial Estimates

Scenario 1 - Estimates without SRV, inclusive of 2.8% rate peg

	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
2.1 Infrastructure & Assets				
Operating Expenditure	10,454,331	10,630,125	10,537,373	11,160,603
Operating Income	-1,571,257	-1,665,346	-1,536,286	-1,569,683
Capital Expenditure	5,080,804	5,267,704	5,995,893	5,971,367
Capital Income	-218,908	-218,908	-218,908	-218,908
2.2 Land Use & Development				
Operating Expenditure	750,727	807,285	677,158	659,380
Operating Income	-2,417,250	-2,460,104	-2,515,043	-2,563,452
Capital Expenditure	545,000	1,107,139	589,500	617,547
Capital Income	0	0	0	0
2.3 Compliance Management				
Operating Expenditure	729,000	735,100	755,683	773,819
Operating Income	-365,200	-415,100	-426,723	-436,964
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
2.4 Sustainable Transport				
Operating Expenditure	17,000	17,000	17,595	18,211
Operating Income	-10,000	-10,000	-10,350	-10,712
Capital Expenditure	35,000	35,000	36,225	37,493
Capital Income	-20,000	-20,000	-20,700	-21,425
2.5 Traffic Management				
Operating Expenditure	4,831,478	4,719,695	4,881,875	5,028,097
Operating Income	-6,748,715	-6,688,967	-6,876,258	-7,041,288
Capital Expenditure	5,825,000	9,488,400	269,550	250,890
Capital Income	0	-50,000	-50,000	-50,000
Totals				
Operating Expenditure	16,782,536	16,909,205	16,869,684	17,640,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,898,243	6,891,168	6,877,297
Capital Income	-238,908	-288,908	-289,608	-290,333

Scenario 2 - Estimates with 5.5% SRV

	<i>Estimates</i>			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
2.1 Infrastructure & Assets				
Operating Expenditure	10,454,331	10,710,125	10,618,973	11,245,603
Operating Income	-1,571,257	-1,665,346	-1,536,286	-1,569,683
Capital Expenditure	5,080,804	5,267,704	5,995,893	6,361,367
Capital Income	-218,908	-218,908	-218,908	-218,908
2.2 Land Use & Development				
Operating Expenditure	750,727	807,285	677,158	659,380
Operating Income	-2,417,250	-2,460,104	-2,515,043	-2,563,452
Capital Expenditure	545,000	1,172,139	917,500	867,547
Capital Income	0	0	0	0
2.3 Compliance Management				
Operating Expenditure	729,000	735,100	755,683	773,819
Operating Income	-365,200	-415,100	-426,723	-436,964
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
2.4 Sustainable Transport				
Operating Expenditure	17,000	17,000	17,595	18,211
Operating Income	-10,000	-10,000	-10,350	-10,712
Capital Expenditure	35,000	35,000	36,225	37,493
Capital Income	-20,000	-20,000	-20,700	-21,425
2.5 Traffic Management				
Operating Expenditure	4,831,478	4,719,695	4,881,875	5,028,097
Operating Income	-6,748,715	-6,688,967	-6,876,258	-7,041,288
Capital Expenditure	5,825,000	9,488,400	344,550	350,890
Capital Income	0	-50,000	-50,000	-50,000
Totals				
Operating Expenditure	16,782,536	16,989,205	16,951,284	17,725,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,963,243	7,294,168	7,617,297
Capital Income	-238,908	-288,908	-289,608	-290,333

Direction 2 Our Built Environment

Goal: 2.1 Ensure the long term sustainability of infrastructure and assets.

Objective: 2.1.1 To provide and maintain appropriate infrastructure, assets and facilities that meets current and future community needs.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	2.1.1.1.1	Conduct condition surveys for all classes of public infrastructure	EPS	Engineering Infrastructure Property Assets	•	•	•	•
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	2.1.1.1.2	Implement Infrastructure Renewal Capital Works Program	EPS	Engineering Infrastructure Property Assets	•	•	•	•
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	2.1.1.1.3	Implement Infrastructure Asset Management Plan	EPS	Engineering Infrastructure Property Assets	•	•	•	•
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	2.1.1.1.4	Implement Property Asset Management Plan	EPS	Engineering Infrastructure Property Assets	•	•	•	•
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	2.1.1.1.5	Implement Seawall Rehabilitation Program	EPS	Engineering Infrastructure Property Assets	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.1.1.2	Extended capacity of infrastructure through flexible, multipurpose design and harnessing of existing community infrastructure in new ways	2.1.1.2.1	Progress the redevelopment of the Alexander Street Car Park, Cremorne	EPS	Project Management	•	•		
Soc	2.1.1.2	Extended capacity of infrastructure through flexible, multipurpose design and harnessing of existing community infrastructure in new ways	2.1.1.2.2	Seek funding and prepare development application for the redevelopment of the Parraween Street Car Park, Cremorne	EPS	Project Management	•	•		
Soc	2.1.1.2	Extended capacity of infrastructure through flexible, multipurpose design and harnessing of existing community infrastructure in new ways	2.1.1.2.3	Prepare project plan for the redevelopment of the Grosvenor Lane Car Park, Neutral Bay	EPS	Project Management		•	•	•
Soc	2.1.1.2	Extended capacity of infrastructure through flexible, multipurpose design and harnessing of existing community infrastructure in new ways	2.1.1.2.4	Determine future of ANZAC Club	EPS	Property Assets	•			
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	2.1.1.3.1	Implement Asset Management Strategy	EPS	Engineering Infrastructure Property Assets	•	•	•	•
Gov	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	2.1.1.3.2	Continue to develop the Asset and Infrastructure Management (AIM) System	FIM	Financial Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	2.1.1.3.3	Continue to implement mobile solutions for the Asset Information Management (AIM) System	FIM	Information Technology	•	•		
Gov	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	2.1.1.3.4	Refurbish Council Chambers	EPS	Property Assets				•
Soc	2.1.1.4	Advocate for improved state infrastructure	2.1.1.4.1	Lobby the State Government for improved infrastructure	EPS	Engineering Infrastructure	•	•	•	•
Social	2.1.1.5	Advocate for adequate funding for asset maintenance and improvement	2.1.1.5.1	Lobby for adequate funding for asset maintenance and improvement	EPS	Engineering Infrastructure	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA16 Asset Management	EPS	Engineering Infrastructure Property Assets	Statutory asset reports prepared and submitted within statutory timeframes	100	%	100	%	100	%	100	%
						Asset information ready for mapping to GIS in the year it is collected	100	%	100	%	100	%	100	%
						Review of Asset Management Plans as necessary completed	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Designs and specifications for drainage program completed (% of identified for year)	90	%	90	%	90	%	90	%
						Drainage construction program completed on time and to adopted standard (% of identified for year)	90	%	90	%	90	%	90	%
						Drainage maintenance program completed on time and to adopted standard (% of identified for year)	90	%	90	%	90	%	90	%
						Drainage maintenance requests responded to within 3 working days	90	%	90	%	90	%	90	%
						Designs and specifications for footpath and cycleway program completed (% of identified for year)	90	%	90	%	90	%	90	%
						Pedestrian and cycling construction program completed on time and to adopted standard (% of identified for year)	90	%	90	%	90	%	90	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Pedestrian and cycling maintenance program completed on time and to adopted standard (% of identified for year)	90	%	90	%	90	%	90	%
						General investigations investigated within 5 working days	100	%	100	%	100	%		
						Street sign replacement completed in accordance with schedule	70	%	70	%	70	%	70	%
						Street signs repaired within 10 working days of notification	100	%	100	%	100	%	100	%
						Restoration requests inspected within 7 days	90	%	90	%	90	%		
						Recoverable works completed in accordance with schedule	90	%	90	%	90	%	90	%
						Designs and specifications for roads program completed (% of identified for year)	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Requests for road maintenance responded to within 3 working days	90	%	90	%	90	%	90	%	
						Bus shelters cleaned in accordance with schedule	100	%	100	%	100	%	100	%	
						Street furniture in designated commercial centres cleaned in accordance with schedule	100	%	100	%	100	%	100	%	
						Residents satisfied with Council's overall maintenance of roads and footpaths	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a	
						Residents satisfied with the cleanliness of local roads and footpaths	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a	
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA17	Community facilities management	EPS	Property Assets	Community facilities construction projects completed on time and to adopted standard (% of identified for year)	100	%	100	%	100	%	100	%
						Planned community facilities refurbishments completed in accordance with schedule	100	%	100	%	100	%	100	%	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Facilities comply with condition standards	100	%	100	%	100	%	100	%
						Community facilities cleaned in accordance with adopted cleaning standards	100	%	100	%	100	%	100	%
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA18 Council premises management	EPS	Property Assets	Council building construction projects completed on time and to adopted standard (% of identified for year)	100	%	100	%	100	%	100	%
						Planned building refurbishments completed in accordance with schedule	100	%	100	%	100	%	100	%
						Buildings comply with condition standards	100	%	100	%	100	%	100	%
						Council buildings cleaned in accordance with adopted cleaning standards	100	%	100	%	100	%	100	%
						Service providers compliance with contract	100	%	100	%	100	%	100	%
						Indoor Sports Centre availability	100	%	100	%	100	%	100	%
						Indoor Sports Centre utilisation	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA19	Design project management	EPS	Engineering Infrastructure	Inhouse designs prepared within agreed timeframes	100	%	100	%	100	%	100	%
Soc	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA20	Infrastructure levy program administration	EPS	Engineering Infrastructure	Compliance with grant program conditions	100	%	100	%	100	%	100	%
Gov	2.1.1.3	Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life cost	PA21	Plant and fleet management	EPS	Works Engineering	Vehicles, plant and equipment serviced in accordance with schedule	100	%	100	%	100	%	100	%
							Plant and equipment operation	98	%	98	%	98	%	98	%
							Plant utilisation	100	%	100	%	100	%	100	%
							Orders for identified plant replacements placed within the specified year	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.1.1.1	Provide and maintain safe, public infrastructure including roads, footpaths, stormwater drains, seawalls and buildings	PA22 Street cleaning	OSES	Environmental Services	Residential areas swept monthly	100	%	100	%	100	%	100	%
						Commercial areas swept daily	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.1 Ensure the long term sustainability of infrastructure and assets.

Objective: 2.1.2 To reduce the risk and impacts of local flooding.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Social	2.1.2.1	Provide and maintain stormwater infrastructure that is consistent with ecologically sustainable development (ESD) principles	2.1.2.1.1	Implement Stormwater Capital Works Program	EPS	Engineering Infrastructure	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.1.2.1	Provide and maintain stormwater infrastructure that is consistent with ecologically sustainable development (ESD) principles	PA23 Stormwater investigations	EPS	Engineering Infrastructure	Flooding complaints responded to within 2 working days	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.2 Improve mix of land use and quality development.

Objective: 2.2.1 To encourage land use that meets ecologically sustainable design (ESD) principles.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Social	2.2.1.1	Maintain a contemporary Local Environment Plan (LEP) for the North Sydney local government area	2.2.1.1.1	Develop Residential Development Strategy	PDS	Strategic Planning	•			
Social	2.2.1.1	Maintain a contemporary Local Environment Plan (LEP) for the North Sydney local government area	2.2.1.1.2	Develop Local Development Strategy	PDS	Strategic Planning	•			
Soc	2.2.1.1	Maintain a contemporary Local Environment Plan (LEP) for the North Sydney local government area	2.2.1.13	Conduct Ecologically Sustainable Development (ESD) Best Practice Project	PDS	Strategic Planning	•	•	•	
Soc	2.2.1.2	Complete standard LEP template process and review Development Control Plan (DCP)	2.2.1.2.1	Develop new North Sydney Local Environmental Plan (LEP)	PDS	Strategic Planning	•	•		
Soc	2.2.1.2	Complete standard LEP template process and review Development Control Plan (DCP)	2.2.1.2.2	Develop new DCP in conjunction with new LEP	PDS	Strategic Planning	•	•		
Soc	2.2.1.3	Develop and implement development contribution schemes/agreements to support land use development	2.2.1.3.1	Review Section 94 Contributions Plan	PDS	Strategic Planning	•	•	•	•

Direction 2 Our Built Environment

Goal: 2.2 Improve mix of land use and quality development.

Objective: 2.2.2 To effectively respond to state and regional planning Projects.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.2.2.1	Review planning instruments to reflect the Community Strategic Plan	2.2.2.1.1	Develop LEP to ensure implementation of community priorities as reflected in the Community Strategic Plan	PDS	Strategic Planning	•	•		
Soc	2.2.2.2	Respond to state and regional requirements	2.2.2.2.1	Develop LEP to ensure the implementation of the Draft Inner North Sub Regional Strategy	PDS	Strategic Planning	•	•		
Soc	2.2.2.3	Monitor and manage impacts of climate change	2.2.2.3.1	Review planning instruments to reflect climate change policy decisions	PDS	Strategic Planning	•	•	•	•
Soc	2.2.2.4	Monitor legislative and regulatory changes relating to land use planning	2.2.2.4.1	Respond to reforms in planning process and advocate on behalf of Council	PDS	Strategic Planning	•	•	•	•
Soc	2.2.2.5	Participate in the NSROC Sub Regional Planning Strategy	2.2.2.5.1	Participate in NSROC Sub Regional Planning Strategy	General Manager's Office	General Manager's Office	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
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Soc	2.2.2.4	Monitor legislative and regulatory changes relating to land use planning	PA24	Section 149 certificates (zoning information)	PDS	Administration Services	Section 149 certificates (zoning information) issued within 5 working days	100	%	100	%	100	%	100	%
Soc	2.2.2.1	Review planning instruments to reflect the Community Strategic Plan	PA25	Strategic Planning	PDS	Strategic Planning	Major strategic planning projects completed (% of identified for quarter)	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.2 Improve mix of land use and quality development.

Objective: 2.2.3 To promote and achieve design excellence.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.2.3.1	Promote sustainable design in future private and public development	2.2.3.1.1	Conduct design awards for North Sydney	PDS	Strategic Planning	•	•		•
Soc	2.2.3.2	Ensure new residential development is well designed for people with a disability or limited mobility, the elderly and is adaptable for use by different household types	2.2.3.2.1	Review LEP and DCP to ensure new residential development includes good design and adaptable housing for seniors and people with disability	PDS	Strategic Planning	•	•		
Env	2.2.3.3	Encourage refurbishment of existing buildings for better environmental performance	2.2.3.3.1	Promote retrofitting of local businesses for better environmental performance	OSES	Environmental Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.2.3.1	Promote sustainable design in future private and public development	PA26	Design Excellence Panel (DEP)	PDS	Strategic Planning	DAs reviewed by Panel	Trend	development applications	Trend	development applications	Trend	development applications	Trend	development applications
Soc	2.2.3.2	Ensure new residential development is well designed for people with a disability or limited mobility, the elderly and is adaptable for use by different household types	PA27	Urban Design Advisory Panel (UDAP)	PDS	Strategic Planning	DAs reviewed by Panel	Trend	development applications	Trend	development applications	Trend	development applications	Trend	development applications

Direction 2 Our Built Environment

Goal: 2.2 Improve mix of land use and quality development.

Objective: 2.2.4 To encourage vibrant, well maintained and connected streetscapes, neighbourhoods, villages, public domains and commercial centres that build a sense of community.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.2.4.1	Develop and implement masterplans for villages	2.2.4.1.1	Implement the Streetscape Capital Works Program in Crows Nest	EPS	Project Management	•	•	•	•
Soc	2.2.4.1	Develop and implement masterplans for villages	2.2.4.1.2	Implement the Streetscape Capital Works Program in Neutral Bay	EPS	Project Management	•	•	•	•
Soc	2.2.4.1	Develop and implement masterplans for villages	2.2.4.1.3	Implement Cammeray, Cremorne, Kirribilli and Waverton Masterplans	EPS	Project Management		•	•	•
Soc	2.2.4.1	Develop and implement masterplans for villages	2.2.4.1.24	Implement public domain program for commercial centres	EPS	Project Management	•	•	•	•
Soc	2.2.4.2	Maintain and service village facilities through place management	2.2.4.2.1	Support Mainstreet Coordinators in Crows Nest and Neutral Bay	EPS	Project Management	•	•	•	•
Soc	2.2.4.3	Improve pedestrian lighting and surveillance of the villages to reduce vandalism and graffiti	2.2.4.3.1	Under awning lighting program (Cammeray, Cremorne and Neutral Bay)	EPS	Project Management	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.2.4.4	Build pride in community assets that assists in maintenance as well as deterring graffiti and vandalism	PA28 Commercial centres cleaning	EPS	Works Engineering	Commercial areas cleaned in accordance with schedule	100	%	100	%	100	%	100	%
Soc	2.2.4.4	Build pride in community assets that assists in maintenance as well as deterring graffiti and vandalism	PA29 Graffiti removal/management	EPS	Works Engineering	Graffiti removed within 3 working days of notification	95	%	95	%	95	%	95	%
Soc	2.2.4.6	Increase community engagement in improving streetscapes, neighbourhoods, villages and commercial centres	PA30 Streetscape improvements	EPS	Project Management	Designs and specifications for streetscape program completed (% of identified for year)	100	%	100	%	100	%	100	%
						Streetscape improvements capital works program completed on time and to adopted standard (% of identified for year)	100	%	100	%	100	%	100	%
						Streetscape Committee meeting agendas issued 7 working days prior to meeting	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Place management inspections undertaken in accordance with agreed schedule	100	%	100	%	100	%	100	%
Soc	2.2.4.5	Increase community engagement in improving streetscapes, neighbourhoods, villages and commercial centres	PA31 Verge mowing	OSES	Parks and Reserves	Verges mowed in accordance with schedule	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.2 Improve mix of land use and quality development.

Objective: 2.2.5 To identify, preserve and promote North Sydney's heritage.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.2.5.1	Advocate for placing powerlines underground	2.2.5.1.1	Lobby for the undergrounding of powerlines	OSES	Environmental Services	•	•	•	•
Soc	2.2.5.2	Continue to protect and promote the heritage values of residential amenity including significant architecture, objects, places and landscapes	2.2.5.2.1	Finalise review of residential heritage inventory	PDS	Strategic Planning	•			
Soc	2.2.5.3	Encourage the use and adaptation of heritage and other existing buildings	2.2.5.3.1	Review DCP to consider greater adaptation of heritage and other existing buildings	PDS	Strategic Planning	•	•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.2.5.3	Encourage the use and adaptation of heritage and other existing buildings	PA32 Heritage preservation	PDS	Strategic Planning	Items on the heritage schedule	1200	items	tbd	items	tbd	items	tbd	items
						Development applications where appropriate considered for	Trend	development applications	Trend	development applications	Trend	development applications	Trend	development applications

heritage
value/impact

Direction 2 Our Built Environment

Goal: 2.3 Provide effective compliance management.

Objective: 2.3.1 To administer and enforce the statutory regulations for building and development works.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.3.1.1	Effective development assessment and determination processes	2.3.1.1.1	Implement recommendations from development assessment processes review	PDS	Development Services	•	•	•	•
Soc	2.3.1.1	Effective development assessment and determination processes	2.3.1.1.2	Develop and implement an electronic approvals implementation plan	PDS	Development Services	•	•		
Soc	2.3.1.1	Effective development assessment and determination processes	2.3.1.1.3	Investigate and implement opportunities for better informing the community about development	PDS	Development Services	•	•	•	•
Soc	2.3.1.1	Effective development assessment and determination processes	2.3.1.1.4	Prepare and implement an operational environmental protection strategy	PDS	Environmental Building and Compliance		•		
Soc	2.3.1.1	Effective development assessment and determination processes	2.3.1.3.1	Develop Fixed Advertising on Trailers Policy	CS	Ranger and Parking Services		•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	2.3.1.2	Provide responsive compliance services to ensure building work meets approved consents	PA33 Building works enforcement	CS PDS	Ranger and Parking Services Environmental and Building Compliance	Building works compliance requests responded to within defined service level	100	%	100	%	100	%	100	%
Soc	2.3.1.1	Effective development assessment and determination processes	PA34 Development assessment	PDS	Development Services	DAs received	Trend	development applications	Trend	development applications	Trend	development applications	Trend	development applications
						DAs determined	Trend	development applications	Trend	development applications	Trend	development applications	Trend	development applications
						Number of construction certificates issued by Council	Trend	construction certificates	Trend	construction certificates	Trend	construction certificates	Trend	construction certificates
						Number of occupation certificates issued by Council	Trend	occupation certificates	Trend	occupation certificates	Trend	occupation certificates	Trend	occupation certificates
						Number of s96 determined	Trend	s96	Trend	s97	Trend	s98	Trend	s99

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Number of complying development certificates determined by Council	Trend	complying development certificates	Trend	complying development certificates	Trend	complying development certificates	Trend	complying development certificates
						Mean gross time for DAs determined	Trend	days	Trend	days	Trend	days	Trend	days
						Median gross time for DAs determined	Trend	days	Trend	days	Trend	days	Trend	days
						Mean gross days for s96 determined	Trend	days	Trend	days	Trend	days	Trend	days
						Mean gross determination time for CDC determined by Council	Trend	days	Trend	days	Trend	days	Trend	days

Direction 2 Our Built Environment

Goal: 2.3 Provide effective compliance management.

Objective: 2.3.2 To administer and enforce the statutory regulations of health and safety of licensed activities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.3.2.1	Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA35	Cooling tower inspections	PDS	Environmental and Building Compliance	Regulated premises inspected in accordance with schedule	100	%	100	%	100	%	100	%
Soc	2.3.2.2	Inspect food premises to ensure compliance with the Food Standards Code	PA36	Food premises inspections	PDS	Environmental and Building Compliance	Food premises inspected in accordance with schedule	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.3.2.1	Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA37	Outdoor dining inspections	CS	Ranger and Parking Services	Outdoor dining areas inspected in accordance with schedule	100	%	100	%	100	%	100	%
							All complaints responded within 12 hours of receipt	100	%	100	%	100	%	100	%
Soc	2.3.2.1	Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA38	Skin penetration premises inspections	PDS	Environmental and Building Compliance	Skin penetration premises inspection requests responded to within 21 working days	100	%	100	%	100	%	100	%
Soc	2.3.2.1	Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA39	Swimming pool inspections	PDS	Environmental and Building Compliance	Swimming pool inspection requests responded to within 21 working days	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.3 Provide effective compliance management.

Objective: 2.3.3 To administer and enforce the statutory regulations of the keeping of companion animals.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.3.3.1	Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	2.3.3.1.2	Review companion animal owners education program	CS	Ranger and Parking Services		•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.3.3.1	2.3.3.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA40	Animal control	CS	Ranger and Parking Services	Barking dog complaints responded to within one working day	100	%	100	%	100	%	100	%
							Dog attacks responded to within 30 minutes of notification	100	%	100	%	100	%	100	%
							Premises with dangerous or restricted breed dogs inspected in accordance with schedule	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.3.3.1	2.3.3.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	PA41	Dumped articles	CS	Ranger and Parking Services	General requests responded to in priority order	100	%	100	%	100	%	100	%

Direction 2 Our Built Environment

Goal: 2.4 Encourage sustainable transport.

Objective: 2.4.1 To increase the use of public transport and alternative travel means and a reduction in the use and reliance upon private motor vehicles.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	2.4.1.1	Promote increased use of public transport as well as encourage use of alternative modes of transport eg car share schemes	2.4.1.1.1	Develop and implement education programs to promote opportunities and advantages of reduced private motor vehicle usage	EPS	Traffic Services		•	•	•
Env	2.4.1.1	Promote increased use of public transport as well as encourage use of alternative modes of transport eg car share schemes	2.4.1.1.2	Manage existing and implement new on-street spaces to support car share schemes	EPS	Traffic Services	•	•	•	•
Soc	2.4.1.2	Advocate for increased incentives for the use of public transport, private purchaser of lower impact motor vehicles and changes to fringe benefit tax arrangements	2.4.1.2.1	Lobby Federal and State Government for increased incentives for public transport including tax changes	EPS	Traffic Services	•	•	•	•
Env	2.4.1.2	Advocate for increased incentives for the use of public transport, private purchaser of lower impact motor vehicles and changes to fringe benefit tax arrangements	2.4.1.2.2	Lobby Federal and State Government for changes to fringe benefits tax	EPS	Traffic Services	•	•	•	•
Soc	2.4.1.3	Increase the amount of street space dedicated to sustainable transport modes eg bus lanes and cycle lanes	2.4.1.3.1	Implement Bike Strategy	EPS	Traffic Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.4.1.3	Increase the amount of street space dedicated to sustainable transport modes eg bus lanes and cycle lanes	2.4.1.3.2	Implement Pedestrian Strategy	EPS	Traffic Services	•	•	•	•
Soc	2.4.1.3	Increase the amount of street space dedicated to sustainable transport modes eg bus lanes and cycle lanes	2.4.1.3.3	Seek funding for Harbour Link Project	EPS	Traffic Services		•	•	•
Soc	2.4.1.4	Advocate for improved after hours and transport services to assist workers and night time recreation	2.4.1.4.1	Lobby Federal and State Government for improved after hours and transport services to assist workers and night time recreation	EPS	Traffic Services	•		•	

Direction 2 Our Built Environment

Goal: 2.4 Encourage sustainable transport.

Objective: 2.4.2 To promote sustainable travel for workplaces and venues in North Sydney.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Env	2.4.2.1	Improve 'end of trip' facilities (eg bike parking, showers and change facilities) for walkers and cyclists	2.4.2.1.1	Investigate and provide 'end of trip' facilities for pedestrians and cyclists	EPS	Traffic Services	•	•	•	•
Env	2.4.2.2	Provide recharge facilities for electric vehicles at Council offices, facilities and car parks	2.4.2.2.1	Provide electronic recharge facilities	EPS	Works Engineering			•	
Env	2.4.2.3	Regulate Green Travel Plans for major developments	2.4.2.2.3	Develop Green Travel Plans for Council buildings and community facilities	EPS	Traffic Services		•	•	•

Direction 2 Our Built Environment

Goal: 2.4 Encourage sustainable transport.

Objective: 2.4.3 To provide a network of accessible, safe and linked pedestrian and cycle paths throughout North Sydney.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.4.3.1	Improve access and connections between open space and recreational facilities for pedestrians and cyclists	2.4.3.1.1	Construct new walking/cycling tracks	EPS	Traffic Services	•	•	•	•
Soc	2.4.3.2	Advocate for funding for walking and cycling facilities	2.4.3.2.1	Lobby Federal and State Government for increased funding for walking/cycling paths	EPS	Traffic Services	•	•	•	•
Soc	2.4.3.3	Improve directional signage for pedestrians and cycling networks in North Sydney	2.4.3.3.3	Install new sustainable transport directional signage	EPS	Traffic Services		•		•

Direction 2 Our Built Environment

Goal: 2.5 Improve traffic management.

Objective: 2.5.1 To manage traffic to reduce congestion on local roads.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.5.1.1	Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities	2.5.1.1.1	Implement Traffic Facilities Strategy	EPS	Traffic Services	•	•	•	•
Soc	2.5.1.1	Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities	2.5.1.1.2	Participate in NSROC Transport Forums	EPS	Traffic Services	•	•	•	•
Soc	2.5.1.1	Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities	2.5.1.1.3	Implement projects arising from the recommendations of the North Sydney Traffic Committee	EPS	Traffic Services	•	•	•	•
Soc	2.5.1.2	Work with the State Government to develop and implement long-term transport strategy for the Spit Road/ Military Road corridor to the Northern Beaches	2.5.1.2.1	Lobby the State Government for improved public transport on Military Road/Spit Road transport corridor to the Warringah Peninsula and Northern Beaches	EPS	Traffic Services	•	•	•	•
Soc	2.5.1.2	Work with the State Government to develop and implement long-term transport strategy for the Spit Road/ Military Road corridor to the Northern Beaches	2.5.1.2.2	Lobby for improved public transport networks	EPS	Traffic Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.5.1.3	Secure additional grant funding for the upgrade of traffic facilities	2.5.1.3.1	Apply for grant funding and lobby Federal and State Government for additional funding for traffic facilities	EPS	Traffic Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.5.1.1	Provide planning, design, investigation and management of traffic and transport in accordance with safety and community priorities	PA42	Traffic management	EPS	Traffic Services	Concept designs prepared (% of identified for year)	100	%	100	%	100	%	100	%
							Traffic and parking management activities completed on time and to adopted standard (% of identified for year)	100	%	100	%	100	%	100	%
							Traffic requests responded to within 10 working days	90	%	90	%	90	%	90	%
							Applications for all suitable projects submitted on time	100	%	100	%	100	%	100	%
							Traffic committee meeting agenda and minutes prepared and distributed in accordance with agreed schedule	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Residents satisfied with Council's overall management of traffic	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a	
						Businesses satisfied with Council's overall management of traffic	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a	
						Maximum average parking occupancy rate in residential streets		Not measured this financial year	n/a	tbd	%	tbd	%	tbd	%

Direction 2 Our Built Environment

Goal: 2.5 Improve traffic management

Objective: 2.5.2 To manage on street and off street car parking.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	2.5.2.1	Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes	2.5.2.1.1	Review Council's Parking Strategy and parking restrictions	EPS	Traffic Services	•	•	•	•
Soc	2.5.2.2	Use technology to manage parking	2.5.2.2.1	Review parking patrol operational strategies	CS	Ranger and Parking Services	•	•	•	•
Soc	2.5.2.2	Use technology to manage parking	2.5.2.2.2	Review technology improvements in parking management	EPS	Traffic Services	•	•		
Soc	2.5.2.2	Use technology to manage parking	2.5.2.2.3	Replace parking meter system	EPS	Works Engineering	•	•	•	•
Soc	2.5.2.2	Use technology to manage parking	2.4.2.2.4	Manage Council's off street car parks	EPS	Works Engineering	•	•	•	•
Soc	2.5.2.2	Use technology to manage parking	2.4.2.2.5	Install variable message signs in car parks	EPS	Works Engineering		•		
Soc	2.5.2.3	Provide integrated and efficient parking options in villages and retail areas	2.5.2.3.1	Develop parking offence profiles of commercial centres	CS	Ranger and Parking Services	•			
Soc	2.5.2.4	Continue to manage off street parking in new developments through the Development Control Plan	2.5.2.4.1	Review and advise on off street parking in DCP	EPS	Traffic Services	•	•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	2.5.2.1	Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes	PA43	Parking enforcement	CS	Ranger and Parking Services	Residents satisfied with Council's overall policing of parking	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a
							Businesses satisfied with Council's overall policing of parking	tbd	tbd	n/a	n/a	tbd	tbd	n/a	n/a
							Designated patrols carried out (3 patrols per week)	100	%	n/a	n/a	100	%	n/a	n/a
							Compliance achieved at parking meters	n/a	n/a	75	%	n/a	n/a	75	%
							School zone patrols carried out (3 patrols per week per school)	100	%	100	%	100	%	100	%
							CBD and commercial areas patrolled daily	100	%	100	%	100	%	100	%
							Abandoned vehicles responded to within 5 working days	100	%	100	%	100	%	100	%
Soc	2.5.2.2	Use technology to manage parking	PA44	Parking meter and stations management	EPS	Works Engineering	Up time for meters	96	%	96	%	96	%	96	%
							Up time for parking stations	96	%	96	%	96	%	96	%

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4.5 Direction 3: Our Economic Vitality



Where will we be in 2020?

By 2020, North Sydney is reinforced as one of Australia's largest commercial centres. North Sydney CBD is a hub for industries such as telecommunications, banking and finance, information technology and media and advertising.

Business confidence is high, and the local economy is thriving. Business networks have been a successful tool in improving coordination and cooperation among small local businesses. Our CBD hosts a prosperous business community, contributes to a vibrant lifestyle and works in harmony with the surrounding natural environment, residential areas and other commercial centres nearby. Local commercial centres are also healthy with sufficient capacity provided to support economic activity in centres outside the CBD.

North Sydney is a premier retail destination and recognised activity hub with a great variety of offerings for meeting, shopping, cultural activities and after hours dining. Functional improvements to the commercial centres such as pedestrian path networks, improved community meeting places and better public transport have strengthened the commercial centres, making them a crucial element of the sustainability of North Sydney.

North Sydney has a national and worldwide recognition as a tourism icon. Tourism has served to preserve and enhance natural resources that can be used and enjoyed by residents and visitors alike.

Direction 3. Our Economic Vitality - Financial Estimates**Scenario 1 - Estimates without SRV, inclusive of 2.8% rate peg**

	<i>Estimates</i>			
	<i>2010/11</i> <i>Year 1</i>	<i>2011/12</i> <i>Year 2</i>	<i>2012/13</i> <i>Year 3</i>	<i>2013/14</i> <i>Year 4</i>
3.1 Local Economy				
Operating Expenditure	118,700	412,000	162,896	73,686
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
3.2 North Sydney CBD				
Operating Expenditure	55,199	72,095	74,624	76,909
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
Totals				
Operating Expenditure	173,899	484,095	237,520	150,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0

Scenario 2 - Estimates with 5.5% SRV

	<i>Estimates</i>			
	<i>2010/11</i> <i>Year 1</i>	<i>2011/12</i> <i>Year 2</i>	<i>2012/13</i> <i>Year 3</i>	<i>2013/14</i> <i>Year 4</i>
3.1 Local Economy				
Operating Expenditure	118,700	412,000	262,896	213,686
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
3.2 North Sydney CBD				
Operating Expenditure	55,199	72,095	74,624	76,909
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
Totals				
Operating Expenditure	173,899	484,095	337,520	290,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0

Direction 3 Our Economic Vitality

Goal: 3.1 Ensure a vibrant, strong and sustainable local economy.

Objective: 3.1.1 To increase the capability of businesses in North Sydney.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.1.1.1	Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity	3.1.1.1.1	Consider a role in Council for a dedicated Economic Development Officer/primary business contact	GM's Office	General Manager's Office			•	
Eco	3.1.1.1	Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity	3.1.1.1.2	Develop and implement Economic Development Strategy	PDS	Strategic Planning				•
Eco	3.1.1.1	Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity	3.1.1.1.3	Undertake a North Sydney CBD Tenant Demand Study	PDS	Strategic Planning		•	•	
Eco	3.1.1.1	Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity	3.1.1.1.4	Review the commercial development capacity of the North Sydney CBD as required by the Local Environmental Plan	PDS	Strategic Planning		•	•	
Eco	3.1.1.1	Investigate ways to further engage landowners, businesses and other stakeholders to strengthen economic activity	3.1.1.1.6	Prepare Business e-news	CS	Corporate Planning and Governance	•	•	•	•
Eco	3.1.1.2	Ensure the design of major infrastructure and public domain contributes to North Sydney's business needs					Note: to be delivered in a future Delivery Program.			

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.1.1.3	Enhance relationships/partnerships with Chambers of Commerce	3.1.1.3.1	Support the Harbourside Chamber Group	CS	Corporate Planning and Governance	•	•	•	•
Eco	3.1.1.3	Enhance relationships/partnerships with Chambers of Commerce	3.1.1.3.2	Work in partnership with local Chambers of Commerce	CS	Corporate Planning and Governance	•	•	•	•
Eco	3.1.1.3	Enhance relationships/partnerships with Chambers of Commerce	3.1.1.3.3	Host Business After Hours Function	CS	Corporate Planning and Governance	•	•	•	•
Eco	3.1.1.4	Increase community engagement in improving North Sydney CBD and retail and commercial centres	3.1.1.4.1	Investigate streamlining of Streetscape Committees and Precinct Committee boundaries	EPS CS	Project Management Corporate Planning and Governance			•	
Eco	3.1.1.4	Increase community engagement in improving North Sydney CBD and retail and commercial centres	3.1.1.4.2	Ensure that decision making in reference to the CBD respects the needs of surrounding residents and the natural environment	PDS	Strategic Planning	•	•	•	•

Direction 3 Our Economic Vitality

Goal: 3.1 Lead North Sydney into a sustainable future.

Objective: 3.1.2 To create expanded opportunities for business through a range of planning projects.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.1.2.1	Review opportunities for commercial centre growth	3.1.2.1.1	Monitor existing planning controls to ensure quality outcomes are achieved for the long term benefit of the CBD and commercial centres	PDS	Strategic Planning	•	•	•	•
Eco	3.1.2.2	Streamline and simplify development approval and licensing processes	3.1.2.2.1	Review and implement improvements to business development approval processes	PDS	Development Services	•	•	•	•

Direction 3 Our Economic Vitality

Goal: 3.1 Ensure a vibrant, strong and sustainable local economy.

Objective: 3.1.3 To ensure the retail and hospitality sector is thriving, diverse and unique.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.1.3.2	Encourage the development of diverse mix of businesses	3.1.3.2.1	Review DCP to consider diverse mix of businesses	PDS	Strategic Planning	•	•		
Eco	3.1.3.2	Encourage the development of diverse mix of businesses	3.1.3.2.1	Review DCP to consider diverse mix of businesses	PDS	Strategic Planning	•	•		
Eco	3.1.3.3	Strengthen opportunities for shopping, dining and entertainment particularly after hours and on weekends	3.1.3.3.1	Review DCP regarding trading hours in the CBD	PDS	Strategic Planning	•	•		
Eco	3.1.3.4	Implement North Sydney Public Domain Strategy	3.1.3.4.1	Implement North Sydney Public Domain Strategy	EPS	Engineering Infrastructure	•	•	•	•
Eco	3.1.3.4	Implement North Sydney Public Domain Strategy	3.1.3.4.2	Undertake strategic land purchase or require dedication of land to implement public domain strategy	EPS	Property Assets	•	•	•	•
Soc	3.1.3.5	Identify opportunities for cultural, entertainment and public art activities in the commercial centres	3.1.3.5.1	Host events in Mount Street Plaza	OSES	Mollie Dive Function Centre/Event Management				•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	3.1.3.1	Monitor and assist in the implementation of new liquor licensing laws	PA45	Community impact statements	CLS	Community Development	Referrals completed and supplied to applicants within 30 days	100	%	100	%	100	%	100	%
Soc	3.1.3.3	Strengthen opportunities for shopping, dining and entertainment particularly after hours and on weekends	PA46	Outdoor dining applications	EPS	Property Assets	Applications processed within 5 working days	100	%	100	%	100	%	100	%

Direction 3 Our Economic Vitality

Goal: 3.2 Ensure North Sydney CBD is one of Australia's largest commercial centres.

Objective: 3.2.1 To acknowledge the CBD's role as a major employment centre within metropolitan Sydney.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.2.1.1	Ensure the LEP provides capacity for employment growth in North Sydney	3.2.1.1.1	Review opportunities for commercial centre growth	PDS	Strategic Planning		•	•	•
Eco	3.2.1.1	Encourage the development of diverse mix of businesses	3.2.1.1.2	Undertake St Leonards/Crows Nest Planning Strategy	PDS	Strategic Planning		•	•	•
Eco	3.2.1.3	Increase national and international exposure as a preferred location for business through appropriate branding	3.2.1.3.1	Promote development in the North Sydney CBD to take advantage of the opportunities offered by the LEP	PDS	Strategic Planning		•	•	•
Eco	3.2.1.3	<i>Increase national and international exposure as a preferred location for business through appropriate branding</i>	3.2.1.3.2	<i>Review and upgrade "Where Business Happens" website</i>	PDS	<i>Strategic Planning</i>		•	•	•

Direction 3 Our Economic Vitality

Goal: 3.2 Ensure North Sydney CBD is one of Australia's largest commercial centres.

Objective: 3.2.2 To deliver economic benefits to North Sydney by hosting events.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.2.2.1	Market North Sydney as a destination of choice to international and domestic visitors	3.2.2.1.1	Consider a role in Council for a dedicated Tourism Development Officer	GM's Office	General Manager's Office			•	
Eco	3.2.2.1	Market North Sydney as a destination of choice to international and domestic visitors	3.2.2.1.2	Develop and implement Tourism Strategy	GM's Office	General Manager's Office			•	•
Eco	3.2.2.1	Market North Sydney as a destination of choice to international and domestic visitors	3.2.2.1.3	Work with Tourism NSW to improve the availability of information about tourism within the LGA	GM's Office	General Manager's Office	•	•	•	•
Eco	3.2.2.2	Manage the impact of visitors to North Sydney to balance the effect on residents' lifestyles and economic development	3.2.2.2.1	Plan for increased visitor numbers to North Sydney during key events including New Years Eve	OSES	Mollie Dive Function Centre/Event Management	•	•	•	•
Eco	3.2.2.3	Continue to source major regional and sporting events	3.2.2.3.1	Promote North Sydney as a world-class conferences and events destination	OSES	Mollie Dive Function Centre/Event Management	•	•	•	•
Eco	3.2.2.3	Continue to source major regional and sporting events	3.2.2.3.2	Identify and attract major regional and sporting events to North Sydney	OSES	Mollie Dive Function Centre/Event Management	•	•	•	•
Eco	3.2.2.3	Continue to source major regional and sporting events	3.2.2.3.3	Work with local, state and national sporting groups to attract state and national titles	OSES	Mollie Dive Function Centre/Event Management Recreation Planning	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	3.2.2.4	Foster formal partnerships with other governments and businesses to coordinate support for an events calendar for North Sydney	3.2.2.4.1	Develop and implement a North Sydney Events Strategy	OSES	Mollie Dive Function Centre/Event Management			•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	3.2.2.3	Continue to source major regional and sporting events	PA47 Mollie Dive Function Centre	OSES	Mollie Dive Function Centre/Event Management	Functions held in function centre	160	events	170	events	180	events	190	events

4.6 Direction 4: Our Social Vitality



Where will we be in 2020?

In 2020, North Sydney offers a strong sense of local community based on networks of neighbourhoods. Properly planned, designed and managed public spaces have provided meeting places and brought communities together.

Arts and cultural activities and events help retain, support and strengthen the cultural heritage of North Sydney. The arts are thriving in North Sydney and the community has numerous opportunities to express its creativity. Well managed events draw the community together and bring financial, social and environmental benefits. Council has been successful in gaining corporate sponsorship for many of North Sydney's events.

In 2020, 'learning' is a lifelong experience in North Sydney and the organisations that facilitate learning are an integral part of our community. Learning is seen as a valuable activity for people of all ages and is available in many forms and a variety of settings, both formal and informal. Stanton Library is reinforced as a centre of excellence. North Sydney has a strong and diverse volunteer culture and volunteers feel valued for what they contribute. In 2020, there is greater intergenerational exchange. The knowledge and experience of retired 'baby boomers' is a potential resource to be utilised by the community.

The community enjoys an active and healthy lifestyle. Accessible health services and an increase in the availability of activities and programs especially for youth and older persons have contributed to the improvements in community health and community connectedness. North Sydney is a community where the socially isolated, disadvantaged and residents under stress are cared for.

Community services and facilities are well planned, well located, accessible and meet a variety of uses. They reflect the research and planning undertaken by North Sydney into the needs of specific groups. Council has maintained and expanded partnerships with government sectors and community organisations to ensure the ongoing delivery of community services and programs.

In 2020, North Sydney is a place where people are safe and feel safe. An increased sense of community has contributed to a greater feeling of personal and neighbourhood safety. It is safer to move around North Sydney. Council in consultation with the community has implemented a range of initiatives to cater for the needs of pedestrians and drivers. Council's commitment to road maintenance and successful lobbying for funds to upgrade roads has made car travel around North Sydney safer. Community based transport solutions have improved particularly in servicing neighbourhoods.

Over the past 20 years the history of North Sydney has continued to be carefully preserved and documented. This has included the history of the traditional indigenous custodians of the land. Valuing and preserving local heritage has strengthened the identity of local communities as well as building a sense of community.

North Sydney in 2020 provides a diverse range of affordable housing types important for all ages and lifestyles. These housing options play a valuable role in attracting and retaining specific population groups. Proactive planning decisions have resulted in improving the housing options for the elderly and meeting the needs of disadvantaged residents.

With a strong, healthy, connected and vibrant community we are better able to care for our environment, promote harmonious living and effectively address economic sustainability, locally and regionally.

Direction 4. Our Social Vitality - Financial Estimates**Scenario 1 - Estimates without SRV, inclusive of 2.8% rate peg**

	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
4.1 Local Communities				
Operating Expenditure	1,309,959	1,212,073	1,245,075	1,282,524
Operating Income	-460,359	-253,150	-260,238	-266,484
Capital Expenditure	8,000	23,000	3,084	23,158
Capital Income	0	0	0	0
4.2 Lifelong Learning & Volunteering				
Operating Expenditure	2,543,087	2,583,395	2,677,436	2,764,972
Operating Income	-301,875	-304,200	-312,718	-320,223
Capital Expenditure	369,585	354,585	354,233	362,735
Capital Income	0	0	0	0
4.3 Health & Wellbeing				
Operating Expenditure	444,404	627,093	551,207	572,669
Operating Income	-8,330	-15,500	-15,934	-16,316
Capital Expenditure	5,000	6,000	0	0
Capital Income	0	0	0	0
4.4 Community Services, Facilities & Information				
Operating Expenditure	1,011,714	1,060,579	1,099,314	1,134,468
Operating Income	-227,600	-227,800	-234,178	-239,799
Capital Expenditure	63,000	50,000	10,000	10,000
Capital Income	0	0	0	0
4.5 Community Safety & Accessibility				
Operating Expenditure	388,028	401,294	417,065	430,967
Operating Income	-51,700	-58,316	-59,949	-61,388
Capital Expenditure	15,000	15,000	15,000	15,000
Capital Income	0	0	0	0
4.6 Affordable Housing & Accommodation				
Operating Expenditure	45,369	47,373	49,306	51,076
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
Totals				
Operating Expenditure	5,742,561	5,931,807	6,039,403	6,236,676
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	448,585	382,317	410,893
Capital Income	0	0	0	0

Scenario 2 - Estimates with 5.5% SRV

	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
4.1 Local Communities				
Operating Expenditure	1,309,959	1,212,073	1,253,575	1,291,024
Operating Income	-460,359	-253,150	-260,238	-266,484
Capital Expenditure	8,000	28,000	8,084	28,158
Capital Income	0	0	0	0
4.2 Lifelong Learning & Volunteering				
Operating Expenditure	2,543,087	2,626,895	2,723,669	2,815,508
Operating Income	-301,875	-304,200	-312,718	-320,223
Capital Expenditure	369,585	354,585	364,233	372,735
Capital Income	0	0	0	0
4.3 Health & Wellbeing				
Operating Expenditure	444,404	627,093	651,207	672,669
Operating Income	-8,330	-15,500	-15,934	-16,316
Capital Expenditure	5,000	6,000	0	0
Capital Income	0	0	0	0
4.4 Community Services, Facilities & Information				
Operating Expenditure	1,011,714	1,067,579	1,106,314	1,141,468
Operating Income	-227,600	-227,800	-234,178	-239,799
Capital Expenditure	63,000	55,000	15,000	165,000
Capital Income	0	0	0	0
4.5 Community Safety & Accessibility				
Operating Expenditure	388,028	404,794	420,065	433,967
Operating Income	-51,700	-58,316	-59,949	-61,388
Capital Expenditure	15,000	15,000	15,000	15,000
Capital Income	0	0	0	0
4.6 Affordable Housing & Accommodation				
Operating Expenditure	45,369	47,373	49,306	51,076
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
Totals				
Operating Expenditure	5,742,561	5,985,807	6,204,136	6,405,712
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	458,585	402,317	580,893
Capital Income	0	0	0	0

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.1 To increase the community feeling of connectedness.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.1.1	Foster and build community partnerships and networks	4.1.1.1.1	Work in partnership with local schools to deliver community projects and cultural activities	CLS	Community Development	•	•	•	•
Soc	4.1.1.2	Develop programs to decrease social isolation	4.1.1.2.1	Celebrate "Good Neighbour Day" through the Community Precinct System	CS	Corporate Planning and Governance	•	•	•	•

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.2 To provide, support and increase awareness of a range of community events.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.2.2	Promote active and diverse street life, including markets, street parties and fairs using streets, laneways and public spaces	4.1.2.2.1	Promote local markets	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	4.1.2.1	Develop and implement a coordinated approach to events	PA48 Community events	CLS	Community Development	What's On Guide distributed	100	%	100	%	100	%	100	%
	Attendance at Australia Day event					6000	people	6000	people	6000	people	6000	people	
	Attendance at Carols by Candlelight					2000	people	2000	people	2000	people	2000	people	
	Attendance at Children's Festival					3000	people	3000	people	3000	people	3000	people	
	Attendance at Guringai Festival at North Sydney					300	people	300	people	300	people	300	people	

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.3 To promote and support social and cultural diversity.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.3.1	Facilitate and support local cultural groups and community organisations	4.1.3.1.1	Participate in professional/regional programs and networks	CLS	Community Development	•	•	•	•
Soc	4.1.3.2	Celebrate diversity within the community	4.1.3.2.1	Conduct and promote CALD project	CLS	Community Development		•		•
Soc	4.1.3.2	Celebrate diversity within the community	4.1.3.2.2	Conduct and promote Harmony Day activity	CLS	Community Development	•	•	•	•
Soc	4.1.3.3	Provide translated community information	4.1.3.3.1	Update and promote translated information to the community	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	4.1.3.2	Celebrate diversity within the community	PA49 Citizenship ceremonies	GM's Office	Executive Services	Compliance with citizenship guidelines	100	%	100	%	100	%	100	%

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.4 To identify, preserve and promote North Sydney's history.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.4.1	Protect and maintain sacred and historic sites	4.1.4.1.1	Prepare Don Bank Conservation Plan of Management	CLS	Library Services	•			
Soc	4.1.4.1	Protect and maintain sacred and historic sites	4.1.4.1.2	Prepare St Thomas Rest Park (Museum and Monuments) Conservation Plan of Management	CLS	Library Services		•		
Soc	4.1.4.1	Protect and maintain sacred and historic sites	4.1.4.1.3	Implement Aboriginal heritage school and community education projects	OSES	Aboriginal Heritage Office	•	•	•	•
Soc	4.1.4.5	Promote historical and cultural icons to locals and domestic and international tourists	4.1.4.5.1	Promote historical and cultural icons through Council publicity	CLS	Library Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	QBL Link
Soc	4.1.4.4	Preserve local sites of Aboriginal significance	PA50	Aboriginal site management	OSES	Aboriginal Heritage Office	Aboriginal heritage sites preserved	100	%	100	%	100	%	100	%
							Number of identified Aboriginal heritage sites	tbd	sites	tbd	sites	tbd	sites	tbd	sites

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	QBL Link
Soc	4.1.4.2 4.1.4.3	Celebrate local history and heritage Promote access to local history through North Sydney Heritage Centre, local museums and signage	PA51	Historical services	CLS	Library Services	Events held in accordance with schedule	100	%	100	%	100	%	100	%
							Attendance at Heritage Centre	10000	people	10000	people	10000	people	10000	people
							Participants in local history programs	300	participants	300	participants	300	participants	300	participants
							Items added to local studies collection	20	items	50	items	50	items	50	items
							Historical plaques maintained per year	111	plaques	112	plaques	113	plaques	114	plaques

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.5 To facilitate a range of arts and cultural programs and facilities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.5.1	Develop and implement a diverse range of arts education and cultural programs	4.1.5.1.1	Review Arts and Cultural Development Strategic Plan	CLS	Community Development		•		
Soc	4.1.5.2	Promote performing arts facilities and programs	4.1.5.2.1	Promote performing arts facilities and programs	CLS	Community Development	•	•	•	•
Soc	4.1.5.4	Explore temporary use of unused commercial spaces as affordable exhibition spaces for artists and cultural groups	4.1.5.4.1	Investigate opportunities for temporary use of unused commercial spaces as affordable exhibition spaces for artists and cultural groups	CLS	Community Development	•	•	•	•
Soc	4.1.5.5	Establish partnerships with other levels of government and local councils as well as businesses and community groups to coordinate and support cultural development	4.1.5.5.1	Participate in professional/regional programs and networks	CLS	Community Development	•	•	•	•
Soc	4.1.5.6	Implement public art initiatives	4.1.5.6.1	Implement Public Art Policy	CLS	Community Development	•	•	•	•
Soc	4.1.5.7	Identify opportunities for delivery of cultural programs through community centres	4.1.5.7.1	Participate in professional/regional programs and networks	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.1.5.1 4.1.5.3 4.1.5.6	Develop and implement a diverse range of arts education and cultural programs Provide access to visual arts studio and exhibition spaces Implement public art initiatives	PA52	Arts and cultural development	Community and Library Services	Community Development	Participants in North Sydney Art Prize	150	participants	150	participants	150	participants	150	participants
						Attendance at North Sydney Art Prize exhibition	500	people	500	people	500	people	500	people	
						Schools participating in Page to Schools Program	3	schools	3	schools	3	schools	3	schools	
						Exhibitions per year	2	exhibitions	2	exhibitions	2	exhibitions	2	exhibitions	
						Participants in Primrose Park Artists in Residence Program	4	participants	4	participants	4	participants	4	participants	
						Public art commissioned	Trend	works of art	Trend	works of art	Trend	works of art	Trend	works of art	

Direction 4 Our Social Vitality

Goal: 4.1 Promote diverse, dynamic and connected local communities.

Objective: 4.1.6 To support and encourage philanthropy.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.1.6.1	Investigate establishment of a bequest program to encourage the donation of land, buildings and resources for community use	4.1.6.1.1	Investigate establishment of a bequest program to encourage the donation of land, buildings and resources for community use	CLS	Community Development		•		

Direction 4 Our Social Vitality

Goal: 4.2 Encourage lifelong learning and volunteering.

Objective: 4.2.1 To provide adult and tertiary educational opportunities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.2.1.1	Encourage activities and programs to address the educational needs of the community	4.2.1.1.1	Undertake an audit and produce a profile of lifelong learning opportunities within North Sydney	CLS	Community Development		•		
Soc	4.2.1.1	Encourage activities and programs to address the educational needs of the community	4.2.1.1.2	Facilitate adult education programs delivered through community centres	CLS	Community Development	•	•	•	•
Soc	4.2.1.2	Support provision of courses and activities through community centres and other educational institutions	4.2.1.2.1	Promote courses and activities available through community centres and other educational institutions	CLS	Community Development	•	•	•	•
Soc	4.2.1.3	Provide networking opportunities and links between the education sector and community services	4.2.1.3.1	Participate in professional/regional programs and networks	CLS	Community Development	•	•	•	•

Direction 4 Our Social Vitality

Goal: 4.2 Encourage lifelong learning and volunteering.

Objective: 4.2.2 To support a diversity of primary and secondary schools.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.2.2.1	Promote the diversity of education choices available in North Sydney	4.2.2.1.1	Promote primary and secondary school choices	CLS	Community Development	•	•	•	•
Soc	4.2.2.2	Provide networking opportunities and links between the education sector and community services	4.2.2.2.1	Implement partnership opportunities with educational institutions within North Sydney	CLS	Community Development	•	•	•	•

Direction 4 Our Social Vitality

Goal: 4.2 Encourage lifelong learning and volunteering.

Objective: 4.2.3 To provide a public library service that meets information, learning and leisure needs.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.2.3.1	Continue to review library collection management guidelines	4.2.3.1.1	Install climate control for archives	CLS	Library Services	•			
Soc	4.2.3.2	Promote Stanton Library as a centre of excellence	4.2.3.2.1	Improve accessibility at Stanton Library	CLS	Library Services	•			
Soc	4.2.3.2	Promote Stanton Library as a centre of excellence	4.2.3.2.2	Extend library self check facilities at Stanton Library	CLS	Library Services		•		•
Soc	4.2.3.2	Promote Stanton Library as a centre of excellence	4.2.3.2.3	Replace library equipment	CLS	Library Services	•			•
Soc	4.2.3.2	Promote Stanton Library as a centre of excellence	4.2.3.2.4	Replace security gates at Stanton Library	CLS	Library Services	•			
Soc	4.2.3.2	Promote Stanton Library as a centre of excellence	4.2.3.2.5	Promote Stanton Library as a centre for information and learning excellence	CLS	Library Services	•	•	•	•
Soc	4.2.3.3	Promote outreach library services and online databases	4.2.3.3.1	Upgrade Shorelink Library Network services	CLS	Library Services	•		•	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.2.3.3	Promote outreach library services and online databases	4.2.3.3.2	Provide a user friendly search interface to the library catalogue and online databases	CLS	Library Services		•		
Soc	4.2.3.4	Offer access to global communications	4.2.3.4.1	Implement and review Shorelink Technology Plan	CLS	Library Services	•	•		
Soc	4.2.3.5	Develop and enhance quality of library services and events	4.2.3.5.1	Review Library and Historical Services Strategic Plan	CLS	Library Services	•		•	
Soc	4.2.3.5	Develop and enhance quality of library services and events	4.2.3.5.2	Obtain community input for stock selection from youth and seniors	CLS	Library Services	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.2.3.1	Continue to review library collection management guidelines	PA53	Collection development	CLS	Library Services	Collection <5 years	46	%	46	%	tbd	tbd	tbd	tbd
						Circulation stock per capita ¹	10.5	%	10.5	%	tbd	tbd	tbd	tbd	
						New items acquired	8	%	8	%	tbd	tbd	tbd	tbd	

¹ Target is cumulative

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	4.2.3.3 4.2.3.5	Promote outreach library services and online databases Develop and enhance quality of library services and events	PA54 Reader services	CLS	Library Services	Events and displays held in accordance with schedule	100	%	100	%	100	%	100	%
						Residents serviced by Home Library Service	146	residents	125	residents	tbd	tbd	tbd	tbd
						Home Library Service loans	12000	loans	8000	loans	tbd	tbd	tbd	tbd
						Enquiries answered on the same day	90	%	90	%	90	%	90	%
						Reference enquiries responded to within 14 days	95	%	95	%	95	%	95	%
						Library attendance ²	425000	people	425000	people	425000	people	425000	people
						Library members	40000	members	40000	members	40000	members	40000	members
						Library loans ³	640000	loans	640000	loans	640000	loans	640000	loans
						Programs held in accordance with schedule	100	%	100	%	100	%	100	%
						Attendance at programs	8000	people	8000	people	8000	people	8000	people

² Target is cumulative³ Target is cumulative

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						Author Talk sessions held in accordance with schedule	100	%	100	%	100	%	100	%

Direction 4 Our Social Vitality

Goal: 4.2 Encourage lifelong learning and volunteering.

Objective: 4.2.4 To promote and increase community volunteering.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.2.4.1	Promote volunteering and community involvement	4.2.4.1.1	Promote volunteering opportunities	CLS	Community Development	•	•	•	•
Soc	4.2.4.1	Promote volunteering and community involvement	4.2.4.1.2	Promote the work of local volunteers through active participation in Volunteer Week	CLS	Community Development	•	•	•	•
Soc	4.2.4.1	Promote volunteering and community involvement	4.2.4.1.3	Conduct a volunteers forum	CLS	Community Development				•
Soc	4.2.4.2	Recognise the value of volunteer contributions through local awards programs or functions	4.2.4.2.1	Implement an awards program and functions to recognise outstanding members of the community	CLS	Community Development	•	•	•	•

Direction 4 Our Social Vitality

Goal: 4.3 Encourage health and wellbeing.

Objective: 4.3.1 To promote and support a healthy and active community.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.3.1.2	Encourage independent living for older people and people with special needs	4.3.1.2.1	Liaise with older care providers and local organisations to provide additional support services to assist older people to remain in their own homes	CLS	Community Development	•	•	•	•
Soc	4.3.1.3	Investigate options to improve access to health and wellbeing services, including increased services for older people and people with a disability	4.3.1.3.1	Investigate options to improve access to health and medical services	CLS	Community Development	•	•	•	•
Soc	4.3.1.4	Establish partnerships and programs to improve social conditions and outcomes among particular communities	4.3.1.4.1	Participate in Aboriginal cultural and community development projects across Northern Sydney	CLS	Community Development	•	•	•	•
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	4.3.1.5.1	Participate in community based healthy eating projects	CLS	Community Development	•	•	•	•
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	4.3.1.5.2	Conduct active ageing activities program for seniors	CLS	Community Development	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	4.3.1.5.3	Promote health and wellbeing activities	CLS	Community Development	•	•	•	•
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	4.3.1.5.4	Implement Creative Wellbeing Program	CLS	Community Development	•	•	•	•
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	4.3.1.5.5	Provide accommodation for Wellbeing Centre at Bradfield Park	CLS	Community Development	•	•	•	•
Soc	4.3.1.7	Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities	4.3.1.7.1	Review community transport contract	CLS	Community Development	•			
Soc	4.3.1.8	Investigate community bus system to service villages	4.3.1.8.1	Investigate feasibility of community bus system to service villages	CLS	Community Development	•			

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	4.3.1.7	Continue provision of community transport enabling older people and people with disabilities to	PA55 Community transport	CLS	Community Development	Availability of community bus	100	%	100	%	100	%	100	%
						Patronage of community bus	7400	people	7400	people	tbd	people	tbd	people
						Target groups serviced	4	groups	4	groups	4	groups	4	groups

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
		access services and leisure activities													
Soc	4.3.1.6	Support early childhood health	PA56	Immunisation program	CLS	Community Development	Immunisation clinics held monthly	100	%	100	%	100	%	100	%
							Clients satisfied with the immunisation program	75	%	75	%	75	%	75	%
Soc	4.3.1.5	Develop programs to promote a healthy lifestyle (eg stress management, mental health and healthy eating)	PA57	Youth services	CLS	Community Development	Youth outreach activities held in accordance with schedule	100	%	100	%	100	%	100	%
							Average weekly attendance at youth centre	38	people	35	people	35	people	35	people
							Attendance at Youth Week events	500	people	750	people	750	people	750	people
Soc	4.3.1.1	Provide a range of recreation and leisure programs for people of all ages and abilities	PA58	Recreation planning	OSES	Recreational Planning	Recreational planning projects completed (% of identified for year)	100	%	100	%	100	%	100	%

Direction 4 Our Social Vitality

Goal: 4.4 Enhance community services, facilities and information.

Objective: 4.4.1 To provide equitable and affordable access to community services, information, programs and facilities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.4.1.1	Provide and promote widely accessible information on support services, both face to face and online	4.4.1.1.1	Promote local support services both face to face and online	CLS	Community Development	•	•	•	•
Soc	4.4.1.1	Provide and promote widely accessible information on support services, both face to face and online	4.4.1.1.2	Hold skills development workshops for community groups	CLS	Community Development	•	•	•	•
Soc	4.4.1.2	Provide childcare services including Family Day Care and Vacation Care programs	4.4.1.2.21	Continue to participate in the National Childcare Accreditation Council quality assurance process	CLS	Community Development	•	•	•	•
Soc	4.4.1.2	Provide childcare services including Family Day Care and Vacation Care programs	4.4.1.2.32	Replace community centre furniture and children's playground equipment	CLS	Community Development	•	•	•	•
Soc	4.4.1.2	Provide childcare services including Family Day Care and Vacation Care programs	4.4.1.2.3	Prepare McMahons Point Childcare Centre DA to allow for full compliance	CLS	Community Development		•		
Soc	4.4.1.2	Provide childcare services including Family Day Care and Vacation Care programs	4.4.1.2.4	Extend playground within Cammeray Childcare Centre	CLS	Community Development		•		
Soc	4.4.1.3	Facilitate equal access to community services and facilities	4.4.1.3.1	Review Community Centres, Cultural and Recreational Facilities Policy regarding greater opportunities for multipurpose use	CLS	Community Development	•			

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.4.1.3	Facilitate equal access to community services and facilities	4.4.1.3.2	Refurbish Crows Nest Centre Foyer	CLS	Community Development				•
Soc	4.4.1.4	Increase access to services and information support for families, young people and older people	4.4.1.4.1	Review the provision of community information to support and improve access to information by diverse community groups	CLS	Community Development	•	•	•	•
Soc	4.4.1.4	Increase access to services and information support for families, young people and older people	4.4.1.4.2	Partner with the Lower North Shore Youth Interagency on joint projects	CLS	Community Development	•	•	•	•
Soc	4.4.1.4	Increase access to services and information support for families, young people and older people	4.4.1.4.3	Partner with Lower North Shore Families NSW Network on joint projects	CLS	Community Development	•	•	•	•
Soc	4.4.1.5	Prepare strategies to ensure services meet local community needs for all stages of the life cycle	4.4.1.5.1	Implement and evaluate Social Plan	CLS	Community Development	•	•		
Soc	4.4.1.5	Prepare strategies to ensure services meet local community needs for all stages of the life cycle	4.4.1.5.2	Conduct community consultations with key target groups to prepare 4 year community social plans	CLS	Community Development			•	
Soc	4.4.1.6	Provide support and funding for community groups	4.4.1.6.1	Lobby government for funding for increased family and childcare services	CLS	Community Development	•	•	•	•
Soc	4.4.1.6	Provide support and funding for community groups	4.4.1.6.2	Assist local groups to access external funding and support	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.4.1.6	Provide support and funding for community groups	PA59	Community donations	CLS	Community Development	Community, arts, cultural and sporting groups funded	10	groups	10	groups	10	groups	10	groups
							Grants provided to community centres who work with volunteers	3	grants	4	grants	4	grants	4	grants
Soc	4.4.1.1	Provide and promote widely accessible information on support services, both face to face and online	PA60	Community information	CLS	Community Development	Community information directories and publications updated	100	%	100	%	100	%	100	%
							Community noticeboards updated in accordance with schedule	100	%	100	%	100	%	100	%
							Online Local Information Network for Community Services (LINCS) available	100	%	100	%	100	%	100	%
Soc	4.4.1.4	Increase access to services and information support for families, young people and older	PA61	Home and Community Care (HACC)	CLS	Community Development	Attendance at Carers Forum	40	people	40	people	40	people	40	people
							HACC projects supported	1	project	2	projects	2	projects	2	projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						people									
Soc	4.4.1.3	Facilitate equal access to community services and facilities	PA62	Seasonal and casual bookings of sports fields and facilities	CS	Customer Services	Winter seasonal bookings completed by August each year	100	%	100	%	100	%	100	%
						Summer seasonal bookings completed by February each year	100	%	100	%	100	%	100	%	
						Applications responded to within 2 working days	100	%	100	%	100	%	100	%	
						Bookings provided in accordance with policy requirements	100	%	100	%	100	%	100	%	
						Average weekly participants in Men's Shed program	40	participants	40	participants	40	participants	40	participants	
						Average weekly participants in Neutral Bay Seniors program	50	participants	50	participants	50	participants	50	participants	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.4.1.2	Provide childcare services including Family Day Care and Vacation Care programs	PA64	Children's Services	CLS	Community Development	Child care services successfully accredited by National Childcare Accreditation Council	100	%	100	%	100	%	100	%
						Users satisfied with children's centres	75	%	75	%	75	%	75	%	
						Utilisation of occasional care service	80	%	80	%	80	%	80	%	
						Parents satisfied with occasional care	75	%	75	%	75	%	75	%	
						Utilisation of outside school care	80	%	80	%	80	%	80	%	
						Parents satisfied with outside school hours care	75	%	75	%	75	%	75	%	
						Vacation care program held in accordance with schedule	100	%	100	%	100	%	100	%	

Direction 4 Our Social Vitality

Goal: 4.5 Improve community safety and accessibility.

Objective: 4.5.1 To ensure North Sydney is a place where people feel safe.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.5.1.1	Develop programs to decrease drug and alcohol abuse	4.5.1.1.1	Implement Community Safety Action Plan	CLS	Community Development	•	•	•	•
Soc	4.5.1.1	Develop programs to decrease drug and alcohol abuse	4.5.1.1.2	Apply for funding from the NSW Attorney General's Department to address priority issues in the Community Safety Action Plan	CLS	Community Development	•	•	•	•
Soc	4.5.1.1	Develop programs to decrease drug and alcohol abuse	4.5.1.1.3	Renew Alcohol Free Zones	CLS	Community Development		•		
Soc	4.5.1.2	Promote anti-discrimination and provide 'safe spaces' and inclusive programs for gay, lesbian, bisexual and transgender people	4.5.1.2.1	Provide information for Gay, Lesbian, Bisexual and Transgender (GLBT) people	CLS	Community Development	•	•	•	•
Soc	4.5.1.2	Promote anti-discrimination and provide 'safe spaces' and inclusive programs for gay, lesbian, bisexual and transgender people	4.5.1.2.2	Manage Council buildings as safe and inclusive spaces	CLS	Community Development	•	•		
Soc	4.5.1.3	Develop programs to decrease domestic violence	4.5.1.3.1	Partner with the Lower North Shore Domestic Violence Committee on joint projects	CLS	Community Development	•	•	•	•
Soc	4.5.1.3	Develop programs to decrease domestic violence	4.5.1.3.2	Conduct youth project in local schools	CLS	Community Development	•	•		
Soc	4.5.1.3	Develop programs to decrease domestic violence	4.5.1.3.43	Promote Dealing with Domestic Squalor Information Guidelines	CLS	Community Development	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.5.1.4	Regulate urban design to maintain and improve public safety	4.5.1.4.1	Improve crime prevention through urban design principles in DCP	PDS	Strategic Planning		•	•	•
Soc	4.5.1.4	Regulate urban design to maintain and improve public safety	4.5.1.4.2	Review and improve systems for monitoring CCTV	EPS	Property Assets	•	•	•	•
Soc	4.5.1.5	Improve street lighting	4.5.1.5.1	Participate in NSROC Street Lighting Improvement Project	EPS	Traffic Services	•	•	•	•
Soc	4.5.1.5	Improve street lighting	4.5.1.5.2	Lobby Energy Australia to improve energy efficiency, compliance and operating cost of street lighting network	EPS	Traffic Services	•	•	•	•
Soc	4.5.1.6	Provide information on safety at home eg falls prevention	4.5.1.6.1	Promote falls prevention awareness	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.5.1.7	Provide appropriate planning for large scale emergencies	PA65	Local emergency management	CLS	Engineering Infrastructure	Review of plans in accordance with LEMC requirements complete	100	%	100	%	100	%	100	%
							Facilities provided in accordance with agreement	100	%	100	%	100	%	100	%
Soc	4.5.1.5	Improve street lighting	PA66	Street lighting	EPS	Traffic Services	Investigations for street lighting completed within 10 working days	100	%	100	%	100	%	100	%

Direction 4 Our Social Vitality

Goal: 4.2 Improve community safety and accessibility.

Objective: 4.5.2 To improve the safety of pedestrians and road users.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.5.2.1	Implement road safety education programs	4.5.2.1.1	Prepare and implement annual Road Safety Action Plan	EPS	Traffic Services	•	•	•	•
Soc	4.5.2.1	Implement road safety education programs	4.5.2.1.2	Develop and implement road safety education programs	EPS	Traffic Services	•	•	•	•
Soc	4.5.2.2	Advocate for road safety improvements	4.5.2.2.1	Lobby State Government for traffic infrastructure improvements	EPS	Traffic Services	•	•	•	•

Direction 4 Our Social Vitality

Goal: 4.5 Improve community safety and accessibility.

Objective: 4.5.3 To provide accessible public buildings, spaces and facilities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.5.3.1	Promote Council's Universal Charter for Access	4.5.3.1.1	Implement Disability Access Action Plan	CLS	Community Development	•	•	•	•
Soc	4.5.3.1	Promote Council's Universal Charter for Access	4.5.3.1.42	Promote Universal Access Protocol with other organisations	CLS	Community Development	•	•		

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Soc	4.5.3.3.1	Promote Council's Universal Charter for Access	PA67	Access and disability services	CLS	Community Development	Inspection results reported to Community Access and Safety Reference Group meetings	100	%	100	%	100	%	100	%
						Council buildings and facilities audited in accordance with schedule	100	%	100	%	100	%	100	%	
						Disability and access projects completed (% of identified for year)	100	%	100	%	100	%	100	%	

Direction 4 Our Social Vitality

Goal: 4.6 Promote affordable housing and accommodation.

Objective: 4.6.1 To support affordable and accessible housing.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.1	Implement North Sydney Affordable Housing Strategy	CLS	Community Development	•	•	•	•
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.2	Lobby the Federal and State Government to increase social housing and on housing affordability	CLS	Community Development	•	•	•	•
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.3	Work in partnership with other levels of government and developers to increase the level of affordable housing in North Sydney	CLS	Community Development	•	•	•	•
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.4	Provide community housing through Link Housing Ltd	CLS	Community Development	•	•	•	•
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.5	Maintain affordable housing stock within North Sydney	CLS	Community Development	•	•	•	•
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	4.6.1.1.6	Review LEP and DCP regarding consideration of diversity in housing choice	PDS	Strategic Planning	•	•		

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Soc	4.6.1.2	Explore opportunities for increased housing diversity to meet a range of needs especially older people, people with disabilities and key workers	4.6.1.2.1	Review development controls to improve housing diversity	PDS	Strategic Planning	•	•		
Soc	4.6.1.3	Support older residents through access to local nursing homes and retirement villages	4.6.1.3.1	<i>Advocate for additional nursing home beds</i>	CLS	Community Development	•	•	•	•
Soc	4.6.1.4	Implement programs and services to support people in public housing	4.6.1.4.1	Implement programs and services to support people in public housing	CLS	Community Development	•	•	•	•
Soc	4.6.1.5	Explore funding opportunities for a regional housing worker	4.6.1.5.1	Lobby government for funding for community housing	CLS	Community Development	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Soc	4.6.1.1	Provide a range of affordable housing and accommodation types, including low cost, emergency and short term housing	PA68 Community housing	CLS	Community Development	Community housing strategies completed (% of identified for year)	100	%	100	%	100	%	100	%
						Occupancy rate of community housing stock	90	%	90	%	90	%	90	%
						Community housing beds provided	59	beds	59	beds	59	beds	59	beds
						Section 94 funds collected	100	%	100	%	100	%	100	%

4.7 Direction 5: Our Civic Leadership



Where will we be in 2020?

Council in 2020 is an employer of choice. Council has a highly skilled and motivated workforce committed to providing the community with a high level of service. Council has maintained its strong reputation as an effective, efficient, ethical and transparent organisation through good governance, sound financial management and strong community leadership. It functions in accordance with its values, sound business practices and a comprehensive understanding of community needs and aspirations.

Council has improved governance by empowering communities to take responsibility for identifying and providing solutions to their concerns. The community has the ability to collectively work with Council and other partners to achieve the 2020 Vision. North Sydney is a leader in innovative strategies for partnering with the community in planning, service delivery and decision making. The community is encouraged to take an active interest in the issues of North Sydney. Information is managed and coordinated effectively as well as being available in real time. Council has enhanced its communication mechanisms including online communications making North Sydney a more informed community.

Council continues to address sustainability within its planning, reporting and decision making processes by considering the environmental, social, economic and governance implications across all Council activities.

North Sydney is a leader in financial and asset management and has expanded revenues and diversified its income base to achieve a sustainable financial footing for delivering strategic priorities. Council effectively manages risk to minimise threats and maximise opportunities.

Direction 3. Our Civic Leadership - Financial Estimates**Scenario 1 - Estimates without SRV, inclusive of 2.8% rate peg**

	<i>Estimates</i>			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
5.1 Sustainable North Sydney				
Operating Expenditure	730,356	777,603	838,156	836,169
Operating Income	0	0	0	0
Capital Expenditure	0	0		
Capital Income	0	0	0	0
5.2 Community Engagement				
Operating Expenditure	256,497	268,072	278,394	286,914
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
5.3 Informed Community				
Operating Expenditure	660,137	697,222	722,865	746,136
Operating Income	0	-500	-514	-526
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
5.4 Organisation				
Operating Expenditure	12,798,941	13,410,968	13,980,589	14,384,836
Operating Income	-424,500	-440,000	-452,320	-463,176
Capital Expenditure	300,800	185,000	285,000	185,000
Capital Income	0	0	0	0
5.5 Financial Sustainability				
Operating Expenditure	5,769,025	6,220,735	7,188,705	7,398,966
Operating Income	-47,121,265	-49,082,811	-51,648,348	-52,978,648
Capital Expenditure	0	0	0	0
Capital Income	0	0		
Totals				
Operating Expenditure	20,214,956	21,374,600	23,008,709	23,653,021
Operating Income	-47,545,765	-49,523,311	-52,101,182	-53,442,350
Capital Expenditure	300,800	185,000	285,000	185,000
Capital Income	0	0	0	0

Scenario 2 - Estimates with 5.5% SRV

Our Civic Leadership	Estimates			
	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
5.1 Sustainable North Sydney				
Operating Expenditure	730,356	777,603	838,156	836,169
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
5.2 Community Engagement				
Operating Expenditure	256,497	286,230	297,060	306,914
Operating Income	0	0	0	0
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
5.3 Informed Community				
Operating Expenditure	660,137	697,222	722,865	746,136
Operating Income	0	-500	-514	-526
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
5.4 Organisation				
Operating Expenditure	12,798,941	13,428,968	14,018,589	14,399,836
Operating Income	-424,500	-440,000	-452,320	-463,176
Capital Expenditure	300,800	185,000	310,000	185,000
Capital Income	0	0	0	0
5.5 Financial Sustainability				
Operating Expenditure	5,769,025	6,220,735	7,188,705	7,398,966
Operating Income	-47,121,265	-49,877,969	-53,294,347	-57,482,682
Capital Expenditure	0	0	0	0
Capital Income	0	0	0	0
Totals				
Operating Expenditure	20,214,956	21,410,758	23,065,375	23,688,021
Operating Income	-47,545,765	-50,318,469	-53,747,181	-57,946,384
Capital Expenditure	300,800	185,000	310,000	185,000
Capital Income	0	0	0	0

Direction 5 Our Civic Leadership

Goal: 5.1 Lead North Sydney into a sustainable future.

Objective: 5.1.1 To provide a clear strategic direction for the future of North Sydney.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.1.1.1	Incorporate Community Strategic Plan directions, goals, objectives and strategies in Delivery Program and Operational Plans/budgets	5.1.1.1.1	Establish internal Working Group to oversee the Integrated Planning and Reporting Framework implementation	GM's Office	General Manager's Office	•	•	•	•
Gov	5.1.1.1	Incorporate Community Strategic Plan directions, goals, objectives and strategies in Delivery Program and Operational Plans/budgets	5.1.1.1.2	Promote Community Strategic Plan to Council, staff and the community	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.1.1.1	Incorporate Community Strategic Plan directions, goals, objectives and strategies in Delivery Program and Operational Plans/budgets	5.1.1.1.3	Prepare, coordinate and support the organisation in the Delivery Program and Operational Plan review and preparation process	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.1.1.1	Incorporate Community Strategic Plan directions, goals, objectives and strategies in Delivery Program and Operational Plans/budgets	5.1.1.1.4	Coordinate feedback to Council and the community on the implementation of the Community Strategic Plan	CS	Corporate Planning and Governance		•		
Gov	5.1.1.2	Manage funding and resources effectively and efficiently to achieve better community outcomes	5.1.1.2.1	Coordinate review and preparation of Resourcing Strategy	CS	Corporate Planning and Governance	•	•	•	•

Direction 5 Our Civic Leadership

Goal: 5.1 Lead North Sydney into a sustainable future.

Objective: 5.1.2 To integrate sustainability as a core part of Council's corporate planning and reporting.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.1.2.1	Implement a quadruple bottom line approach to Council's planning, reporting and decision making processes	5.1.2.1.1	Implement Organisational Sustainability (QBL) program	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.1.2.1	Implement a quadruple bottom line approach to Council's planning, reporting and decision making processes	5.1.2.1.1	Conduct Sustainability Health Check and coordinate implementation of recommendations	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.1.2.2	Develop and maintain effective reporting systems that enable Council to measure and report on performance	5.1.2.2.2	Implement and periodically review corporate planning and reporting software	CS	Corporate Planning and Governance		•		•
Gov	5.1.2.3	Conduct community education programs regarding sustainability	5.1.2.3.1	Develop and implement community education programs on Council's organisational sustainability program	CS	Corporate Planning and Governance	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.1.2.2	Develop and maintain effective reporting	PA69	Organisational performance	CS	Corporate Planning and Governance	Corporate performance reports prepared and issued on time	100	%	100	%	100	%	100	%

systems that enable Council to measure and report on performance	Residents satisfied with overall performance of Council	89	%	n/a	n/a	tbd	%	n/a	n/a
	Businesses satisfied with overall performance of Council	72	%	n/a	n/a	tbd	%	n/a	n/a
	Residents that believe Council balances social, economic and environmental objectives	75	%	n/a	n/a	tbd	%	n/a	n/a
	Businesses that believe Council balances social, economic and environmental objectives	75	%	n/a	n/a	tbd	%	n/a	n/a

Direction 5 Our Civic Leadership

Goal: 5.1 Lead North Sydney into a sustainable future.

Objective: 5.1.3 To build and foster relationships, strategic networks and work collaboratively with all levels of government, non-government organisations, the private sector and community groups.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.1.3.1	Initiate new partnership opportunities to achieve the Community Strategic Plan goals and objectives	5.1.3.1.1	Initiate and/or explore partnerships when opportunities and funding present themselves	GM's Office	General Manager's Office	•	•	•	•
Gov	5.1.3.2	Continue to engage with neighbouring councils, other levels of government, national and global cities.	5.1.3.2.1	Participate in regional government partnerships through NSROC	GM's Office	General Manager's Office	•	•	•	•

Direction 5 Our Civic Leadership

Goal: 5.1 Lead North Sydney into a sustainable future.

Objective: 5.1.4 To lobby for reforms to local government.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.1.4.1	Lead public debate on the future of local government in NSW	5.1.4.1.1	Advocate for changes as appropriate to advance local government in NSW	GM's Office	General Manager's Office	•	•	•	•
Gov	5.1.4.2	Work towards a system of Federal Government funding to local councils for achievement of agreed strategic outcomes	5.1.4.2.1	Advocate to State and Federal Government for a better allocation of the funding that reflects service delivery at their direction (cost shifting)	GM's Office	General Manager's Office	•	•	•	•

Direction 5 Our Civic Leadership

Goal: 5.2 Enhance community participation, collaboration and engagement.

Objective: 5.2.1 To provide community engagement and consultation opportunities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.2.1.1	Implement and effectively resource Council's Community Engagement Policy	5.2.1.1.1	Prepare and implement Community Engagement Protocol and Toolkit	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.2.1.2	Provide a program of Ward Forums	5.2.1.2.1	Hold community Ward Forums	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.2.1.3	Support the Community Precinct System	5.2.1.3.1	Implement and evaluate Precinct System Implementation Plan	CS	Corporate Planning and Governance	•	•		
Gov	5.2.1.3	Support the Community Precinct System	5.2.1.3.32	Implement a range of education/development opportunities for Precinct members	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.2.1.4	Initiate web based consultation tools to broaden the range of community participation	5.2.1.4.1	Trial online engagement practices	CS	Corporate Planning and Governance		•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Gov	5.2.1.1	Implement and effectively resource Council's Community Engagement Policy	PA70 Community engagement	CS	Corporate Planning and Governance	Residents satisfied with the consultation by Council	78	%	n/a	n/a	80	%	n/a	n/a
						Businesses satisfied with the consultation by Council	60	%	n/a	n/a	65	%	n/a	n/a

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.2.1.3	Support the Community Precinct System	PA71	Precinct System administration	CS	Corporate Planning and Governance	Meeting minutes distributed for action within 5 working days	100	%	100	%	100	%	100	%
						Precinct requests actioned within 14 working days	100	%	100	%	100	%	100	%	
						Attendance at precinct committee meetings	Trend	people	Trend	people	Trend	people	Trend	people	
						Precinct committee members satisfied with the community engagement process	n/a	n/a	70	%	n/a	n/a	70	%	
						Residents aware that they had a local precinct committee	70	%	n/a	n/a	75	%	n/a	n/a	

Direction 5 Our Civic Leadership

Goal: 5.3 Enable the community to be informed and aware.

Objective: 5.3.1 To improve community awareness of Council's activities and services through targeted communications.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.3.1.1	Enhance existing external communication methods	5.3.1.1.1	Prepare and implement External Communications Strategy	CS	Communications	•	•	•	•
Gov	5.3.1.1	Enhance existing external communication methods	5.3.1.1.2	Prepare corporate standards/visual communications style guide	CS	Communications	•			
Gov	5.3.1.1	Enhance existing external communication methods	5.3.1.1.3	Establish digital photo repository	CS	Communications		•		
Gov	5.3.1.2	Enhance Council's website capabilities and promote as a key communication method	5.3.1.2.1	Review and upgrade Council's website	CS	Communications				•
Gov	5.3.1.3	Diversify the use of digital communications	5.3.1.3.1	Introduce social media to expand communications reach to a broader audience	CS	Communications	•	•	•	•
Gov	5.3.1.4	Increase the promotion of Council activities and achievements	5.3.1.4.1	Investigate sponsorship for New Residents Kit	CS	Communications		•		
Gov	5.3.1.4	Increase the promotion of Council activities and achievements	5.4.1.4.2	Conduct Youth/Councillor Mentor Program	CS	Corporate Planning and Governance		•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Gov	5.3.1.1	Enhance existing external communication methods	PA72 External communication	CS	Communications	Community newsletter editions distributed in accordance with schedule	100	%	100	%	100	%	100	%
						Council advertisements prepared within timeframe required	100	%	100	%	100	%	100	%
						Media releases published	90	%	90	%	90	%	90	%
						Media enquiries responded to within 24 hours of receipt	100	%	100	%	100	%	100	%
						Residents satisfied with communication from Council	75	%	n/a	n/a	80	%	n/a	n/a
						Businesses satisfied with communication from Council	60	%	n/a	n/a	65	%	n/a	n/a
Gov	5.3.1.1	Enhance existing external communication methods	PA73 Graphic design	CS	Communications	Graphic design prepared within priority based timeframe	100	%	100	%	100	%	100	%
Gov	5.3.1.2	Enhance Council's website capabilities and promote as a key communication method	PA74 Website and intranet management	CS	Communications	Visitors to Council's website	200000	visitors	360000	visitors	tbd	visitors	tbd	visitors
						Staff satisfaction with content on intranet	60	%	n/a	n/a	65	%	n/a	n/a

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.1 To provide ethical, open, accountable and transparent decision making processes.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.1.1	Ensure relevant Council processes and decisions are accessible	5.4.1.1.1	Review access to Council information and compliance policies and decisions in accordance with Government Information (Public Access) Act	FIM	Document Management Services	•			
Gov	5.4.1.2	Promote community access and participation at Council meetings	5.4.1.2.1	Promote public attendance at Council Meetings	CS	Corporate Planning and Governance	•	•		
Gov	5.4.1.3	Maintain community access and effective participation in Council Reference Groups	5.4.1.3.1	Review Council, Committee and Reference Group structure	CS	Corporate Planning and Governance			•	

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
Gov	5.4.1.1	Ensure relevant Council processes and decisions are accessible	PA75 Council and committee meetings	CS	Corporate Planning and Governance	Council meeting business paper and agenda compliance with statutory and policy requirements	100	%	100	%	100	%	100	%
						Committee meeting business paper and agenda compliance with statutory and policy requirements	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Council meetings held (% of adopted schedule)	100	%	100	%	100	%	100	%	
						Council meeting minutes published within 2 working days	100	%	100	%	100	%	100	%	
						Committee meeting minutes presented to first available Council meeting for adoption	100	%	100	%	100	%	100	%	
						Councillor requests responded to within 2 working days	100	%	100	%	100	%	100	%	
						Business papers delivered to councillors in accordance with schedule	100	%	100	%	100	%	100	%	
Gov	5.4.1.3	Maintain community access and effective participation in Council Reference Groups	PA76	Reference groups administration	CS	Corporate Planning and Governance	Meetings held (% of adopted schedule)	100	%	100	%	100	%	100	%
						Agenda issued at least 3 days before Reference Group meeting	100	%	100	%	100	%	100	%	
						Minutes submitted for adoption to first available Council meeting	100	%	100	%	100	%	100	%	

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.2 To implement best practice governance.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.2.1	Maintain the currency of Council's Policy Manual	5.4.2.1.1	Review Payment of Expenses and Provision of Facilities to Councillors Policy	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.4.2.1	Maintain the currency of Council's Policy Manual	5.4.2.1.2	Review of Code of Conduct following local government election	CS	Corporate Planning and Governance			•	
Gov	5.4.2.1	Maintain the currency of Council's Policy Manual	5.4.2.1.3	Review of Code of Meeting Practice following local government election	CS	Corporate Planning and Governance			•	
Gov	5.4.2.1	Maintain the currency of Council's Policy Manual	5.4.2.1.4	Review Council's policies following local government election	CS	Corporate Planning and Governance			•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.1	Conduct Governance Health Check and implement recommendations	CS	Corporate Planning and Governance		•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.2	Conduct Promoting Better Practice self-assessment review and implement recommendations	CS	Corporate Planning and Governance		•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.3	Prepare and implement Corporate Governance Strategy	CS	Corporate Planning and Governance		•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.4	Establish and maintain legislative compliance register and protocol	CS	Corporate Planning and Governance		•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.5	Review public registers	CS	Corporate Planning and Governance	•			
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.6	Review and implement councillor induction program	CS	Corporate Planning and Governance		•	•	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.7	Conduct a training needs analysis to establish annual training needs for councillors	CS	Corporate Planning and Governance	•	•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.8	Support the four yearly local government elections	CS	Corporate Planning and Governance			•	
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.9	Coordinate an information program for community members wishing to stand for local government	CS	Corporate Planning and Governance		•	•	
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.10	Establish Internal Audit Action Plan that includes areas of fraud and corruption prevention	FIM	Risk Management	•	•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.11	Implement Internal Audit Plan	GM's Office	General Manager's Office	•	•	•	•
Gov	5.4.2.2	Implement best practice governance strategies	5.4.2.2.12	Review and implement Internal Communications Plan	CS	Communications	•	•	•	•
Gov	5.4.2.2	Develop and maintain effective reporting systems that enable Council to measure and report on performance	5.4.2.2.13	Participate in the development of Local Government Managers Australia Best Practice Toolkits	GM's Office	General Manager's Office	•	•	•	•
Gov	5.4.2.3	Review Council's complaint handling processes	5.4.2.3.1	Review Complaints Handling Policy and Procedures	CS	Corporate Planning and Governance	•			
Gov	5.4.2.4	Monitor and manage personal and private information	5.4.2.4.1	Review Privacy Management Plan	CS	Corporate Planning and Governance	•			•
Gov	5.4.2.4	Monitor and manage personal and private information	5.4.2.4.2	Continue to develop compliance with the Payment Card Industry Data Security Standards	FIM	Financial Services	•	•	•	

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.4.2.2	Implement best practice governance strategies	PA77	Access to information	FIM	Document Management Services	Compliance with statutory requirements (Section 12 and GIPA)	100	%	100	%	100	%	100	%
							Informal GIPA requests processed within 7 working days	100	%	100	%	100	%	100	%
Gov	5.4.2.2	Implement best practice governance strategies	PA78	Councillor support	CS	Corporate Planning and Governance	Councillor diary issued weekly	100	%	100	%	100	%	100	%
Gov	5.4.2.5	Implement best practice governance strategies	PA79	Internal communication	CS	Communications	Staff newsletter editions distributed in accordance with schedule	100	%	100	%	100	%	100	%
							Increase in staff satisfaction with availability/sharing of information	10	%	n/a	n/a	10	%	n/a	n/a
Gov	5.4.2.6	Implement best practice governance strategies	PA80	Legal services	GM's Office	Legal Services	Advice provided within 28 working days of request	100	%	100	%	100	%	100	%
							Documents prepared for execution as required	100	%	100	%	100	%	100	%
Gov	5.4.2.2	Implement best practice governance strategies	PA81	Printing	CS	Communications	Print jobs produced within priority based timeframe	100	%	100	%	100	%	100	%
Gov	5.4.2.2	Implement best practice governance strategies	PA82	Statutory reporting	CS	Corporate Planning and Governance	Statutory reports prepared and submitted within statutory timeframes	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Delegations Register reviewed and adopted	100	%	100	%	100	%	100	%	
						Disclosure of interest returns compliance with statutory requirements for content and timeliness	100	%	100	%	100	%	100	%	
Gov	5.4.2.2	Implement best practice governance strategies	PA83	Word processing	CS	Corporate Planning and Governance	Documents word processed within priority based timeframe	100	%	100	%	100	%	100	%

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.3 To deliver customer focused Council services.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	5.4.3.1.1	Implement improvements in service delivery in the Customer Service Centre	CS	Customer Services	•	•	•	•
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	5.4.3.1.2	Pilot customer feedback systems	CS	Customer Services	•	•	•	•
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	5.4.3.1.3	Facilitate Benchmarking/Mystery Shopper Audits	CS	Customer Services	•	•	•	•
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	5.4.3.1.4	Enhance phone system capabilities	CS	Customer Services		•	•	•
Gov	5.4.3.2	e-Enable all relevant council services	5.4.3.2.1	Implement online community and sporting facilities booking system	CS	Customer Services	•	•	•	•
Gov	5.4.3.2	e-Enable all relevant council services	5.4.3.2.2	Implement online services and mobile technology	CS	Customer Services	•	•	•	•
Gov	5.4.3.2	e-Enable all relevant council services	5.4.3.2.3	Improve Customer Request Management (CRM) system	CS	Customer Services	•	•	•	•
Gov	5.4.3.2	e-Enable all relevant council services	5.4.3.2.4	Convert hard copy forms to web forms	FIM	Information Technology	•	•	•	•
Gov	5.4.3.3	Monitor service levels in key service areas	5.4.3.3.1	Review and update service level agreements	All Divisions	All Functions	•		•	
Gov	5.4.3.4	Conduct a comprehensive biennial customer survey regarding satisfaction with Council's performance and service provision	5.4.3.4.1	Conduct Customer Satisfaction Survey	CS	Corporate Planning and Governance	•		•	

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA84	Administrative and Executive support	GM's Office	Executive Services	Correspondence, inquiries and meeting requests addressed in accordance with service standards	100	%	100	%	100	%	100	%
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA85	After hours telephone service	CS	Customer Services	Service delivered to Council in accordance with contract	100	%	100	%	100	%	100	%
							Enquiries resolved in accordance with service level agreement	100	%	100	%	100	%	100	%
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA86	Complaints reporting	CS	Corporate Planning and Governance	Complaints responded to within 10 working days	100	%	100	%	100	%	100	%
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA87	Call centre (telephone enquiry handling)	CS	Customer Services	Average wait time	<25	secs	<25	secs	<25	secs	<25	secs
							Average call handling time	<3	mins	<3	mins	<3	mins	<3	mins
							Enquiries resolved on the first call (first time call resolution rate)	80	%	80	%	80	%	80	%
							Call centre telephone calls answered and not abandoned	90	%	90	%	90	%	90	%
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA88	Counter service (counter enquiry handling)	CS	Customer Services	Development applications forwarded to Development Services Department complete for assessment	100	%	100	%	100	%	100	%
							Enquiries resolved at customer service counter	80	%	80	%	80	%	80	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						First contact resolution	90	%	90	%	90	%	90	%	
						Resident Parking Renewals completed in accordance with schedule	100	%	100	%	100	%	100	%	
Gov	5.4.3.2	e-Enable all relevant council services	PA89	Customer requests	CS	Customer Services	Requests for service responded to within defined service level	80	%	80	%	80	%	80	%
						Correspondence responded to within 10 working days	100	%	100	%	100	%	100	%	
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA90	Filming applications	CS	Customer Services	Applications responded to within same working day	100	%	100	%	100	%	100	%
Gov	5.4.3.1	Implement strategies to ensure excellence in customer service	PA91	Telecommunications equipment administration	FIM	Information Technology	Critical requests responded to within 2 hours	100	%	100	%	100	%	100	%

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.4 To be an employer of choice.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.1	Implement Health Matters Program	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.2	Review and implement Reward and Recognition Program	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.4.3	Develop and implement management and leadership development (Organisational Culture Project)	CS	Human Resources			•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.5.4	Implement Collaborative Safety Program	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.5	Implement OHS Management Plan and system	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.6	Implement OHS staff training plan	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.7	Review and implement pre-placement health assessments	CS	Human Resources	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.8	Implement Pilot Resilience Program	CS	Human Resources	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.9	Develop and implement online incident reporting	CS FIM	Human Resources Risk Management	•	•	•	•
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	5.4.4.1.10	Investigate OHS System integration with Environmental and Risk Management activities	CS	Human Resources		•		
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.1	Conduct Employee Opinion Survey	CS	Human Resources	•		•	
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.2	Implement actions arising from Employee Opinion Survey	CS	Human Resources		•		•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.3	Implement Workforce Strategy	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.4	Improve functionality of Human Resources Information System (HRIS)	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.5	Implement Equal Employment Opportunity (EEO) Plan	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.6	Conduct benchmarking of Human Resources, OHS and Workers' Compensation performance between councils	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.7	Review staff policies and procedures	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.8	Report on outcomes of revised Performance Planning and Assessment (PPA) System	CS	Human Resources	•			
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.9	Periodically review Performance Planning and Assessment (PPA) System	CS	Human Resources		•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.9	Implement Career Development Program	CS	Human Resources	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.10	Continue to expand e-learning opportunities	CS	Human Resources	•	•	•	•
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	5.4.4.2.11	Review online induction program	CS	Human Resources	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	PA92	Human resources management	CS	Human Resources	Staff turnover	<10	%	<10	%	<10	%	<10	%
						Induction for new employees completed within 10 working days	100	%	100	%	100	%	100	%	
						Contingency plans for high risk positions prepared (% identified for year)	100	%	100	%	100	%	100	%	
						Grievances settled	100	%	100	%	100	%	100	%	
						Money Matters Program implemented in accordance with schedule	100	%	100	%	100	%	100	%	
						Participation in agreed number of skills expos	100	%	100	%	100	%	100	%	
						Program promoted to staff biannually and new employees on commencement	100	%	100	%	100	%	100	%	

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Employees satisfied with North Sydney Council	n/a	n/a	70	%	n/a	n/a	75	%	
						Performance appraisals completed in accordance with schedule	95	%	95	%	95	%	95	%	
						Exit process commenced prior to resignation date	100	%	100	%	100	%	100	%	
						Staff on exit who recommend NSC as a "good organisation to work for"	70	%	70	%	70	%	70	%	
Gov	5.4.4.2	Implement best practice Human Resource policies and strategies	PA93	Learning and development program	CS	Human Resources	Identified training delivered in accordance with schedule	100	%	100	%	100	%	100	%
							Statutory training delivered in accordance with schedule	100	%	100	%	100	%	100	%
							Higher education assistance applications supported	100	%	100	%	100	%	100	%
Gov	5.4.4.1	Attract, develop and retain highly skilled staff and provide a safe work environment	PA94	OHS management	CS	Human Resources	OHS risk assessments completed and documented in accordance with schedule	100	%	100	%	100	%	100	%
							Reduction in number of annual workers' compensation non-journey claims	10	%	10	%	10	%	10	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit
						OHS site inspections completed in accordance with schedule	100	%	100	%	100	%	100	%
						OHS Committee agenda and minutes prepared and distributed in accordance with schedule	100	%	100	%	100	%	100	%

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.5 To minimise risk associated with Council's activities.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.5.1	Implement best practice risk management strategies	5.4.5.1.1	Develop and implement Enterprise Risk Management (ERM) Action Plan	FIM	Risk Management	•	•	•	•
Gov	5.4.5.1	Implement best practice risk management strategies	5.4.5.1.2	Prepare and implement a Risk Register including acceptable risk levels, weightings and priorities across all strategies	FIM	Risk Management	•	•	•	•
Gov	5.4.5.2	Facilitate training and education awareness programs regarding risk management	5.4.5.2.1	Facilitate training and education awareness programs regarding risk management	FIM	Risk Management	•	•	•	•
Gov	5.4.5.3	Maintain an appropriate insurance program	5.4.5.3.1	Review insurance arrangements	FIM	Risk Management	•	•	•	•
Gov	5.4.5.3	Maintain an appropriate insurance program	5.4.5.3.2	Prepare and implement Climate Change Adaptation Plan	FIM	Risk Management	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.4.5.3	Maintain an appropriate insurance program	PA95	Insurance	FIM	Risk Management	Investigations for insurance claims completed within 5 working days	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Number of claims processed	80	claims	<360	claims	tbd	claims	tbd	claims	
						Council's property and assets insured	100	%	100	%	100	%	100	%	
						Customers contacted by Council within 2 working days of claim being received	95	%	95	%	95	%	95	%	
Gov	5.4.5.1	Implement best practice risk management strategies	PA96	Risk management	FIM	Risk Management	Compliance with liability risk management audit	90	%	90	%	90	%	90	%
						Risk management training and awareness activities completed in accordance with schedule	95	%	95	%	95	%	95	%	
						Site and activity risk assessments completed in accordance with schedule	100	%	100	%	100	%	100	%	

Direction 5 Our Civic Leadership

Goal: 5.4 Ensure that the organisation is effective and efficient.

Objective: 5.4.6 To ensure the continuity of Council's critical business functions.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.1	Review functionality of current document management solution	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.2	Review options for off site storage and archival of council records	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.3	Digitise historical building records	FIM	Document Management Services	•	•	•	
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.4	Implement electronic lodgement of information	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.5	Review records management policies and procedures	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.1	Implement best practice records management	5.4.6.1.6	Continue to develop performance reporting across document management solution	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.2	Implement and periodically test Council's business continuity strategies	5.4.6.2.1	Review Business Continuity Plan	FIM	Risk Management	•			
Gov	5.4.6.2	Implement and periodically test Council's business continuity strategies	5.4.6.2.2	Test Business Continuity Plan	FIM	Risk Management	•	•	•	•
Gov	5.4.6.3	Develop and implement the Knowledge Management Plan	5.4.6.3.1	Continue migration of corporate systems to browser environment	FIM	Information Technology	•	•		

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Gov	5.4.6.3	Develop and implement the Knowledge Management Plan	5.4.6.3.2	Review and implement Knowledge Management Plan	FIM	Document Management Services	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.1	Upgrade information technology hardware and software across the organisation	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.2	Implement mobile information technology solutions across Council	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.3	Implement virtualisation of servers	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.4	Complete implementation of Telecommunications solution (voice and data)	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.5	Upgrade Authority software	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.6	Improve parcel addressing in Council's property system	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.7	Develop and implement an Information Technology Strategic Plan	FIM	Information Technology	•	•	•	•
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	5.4.6.4.8	Review IT policies and procedures	FIM	Information Technology	•	•	•	•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	PA97	IT services	FIM	Information Technology	IT service requests resolved within priority based timeframe	95	%	95	%	95	%	95	%
							Service availability during core hours	95	%	95	%	95	%	95	%
							Back ups outside core hours completed	95	%	95	%	95	%	95	%
Gov	5.4.6.4	Provide suitable information technology hardware and software across the organisation	PA98	Mapping and GIS information	FIM	Information Technology	Mapping and GIS information provided within 5 working days	95	%	95	%	95	%	95	%
Gov	5.4.6.1	Implement best practice records management	PA99	Records management	FIM	Document Management Services	Files retrieved from archive within 5 working days of receipt	95	%	95	%	95	%	95	%
							Documents scanned and registered within 1 working day of receipt	95	%	95	%	95	%	95	%
							Documents distributed within 1 working day of receipt	95	%	95	%	95	%	95	%

Direction 5 Our Civic Leadership

Goal: 5.5 Ensure the long term financial sustainability of North Sydney.

Objective: 5.5.1 To ensure North Sydney Council is financially sustainable.

Projects

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	5.5.1.1	Maintain an Investment Strategy and Policy	5.5.1.1.1	Review Investment Policy	FIM	Financial Services	•	•	•	•
Eco	5.5.1.2	Implement best practice financial planning	5.5.1.2.1	Review management and financial reports	FIM	Financial Services	•	•	•	•
Eco	5.5.1.2	Implement best practice financial planning	5.5.1.2.2	Review the Long Term Financial Plan	FIM	Financial Services	•	•	•	•
Eco	5.5.1.2	Implement best practice financial planning	5.5.1.2.3	Conduct community consultation regarding proposed special rate variation (SRV)	GM's Office	General Manager's Office	•			
Eco	5.5.1.3	Investigate opportunities to expand revenue from commercial operations, property portfolio and other income generating assets	5.5.1.3.1	Identify commercial opportunities on Council's land and building assets	EPS FIM	Property Assets Engineering Infrastructure Financial Services	•	•	•	•
Eco	5.5.1.3	Investigate opportunities to expand revenue from commercial operations, property portfolio and other income generating assets	5.5.1.3.2	Implement program that identifies and evaluates business opportunities	FIM	Property Assets Engineering Infrastructure Financial Services	•	•	•	•
Eco	5.5.1.4	Apply the "user pays principle" as the basis for full cost recovery	5.5.1.4.1	Identify, classify and develop a suitable fee structure for service delivery	FIM	Financial Services	•	•	•	•

QBL Link	CSP ID (Strategy Code)	Strategy Description	Project Code	Project Description	Division	Function	2010/11	2011/12	2012/13	2013/14
Eco	5.5.1.5	Review the rating strategy to reflect an equitable distribution of costs and benefits	5.5.1.5.1	Review rating structure	FIM	Financial Services	•			•

Services

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Eco	5.5.1.2	Implement best practice financial planning	PA100	Accounting	FIM	Financial Services	Creditors paid within agreed payment terms	90	%	90	%	90	%	90	%
							High risk actions completed (% of identified for year)	100	%	100	%	100	%	100	%
							Correct payroll payments issued weekly	98	%	98	%	98	%	98	%
Eco	5.5.1.3	Investigate opportunities to expand revenue from commercial operations, property portfolio and other income generating assets	PA101	Commercial property portfolio management	EPS	Property Assets	Utilisation of commercial property	100	%	100	%	100	%	100	%
Eco	5.5.1.2	Implement best practice financial planning	PA102	Financial reporting	FIM	Financial Services	Statutory budget reporting and financial reports prepared and submitted within statutory timeframes	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
						Budget reporting prepared in accordance with schedule	95	%	95	%	95	%	95	%	
Eco	5.5.1.2	Implement best practice financial planning	PA103	Financial services	FIM	Financial Services	Operating balance ratio	tbd	%	tbd	%	tbd	%	tbd	%
							Current ratio	tbd	times	tbd	times	tbd	times	tbd	times
							Capital expenditure ratio	tbd	times	tbd	times	tbd	times	tbd	times
							Broad liabilities ratio	tbd	%	tbd	%	tbd	%	tbd	%
							Building and infrastructure renewal ratio	tbd	%	tbd	%	tbd	%	tbd	%
Eco	5.5.1.1	Maintain an Investment Strategy and Policy	PA104	Investment portfolio management	FIM	Financial Services	Investment rate of return above the 90 day UBSA Bank Bill Index	0.2	%	0.2	%	0.2	%	0.2	%
							Debt service ratio	5	%	5	%	5	%	5	%
							Unrestricted current ratio	1:50	times	1:50	times	1:50	times	1:50	times
Eco	5.5.1.2	Implement best practice financial planning	PA105	Procurement	FIM	Financial Services	Purchase orders issued within two working days of an approved requisition	95	%	95	%	95	%	95	%
							Approved vendor listing up to date	95	%	95	%	95	%	95	%
							Contracts and tenders dealt with in accordance with policy	100	%	100	%	100	%	100	%

QBL Link	CSP ID (Strategy Code)	Strategy Description	Service	Division	Function	Key Performance Indicators	2010 Target	Unit	2011 Target	Unit	2012 Target	Unit	2013 Target	Unit	
Eco	5.5.1.4	Apply the "user pays principle" as the basis for full cost recovery	PA106	Revenue services	FIM	Financial Services	Rates notices issued on time	100	%	100	%	100	%	100	%
							Rates and charges overdue	<4	%	<4	%	<4	%	<4	%
							Rates coverage ratio	tbd	%	tbd	%	tbd	%	tbd	%
							Debtors (excluding rates) collected within agreed payment terms	95	%	95	%	95	%	95	%

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5. Resourcing the Delivery Program

This section outlines Council's financial estimates, detailing how the scheduled projects and services will be funded.

Council's Resourcing Strategy has identified that Council needs adequate income to maintain existing services and infrastructure at a high standard, replace ageing infrastructure and to provide additional infrastructure. This means ensuring we have access to the money, time, assets and people to achieve the outcomes as identified in the 2020 Vision.

Council's financial position is strong and is projected to remain so over the period of this plan, being the result of adherence to Council's Financial Management Policy (CL09-FM), prudent management and fiscal responsibility, and the proposed special variation to rates.

The Delivery Program's draft budget, over the life of this plan, is based on continuing current service levels and a rate increase of 5.5% per annum.

5.1 Links with the Resourcing Strategy and Operational Plan

The Delivery Program informs and is informed by Council's Resourcing Strategy. Council prepared its Long Term Financial Plan in accordance with guidelines issued by the Division of Local Government. This was adopted by Council on 10 May 2010. The planning assumptions used for the preparation of the Long Term Financial Plan have also been used in the preparation of the four year Delivery Program and Revenue Policy (contained within the Operational Plan).

The four year budget covers a population in excess of 63,941 people (as at June 2009), 36,207 rates assessments, with the partial introduction of 5,500 new dwellings and a projected 30% worker population increase in accordance with targets for North Sydney outlined in the Draft 2007 Inner North Sub Regional Strategy.

The Operational Plan prepared annually, includes the detailed budget for the activities to be undertaken each year, as part of the Delivery Program.

The relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan is shown in the following diagram:

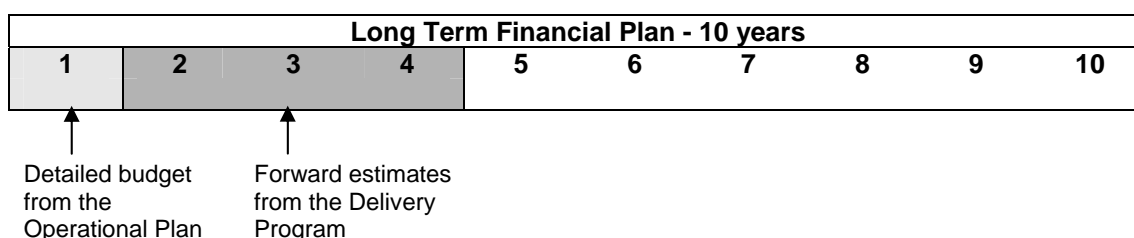


Figure 5.1 Relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan

5.2 Council's Rating Structure

The 2010/11 budget shows total operating revenue of \$75m. Operating expenses for 2010/11 are budgeted at \$76m after allowing for depreciation of \$12.2m. This results in an operating deficit of \$347,927; a decrease of \$5m on the 2009/10 budgeted operating surplus of \$4.6m.

Major components of the 2010/11 budget included:

- State Government allowed rate increase (rate peg) of 2.6%
- Fees and charges increased by an average of 3%
- Estimated employee award increase of 3%
- Estimated CPI increase of 3%
- Capital works and other major projects program totalling \$15.4 million (\$11.1 million in 2009/10)
- Section 94 revenue of \$1.3 million.

On 7 December 2009 Council resolved to seek a continuation of both the Crows Nest Mainstreet Levy (no increase/area specific) and the Environmental Levy (\$15 pa average increase) for 5 years. On 30 June 2010 Council was advised by the Division of Local Government that permission was granted for the continuation of both the Crows Nest Mainstreet Levy and the Environmental Levy for only 3 years (until 2013/14). This timeframe was determined to coincide with the current term of Council.

On 10 May 2010 Council resolved to adopt Scenario 3 of the Long Term Financial Plan. Scenario 3 involves a 6% rate increase each year, for seven years from 2011/12 (i.e. Year 2). This increase includes the annual rate peg which is expected to be around 3% per annum in keeping with CPI. In adopting Scenario 3, Council also resolved that community consultation be undertaken in 2010/11 regarding the proposed variation. Refer to Section 5.2.2 for details of the proposed rating structure effective from 2011/12.

In December 2010 the Independent Pricing and Regulatory Tribunal (IPART), who has been delegated powers by the State Government to set the annual rate peg based upon the new Local Government Cost Index and productivity factor, as well as responsibility for the determination of special variation; announced the 2011/12 rate peg as 2.8%. The average rate peg over the past eight years has been 3.3% per year.

In addition to the announcement of the 2011/12 rate peg, Council has also received new land valuations from the Valuer General and these will be applied when rates are levied for 2011/12.

5.2.1 Current Rating Structure

The following information relates to the 2010/11 financial year.

5.2.1.1 Ordinary Rates (Residential and Business)

Council has two ordinary rates being "residential" and "business". These rates are applied to those properties categorised as either residential or business. Those properties that are subject to a Mixed Development Apportionment Factor (MDAF) as

supplied by the Valuer General are rated part Residential and part Business on the basis of that MDAF and are not categorised according to the dominant use.

The revenue derived from ordinary rates is based on the percentage breakdown of expenditure between the residential and business districts, currently 60% residential and 40% business.

	MINIMUM		AD VALOREM			TOTALS	%
	No	\$ Values	No	Rate in \$	\$ Value	\$ Value	
Residential Properties (\$ 407.00)	26,850	10,927,950	5,801	0.075984	4,396,231	15,324,181	60
Business Properties (\$ 408.00)	1,446	589,968	2,201	0.571278	9,627,344	10,217,312	40
	28,296	11,517,918	8,002		14,023,575	25,541,493	

5.2.1.2 Special Rate (Neutral Bay Mainstreet Levy)

First adopted by Council in the 2003/04 financial year, the rating structure for the Neutral Bay Mainstreet Levy program is a base amount (30%) and an ad valorem amount (at value). Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Neutral Bay. This rate is to fund the carrying out of streetscape works within the Neutral Bay Business Area. The current approval for this rate will expire on 30 June 2013.

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$145.27)	413	59,997	413	0.078262	140,003	200,000

5.2.1.3 Special Rate (Crows Nest Mainstreet Levy)

First adopted by Council in the 1996/97 financial year, the rating structure for the Crows Nest Mainstreet program is a base amount (30%) and an ad valorem rate. Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Crows Nest. This rate is to fund the carrying out of streetscape works within the Crows Nest Business Area.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. The current approval for this rate will expire on 30 June 2013. The amount of revenue collected by the levy was not increased

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$116.10)	770	89,397	771	0.069080	208,601	297,998

5.2.1.4 Special Rate (Environmental Levy)

First adopted by Council in the 2000/01 financial year, the rating structure for the Environmental Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Environmental

Levy.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. This rate revenue is equivalent to an average of \$50.00 per rateable property, an increase of \$15.00 per rateable property effective from 2010/11. The current approval for this rate expired on 30 June 2013.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$24.99)	36,298	917,087	36,298	.007225	907,812	1,814,899

5.2.1.5 Special Rate (Infrastructure Levy)

First adopted by Council in the 2007/08 financial year, the rating structure for the Infrastructure Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Infrastructure Levy. This rate revenue is equivalent to an average of \$44.79 per rateable property. The current approval for this rate will expire on 30 June 2012.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$22.39)	36,298	812,712	36,298	.006472	813,103	1,625,910

5.2.1.6 Specific Rating Issues

a) Upon registration of a new strata plan or deposited plan Council will re-rate the property(s) from the commencement of the proceeding quarter of the rate year.

b) Aggregation of rates in accordance with Section 548A of the Local Government Act will apply for all lots categorised as Residential or Business for rating purposes, one separately titled car-space and one separately titled utility lot that are in the same ownership as the residential or business lot and are within the same building or strata plan. All aggregations will only apply from the commencement of the quarter following the lodgement of the application with Council.

c) At the end of each month all rate balances will be written off, up to a maximum of five dollars per assessment, and the resulting abandonments shall be incorporated in Council's final accounts.

d) For the 2010/2011 rating year, the base date for land values is 1 July 2007. For the 2011/2012 rating year, the base date for land values is 1 July 2010.

5.2.2 Proposed Rating Structure

In accordance with adoption of Scenario 3 of the Long Term Financial Plan, Council adopted a Community Engagement Strategy, on 20 September 2010, which detailed how Council would inform, consult and obtain feedback from stakeholders, including both residential and business ratepayers, regarding the proposed special variation.

Council at its meeting of 20 September 2010 resolved (in part):

THAT a further report summarising community feedback gathered through the Engagement Strategy be presented to Council; and

THAT the Long Term Financial Plan be updated and that the revised plan be presented to Council for adoption in early 2011.

The Engagement Strategy 'Investing in our Future' was implemented in three phases, with Phases 1 and 2 implemented between October 2010 to March 2011.

Council at its meeting of 14 March 2011 considered the consultation findings and resolved that the amended LTFP be placed on public exhibition from 21 March to 12 May 2011.

Based on community feedback to the consultation and revised financial modelling Council resolved to make an application to IPART under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised LTFP. This application is based on increasing rates by 5.5% per annum cumulative over 7 years. Council will be advised whether its application is successful on 10 June 2011.

Under Scenario 2 of the LTFP a number of Council's existing levies will be continued by being incorporated within the special variation proposal:

a) The Infrastructure Levy is due to expire on 30 June 2012 (Year 2). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 12.3% increase shown for Year 3 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

b) Similarly, the Environmental Levy is due to expire on 30 June 2013 (Year 3). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 11.9% increase shown for Year 4 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

Including the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy means that Council will have this quantum of rates in perpetuity. Council will not need to make further SRV applications in relation to these levies.

c) Both the Neutral Bay and the Crows Nest Mainstreet Levies are due to expire on 30 June 2013 (Year 3). It is not proposed to incorporate them into this SRV application. Whilst it is considered that they will continue at that time and at the same quantum, it is proposed that a separate SRV application under Sec 508(2) of the Local Government Act will be made to IPART at that time. This type of application is generally time limited. This course of action will allow Council to further consult with the community regarding the relevance of each of these levies prior to the application being made.

The following table indicates the anticipated rating timetable for Scenario 2, incorporating existing levies.

Financial Year	Modelling Year	Event
2010/11	1	<ul style="list-style-type: none"> Special Rate (Crows Nest Mainstreet Levy) renewed for 3 years Special Rate (Environmental Levy) renewed for 3 years
2011/12	2	<ul style="list-style-type: none"> Special Rate (Infrastructure Levy) expires 30 June 2012 Proposed rate increase 5.5% Average Rate Increase: 5.5% p.a. for years 1 to 7
2012/13	3	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2013 Special Rate (Environmental Levy) expires 30 June 2013 Infrastructure Levy quantum incorporated into ordinary rates and internally restricted Proposed rate increase 12.3% (includes the infrastructure levy)
2013/14	4	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Environmental Levy quantum incorporated into ordinary rates and internally restricted Proposed rate increase 11.9% (includes the environmental levy)
2014/15	5	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2015/16	6	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2016/17	7	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2017 Proposed rate increase 5.5%
2017/18	8	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Proposed rate increase 5.5%
2018/19	9	<ul style="list-style-type: none"> Proposed rate increase CPI
2019/20	10	<ul style="list-style-type: none"> Proposed rate increase CPI

5.3 Financial Estimates

The major challenges faced over the life of this plan are the commitments that will be required for ongoing capital and maintenance planning on the ageing infrastructure within the LGA and within the constraints of the State Government rate pegging legislation.

The financial estimates detailed shows the actual results for the 2009/10 financial year and a summary of estimated income and expenditure across the four years under each Direction; showing both with and without a special variation to rates.

In accordance with Council's Long Term Financial Plan, the financial estimates have been prepared for the following scenarios:

- Scenario 1 - known as the 'Base Case' this is the lowest level from which the LTFP has been developed; inclusive of 2.8% rate peg for 2011/12.
- Scenario 2 - includes a 5.5% rate increase, each year for 7 years from 2011/12 (Year 2 of the LTFP).

Appendix 5 is Council's Budgeted Income Statement for 2010/11 to 2013/14.

Appendix 6 details Council's capital budget for 2010/11 to 2013/14.

5.3.1 Scenario 1 - Operating and Capital Budget Estimates without SRV, inclusive of 2.8% rate peg in 2011/12

	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
1 Our Living Environment				
Operating Expenditure	23,240,064	23,714,558	24,535,837	25,187,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-15,036,826
Capital Expenditure	728,105	939,352	390,000	260,000
Capital Income	-93,105	-159,352	0	0
2 Our Built Environment				
Operating Expenditure	16,782,536	16,909,205	16,869,684	17,640,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,898,243	6,891,168	6,877,297
Capital Income	-238,908	-288,908	-289,608	-290,333
3 Our Economic Vitality				
Operating Expenditure	173,899	484,095	237,520	150,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
4 Our Social Vitality				
Operating Expenditure	5,742,561	5,931,807	6,039,403	6,236,676
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	448,585	382,317	410,893
Capital Income	0	0	0	0
5 Our Civic Leadership				
Operating Expenditure	20,214,956	21,374,600	23,008,709	23,653,021
Operating Income	-47,545,765	-49,523,311	-52,101,182	-53,442,350
Capital Expenditure	300,800	185,000	285,000	185,000
Capital Income	0	0	0	0
Totals				
Operating Expenditure	66,154,016	68,414,265	70,691,153	72,868,142
Operating Income	-73,804,237	-76,030,046	-79,109,722	-81,040,223
Capital Expenditure	14,174,897	18,276,736	8,781,818	8,591,523
Capital Income	-332,013	-448,260	-289,608	-290,333
Net Transfers To / From (-) Reserves & Internal Transactions	-6,192,663	-10,212,695	-73,641	-129,109

5.3.2 Scenario 2 - Operating and Capital Budget Estimates with 5.5% SRV

	2010/11	2011/12	2012/13	2013/14
	Year 1	Year 2	Year 3	Year 4
1 Our Living Environment				
Operating Expenditure	23,240,064	23,714,558	24,620,837	25,307,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-13,221,828
Capital Expenditure	728,105	1,489,352	1,100,000	1,490,000
Capital Income	-93,105	-159,352	0	0
2 Our Built Environment				
Operating Expenditure	16,782,536	16,989,205	16,951,284	17,725,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,963,243	7,294,168	7,617,297
Capital Income	-238,908	-288,908	-289,608	-290,333
3 Our Economic Vitality				
Operating Expenditure	173,899	484,095	337,520	290,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
4 Our Social Vitality				
Operating Expenditure	5,742,561	5,985,807	6,204,136	6,405,712
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	458,585	402,317	580,893
Capital Income	0	0	0	0
5 Our Civic Leadership				
Operating Expenditure	20,214,956	21,410,758	23,065,375	23,688,021
Operating Income	-47,545,765	-50,318,469	-53,747,181	-57,946,384
Capital Expenditure	300,800	185,000	310,000	185,000
Capital Income	0	0	0	0
Totals				
Operating Expenditure	66,154,016	68,584,423	71,179,152	73,417,178
Operating Income	-73,804,237	-76,825,204	-80,755,721	-83,729,259
Capital Expenditure	14,174,897	18,901,736	9,939,818	10,731,523
Capital Income	-332,013	-448,260	-289,608	-290,333
Net Transfers To / From (-) Reserves & Internal Transactions	-6,192,663	-10,212,695	-73,641	-129,109

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6. Monitoring and Reporting

As Council implements the Delivery program it keeps track of its progress. In accordance with IPR requirements progress reports must be periodically provided to Council.

6.1 Monitoring Progress

Council reviews and reports quarterly to the community on Council's progress against the Delivery Program by measuring performance against specific indicators and progress of current projects outlined in the annual Operational Plan.

Council has two types of indicators (KPIs) that in evaluating performance. The first type consists of strategic. they are sufficiently simple to ensure that the community can understand what is being measured and how it relates to them. The second type are directly linked to specific operational activities. They help the Senior Management Team evaluate performance with ongoing service and program delivery.

The indicator suite includes a mix of both qualitative and quantitative indicators. Qualitative data is generally sought through community feedback to enable comparisons, while quantitative data is based on numerical scales and can produce statistics. Council's Customer Satisfaction Survey is a good example of how both qualitative and quantitative indicators are used to measure the effectiveness of Council services and programs.

Targets for the KPIs have been chosen on what best measures the cumulative impact of all activities outlined in the Delivery Program. The targets provided do not assume that Council is the sole contributor to achieving the desired target, and in some cases, Council is not directly involved in them. Also, the targets do not suggest a direct cause and effect correlation between Council's actions and the target being measured. Rather, the targets have been nominated to provide data from which to reach a reasonable conclusion on Council's performance and progress towards achieving the goals and objectives in 2020 Vision.

Each indicator is assigned to either environmental, economic, social or governance themes reflecting Council's commitment to quadruple bottom line reporting.

All indicators are periodically reviewed to ensure their appropriateness and usefulness.

6.1.1 Performance Reviews

Performance is assessed against the target or milestone as exceeded/met or on track; behind/delayed but can get back on track; or not met or in danger of not being achieved. Off track performance is reviewed and corrective action/improvement taken as appropriate.

A financial assessment of performance is reported quarterly to Council in accordance with the Local Government Act 1993, this is known as the Quarterly Budget Review Statement (QBRs).

Council's performance reports are available on Council's website at www.northsydney.nsw.gov.au/deliveryprogram

6.1.2 Annual Report

The Annual Report details Council's success in meeting the objectives, activities and performance indicators outlined in the Delivery Program and Operational Plan.

The Annual Report also provides information required under the Local Government Act 1993 that must be disclosed by councils each year. The Report also contains detailed externally audited financial statements.

Information on what Council did or did not achieve is fed back into the planning process for the next Operational Plan.

The Annual Report is available from Council's Customer Service Centre and Stanton Library and is also available on Council's website at www.northsydney.nsw.gov.au.

6.2 Delivery Program Review

In accordance with IPR requirements Council must review its Delivery Program each year when preparing the annual Operational Plan and budget to ensure it is still on the right track for moving towards the 2020 Vision.

Where an amendment to the Delivery Program is proposed it must be included in a Council business paper which outlines the reason for the amendment and Council must resolve to adopt the proposed amendments. Where significant amendments are proposed, the Delivery Program must be re-exhibited for a minimum of 28 days and public submissions must be accepted and considered before the final program is adopted.

Council is required to prepare a new fixed term Delivery Program every four years, aligning with the term of Council. Council may choose to roll the Delivery Program forward beyond its elected term to enable effective forward planning, provided it is consistent with the Community Strategic Plan and Resourcing Strategy.

As part of the quadrennial review of the Delivery Program, it is a requirement of the Local Government Act that out-going Councils report back to the community at the end of their term to identify what has been achieved and what still requires action. This will help inform the incoming Council when it meets to determine the priority projects and issues that will be the focus of their four year term and form the basis of the next Delivery Program.

Appendix 1: Terms Used in this Plan

In the context of this Delivery Program the following definitions apply:

Affordable housing	Low cost housing for sale or rent, often provided by a housing association.
Annual Report	The annual review of Council's performance as measured against the Operational Plan.
Biodiversity	The diversity of plant and animal life in a particular habitat (or in the world as a whole).
Budget	The adopted list of Council's planned expenses and revenues for one or several financial years. Council's actual financial performance is monitored against its budget targets throughout the year and is subject to an external annual audit.
CBD	Refers to the Central Business District in the suburb of North Sydney, which is the economic centre of the North Sydney local government area.
Charter	Outlines Council's commitment to the community and what the community can expect from Council.
Civic Leadership	In the IPR Framework the fourth element in quadruple bottom line, known as 'governance' is described as "civic leadership"; this term has been chosen to indicate it relates not only to the way that Council will interact with the Community Strategic Plan, but also the way that members of the community might become involved in delivering some of the Plan's objectives.
Community	Broadly refers to any specific socially or geographically defined sectors of the North Sydney community that may have an interest in or be affected by the workings of Council. These may include residents and ratepayers/land owners, business owners and operators, people who work in the local government area, visitors (including tourists and shoppers), government agencies, users of Council services, local community groups and associations (including sporting, church and charity groups).
Community <i>consultation/</i> engagement	The process of purposeful and timely information exchange between the Council and the community, where input/feedback is gathered through consultation mechanisms is taken into consideration in Council's decision making processes. Community consultation in developing the Community Strategic Plan and Delivery Program is a prerequisite of the plans.
Community Strategic Plan (2020 Vision)	The Community Strategic Plan (known as the 2020 Vision) is the highest level plan that a council is required to prepare. The Community Strategic Plan outlines the goals, objectives and strategies for achieving the long term vision for North Sydney. The Community Strategic Plan guides decision making and resource allocation to achieve the vision. Council's Community Strategic Plan covers a 20 year outlook and is reviewed every four years.

Community transport	Vehicular movements of people by not for profit organisations and bodies, refers most often to bus services provided by Council and community service providers.
Council	Describes North Sydney Council.
Customer Satisfaction Survey	The results of qualitative and quantitative research undertaken to ascertain customer satisfaction with a number of aspects of Council's service provision. Conducted biennially.
Delivery Program	A plan that complies with the relevant provisions of the Local Government Act and identifies Council's strategic direction and objectives for at least four years into the future. It summarises the projects, performance measures and resources required to deliver these activities for the years of the plan.
Directions	Represent the major challenges and opportunities that the community has identified as needing to be addressed in North Sydney. Directions describe the five primary areas Council is focused on to achieve the community's vision. However, they do not set specific milestones or determine ways to get there. The Directions are reviewed every four years.
Diversity	Variety in people and community members, of different ages, origins, backgrounds, sexes, religions and culture.
Ecologically Sustainable Development (ESD)	Using, conserving and enhancing the community's resources so that ecological processes, on which life depends, are maintained, and the total quality of life, now and in the future, can be increased. ¹
Ecosystems	A specific area of size in which climate, landscape, animals and plants share the same habitat. Ecosystems can be permanent or temporary.
Financial year	The financial year is between 1 July to 30 June. This is also the accounting period for which annual financial statements are regularly prepared, covering a period of 12 months.
Goal	An outcome that needs to be achieved in the longer term in order to achieve the community vision. A goal is broad. Goals are broken down into more precise, focused objectives. It states <i>what</i> is to be achieved but not <i>how</i> it is to be achieved.
Governance	The values, policies and procedures a council and its staff adopt, to provide ethical, transparent and accountable local governance. ²
Green Travel Plan	A package of projects aimed at reducing car travel.
Greenspace	All vegetated land within the local government area, including bushland and natural areas, parkland and sportsfields, road verges and traffic islands, backyards, courtyards, gardens and plazas.

¹ National Strategy for Ecologically Sustainable Development (NSSED) 1992.

² Local Government Association of South Australia.

Infrastructure	Typically large, interconnected networks of portfolios of assets such as roads, drainage and recreational facilities. They are generally comprised of components and sub-components that are usually renewed or replaced individually to continue to provide the required level of service from the network. These assets are generally long lived, are fixed in place and often have no market value.
Integrated Planning and Reporting Framework	An approach to provide strategic direction and review our progress towards delivering identified priorities. North Sydney has an integrated approach to move toward sustainability.
Key Performance Indicators	Quantitative and qualitative information that measures progress toward achievement of goals and objectives and strategies. While they are based on the service under discussion, they also relate to the relevant objective.
Leader	Lead by example through best practice.
Local Environment Plan	The plan (made under the Environmental Planning and Assessment Act 1979) that establishes the framework for future development within the local government area of North Sydney.
Mission	The purpose of Council and what it should be doing and for whom it does it.
North Sydney	Describes the entirety of the North Sydney local government area.
Objectives	Objectives are similar to goals as they are desired positions for achievements. However objectives have more specific aims that suggest a course of action or actions.
Open Space	A spatial concept that typically includes parks, gardens, trials, habitat corridors, foreshore area, waterways, utility reserves, sportsgrounds and conservation areas. ³
Operational Plan	Annual Operational Plans document the services, projects and performance targets and measures that Council will undertake to contribute towards the goals, objectives and strategies set out in the Community Strategic Plan.
Performance Reviews	Council periodically reports achievement against its Operational Plan and budget each quarter; and against its Delivery Program every six months. The report includes indicators aligned to strategies and financial results.
Policies and procedures	Statements of Council's principles in relation to a specific activity/issue, supported by procedures which are guidelines to be followed in the achievement of policy.
Projects	A specific initiative that Council proposes to implement to achieve an objective. Projects have a short term focus, generally within a set budget and having a finite duration defined by planned start and finish dates.

³ Moran, J (2001), "Strategic Framework for Open Space Planning in Parks and Leisure Australia, Vol 4, No. 3.

Quadruple Bottom Line (QBL)	QBL is a reporting device and an approach to decision making (e.g. the use of reporting and decision making tools) to understand the social, environmental, economic and governance implications of decisions across council activities. ⁴
Recreation	Activities that people undertake for enjoyment in their own free time; not based on formal competition and/or organised administration; and that lack formal sets of rules.
Resourcing Strategy	Financial and non-financial resources for the next ten years that are required to achieve the objectives.
Service Level Agreements	The standard to which services are provided and performance may be measured. Service levels usually relate to productivity, quality, quantity, reliability, responsiveness, acceptability and cost.
Services	The services Council carries out on an ongoing basis. How the outputs (the actual deliverables of services) will be achieved.
Social Plan	The Social Plan guides Council and community stakeholders in the provision of appropriate and accessible services and facilities to meet the social needs of people within North Sydney in a fair and equitable manner.
Stewardship	The management and/or care for resources of community resources.
Strategic	Having a carefully devised plan of action to achieve a goal, or possessing the skill of developing or carrying out such a plan.
Strategic direction	A broad statement of what the community would like to see happen in the long term. At North Sydney Council they are referred to as "Directions". They chart direction, show where the organisation is going, and point toward a broad destination. However, they do not set specific milestones or determine ways to get there.
Strategies	A way of achieving the objectives, goals or target. Each objective or goal will be supported by one or more strategies. Some strategies may support more than one objective or goal. A strategy should be achievable within a timeframe, measurable and resourced.
Streetscapes	The appearance of the street as a whole incorporating the road, curb and gutter, verges, fences, trees and house frontages.
Sustainability	Maintaining and enhancing quality of life, while ensuring the viability of the community, now and in the future, through an integrated consideration of social, environmental, economic and governance factors.
Target	A realistic, attainable and quantifiable level of performance assigned to an activity or indicator to be attained at a specific future date, the attainment of which will indicate good performance in working towards the goals identified in the Community Strategic Plan.

⁴ Adapted from ICLEI and City of Melbourne *Triple Bottom Line Toolkit* 2002

Values The beliefs, commitments, principles and philosophies that underpin how Council conducts itself in carrying out its day to day business and guide Council's everyday decision making.

Vision An image of where the community wants to be. It is a common picture of a community's environmental, social and economic future that is sufficiently long term to allow substantial change from past and current patterns. Focuses the attention and resources of Council on some desired future which can be visualised but not yet realised. It outlines what Council is committed to. All aspects of Council business should contribute towards achieving the vision.

List of Acronyms and Abbreviations

CALD	Culturally and Linguistically Diverse
CBD	Central Business District
CLS	Community and Library Services
CS	Corporate Services
CSP	Community Strategic Plan
DA	Development Application
DCP	Development Control Plan
DP	Delivery Program
Eco	Economic
Env	Environmental
EPS	Engineering and Property Services
ESD	Ecologically Sustainable Development
GIPA	Government Information (Public Access) Act
FIM	Finance and Information Management
GM	General Manager
Gov	Governance
HRIS	Human Resources Information System
KPI	Key Performance Indicator
LEP	Local Environmental Plan
LFY	Last Financial Year
LGA	Local Government Area
LTFP	Long Term Financial Plan
NSROC	North Sydney Regional Organisation of Councils
OHS	Occupational Health and Safety
OP	Operational Plan
OSSES	Open Space and Environmental Services
PDS	Property and Development Services
PPA	Performance Planning and Assessment
PPIPA	Privacy and Personal Information Protection Act
QBL	Quadruple Bottom Line
Soc	Social

Appendix 2: Council's Supporting Plans and Strategies

Council has numerous plans and strategies that guide how we deliver our projects and services. The following chart shows their relationship to each of the Directions. Supporting plans and strategies can be accessed from Council's website www.northsydney.nsw.gov.au

Document	Direction 1: Our Living Environment	Direction 2: Our Built Environment	Direction 3: Our Economic Vitality	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
2010-2015 Environmental Levy Matrix	•				•
A Social Plan for North Sydney 2008-2012		•	•		
Aboriginal Site Management Report	•	•		•	
Blues Point Streetscape Masterplan		•	•		•
Bradfield Park Masterplan		•			•
Bradfield Park Plan of Management	•	•			•
Bushland Plan of Management	•				
Bushland Rehabilitation Plan Middle Harbour Catchment	•				
Bushland Rehabilitation Plan Port Jackson Catchment	•				
Cammeray Streetscape Masterplan		•	•		
Charter for Universal Access		•		•	
Communications Strategy		•		•	•
Community Centre Management Plans		•		•	•
Community Safety Plan		•		•	
Cremorne Reserve Plan of Management	•	•			
Cremorne Streetscape Masterplan		•	•		
Crows Nest Streetscape Masterplan		•	•		
Cultural Resources Study	•	•		•	
Disability Action Plan (DDA)				•	
Disaster Recovery Plan					•

Document	Direction 1: Our Living Environment	Direction 2: Our Built Environment	Direction 3: Our Economic Vitality	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
EEO Management Plan					•
Environmental Management Plan (Bushland Management)	•				
Environmental Management Plan (Environmental Management)	•				
Environmental Management Plan (North Sydney Olympic Pool)		•			
Environmental Management Plan (Parks and Gardens)	•	•			
Environmental Management Plan (Waste Management)	•				
Fauna Rehabilitation Plan Port Jackson	•				
Foreshore Parks and Reserves Plans of Management	•	•			
Forsyth Park Plan of Management	•	•			
GIS Strategy					•
Graffiti Management Plan	•	•		•	
Green Purchasing Plan	•				•
Greenhouse Action Plan	•				
Heritage Database	•	•		•	
HR Strategic Plan for Our People					•
Information Security Strategy					•
Infrastructure Asset Management Plans	•	•			•
Investment Strategy					•
IT Strategy					•
Kirribilli Streetscape Masterplan		•	•		•
Knowledge Management Strategy					•
Learning for Sustainability Strategy	•				•
North Sydney Local Companion Animals Management Plan	•				
Lower North Shore Community Transport Strategic Plan		•		•	
Middle Harbour Rehabilitation Plan Port Jackson	•				
Neighbourhood Parks Plan of Management	•	•			

Document	Direction 1: Our Living Environment	Direction 2: Our Built Environment	Direction 3: Our Economic Vitality	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Neutral Bay Streetscape Masterplan	•				
North Shore Community Housing Strategic Plan		•		•	
North Sydney Bicycle Plan		•		•	
North Sydney Centre Public Domain Strategy		•	•	•	
North Sydney Centre Traffic and Transport Management Plan		•			
North Sydney Council NAPSA					•
North Sydney Demand Study		•			
North Sydney Development Control Plan (DCP) 2002		•			
North Sydney Foreshore Access Strategy	•			•	
North Sydney Local Environmental Plan (LEP) 2001		•			
North Sydney Olympic Pool Business Plan		•		•	
North Sydney Oval Plan of Management	•	•	•	•	
North Sydney Privacy Management Plan					•
North Sydney Section 94 Contributions Plan		•			•
North Sydney Traffic and Pedestrian Management Plan		•		•	
North Sydney Traffic Strategy		•		•	
OH&S Management System					•
Open Space Provision Strategy	•				
Parks Plans of Management				•	
Pedestrian Strategy		•		•	
Performance Audit and Improvement Strategy					•
Planet X Plan of Management				•	
Playgrounds Plans of Management		•			
Port Jackson Stormwater Management Plan	•				
Privacy Management Plan					•
Property Asset Management Plan		•			

Document	Direction 1: Our Living Environment	Direction 2: Our Built Environment	Direction 3: Our Economic Vitality	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Ranger Services Strategic Plan	•	•			•
Record Keeping Plan of Management					•
Recreational Needs Study		•		•	•
Retention and Disposal of Records Strategy					•
Risk Management Strategy		•			
Road Safety Statistical Analysis and Action Plan					•
Smoothey Park Plan of Management	•	•			
Sportsgrounds Plans of Management	•	•		•	
St Leonards Park Plan of Management	•	•			
St Leonards Public Domain Strategy		•	•		
St Leonards Streetscape Masterplan		•	•		
St Thomas Rest Park Plan of Management	•	•			
Street Tree Strategy	•	•			
Sustainable Transport Action Plan	•	•			•
Towards Sustainability Plan	•	•			•
Tree Preservation Order	•	•			
Waste Avoidance and Resource Recovery Strategy (Resource NSW)	•				
Water Based Recreation Needs Study	•			•	
Water Management Plan	•		•	•	
Waverton Peninsula Masterplan	•	•			
Year Capital Works Program		•			•

Appendix 3: Summary of Community Priorities Used to Inform the 2020 Vision

Major community issue	Council's response by objectives - refer to pages 23-72 of the 2020 Vision, Community Strategic Plan
Aboriginal culture and site management	2.2.5, 4.1.3, 4.1.4
Access - universal/disability	2.2.3, 4.4.1, 4.5.1
Access to information	4.4.1, 5.4.2
Active ageing	4.3.1, 4.4.1
Active recreation	1.4.1, 4.3.1
Active transport	2.4.1, 2.4.2, 2.4.3
Affordable housing	2.2.1, 4.6.1
After hours activity	3.1.2, 3.1.3
Aged/seniors services	2.2.3, 4.3.1, 4.4.1
Ageing infrastructure	2.1.1, 2.1.2
Alternative transport	2.4.1, 2.4.3
Arts and culture	4.1.5
Asset management	2.1.1, 2.1.2
Beautification	1.1.2, 2.2.4
Bike facilities	2.4.2
Bushland management	1.1.1
Carbon footprint/reduction	1.3.1, 1.3.2
CBD planning	2.2.2, 3.1.1, 3.1.2, 3.2.1
CBD marketing	3.1.1, 3.2.2
Children's services	4.3.1, 4.4.1
Climate change	1.3.1, 2.1.2, 2.2.2
Commercial centres	3.1.1, 3.1.3
Communications	4.2.2, 4.4.1, 5.3.1
Community development	4.4.1
Community engagement	5.2.1
Community facilities	4.3.1, 4.4.1, 4.5.3
Community gardens	1.1.1, 1.1.2
Community grants/funding	4.4.1
Community participation	1.1.1, 1.2.1, 1.3.1, 2.1.1, 4.1.1, 4.1.2, 4.2.5, 4.4.1, 5.2.1, 5.4.1
Community safety	2.2.4, 4.5.1, 4.5.2
Community transport	2.4.1, 4.3.1
Compliance	2.3.1, 2.3.2, 2.3.3
Corporate planning	5.1.1, 5.1.2, 5.1.3
Cost of living	4.3.1, 4.4.1
Councillor interaction	5.1.1, 5.4.1
Council's performance	5.1.3
Cultural diversity	4.1.3, 4.1.5
Customer service	5.4.3
Cycleways	2.4.1, 2.4.3
Design excellence	2.2.3
Development applications	2.3.1
Economic development	3.1.1
Education	4.2.1, 4.2.2, 4.2.3, 4.4.1
Employment	3.1.1
Environmental programs	1.1.1, 1.2.1, 1.3.1, 1.3.2
Event management	3.2.2, 4.1.2, 4.1.5
Facilities for dogs	1.4.1
Fees and charges - levies	5.5.1

Major community issue	Council's response by objectives - refer to pages 23-72 of the 2020 Vision, Community Strategic Plan
Festivals and events	3.2.2, 4.1.2, 4.1.5
Financial management	5.5.1
Footpaths	2.1.1, 2.4.4
Foreshore access	1.4.1, 1.4.2
'Friends of' concept	4.1.1
Governance	5.4.1, 5.4.2
Greenspace	1.1.2, 1.4.1, 1.4.2
Health and wellbeing	4.3.1, 4.4.1
Heritage conservation	2.2.5
Historical buildings	2.2.5, 4.1.4
Housing and accommodation	4.6.1, 2.2.3
Infrastructure	2.1.1, 2.1.2, 2.4.3, 2.5.1
Interagency networks	4.4.1
Land use planning, policy and design	2.2.1, 2.2.2, 2.2.4, 3.2.1
Lifelong learning	4.2.1
Lighting	1.3.1, 4.5.1
Library services	4.2.2
Lobbying/advocacy	5.1.3, 5.1.4
Local history	4.1.4
Locality	2.2.4
Markets	4.1.2
Mix of businesses	3.1.1, 3.1.2
Motor vehicle impact	2.4.1, 2.5.1
Open government	5.1.1, 5.2.1, 5.4.1
Online engagement	5.2.1
Online forms and services	5.4.3
Open space	1.4.1, 1.4.2
Parking	2.5.2
Passive recreation	1.4.1, 4.3.1
Pedestrians	2.4.3, 4.5.2
Performance spaces	4.1.5
Philanthropy	4.1.6
Planning controls	2.2.2, 3.1.2
Pollution - air, noise and water	1.2.2, 1.3.4
Public art	4.1.5
Public space/domain	1.4.1, 1.4.2, 2.2.4, 3.1.3, 4.5.1
Public transport	2.3.1, 2.4.1, 2.4.2
Rating structure	5.5.1
Recreation programs	1.4.1, 4.3.1
Recycling/reuse	1.3.1, 1.3.2
Reduced energy and water consumption	1.3.1, 1.3.2
Referral services	4.4.1
Rehabilitation services and facilities	4.3.1
Retail centres	2.2.4, 3.1.1
Risk management	2.1.1, 2.1.2, 5.4.5, 5.4.6
Rooftop gardens	1.1.2
Sense of community	2.2.4, 4.1.1, 4.1.2, 4.1.3, 5.2.1
Service partnerships	4.4.1, 5.1.2, 5.1.4
Shop locally	1.3.1, 3.2.1
Social activities	4.1.2, 4.1.3
Social isolation	4.3.1, 4.4.1, 4.5.1
Social media	5.2.1, 5.3.1
Sports facilities	1.4.1, 1.4.2, 3.2.2

Major community issue	Council's response by objectives - refer to pages 23-72 of the 2020 Vision, Community Strategic Plan
Strategic partnerships	5.1.4
Street furniture/picnic tables	1.4.1, 2.1.1, 2.2.4
Streetscapes	2.2.4
Sustainability measures	1.1.1, 1.3.1, 1.3.3, 1.3.4, 2.2.1, 2.2.3, 2.4.1
Technology	1.3.1, 5.3.1, 5.2.1, 5.4.6
Tourism	3.2.2, 4.1.4
Traffic congestion	2.4.1, 2.5.1
Traffic management	2.4.1, 2.5.1, 2.5.2
Transport interchange	2.4.1, 2.5.1
Trees and canopy cover	1.1.2
Underground cabling	2.2.4
Urban consolidation	2.2.1, 2.2.2
Villages	2.2.4, 3.1.1
Volunteers	1.1.1, 4.2.3
Walkable communities	2.4.1, 4.3.1
Waste management	1.2.1, 1.3.1, 1.3.2
Wildlife	1.1.1
Young people	4.1.2, 5.2.1, 5.3.1
Youth services	1.1.1, 1.3.5, 1.4.1, 4.1.5, 4.2.1, 4.3.1, 4.4.1

Appendix 4: 2010 Customer Satisfaction Survey Used to Inform the Delivery Program

Independent community-wide surveys are undertaken on a biennial basis (i.e. every two years) to measure the community's satisfaction with Council services and to obtain information on the importance of those services to the community, to assist with the prioritisation of funding to Council activities.

Customer Satisfaction Surveys were conducted in 2002, 2004, 2006, 2009 and the latest survey was completed in November 2010. The 2010 results were presented to Council's Resources Allocation Committee meeting held 3 February 2011. The summary of results findings is available from Council's website. Link - <http://www.northsydney.nsw.gov.au/www/html/2308-customer-satisfaction-survey.asp>

1. Methodology

The 2010 Survey was conducted from 6 to 20 November. The survey was qualitative in nature, involving telephone (CATI) interviewing amongst both businesses and residential customers.

2. Analysis

Analysis was conducted by Woolcott Research Pty Ltd who undertook the survey on Council's behalf.

3. Sample

The survey sample consists of:

- a) Residential customers - 400 telephone interviews were conducted. Respondents were residents of the North Sydney LGA (both owners and renters) aged 18 years and over. Respondents were drawn randomly from electronic White Pages listings.
- b) Business customers - 200 telephone interviews were conducted. Respondents were drawn randomly from electronic White Pages listings. Quotas were set for business type in accordance with total listings in North Sydney.

The North Sydney residential population as at June 2009 was 63,941 people. A sample of 400 residents has a 4.88% margin of error, at the industry standard 95% confidence level.

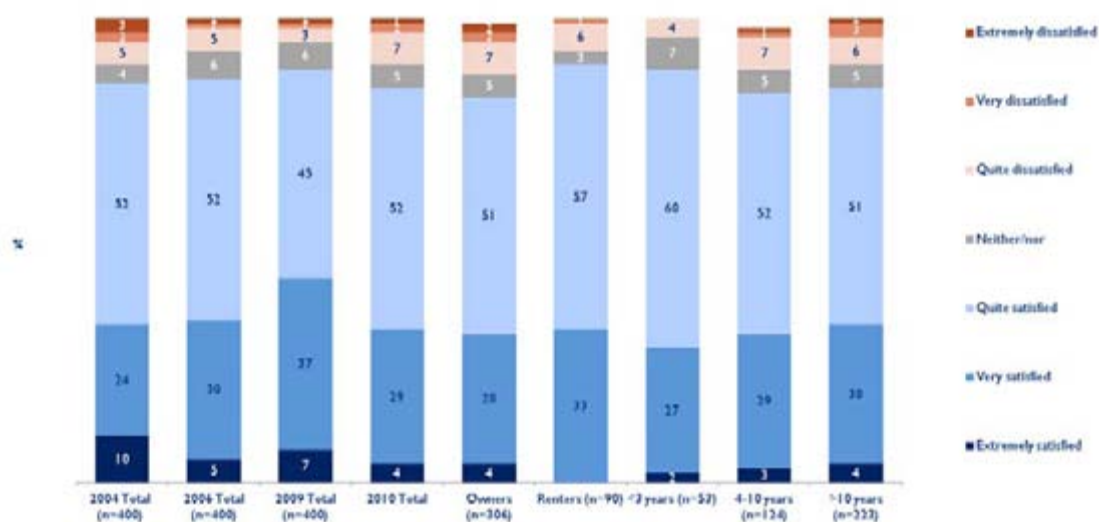
4. Detailed Findings

Note: Woolcott Research has advised that as a general rule of thumb, a difference of greater than 5% would be needed in order to be considered statistically significant at the 95% confidence interval. However, the difference required does alter slightly depending on what the percentages are (slightly more is required around the 50% range, and slightly less for percentages around 90% and 10% respectively).

The 2010 Survey highlighted the community's satisfaction with 13 key service areas. The mean score of residents' overall satisfaction with Council's performance was 5.1 (85%), this fell from 5.3 (89%) in 2009 and 5.2 (87%) in 2006. However the mean

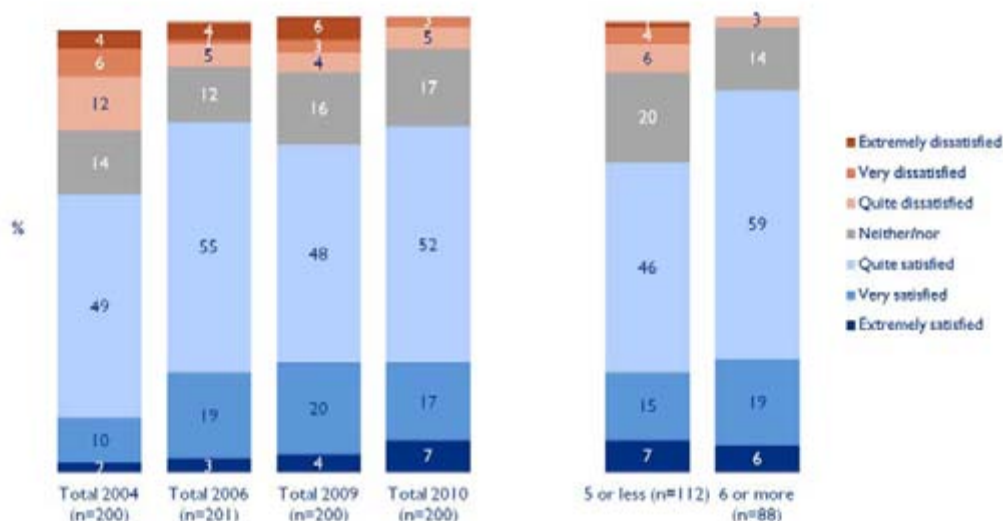
score of business’s overall satisfaction with Council’s performance was 4.9 (76%), this increased from 4.7 (72%) in 2009. Notably no businesses were ‘extremely disappointed’ with Council’s performance compared to 6% who were in 2009.

The following graph compares overall satisfaction by residents between 2004 and 2010, as well as provides a demographic break down of responses:



Graph: Overall Residents Satisfaction - comparison between previous years

The following graph compares overall satisfaction by businesses between 2004 and 2010, as well as provides a break down of responses by business size:



Graph: Overall Businesses Satisfaction - comparison between previous years

4.1 Importance of Services

For residents, the top four (4) key service areas of highest important were:

- maintaining roads and footpaths 100% (no change from 2009)
- maintaining parks, ovals and bushland areas 95% (no change from 2009)
- keeping local roads and footpaths clean 85% (no change from 2009)

- improving services offered at community centres 75% (up 1% from 2009)
- The only decreases in relative importance for residents were minor, including:
- improving children's services 59% (down 1% from 2009)
 - improving waste and recycling collection services (down 1% from 2009)

All other key service areas either increased by 1% or remained the same as 2009 results.

For businesses, the top four (4) key service areas of highest importance were:

- maintaining roads and footpaths 100% (no change from 2009)
- improving the overall management of parking 74% (up 2% from 2009)
- keeping local roads and footpaths clean 73% (down 1% from 2009)
- maintaining parks, ovals and bushland areas 93% (down 1% from 2009)

Three (3) of the top four (4) key service areas of relative importance were the same for both residents and businesses.

4.2 Satisfaction with Key Services

For residents, satisfaction was highest with the following four (4) service areas:

- feeling safe in North Sydney 98% (new in 2010, to measure KPI in 2020 Vision)
- waste and recycling collection services 85% (up 5% from 2009)
- maintaining parks, ovals and bushland areas 85% (down 2% from 2009)
- cleanliness of local roads and footpaths 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for residents were with the following service areas:

- appearance of public spaces in the North Sydney CBD 75% (up 1%)
- community centres and facilities 65% (up 10%)
- management of development within the area 57% (up 4%)
- overall management of parking restrictions, residents parking 55% (up 3%)

For residents, dissatisfaction was highest with the following four (4) service areas:

- maintenance of roads and footpaths 35% (down 2% from 2009)
- overall management of parking restrictions, residents parking 31% (down 4% from 2009)
- policing of parking 30% (down 2% from 2009)
- pedestrian and cycle paths 27% (new in 2010, to measure 2020 Vision KPI)

For businesses, satisfaction was highest with the following four (4) service areas:

- appearance of public spaces in the North Sydney CBD 84% (up 6% from 2009)
- cleanliness of local roads and footpaths 83% (up 7% from 2009)
- maintenance of parks, ovals and bushland areas 82% (down 3% from 2009)
- appearance of commercial streetscapes 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for businesses were with the following service areas:

- maintenance of roads and footpaths 69% (up 10%)
- traffic management with the use of speed humps, chicanes etc 69% (up 5%)
- policing of parking 58% (up 11%)
- management of development within the area 63% (up 4%)

For businesses dissatisfaction was highest with the following four (4) service areas:

- overall management of parking restrictions, residents parking 44% (up 2% from 2009)
- policing of parking 34% (down 4% from 2009)
- maintenance of roads and footpaths 21% (down 10% from 2009)
- traffic management with the use of speed humps, chicanes etc 17% (down 5% from 2009)

The following matrix indexes residents' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • North Sydney Olympic Pool • Customer Service/Information by Council staff • Waste and recycling collection services 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Community services at community centres • Parks, Ovals and Bushland areas • Children's Services
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Overall management of parking • Policing of parking • Malls and plazas in commercial areas • Managing traffic on roads 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths

The following matrix indexes businesses' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • Managing commercial areas • Appearance of commercial streetscapes • Customer Service/Information by Council staff 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Overall management of parking • Parks, Ovals and Bushland areas
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Policing of parking 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths • Managing development • Managing traffic on roads

The findings are used to inform preparation of the 2011/12 Operational Plan and Budget and the annual review of the four year Delivery Program and Resourcing Strategy.

Appendix 5: Budgeted Income Statement

Scenario 1 - Base Case inclusive of 2.8% rate peg

	2010/11	2011/12	% Change	2012/13	% Change	2013/14	% Change
Income from Continuing Operations							
Rates & Annual Charges	\$36,979,207	\$38,099,632	3.0%	\$39,176,935	2.8%	\$40,126,229	2.4%
User Charges & Fees	\$18,015,296	\$18,411,876	2.2%	\$20,027,289	8.8%	\$20,507,943	2.4%
Interest & Investment Revenue	\$1,821,000	\$1,965,532	7.9%	\$2,028,099	3.2%	\$2,084,735	2.8%
Other Revenues	\$14,088,497	\$14,716,670	4.5%	\$15,086,737	2.5%	\$15,412,818	2.2%
Grants & Contributions provided for Operating Purposes	\$3,200,237	\$3,217,343	0.5%	\$3,301,763	2.6%	\$3,376,148	2.3%
Grants & Contributions provided for Capital Purposes	\$1,332,013	\$3,428,260	157.4%	\$3,353,048	-2.2%	\$3,427,296	2.2%
Net Gains from the disposal of assets	\$363,723	\$114,328		\$117,529	2.8%	\$120,350	2.4%
Total Income from Continuing Operations	\$75,799,973	\$79,953,641	5.5%	\$83,091,400	3.9%	\$85,055,519	2.4%
Expenses from Continuing Operations							
Employee Benefits & On-Costs	\$31,622,597	\$33,508,626	6.0%	\$34,900,921	4.2%	\$36,324,879	4.1%
Borrowing Costs	\$500	\$500	0.0%	\$718,223	143544.6%	\$687,970	-4.2%
Materials & Contracts	\$24,725,880	\$24,745,023	0.1%	\$25,233,067	2.0%	\$25,802,897	2.3%
Depreciation & Amortisation	\$14,433,100	\$15,041,200	4.2%	\$15,257,793	1.4%	\$16,540,974	8.4%
Other Expenses	\$7,540,395	\$7,881,636	4.5%	\$8,334,445	5.7%	\$8,805,804	5.7%
Total Expenses from Continuing Operations	\$78,322,472	\$81,176,985	3.6%	\$84,444,449	4.0%	\$88,162,524	4.4%
Net Operating Result for the Year	(\$2,522,499)	(\$1,223,344)	-51.5%	(\$1,353,049)	10.6%	(\$3,107,005)	129.6%
Net Operating Result for the Year before Capital Grants and Contributions	(\$3,854,512)	(\$4,651,604)	20.7%	(\$4,706,097)	1.2%	(\$6,534,301)	38.8%

Scenario 2 - with 5.5% SRV

	2010/11	2011/12	% Change	2012/13	% Change	2013/14	% Change
Income from Continuing Operations							
Rates & Annual Charges	\$36,979,207	\$38,894,790	5.2%	\$40,822,934	5.0%	\$42,815,265	4.9%
User Charges & Fees	\$18,015,296	\$18,411,876	2.2%	\$20,027,289	8.8%	\$20,507,943	2.4%
Interest & Investment Revenue	\$1,821,000	\$2,020,000	10.9%	\$2,140,850	6.0%	\$2,268,934	6.0%
Other Revenues	\$14,088,497	\$14,716,670	4.5%	\$15,086,737	2.5%	\$15,412,818	2.2%
Grants & Contributions provided for Operating Purposes	\$3,200,237	\$3,217,343	0.5%	\$3,301,763	2.6%	\$3,376,148	2.3%
Grants & Contributions provided for Capital Purposes	\$1,332,013	\$3,428,260	157.4%	\$3,353,048	-2.2%	\$3,427,296	2.2%
Net Gains from the disposal of assets	\$363,723	\$114,328	-68.6%	\$117,529	2.8%	\$120,350	2.4%
Total Income from Continuing Operations	\$75,799,973	\$80,803,267	6.6%	\$84,850,150	5.0%	\$87,928,754	3.6%
Expenses from Continuing Operations							
Employee Benefits & On-Costs	\$31,622,597	\$33,552,126	6.1%	\$34,900,921	4.0%	\$36,324,879	4.1%
Borrowing Costs	\$500	\$500	0.0%	\$718,223	143544.6%	\$687,970	-4.2%
Materials & Contracts	\$24,725,880	\$24,871,681	0.6%	\$25,574,567	2.8%	\$26,196,397	2.4%
Depreciation & Amortisation	\$14,433,100	\$15,041,200	4.2%	\$15,257,793	1.4%	\$16,540,974	8.4%
Other Expenses	\$7,540,395	\$7,881,636	4.5%	\$8,334,445	5.7%	\$8,805,804	5.7%
Total Expenses from Continuing Operations	\$78,322,472	\$81,347,143	3.9%	\$84,785,949	4.2%	\$88,556,024	4.4%
Net Operating Result for the Year	(\$2,522,499)	(\$543,876)	-78.4%	\$64,201	-111.8%	(\$627,270)	-1077.0%
Net Operating Result for the Year before Capital Grants and Contributions	(\$3,854,512)	(\$3,972,136)	3.1%	(\$3,288,847)	-17.2%	(\$4,054,566)	23.3%

Appendix 6: Capital Budget Summary

Note: All capital funded projects and services proposed to be funded by the proposed SRV are highlighted throughout Appendix 5 in **bold**.

Capital Budget 2011/12

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
1	1.4	Bon Andrews Oval Pavilion Upgrade Design	-	-	-	50,000	-	-	-	-	50,000
1	1.4	Cremorne Point Reserve Playground Upgrade	-	-	80,000	-	-	-	-	-	80,000
1	1.4	Lavender Bay Parklands Foreshore Lighting	-	-	-	200,000	-	-	-	-	200,000
1	1.4	Lavender Bay Parklands Masterplan Landscape Implementation	-	-	-	100,000	-	-	-	-	100,000
1	1.4	Milson Park Amenities Block Upgrade - Construction	-	-	-	200,000	-	-	-	-	200,000
1	1.4	Sports Field Change Rooms Refurbishment	-	-	120,000	-	-	-	-	-	120,000
1	1.4	Sports Field Irrigation - Stage 2	-	-	200,000	-	-	-	-	159,352	359,352
1	1.4	Sports Ground Ancillary Facilities (New)	-	-	150,000	-	-	-	-	-	150,000
1	1.4	Tunks Park Dinghy Storage and dedicated water access point for non-motorised craft	-	-	70,000	-	-	-	-	-	70,000
1	1.4	Tunks Park Levelling & Drainage	-	-	160,000	-	-	-	-	-	160,000
Direction 1 Our Living Environment Total			-	-	780,000	550,000	-	-	-	159,352	1,489,352
2	2.1	Drainage - Critical Inlet Program	-	-	51,250	-	-	-	-	-	51,250
2	2.1	Drainage - Projects to Be Established	-	-	338,250	-	-	-	-	-	338,250
2	2.1	Drainage - Pipe Replacement	-	-	-	-	-	-	140,000	-	140,000
2	2.1	Footpath Reconstruction	465,000	-	430,500	-	-	-	-	-	895,500
2	2.1	Kerb & Gutter Reconstruction	145,000	-	-	-	-	-	-	-	145,000
2	2.1	Marine Structures - Projects to be Established	-	-	-	-	-	-	63,000	-	63,000
2	2.1	Park Fencing	-	-	80,000	-	-	-	-	-	80,000
2	2.1	Park Furniture	-	-	45,000	-	-	-	-	-	45,000
2	2.1	Park Pathways	-	-	75,000	-	-	-	-	-	75,000
2	2.1	Park Signage	-	-	10,000	-	-	-	-	-	10,000
2	2.1	Retaining Wall Reconstruction - Projects to be Established	-	-	-	-	-	-	155,000	-	155,000

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
2	2.1	Road Reconstruction	614,488	-	704,750	-	-	-	300,000	578,908	2,198,146
2	2.1	Blues Point Seawall	-	-	128,125	-	-	-	60,000	-	188,125
2	2.1	Kesterton Park Seawall	-	-	175,000	-	-	-	90,000	-	265,000
2	2.1	Seawall Rehabilitation Program	-	-	-	-	-	-	38,749	-	38,749
2	2.1	Timber Fence Replacement	-	-	57,400	-	-	-	145,307	-	202,707
2	2.1	Council Chambers Building Refurbishment	-	-	30,000	-	-	-	-	-	30,000
2	2.1	Crows Nest Community Centre Building Management Systems Upgrade	-	-	25,000	-	-	-	-	-	25,000
2	2.1	Crows Nest Community Centre Lift Upgrade	-	-	145,000	-	-	-	-	-	145,000
2	2.1	Crows Nest Community Centre Toilets Refurbishment	-	-	100,000	-	-	-	-	-	100,000
2	2.1	Depot Meeting Roo/Works Staff Toilets Refurbishment	-	-	60,000	-	-	-	-	-	60,000
2	2.1	North Sydney Olympic Pool Plant & Building Capital Renewal	-	-	50,000	-	-	-	-	-	50,000
2	2.2	Cammeray Streetscape - Awning Lighting	-	-	50,000	-	-	-	-	-	50,000
2	2.2	Cremorne Streetscape - Awning Lighting	-	-	55,000	-	-	-	-	-	55,000
2	2.2	Crows Nest Streetscape - Ernest Place Upgrade	-	-	190,000	-	401,131	-	-	-	591,131
2	2.2	Crows Nest Streetscape - Hume Street Park Playground & Public Art	-	-	25,000	10,000	15,000	-	-	-	50,000
2	2.2	Kirribilli Streetscape - Awning Lighting	-	-	65,000	-	-	-	-	-	65,000
2	2.2	Neutral Bay Streetscape - Projects to be Established	-	-	120,000	-	-	180,000	-	-	300,000
2	2.2	Other Streetscape Projects - Projects to be Established	-	-	65,000	-	-	-	-	-	65,000
2	2.4	Bicycle Facilities - Projects to be Established	-	-	15,000	-	-	-	-	20,000	35,000
2	2.5	Alexander Street Car Park Upgrade	-	5,000,000	-	-	-	-	-	-	5,000,000
2	2.5	Car Park Variable Message Signs	-	-	200,000	-	-	-	-	-	200,000
2	2.5	Parking Meters (10 New Meters)	-	-	30,000	-	-	-	-	-	30,000
2	2.5	Parking Meters Upgrade	-	4,000,000	-	-	-	-	-	-	4,000,000
2	2.5	Parking Enforcement Officers' PDAs	-	-	30,000	-	-	-	-	-	30,000
2	2.5	Rangers' Notebooks	-	-	8,400	-	-	-	-	-	8,400
2	2.5	Traffic Facilities - Projects to be Established	-	-	170,000	-	-	-	-	50,000	220,000
Direction 2 Our Built Environment Total			1,224,488	9,000,000	3,528,675	10,000	416,131	180,000	992,056	648,908	16,000,258
3	3.1	CBD - Traffic Works Implementation (Miller Street)	-	-	290,000	515,556	-	-	-	-	805,556
Direction 3 Our Economic Vitality Total			-	-	290,000	515,556	-	-	-	-	805,556

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
4	4.1	Cultural Plan - Art Purchases	-	-	5,000	-	-	-	-	-	5,000
4	4.1	Olympic Pool Display Upgrade (75th Anniversary)	-	-	20,000	-	-	-	-	-	20,000
4	4.2	Library - Adult Books Fiction A	28,500	-	-	-	-	-	-	-	28,500
4	4.2	Library - Adult Books Large Print	12,000	-	-	-	-	-	-	-	12,000
4	4.2	Library - Adult Books Non Fiction A	65,000	-	-	10,000	-	-	-	-	75,000
4	4.2	Library - Adult Books Paperbacks	12,000	-	-	-	-	-	-	-	12,000
4	4.2	Library - Adult Books Stock Revision A	18,000	-	-	-	-	-	-	-	18,000
4	4.2	Library - Adult Books Stock Revision B	38,585	-	-	-	-	-	-	-	38,585
4	4.2	Library - Adult Books Fiction B	4,500	-	-	-	-	-	-	-	4,500
4	4.2	Library - Adult Books Architecture, Design & Planning	11,000	-	-	-	-	-	-	-	11,000
4	4.2	Library - Classical Music & DVDs	8,000	-	-	-	-	-	-	-	8,000
4	4.2	Library - Other Music	7,000	-	-	-	-	-	-	-	7,000
4	4.2	Library - Audio Visual & DVDs	30,000	-	-	-	-	-	-	-	30,000
4	4.2	Library - Talking Books	11,000	-	-	-	-	-	-	-	11,000
4	4.2	Library - Book Fair Book Purchases	7,000	-	-	-	-	-	-	-	7,000
4	4.2	Library - Local Studies Assets	3,000	-	-	-	-	-	-	-	3,000
4	4.2	Library - Children Books	29,000	-	-	-	-	-	-	-	29,000
4	4.2	Library - Young Adult Books	7,000	-	-	-	-	-	-	-	7,000
4	4.2	Library - HSC Support	3,000	-	-	-	-	-	-	-	3,000
4	4.2	Library - Reference	4,000	-	-	-	-	-	-	-	4,000
4	4.2	Library - Loan Magazines	9,000	-	-	-	-	-	-	-	9,000
4	4.2	Library - Periodicals	31,000	-	-	-	-	-	-	-	31,000
4	4.2	Library - Standing Orders	8,000	-	-	-	-	-	-	-	8,000
4	4.3	Alcohol Free Zone Signs Renewal	-	-	6,000	-	-	-	-	-	6,000
4	4.4	Cammeray Child Care Centre Playground	-	-	30,000	-	-	-	-	-	30,000
4	4.4	Community Centres Furniture Replacement	-	-	5,000	-	-	-	-	-	5,000
4	4.4	Community Noticeboard Roof Replacement	-	-	10,000	-	-	-	-	-	10,000
4	4.4	Planet X Equipment	-	-	10,000	-	-	-	-	-	10,000
4	4.5	Access Works - Minor Access / Safety Works	-	-	15,000	-	-	-	-	-	15,000
Direction 4 Our Social Vitality Total			346,585	-	101,000	10,000	-	-	-	-	457,585
5	5.4	ADI Upgrade	-	-	15,000	-	-	-	-	-	15,000
5	5.4	Authority Upgrade	-	-	20,000	-	-	-	-	-	20,000

5	5.4	Computer Equipment / I.T. Projects	-	-	150,000	-	-	-	-	-	150,000
Direction 5 Our Civic Leadership Total			-	-	185,000	-	-	-	-	-	185,000
Grand Total			1,571,073	9,000,000	4,884,675	1,085,556	416,131	180,000	992,056	808,260	18,937,751

Capital Budget 2012/13

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
1	1.4	Cremorne Reserve Major Entry Points Upgrade	-	-	30,000	-	-	-	-	-	30,000
1	1.4	Forsyth Park Path Linking Upper and Middle Terraces on Western Side	-	-	-	30,000	-	-	-	-	30,000
1	1.4	Green Park Playground Upgrade	-	-	50,000	-	-	-	-	-	50,000
1	1.4	Lavender Bay Parklands (Quibaree Park) Amenities Block Upgrade - Construction	-	-	-	300,000	-	-	-	-	300,000
1	1.4	Lavender Bay Parklands Masterplan Landscape Implementation	-	-	-	150,000	-	-	-	-	150,000
1	1.4	North Sydney Oval Corporate Spectator Facilities Improvements	-	-	150,000	-	-	-	-	-	150,000
1	1.4	Sports Field Change Rooms Refurbishment	-	-	120,000	-	-	-	-	-	120,000
1	1.4	Sports Field Irrigation - Stage 3	-	-	200,000	-	-	-	-	-	200,000
1	1.4	Synthetic Cricket Wicket Replacement	-	-	10,000	-	-	-	-	-	10,000
1	1.4	Wollstonecraft Railway Station Park Playground	-	-	60,000	-	-	-	-	-	60,000
Direction 1 Our Living Environment Total			-	-	620,000	480,000	-	-	-	-	1,100,000
2	2.1	Bus Shelters Replacement	-	-	38,000	-	-	-	-	-	38,000
2	2.1	Drainage - Critical Inlet Program	-	-	50,000	-	-	-	-	-	50,000
2	2.1	Drainage - Projects to Be Established	-	-	341,550	-	-	-	-	-	341,550
2	2.1	Drainage - Pipe Replacement	-	-	-	-	-	-	140,000	-	140,000
2	2.1	Footpath Reconstruction	478,950	-	434,700	-	-	-	-	-	913,650
2	2.1	Kerb & Gutter Reconstruction	149,350	-	-	-	-	-	-	-	149,350
2	2.1	Marine Structures - Projects to be Established	-	-	-	-	-	-	64,890	-	64,890
2	2.1	Park Fencing	-	-	80,000	-	-	-	-	-	80,000
2	2.1	Park Furniture	-	-	45,000	-	-	-	-	-	45,000
2	2.1	Park Pathways	-	-	75,000	-	-	-	-	-	75,000
2	2.1	Park Signage	-	-	10,000	-	-	-	-	-	10,000

<i>Direction</i>	<i>Goal</i>	<i>Project</i>	<i>General Revenue</i>	<i>Loan Funds</i>	<i>Internal Reserves</i>	<i>S.94</i>	<i>Crows Nest Mainstreet Levy</i>	<i>Neutral Bay Mainstreet Levy</i>	<i>Infrastructure Levy</i>	<i>Grants & Contributions</i>	<i>Total Funding</i>
2	2.1	Retaining Wall Reconstruction - Projects to be Established	-	-	-	-	-	-	159,650	-	159,650
2	2.1	Road Reconstruction	632,923	-	879,750	-	-	-	500,000	589,708	2,602,381
2	2.1	Seawall Rehabilitation Program	-	-	-	-	-	-	320,000	-	320,000
2	2.1	Street & Park Furniture Replacement	-	-	-	-	-	-	38,749	-	38,749
2	2.1	Timber Fence Replacement	-	-	57,960	-	-	-	145,307	-	203,267
2	2.1	Depot Security Upgrade (Master Key System)	-	-	60,000	-	-	-	-	-	60,000
2	2.1	North Sydney Olympic Pool Plant & Building Capital Renewal	-	-	51,500	-	-	-	-	-	51,500
2	2.1	North Sydney Olympic Pool Building Management Systems Upgrade	-	-	87,418	-	-	-	-	-	87,418
2	2.1	Property Capital Renewal Program - Projects to be Established	-	-	545,900	-	-	-	-	-	545,900
2	2.2	Crows Nest Streetscape - Burlington Street Upgrade ⁵	-	-	120,000	100,000	150,000	-	-	-	370,000
2	2.2	Crows Nest Streetscape - Way Finding & Signage ⁶	-	-	10,000	-	20,000	-	-	-	30,000
2	2.2	Neutral Bay Streetscape - Projects to be Established ⁷	-	-	124,200	-	-	186,300	-	-	310,500
2	2.2	Other Streetscape Projects - Projects to be Established ⁸	-	-	207,000	-	-	-	-	-	207,000
2	2.4	Bicycle Facilities - Projects to be Established	-	-	15,525	-	-	-	-	20,700	36,225
2	2.5	Parking Meters (10 New Meters)	-	-	31,050	-	-	-	-	-	31,050
2	2.5	Parking Enforcement Officers' PDAs	-	-	30,000	-	-	-	-	-	30,000
2	2.5	Rangers' Notebooks	-	-	8,400	-	-	-	-	-	8,400
2	2.5	Traffic Facilities - Projects to be Established ⁹	-	-	175,100	50,000	-	-	-	50,000	275,100
Direction 2 Our Built Environment Total			1,261,223	-	3,478,053	150,000	170,000	186,300	1,368,596	660,408	7,274,580
3	3.1	CBD - Traffic Works Implementation (Miller Street)	-	-	300,000	533,333	-	-	-	-	833,333
Direction 3 Our Economic Vitality Total			-	-	300,000	533,333	-	-	-	-	833,333

⁵ To be reduced by \$100k without SRV

⁶ To be reduced by \$10k without SRV

⁷ To be reduced by \$90k without SRV

⁸ To be reduced by \$128k without SRV

⁹ To be reduced by \$75k without SRV

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
4	4.1	Cultural Plan - Art Purchases	-	-	5,000	-	-	-	-	-	5,000
4	4.2	Library - Adult Books Fiction A	29,355	-	-	-	-	-	-	-	29,355
4	4.2	Library - Adult Books Large Print	12,360	-	-	-	-	-	-	-	12,360
4	4.2	Library - Adult Books Non Fiction A	66,950	-	-	10,000	-	-	-	-	76,950
4	4.2	Library - Adult Books Paperbacks	12,360	-	-	-	-	-	-	-	12,360
4	4.2	Library - Adult Books Stock Revision A¹⁰	18,540	-	-	-	-	-	-	-	18,540
4	4.2	Library - Adult Books Stock Revision B	39,743	-	-	-	-	-	-	-	39,743
4	4.2	Library - Adult Books Fiction B	4,635	-	-	-	-	-	-	-	4,635
4	4.2	Library - Adult Books Architecture, Design & Planning	11,330	-	-	-	-	-	-	-	11,330
4	4.2	Library - Classical Music & DVDs	8,240	-	-	-	-	-	-	-	8,240
4	4.2	Library - Other Music	7,210	-	-	-	-	-	-	-	7,210
4	4.2	Library - Audio Visual & DVDs	30,900	-	-	-	-	-	-	-	30,900
4	4.2	Library - Talking Books	11,330	-	-	-	-	-	-	-	11,330
4	4.2	Library - Book Fair Book Purchases	7,210	-	-	-	-	-	-	-	7,210
4	4.2	Library - Local Studies Assets	3,090	-	-	-	-	-	-	-	3,090
4	4.2	Library - Children Books	29,870	-	-	-	-	-	-	-	29,870
4	4.2	Library - Young Adult Books	7,210	-	-	-	-	-	-	-	7,210
4	4.2	Library - HSC Support	3,090	-	-	-	-	-	-	-	3,090
4	4.2	Library - Reference	4,120	-	-	-	-	-	-	-	4,120
4	4.2	Library - Loan Magazines	9,270	-	-	-	-	-	-	-	9,270
4	4.2	Library - Periodicals	31,930	-	-	-	-	-	-	-	31,930
4	4.2	Library - Standing Orders	8,240	-	-	-	-	-	-	-	8,240
4	4.4	Community Centres Furniture Replacement	-	-	5,000	-	-	-	-	-	5,000
4	4.4	Planet X Equipment	-	-	10,000	-	-	-	-	-	10,000
4	4.5	Access Works - Minor Access / Safety Works	-	-	15,000	-	-	-	-	-	15,000
Direction 4 Our Social Vitality Total			356,983	-	35,000	10,000	-	-	-	-	401,983
5	5.4	ADI Upgrade	-	-	15,000	-	-	-	-	-	15,000
5	5.4	Authority Upgrade	-	-	20,000	-	-	-	-	-	20,000
5	5.4	Computer Equipment / I.T. Projects	-	-	250,000	-	-	-	-	-	250,000
5	5.4	Customer Flow Management System	-	-	25,000	-	-	-	-	-	25,000

¹⁰ To be reduced by \$10k without SRV

Direction 5 Our Civic Leadership Total	-	-	310,000	-	-	-	-	-	-	310,000
Grand Total	1,618,206	-	4,743,053	1,173,333	170,000	186,300	1,368,596	660,408	9,919,896	

Capital Budget 2013/14

Direction	Goal	Project	General Revenue	Loan Funds	Internal Reserves	S.94	Crows Nest Mainstreet Levy	Neutral Bay Mainstreet Levy	Infrastructure Levy	Grants & Contributions	Total Funding
1	1.4	Anderson Park Amenities Block Reconstruction	-	-	600,000	-	-	-	-	-	600,000
1	1.4	Bon Andrews Oval Sports Ground Lighting (New)	-	-	160,000	-	-	-	-	-	160,000
1	1.4	Cremorne Reserve Pedestrian Intersection Upgrade (near Robertsons Point)	-	-	-	300,000	-	-	-	-	300,000
1	1.4	Primrose Park dedicated water access point for non-motorised craft & improved pedestrian access	-	-	100,000	-	-	-	-	-	100,000
1	1.4	Smoothey Park Lighting Upgrade - Construction	-	-	70,000	-	-	-	-	-	70,000
1	1.4	Sports Field Change Rooms Refurbishment	-	-	120,000	-	-	-	-	-	120,000
1	1.4	Tunks Park Levelling & Drainage	-	-	140,000	-	-	-	-	-	140,000
Direction 1 Our Living Environment Total			-	-	1,190,000	300,000	-	-	-	-	1,490,000
2	2.1	Bus Shelters Replacement	-	-	40,000	-	-	-	-	-	40,000
2	2.1	Drainage - Critical Inlet Program	-	-	50,000	-	-	-	-	-	50,000
2	2.1	Drainage - Projects to Be Established	-	-	353,504	-	-	-	-	-	353,504
2	2.1	Footpath Reconstruction	493,319	-	449,915	-	-	-	-	-	943,234
2	2.1	Kerb & Gutter Reconstruction	153,831	-	-	-	-	-	-	-	153,831
2	2.1	Marine Structures - Projects to be Established	-	-	-	-	-	-	66,837	-	66,837
2	2.1	Park Fencing	-	-	80,000	-	-	-	-	-	80,000
2	2.1	Park Furniture	-	-	45,000	-	-	-	-	-	45,000
2	2.1	Park Pathways	-	-	75,000	-	-	-	-	-	75,000
2	2.1	Park Signage	-	-	10,000	-	-	-	-	-	10,000
2	2.1	Retaining Wall Reconstruction - Projects to be Established	-	-	-	-	-	-	164,440	-	164,440
2	2.1	Road Reconstruction	651,911	-	910,541	-	-	-	700,000	597,870	2,860,322
2	2.1	Seawall Rehabilitation Program	-	-	-	-	-	-	337,000	-	337,000
2	2.1	Timber Fence Replacement	-	-	59,989	-	-	-	-	-	59,989
2	2.1	Council Chambers Building Refurbishment	-	-	250,000	-	-	-	-	-	250,000

<i>Direction</i>	<i>Goal</i>	<i>Project</i>	<i>General Revenue</i>	<i>Loan Funds</i>	<i>Internal Reserves</i>	<i>S.94</i>	<i>Crows Nest Mainstreet Levy</i>	<i>Neutral Bay Mainstreet Levy</i>	<i>Infrastructure Levy</i>	<i>Grants & Contributions</i>	<i>Total Funding</i>
2	2.1	North Sydney Olympic Pool Plant & Building Capital Renewal	-	-	53,045	-	-	-	-	-	53,045
2	2.1	North Sydney Olympic Pool Solar Panel & Roof Maintenance	-	-	241,984	-	-	-	-	-	241,984
2	2.1	Property Capital Renewal Program - Projects to be Established¹¹	-	-	562,277	-	-	-	-	-	562,277
2	2.2	Crows Nest Streetscape - Pacific Highway Upgrade¹²	-	-	85,000	100,000	160,000	-	-	-	345,000
2	2.2	Neutral Bay Streetscape - Projects to be Established¹³	-	-	128,547	-	-	180,000	-	-	308,547
2	2.2	Other Streetscape Projects - Projects to be Established¹⁴	-	-	214,000	-	-	-	-	-	214,000
2	2.4	Bicycle Facilities - Projects to be Established	-	-	16,068	-	-	-	-	21,425	37,493
2	2.5	Parking Meters (10 New Meters)	-	-	32,137	-	-	-	-	-	32,137
2	2.5	Parking Enforcement Officers' PDAs	-	-	30,000	-	-	-	-	-	30,000
2	2.5	Rangers' Notebooks	-	-	8,400	-	-	-	-	-	8,400
2	2.5	Traffic Facilities - Projects to be Established¹⁵	-	-	180,353	50,000	-	-	-	50,000	280,353
Direction 2 Our Built Environment Total			1,299,061	-	3,875,760	150,000	160,000	180,000	1,268,277	669,295	7,602,393
3	3.1	CBD - Public Domain Program	-	-	309,000	549,333	-	-	-	-	858,333
Direction 3 Our Economic Vitality Total			-	-	309,000	549,333	-	-	-	-	858,333
4	4.1	Cultural Plan - Art Purchases	-	-	5,000	-	-	-	-	-	5,000
4	4.1	Cultural Plan - Public Art In CBD (Design)	-	-	20,000	-	-	-	-	-	20,000
4	4.2	Library - Adult Books Fiction A	30,236	-	-	-	-	-	-	-	30,236
4	4.2	Library - Adult Books Large Print	12,731	-	-	-	-	-	-	-	12,731
4	4.2	Library - Adult Books Non Fiction A¹⁶	68,959	-	-	10,000	-	-	-	-	78,959
4	4.2	Library - Adult Books Paperbacks	12,731	-	-	-	-	-	-	-	12,731

¹¹ To be reduced by \$100k without SRV

¹² To be reduced by \$100k without SRV

¹³ To be reduced by \$50k without SRV

¹⁴ To be reduced by \$100k without SRV

¹⁵ To be reduced by \$100k without SRV

¹⁶ To be reduced by \$10k without SRV

<i>Direction</i>	<i>Goal</i>	<i>Project</i>	<i>General Revenue</i>	<i>Loan Funds</i>	<i>Internal Reserves</i>	<i>S.94</i>	<i>Crows Nest Mainstreet Levy</i>	<i>Neutral Bay Mainstreet Levy</i>	<i>Infrastructure Levy</i>	<i>Grants & Contributions</i>	<i>Total Funding</i>
4	4.2	Library - Adult Books Stock Revision A	19,096	-	-	-	-	-	-	-	19,096
4	4.2	Library - Adult Books Stock Revision B	40,935	-	-	-	-	-	-	-	40,935
4	4.2	Library - Adult Books Fiction B	4,774	-	-	-	-	-	-	-	4,774
4	4.2	Library - Adult Books Architecture, Design & Planning	11,670	-	-	-	-	-	-	-	11,670
4	4.2	Library - Classical Music & DVDs	8,487	-	-	-	-	-	-	-	8,487
4	4.2	Library - Other Music	7,426	-	-	-	-	-	-	-	7,426
4	4.2	Library - Audio Visual & DVDs	31,827	-	-	-	-	-	-	-	31,827
4	4.2	Library - Talking Books	11,670	-	-	-	-	-	-	-	11,670
4	4.2	Library - Book Fair Book Purchases	7,426	-	-	-	-	-	-	-	7,426
4	4.2	Library - Local Studies Assets	3,183	-	-	-	-	-	-	-	3,183
4	4.2	Library - Children Books	30,766	-	-	-	-	-	-	-	30,766
4	4.2	Library - Young Adult Books	7,426	-	-	-	-	-	-	-	7,426
4	4.2	Library - HSC Support	3,183	-	-	-	-	-	-	-	3,183
4	4.2	Library - Reference	4,244	-	-	-	-	-	-	-	4,244
4	4.2	Library - Loan Magazines	9,548	-	-	-	-	-	-	-	9,548
4	4.2	Library - Periodicals	32,888	-	-	-	-	-	-	-	32,888
4	4.2	Library - Standing Orders	8,487	-	-	-	-	-	-	-	8,487
4	4.4	Community Centres Furniture Replacement	-	-	5,000	-	-	-	-	-	5,000
4	4.4	Crows Nest Centre Refurbishment - Foyer	-	-	150,000	-	-	-	-	-	150,000
4	4.4	Planet X Equipment	-	-	10,000	-	-	-	-	-	10,000
4	4.5	Access Works - Minor Access / Safety Works	-	-	15,000	-	-	-	-	-	15,000
Direction 4 Our Social Vitality Total			367,693	-	205,000	10,000	-	-	-	-	582,693
5	5.4	ADI Upgrade	-	-	15,000	-	-	-	-	-	15,000
5	5.4	Authority Upgrade	-	-	20,000	-	-	-	-	-	20,000
5	5.4	Computer Equipment / I.T. Projects	-	-	150,000	-	-	-	-	-	150,000
Direction 5 Our Civic Leadership Total			-	-	185,000	-	-	-	-	-	185,000
Grand Total			1,666,754	-	5,764,760	1,009,333	160,000	180,000	1,268,277	669,295	10,718,419

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March 2011



Program of works for the special rate variation - as per Council's Goals

Description 1	Description 2	Source Plans/Strategies	Delivery Program Reference	2011/12 SRV Funding (2)	2012/13 SRV Funding (3)	2013/14 SRV Funding (4)	2014/15 SRV Funding (5)	2015/16 SRV Funding (6)	2016/17 SRV Funding (7)	2017/18 SRV Funding (8)	Total 7 Years SRV Funding	2018/19 SRV Funding (9)	2019/20 SRV Funding (10)	2020/21 SRV Funding (11)	Total 10 Years SRV Funding
1.1 Natural Environment and Urban Greenspace															
Street tree maintenance	Street Tree Replacement	Street Tree Strategy	n/a	0	0	0	0	70,000	70,000	70,000	210,000	70,000	70,000	70,000	420,000
Street tree maintenance	Street Trees Administration	Street Tree Strategy	n/a	0	0	0	0	12,835	13,413	14,017	40,265	14,648	15,307	15,996	86,216
Street tree maintenance	Streets Alive Projects	CSP: Our Living Environment	n/a	0	0	0	90,000	90,000	90,000	90,000	360,000	90,000	90,000	90,000	630,000
1.3 Environmental Footprint															
Street cleansing services	Street & Gutter Cleaning	CSP: Our Living Environment	n/a	0	0	0	515,143	515,143	515,143	515,143	2,060,572	515,143	515,143	515,143	3,606,001
1.4 Public Open Space, Recreation Facilities and Services															
Garden maintenance	Garden Maintenance	CSP: Our Living Environment	n/a	0	0	0	0	0	0	165,339	165,339	169,307	174,047	178,921	687,614
Mowing services	Mowing of grass verges	CSP: Our Living Environment	n/a	0	0	0	380,000	380,000	380,000	380,000	1,520,000	380,000	380,000	380,000	2,660,000
Parks maintenance	Christie Street Reserve Landscaping	Neighbourhood Parks Plan of Management	1.4.1.1.15	0	75,000	0	0	0	0	0	75,000	0	0	0	75,000
Parks management services	Developed Open Space Administration	Parks Plans of Management	PA12 Landscape planning and design	0	0	100,000	100,000	228,412	238,691	249,432	916,535	260,656	272,386	284,643	1,734,220
Parks management services	Parks Development and Organisational Management	Parks Plans of Management	n/a	0	0	0	0	100,000	100,000	100,000	300,000	100,000	100,000	100,000	600,000
Parks management services	Parks Plans of Management development	Parks Plans of Management	n/a	0	0	0	0	0	25,000	25,000	50,000	25,000	25,000	25,000	125,000
Parks renewal	Cremorne Point Reserve Playground Upgrade	Cremorne Reserve Plan of Management; Playgrounds Plan of Management	1.4.1.1.13	80,000	0	0	0	0	0	0	80,000	0	0	0	80,000
Parks renewal	Cremorne Reserve Major Entry Points Upgrade	Cremorne Reserve Plan of Management	1.4.1.1.13	0	30,000	0	0	0	0	0	30,000	0	0	0	30,000
Parks renewal	Cremorne Reserve Pedestrian Intersection Upgrade	Cremorne Reserve Plan of Management	1.4.1.1.13	0	0	300,000	0	0	0	0	300,000	0	0	0	300,000
Parks renewal	Lavender Bay Parklands (Quibaree Park) Amenities Block Upgrade	Foreshore Parks and Reserves Plan of Management; Lavender Bay Parklands Masterplan	1.4.1.1.4	0	300,000	0	0	0	0	0	300,000	0	0	0	300,000
Parks renewal	Lavender Bay Parklands Foreshore Lighting	Foreshore Parks and Reserves Plan of Management; Lavender Bay Parklands Masterplan	1.4.1.2.1	200,000	0	0	0	0	0	0	200,000	0	0	0	200,000
Parks renewal	Lavender Bay Parklands Masterplan Landscape Implementation	Foreshore Parks and Reserves Plan of Management; Lavender Bay Parklands Masterplan	1.4.1.2.1	0	150,000	0	0	0	0	0	150,000	0	0	0	150,000
Parks renewal	Smoothey Park Lighting Upgrade	Smoothey Park Plan of Management	1.4.1.1.5	0	0	70,000	0	0	0	0	70,000	0	0	0	70,000
Parks upgrade	Forsyth Park Path Linking Upper and Middle Terraces on Western Side	Sportsgrounds Plan of Management	n/a	0	30,000	0	0	0	0	0	30,000	0	0	0	30,000

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Parks upgrade	Primrose Park dedicated water access point for non motorised craft & improved pedestrian access	Foreshore Parks and Reserves Plan of Management	1.4.2.4.1	0	0	100,000	0	0	0	0	100,000	0	0	0	100,000
Parks upgrade	Tunks Park Dinghy Storage and dedicated water access point for non motorised craft	Foreshore Parks and Reserves Plan of Management	1.4.2.4.1	70,000	0	0	0	0	0	0	70,000	0	0	0	70,000
Playground renewal	Green Park Playground Upgrade	Playground Plan of Management	1.4.1.1.2	0	50,000	0	0	0	0	0	50,000	0	0	0	50,000
Recreation management services	Active Recreation Planning	Recreational Needs Study	n/a	0	0	0	0	0	150,683	155,324	306,007	160,277	165,720	171,354	803,358
Sportsfield facilities upgrade	Active Recreation Project Management	Recreational Needs Study	n/a	0	0	0	13,803	14,424	15,073	15,751	59,051	16,460	17,201	17,975	110,687
Sportsfield facilities renewal	Anderson Park Amenities Block Reconstruction	Sportsgrounds Plan of Management	1.4.1.1.4	0	0	600,000	0	0	0	0	600,000	0	0	0	600,000
Sportsfield facilities renewal	Bon Andrews Oval Pavilion Upgrade Design	Sportsgrounds Plan of Management	1.4.1.1.9	50,000	0	0	0	0	0	0	50,000	0	0	0	50,000
Sportsfield facilities upgrade	Bon Andrews Oval Sports Ground Lighting	Sportsgrounds Plan of Management	1.4.1.1.5	0	0	160,000	0	0	0	0	160,000	0	0	0	160,000
Sportsfield facilities upgrade	Sports Ground Ancillary Facilities	Sportsgrounds Plan of Management	1.4.1.1.11	150,000	0	0	0	0	0	0	150,000	0	0	0	150,000
Sportsfield maintenance	Bon Andrews Oval (No.2)	Sportsgrounds Plan of Management	n/a	0	0	0	0	0	17,486	18,071	35,556	18,689	19,357	20,049	93,652
Parks Renewal	Iconic Parks	St Leonards Park and Bradfield Park Plans of Management	n/a	0	0	0	0	0	74,275	76,730	151,005	79,331	82,144	85,060	397,541
Sportsfield maintenance	North Sydney Oval	North Sydney Oval Plan of Management	n/a	0	0	0	0	0	80,199	82,883	163,082	85,722	88,786	91,961	429,551
Sportsfield maintenance	Program to increase the number of trees around sports grounds	Sportsgrounds Plan of Management	1.4.1.1.14	0	10,000	0	0	0	0	0	10,000	0	0	0	10,000
Sportsfield maintenance	Sports Field Irrigation Improvements	Sportsgrounds Plan of Management	1.3.1.2.2	0	0	20,000	0	0	0	0	20,000	0	0	0	20,000
Sportsfield renewal	North Sydney Oval Spectator Facilities Improvements	North Sydney Oval Plan of Management	1.4.1.1.10	0	150,000	0	0	0	0	0	150,000	0	0	0	150,000
Tree maintenance	Tree Maintenance	Street Tree Strategy	n/a	0	0	0	0	271,395	271,395	271,395	814,185	271,395	271,395	271,395	1,628,370
2.1 Infrastructure and Assets															
Asset management	Engineering Project Management	CSP: Our Built Environment	n/a	0	0	0	0	100,000	100,000	100,000	300,000	100,000	100,000	100,000	600,000
Building infrastructure maintenance	Community Housing Properties Building Upgrade	Property Asset Management Plan	n/a	0	0	0	18,537	25,457	26,221	27,007	97,222	27,818	28,652	29,512	183,204
Building infrastructure renewal	Council Chambers Building Refurbishment	Property Asset Management Plan	2.1.1.3.4	0	0	250,000	0	0	0	0	250,000	0	0	0	250,000
Building infrastructure renewal	Depot Fire Egress & Meeting Room, Lunch Room & Upstairs Bathroom	Property Asset Management Plan	n/a	0	0	0	100,000	0	0	0	100,000	0	0	0	100,000
Building infrastructure renewal	Property Capital Renewal Program Projects	Property Asset Management Plan	2.1.1.1.4	0	0	100,000	173,744	238,608	245,766	253,139	1,011,257	260,733	0	0	1,271,990

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Drainage infrastructure renewal	Drainage Critical Inlet Program	Infrastructure Asset Management Plan:Drainage	n/a	0	0	0	15,300	21,012	21,642	22,292	80,246	22,960	23,649	24,359	151,214
Drainage infrastructure renewal	Drainage Projects	Infrastructure Asset Management Plan:Drainage	n/a	0	0	0	108,000	148,320	152,770	157,353	566,443	162,073	41,135	0	769,651
Parks renewal	Park Fencing	Infrastructure Asset Management Plan:Fencing	n/a	0	0	0	24,000	32,000	32,000	32,000	120,000	32,000	32,000	32,000	216,000
Parks renewal	Park Furniture	Infrastructure Asset Management Plan:Street Furniture	n/a	0	0	0	13,500	18,000	18,000	18,000	67,500	18,000	18,000	18,000	121,500
Parks renewal	Park Pathways	Infrastructure Asset Management Plan:Footpaths	n/a	0	0	0	22,500	30,000	30,000	30,000	112,500	30,000	30,000	30,000	202,500
Parks renewal	Park Signage	Infrastructure Asset Management Plan:Signage	n/a	0	0	0	3,000	4,000	4,000	4,000	15,000	4,000	4,000	4,000	27,000
Pool infrastructure renewal	North Sydney Olympic Pool 50m Pool Shell Design	NSOP Property Asset Management Plan	n/a	0	0	0	0	0	0	326,193	326,193	0	0	0	326,193
Pool infrastructure renewal	North Sydney Olympic Pool 50m Pool Shell Construction (Loan Principal)	NSOP Property Asset Management Plan	n/a	0	0	0	0	0	0	0	0	0	192,395	409,980	602,375
Pool infrastructure renewal	North Sydney Olympic Pool 50m Pool Shell Construction (Loan Interest)	NSOP Property Asset Management Plan	n/a	0	0	0	0	0	0	0	0	0	201,961	400,233	602,194
Pool infrastructure renewal	North Sydney Olympic Pool Plant & Building Renewal	NSOP Property Asset Management Plan	n/a	0	0	0	16,391	22,510	23,186	23,881	85,968	24,598	25,336	26,096	161,998
Pool infrastructure renewal	North Sydney Olympic Pool Stabilisation of Wall	NSOP Property Asset Management Plan	n/a	0	0	0	173,891	0	0	0	173,891	0	0	0	173,891
Road infrastructure maintenance	Footpaths maintenance	Infrastructure Asset Management Plan:Footpaths	2.1.1.1.3	80,000	81,600	85,000	185,000	185,000	185,000	185,000	986,600	185,000	185,000	185,000	1,541,600
Road infrastructure maintenance	Local Roads Maintenance	Infrastructure Asset Management Plan:Roads	n/a	0	0	0	0	0	0	0	0	186,926	193,027	199,333	579,286
Road infrastructure renewal	Bus Shelters Replacement	Infrastructure Asset Management Plan:Bus Shelters	2.1.1.1.3	0	0	40,000	12,360	16,974	17,484	18,008	104,826	18,548	19,105	19,678	162,157
Road infrastructure renewal	Footpath Reconstruction	Infrastructure Asset Management Plan:Footpaths	n/a	0	0	0	139,200	191,168	196,903	202,810	730,081	208,894	215,161	61,616	1,215,752
Road infrastructure renewal	Local Roads Renewal	Infrastructure Asset Management Plan:Roads	n/a	0	0	0	0	0	0	0	0	151,875	156,127	160,499	468,501
Road infrastructure renewal	Road Reconstruction	Infrastructure Asset Management Plan:Roads	n/a	0	0	0	255,000	340,000	340,000	340,000	1,275,000	340,000	340,000	138,343	2,093,343
Road infrastructure renewal	Timber Fence Replacement	Infrastructure Asset Management Plan:Fencing	n/a	0	0	0	18,537	25,457	26,221	27,007	97,222	27,818	28,652	29,512	183,204
2.2 Land Use and Development															
Development assessment services	Design Excellence & Urban Design Panels	Urban Design Panel Policy	n/a	0	0	0	60,000	60,000	60,000	60,000	240,000	60,000	60,000	60,000	420,000
Planning control	LEP & DCP Planning	CSP: Our Built Environment (relates to 5.4)	n/a	0	0	0	0	0	0	0	0	114,835	114,835	114,835	344,505
Information services	Community Profile & Forecast	CSP: Our Economic Vitality	n/a	0	0	0	30,000	30,000	30,000	30,000	120,000	30,000	30,000	30,000	210,000

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Streetscape Renewal	Streetscape Projects small centres	Waverton Village Masterplan; Kirribilli Village Masterplan, Cremorne Masterplan; Cammeray Masterplan	2.2.1.1.3	65,000	128,000	100,000	220,420	220,420	233,844	240,859	1,208,543	248,085	255,527	263,193	1,975,348
Streetscape maintenance	Crows Nest Streetscape Revise Strategic Plan	Crows Nest Strategic Plan	2.2.4.1.1	0	0	0	20,000	0	0	0	20,000	0	0	0	20,000
Streetscape renewal	Crows Nest Streetscape Burlington Street Upgrade	Crows Nest Strategic Plan	2.2.4.1.2	0	100,000	0	0	0	0	0	100,000	0	0	0	100,000
Streetscape renewal	Crows Nest Streetscape Pacific Highway Upgrade	Crows Nest Strategic Plan	2.2.4.1.2	0	0	100,000	150,000	150,000	150,000	0	550,000	0	0	0	550,000
Streetscape renewal	Crows Nest Streetscape Upgrade Program	Crows Nest Strategic Plan	2.2.4.1.2	0	0	0	0	40,000	40,000	40,000	120,000	40,000	40,000	40,000	240,000
Streetscape renewal	Crows Nest Streetscape Way Finding & Signage	Crows Nest Strategic Plan	2.2.4.1.2	0	10,000	0	0	0	0	0	10,000	0	0	0	10,000
Streetscape renewal	Neutral Bay Streetscape Projects	Neutral Bay Masterplan	2.2.4.1.1	0	90,000	50,000	150,000	150,000	150,000	150,000	740,000	150,000	150,000	150,000	1,190,000
2.4 Sustainable Transport															
Traffic infrastructure maintenance	Pedestrian Facilities Projects	North Sydney Traffic and Pedestrian Management Plan	n/a	0	0	0	9,000	9,000	9,000	9,000	36,000	9,000	9,000	9,000	63,000
Traffic infrastructure renewal	Bicycle Facilities Projects	North Sydney Bicycle Plan	n/a	0	0	0	18,000	18,000	18,000	18,000	72,000	18,000	18,000	18,000	126,000
2.5 Traffic Management															
Parking infrastructure renewal	Parking Meters	North Traffic and Transport Strategy	n/a	0	0	0	16,000	16,000	16,000	16,000	64,000	16,000	16,000	16,000	112,000
Parking management	Parking Enforcement Officers' equipment	Rangers Services Strategic Plan	n/a	0	0	0	0	15,000	15,000	15,000	45,000	15,000	15,000	15,000	90,000
Parking management	Rangers' equipment	Rangers Services Strategic Plan	n/a	0	0	0	0	4,200	4,200	4,200	12,600	4,200	4,200	4,200	25,200
Traffic infrastructure renewal	Traffic Facilities Projects	North Sydney Traffic Strategy	2.5.1.1.1	0	75,000	100,000	110,000	110,000	110,000	110,000	615,000	110,000	110,000	110,000	945,000
3.1 Local Economy															
Community events	Mount Street Plaza Event	CSP: Our Social Vitality	3.1.3.5.1	0	0	40,000	80,000	80,000	80,000	80,000	360,000	80,000	80,000	80,000	600,000
Economic development	CBD Promotional & Economic Development	CSP: Our Economic Development	3.2.1.3.2	0	100,000	100,000	0	0	0	0	200,000	0	0	0	200,000
Streetscape renewal	CBD Public Domain Program	North Sydney Centre Public Domain Strategy	3.1.3.4.1	0	0	0	200,000	200,000	200,000	200,000	800,000	200,000	200,000	200,000	1,400,000
4.1 Local Communities															
Aboriginal heritage program	Aboriginal Heritage Program	Aboriginal Heritage Management Plan	n/a	0	0	0	0	45,916	49,145	52,903	147,963	56,659	60,207	63,941	328,770
Community events	LEAPS Guringai Festival	Social Plan: CSP: Our Social Vitality	PA48 Community events	0	7,000	7,000	7,000	7,000	7,000	7,000	42,000	7,000	7,000	7,000	63,000
Community events	LEAPS Library's Harmony Day	Social Plan: CSP: Our Social Vitality	4.1.3.2.2	0	1,500	1,500	1,500	1,500	1,500	1,500	9,000	1,500	1,500	1,500	13,500
Community events	LEAPS Translation of Forms & Documents	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	3,500	3,500	3,500	10,500	3,500	3,500	3,500	21,000
Community events	Public Events - New Years Eve, Australia Day	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	152,363	156,196	308,560	160,390	165,228	170,215	804,393
Cultural assets	Cultural Plan Art Purchases	Arts and Cultural Resources Strategic Plan	4.1.5.1.1	5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000	5,000	5,000	5,000	50,000
Subsidies & donations to community groups for various services	Community grants	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	119,820	119,820	122,695	126,131	129,663	498,309

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4.2 Lifelong Learning and Volunteering															
Library services	Library Book Purchases	Library and Historical Resources Strategic Plan	PA53 Collection development	0	10,000	10,000	10,000	10,000	10,000	10,000	60,000	10,000	10,000	10,000	90,000
Library services	Reader Services	Library and Historical Resources Strategic Plan	PA54 Reader services	43,500	46,233	50,536	50,536	50,536	50,536	50,536	342,413	50,536	50,536	50,536	494,021
Subsidies & donations to community groups for various services	Community education	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	105,019	105,019	107,539	110,550	113,646	436,755
4.3 Health and Wellbeing															
Recreation management services	Recreation Planning	Recreational Needs Study	PA58 Recreation planning	0	100,000	100,000	100,000	319,560	333,940	348,967	1,302,467	364,671	381,081	398,230	2,446,449
Subsidies & donations to community groups for various services	Community support groups	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	149,882	149,882	153,479	157,776	162,194	623,331
4.4 Community Services, Facilities and Information															
Community centre playground	Children's Playground Equipment Replacement	Children's Services Strategic Plan	4.4.1.2.2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000	5,000	5,000	5,000	50,000
Community centre renewal	Community Centres Furniture Replacement	Community Centres Joint Plans of Management	4.4.1.2.2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	35,000	5,000	5,000	5,000	50,000
Community centre renewal	Crows Nest Centre Refurbishment Foyer	Property Asset Management Plan: Crows Nest Centre Joint Plan of Management	4.4.1.3.2	0	0	150,000	0	0	0	0	150,000	0	0	0	150,000
Community support services	Community Administration	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	100,000	100,000	100,000	100,000	100,000	400,000
Social planning	Social Planning - Community Workshops	Social Plan: CSP: Our Social Vitality	4.4.1.1.2	2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000	2,000	2,000	2,000	20,000
Social planning	Community Information Service	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	70,003	70,003	72,619	75,383	78,253	296,259
Subsidies & donations to community groups for various services	Childrens services	Children's Services Strategic Plan	n/a	0	0	0	0	0	0	42,777	42,777	43,804	45,030	46,291	177,902
Subsidies & donations to community groups for various services	Greenwood Childcare Centre	Children's Services Strategic Plan	n/a	0	0	0	0	0	0	29,049	29,049	29,746	30,579	31,435	120,808
Subsidies & donations to community groups for various services	Community parking subsidies	Social Plan: CSP: Our Social Vitality (relates to 5.5)	n/a	0	0	0	0	0	0	156,514	156,514	160,270	164,758	169,371	650,913
Youth centre renewal	Planet X Equipment	Planet X Strategic Plan	n/a	0	0	0	10,000	10,000	10,000	10,000	40,000	10,000	10,000	10,000	70,000
4.5 Community Safety and Accessibility															
Community access works	Access Works Minor Access / Safety Works	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	15,000	15,000	15,000	45,000	15,000	15,000	15,000	90,000
Social planning	Social Planning - Projects in Schools	Social Plan: CSP: Our Social Vitality	4.5.1.3.2	3,500	3,000	3,000	3,500	3,500	3,500	3,500	23,500	3,500	3,500	3,500	34,000
Social planning	Social Planning Service	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	50,000	133,690	183,690	139,815	146,004	152,458	621,967
Subsidies & donations to community groups for various services	Community access	Social Plan: CSP: Our Social Vitality	n/a	0	0	0	0	0	0	61,207	61,207	62,676	64,430	66,235	254,547
Youth services	Youth Activities	Planet X Strategic Plan	n/a	0	0	0	0	0	226,389	235,099	461,488	244,189	253,716	263,616	1,223,008

Program of works for the special rate variation - as per Council's Goals

Description 1	Description 2	Source Plans/Strategies	Delivery Program Reference	2011/12 SRV Funding (2)	2012/13 SRV Funding (3)	2013/14 SRV Funding (4)	2014/15 SRV Funding (5)	2015/16 SRV Funding (6)	2016/17 SRV Funding (7)	2017/18 SRV Funding (8)	Total 7 Years SRV Funding	2018/19 SRV Funding (9)	2019/20 SRV Funding (10)	2020/21 SRV Funding (11)	Total 10 Years SRV Funding
5.2 Community Engagement															
Precinct support	Precinct System coordination	Community Engagement Policy; Precincts Policy	PA71 Precinct System Admin	18,158	18,666	20,000	20,000	20,000	20,000	20,000	136,824	20,000	20,000	20,000	196,824
5.3 Informed Community															
Community information	Community Publicity	Community Engagement Policy; Precincts Policy	n/a	0	0	0	0	0	0	0	0	0	171,310	171,310	342,620
5.4 Organisation															
Audit services	Performance Audit & Review Projects	Risk Management Strategy; Internal Audit Program	n/a	0	0	0	0	5,000	5,000	5,000	15,000	5,000	5,000	5,000	30,000
Customer services	Customer Flow Management System	CSP: Our Civic Leadership; Customer Service Policy	5.4.3.1.1	0	25,000	0	0	0	0	0	25,000	0	0	0	25,000
Customer services	Customer Service Benchmarking Project	CSP: Our Civic Leadership; Customer Service Policy	n/a	0	0	0	5,000	5,000	5,000	5,000	20,000	5,000	5,000	5,000	35,000
Customer services	Customer Service Centre hours of operation	CSP: Our Civic Leadership; Customer Service Policy	n/a	0	0	0	0	0	0	0	0	0	0	185,296	185,296
Development assessment services	Assessments Service Delivery	CSP: Our Built Environment	n/a	0	0	0	0	0	236,012	236,012	472,024	236,012	236,012	236,012	1,180,060
Development assessment services	Planning and Development Project Management	CSP: Our Built Environment	n/a	0	0	0	0	0	0	100,000	100,000	100,000	100,000	100,000	400,000
Governance services	Governance service delivery	CSP: Our Civic Leadership	n/a	0	0	0	0	0	100,000	100,000	200,000	100,000	100,000	100,000	500,000
Information services	Business Recovery Testing	Risk Management Strategy	n/a	0	0	0	0	5,000	5,000	5,000	15,000	5,000	5,000	5,000	30,000
Information services	Computer Equipment / I.T. Projects	IT Strategy	n/a	0	0	0	100,000	100,000	100,000	100,000	400,000	100,000	100,000	100,000	700,000
Information services	Digitising of Building Records (1920's to 1988)	Knowledge Management Strategy	5.4.6.1.3	18,000	18,000	0	0	0	0	0	36,000	0	0	0	36,000
Information services	Information Security Analysis	IT Strategy	n/a	0	0	0	0	70,000	70,000	70,000	210,000	70,000	70,000	70,000	420,000
Occupational health & safety	Behaviour Based Safety Program	OH&S Management System; OH&S Policy	5.4.4.1.4	0	20,000	15,000	15,000	15,000	15,000	15,000	95,000	15,000	15,000	15,000	140,000
Risk management	Insurance Valuations	Risk Management Strategy	n/a	0	0	0	0	5,000	5,000	5,000	15,000	5,000	5,000	5,000	30,000
Risk management	Review & Update Strategic Risk Register	Risk Management Strategy	n/a	0	0	0	0	0	10,000	0	10,000	0	10,000	10,000	30,000
5.5 Financial Sustainability															
Governance services	Finance project management	CSP: Our Civic Leadership	n/a	0	0	0	0	0	43,942	70,604	114,546	93,512	95,603	97,829	401,490
				795,158	1,645,999	2,689,036	3,780,861	4,891,847	6,121,422	7,579,610	27,503,932	7,844,103	8,160,083	8,484,917	51,993,035

Operating Expenditure		170,158	487,999	549,036	1,711,019	2,735,178	3,931,406	5,185,868	14,770,663	5,596,319	6,080,796	6,569,442	33,017,220
Capital Expenditure		625,000	1,158,000	2,140,000	2,069,842	2,156,669	2,190,016	2,393,742	12,733,269	2,247,784	2,079,287	1,915,476	18,975,816
		795,158	1,645,999	2,689,036	3,780,861	4,891,847	6,121,422	7,579,610	27,503,932	7,844,103	8,160,083	8,484,917	51,993,035

Renewal Expenditure		400,000	938,000	1,865,000	2,054,842	2,141,669	2,175,016	2,378,742	11,953,269	2,232,784	2,064,287	1,900,476	18,150,816
New Expenditure		225,000	220,000	275,000	15,000	15,000	15,000	15,000	780,000	15,000	15,000	15,000	825,000
		625,000	1,158,000	2,140,000	2,069,842	2,156,669	2,190,016	2,393,742	12,733,269	2,247,784	2,079,287	1,915,476	18,975,816

Attachment 4

3.3 Efficient and Feasible Program of Expenditure

North Sydney Council Infrastructure Levy Program 2010/12 to 19/20

Council, in 2006, applied for and got approval for a 5 year Special Rate Variation (Infrastructure Levy) specifically to improve the condition of Council's infrastructure. A portion of this levy was used to undertake additional asset condition surveys. The focus of these surveys was on stormwater drainage, street furniture and marine structures. The outcome of these surveys has been the identification of a backlog of maintenance and renewal projects. The asset condition data has also been incorporated into Council's Long Term Asset Management Plans. These plans utilize asset condition modeling developed by JRA consultants and have now been adopted nationally through National Asset Management Strategy. This latest revisions of Councils Asset Management Plans undertaken in 2009 has shown an ongoing need for continued additional capital expenditure on infrastructure so as to maintain if current functional levels. The table below summaries where the continued infrastructure Levy will be spent. Details of the objectives of each program are provided below.

	Year 5	Infrastructure levy rolled into General rate and increases at 3% p.a							
Total	1,600,000	1,648,000	1,697,440	1,748,363	1,800,814	1,854,839	1,910,484	1,967,798	2,026,832
Capital Works Component	1,152,000	1,489,847	1,518,276	1,559,324	1,606,104	1,654,287	1,703,916	1,755,033	1,807,684
Recurrent Component	448,000	158,153	179,164	189,039	194,710	200,551	206,568	212,765	219,148

Capital Works Component of Infrastructure Levy									
EPS Program	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20
Drainage	300,000	300,000	250,000	253,000	260,590	268,408	276,460	284,754	293,296
Marine	63,000	64,890	66,837	68,842	70,907	73,034	75,225	77,482	79,807
Retaining Walls	155,000	159,650	164,440	169,373	174,454	179,687	185,078	190,630	196,349
Roads	300,000	500,000	700,000	721,000	742,630	764,909	787,856	811,492	835,837
Seawall	491,874	320,000	337,000	347,110	357,523	368,249	379,296	390,675	402,396
Street Furniture	145,307	145,307	0	0	0	0	0	0	0
Grand Total	1,455,181	1,489,847	1,518,276	1,559,324	1,606,104	1,654,287	1,703,916	1,755,033	1,807,684

Drainage

Council's drainage network is currently estimated to be 98km in length. Since 2006 Council has now CCTV'd 54km (55%) of its drainage network. Of this 8.8 km (9%) required unblocking, root cutting, and cleaning. 35% of the pipe network surveyed is in poor condition (Sewer at Grading of 3). This equates to 34.4km of pipes in poor condition if extrapolated over the entire network. However reviewing these pipes in poor condition it is estimated that only 3.4km of pipe requires replacing. If this is extrapolated over the entire network this equates to 6.2km (6.4%) of pipe requiring replacement with a current replacement cost of \$8mil. Including the Infrastructure Levy, the total forecast budget for drainage per year is \$690k. Of this amount it is

Infrastructure Levy Program 10/12 to 19/20

expected that \$140k will be spent on unblocking, root cutting, cleaning, as well as maintenance. The remaining \$550k will be spent on pipe replacement. It is estimated that it will take 15 years to replace pipes currently identified as requiring replacement.

Marine

Council has 23 marine structures including wharves, pontoons, boardwalks, bridge, and boat ramps. The current replacement cost is approximately \$4mil. A contractor has been engaged to carry out a detailed condition audit and valuation of Council's marine structures commencing March 2011. This inspection will be done of each component of each structure and will include a dive inspection of piers below sea level. The report will also include a recommended 10 year program to rehabilitate Council's Marine Structures. Whilst the audit has not been completed, based on several investigations carried out to date, it is known that a number of piers are approaching the end of their useful life. The marine structure component that deteriorates most rapidly is the piers as they are most susceptible to marine borers. The bulk of the Infrastructure Levy allocated to marine structures will be used to replace piers in poor condition.

Retaining Walls

Council has 260 retaining walls, approximately 12km in length and 25,000 sqm in area. The retaining wall capital works program is currently focused on addressing walls in various stages of failure. Once the wall is identified as requiring repair/replacement, a detailed design is undertaken and the necessary works are programmed based on the available funding and the urgency of the identified works. With additional funding, more regular detailed condition inspections can be undertaken. These will identify walls with the potential for failure and those walls that are exhibiting signs of potential problems due to excessive surcharge and/or vegetation displacing the wall facings. To date the Infrastructure Levy has been used to rebuild walls in various stages of failure. In future the Infrastructure Levy will be used to carry out remedial rehabilitate on limited areas of a retaining that showing signs of distress. This will prolong the life of the remainder of the retaining wall.

Roads

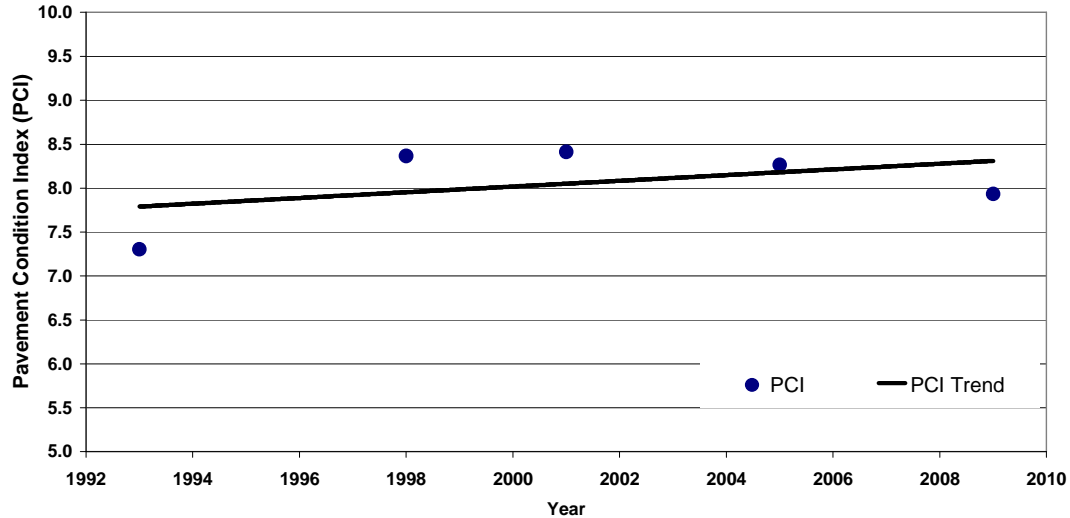
Council has 129km of local roads and 10km of Regional Roads. With a value of over \$200m, these are Council's most significant assets. Council has carried out detailed condition surveys of its road network since 1993. From these surveys the Pavement Condition Index (PCI) can be determined. The PCI is a useful overall condition of a road and takes into account the roads surface texture, cracking, potholes, and patches. The PCI ranges from 0 (poor) to 10 (good).

The graphs on the following page indicates that the condition of the overall road network is remaining relatively constant, Over the last 15 years resources have been directed towards the Regional and Collector roads (Class 6). This class of roads are showing signs of a slow improvement. The Local roads (Class 7,8 & 9) on the other

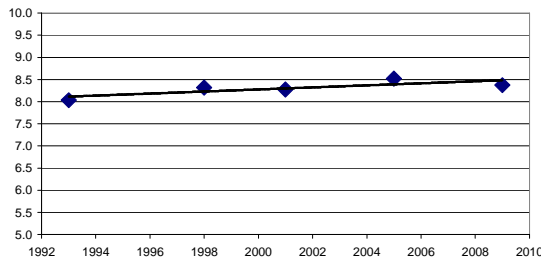
Infrastructure Levy Program 10/12 to 19/20

hand are showing signs of a very small decline in their condition index. This trend became significantly more noticeable after the 2009 road pavement condition survey.

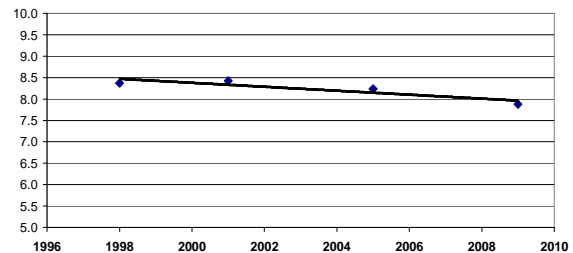
**Historical Network Pavement Condition Index (Class 6, 7, 8, 9)
All Roads**



Regional & Collectors



Local Roads & Lanes



The Infrastructure Levy will be used to undertake additional road rehabilitation and resheeting works mainly on the local road network so as to bring the PCI of local roads up to 8.5. The \$6.1m program will result in a further 11km of local roads being resheeted over the 10 year period.

Seawalls

Council has nearly 5km of Seawalls with a current replacement cost of \$24m. An extensive condition survey was completed in the mid 1990s. This identified the need to undertake a rehabilitation program on these walls before they became un-repairable and would then need reconstruction. Rehabilitation cost \$2k/m Reconstruction is \$10k/m. Council has been undertaking major rehabilitation works to the seawalls since the mid 90s. This program has, on average, seen one major seawall section is completed every 2 years depending on size and complexity of project. The additional Infrastructure Levy will enable a continuation of the program in conjunction with a

Infrastructure Levy Program 10/12 to 19/20

preventative maintenance program. An updated condition survey will also identify a preventative maintenance that can be implemented to repair small failures. Repair of these sections of wall will prevent large-scale failures. The \$3.3m program will see a further 1km of seawalls rehabilitated.

Street Furniture

Council has approximately 3,000 items of Street Furniture with the Council area ranging from seats, tables, bollards, bins, gazebos, planter boxes, monuments, bubblers, and various street art works. A detailed condition audit of Street Furniture in Councils Parks and Reserves commenced in January 2011 and is expected to be completed in April 2011. Of the 598 items inspected to date 207 or 35% require either repair or replacement. The Street Furniture within Council's Reserves generally in average to poor condition. The \$290k Infrastructure Levy will be used to replace 40 seats and a further 1400m of timber fences.

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Implementation of Port Jackson Catchment Bushland / Fauna Rehabilitation Plans. Includes fauna nesting program, stormwater creekline management, weed infestation removal.											Bushland / Fauna Rehabilitation Plans for Port Jackson Catchment 1999/2001 - Section 2	
Cremorne Reserve Bushland Biodiversity Rehabilitation	\$46,125	\$47,278	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	Cremorne Pt. Reserve Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Gore Cove Reserve (incl. Smoothey Park) Bushland Biodiversity Rehabilitation	\$46,125	\$47,278	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	Smoothey Park/Gore Cove Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Badangi Reserve (incl. Bridge End) Bushland Biodiversity Rehabilitation	\$61,500	\$63,038	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	Tryon Avenue Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Sugar Works Reserve Bushland Biodiversity Rehabilitation	\$15,375	\$15,759	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	Tryon Avenue Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Balls Head Reserve Bushland Biodiversity Rehabilitation	\$56,375	\$57,784	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	Balls Head Reserve Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Forsyth Park Bushland Biodiversity Rehabilitation	\$20,992	\$21,517	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	Forsyth Park Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Waverton Park Bushland Biodiversity Rehabilitation	\$20,992	\$21,517	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	\$22,500	Balls Head Reserve Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Sub totals for Port Jackson	\$267,484	\$274,171	\$281,025	\$288,051	\$295,252	\$302,634	\$310,199	\$317,954	\$325,903	\$334,051		
Implementation of Middle Harbour Bushland Rehabilitation Plans. Includes fauna nesting program, stormwater creekline management, weed infestation removal.											Bushland/Fauna Rehabilitation Plans for Middle Harbour Catchment 2003	
Primrose Park Bushland Rehabilitation	\$46,125	\$47,278	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	\$48,500	Primrose Park Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Brightmore Reserve Bush Regeneration	\$30,750	\$31,519	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	\$32,500	Brightmore Reserve Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Tunks Park Bush Regeneration	\$61,500	\$63,038	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	Tunks Park Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Wonga Road Foreshore Rehabilitation	\$20,500	\$21,013	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	Wonga Road Bushland / Fauna Rehab. Plan	Biodiversity; Ecosystem functions
Sub totals for Middle Harbour	\$158,875	\$162,847	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000		
Implementation of Bushland / Fauna Rehabilitation Plans for Port Jackson & Middle Harbour Catchments; Implementation of Bushland Plan of Management											Bushland / Fauna Rehabilitation Plans for Port Jackson Catchment 1999/01 & Middle Harbour Catchment 2001/03; Bushland Plan of Management 2007	
Community Nursery Management (Coal Loader)	\$0	\$0	\$25,500	\$26,138	\$26,791	\$27,461	\$28,147	\$28,851	\$29,572	\$25,500	Bushland PoM	Biodiversity; Ecosystem functions; social environment
Adopt-a-Plot community engagement	\$50,000	\$51,250	\$52,531	\$53,845	\$55,191	\$56,570	\$57,985	\$59,434	\$60,920	\$62,443	Bushland PoM	Biodiversity, Social environment
Biodiversity Education Program	\$89,838	\$92,084	\$94,386	\$96,746	\$99,164	\$101,643	\$104,185	\$106,789	\$109,459	\$112,195	Bushland PoM; PJ & MH Catchment Bushland / Fauna Rehabilitation Plans	Biodiversity, Social environment
Internal Design and Administration	\$43,317	\$44,400	\$45,510	\$46,648	\$47,814	\$49,009	\$50,234	\$51,490	\$52,778	\$54,097	Bushland PoM; PJ & MH Catchment Bushland / Fauna Rehabilitation Plans	User facility improvements
Habitat restoration / Wildlife corridors	\$40,000	\$41,000	\$42,025	\$43,076	\$44,153	\$45,256	\$46,388	\$47,547	\$48,736	\$49,955	Bushland PoM; PJ & MH Catchment Fauna Rehab. Plans	Biodiversity, Social environment
Wildlife monitoring / Bio-indicator analysis			\$20,000	\$20,000				\$20,000	\$20,000		Bushland PoM; PJ & MH Catchment Fauna Rehab. Plans	Biodiversity, Social environment

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Bushcare Support	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	Bushland PoM	Biodiversity, Social environment
Strategic Bushland Rehabilitation Planning Project	\$0	\$40,000	\$20,000	\$0	\$0	\$0	\$0	\$20,000	\$0	\$0	Bushland PoM; PJ & MH Catchment Fauna Rehab. Plans	Biodiversity, Social environment
Rationalise bushland walking track system	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000	Bushland PoM; PJ & MH Catchment Bushland Rehab. Plans	Biodiversity; User facility & Water quality improvements
Companion animals in bushland education program	\$5,500	\$5,500	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	Bushland PoM; PJ & MH Catchment Fauna Rehab. Plans	Biodiversity, Social environment
Interpretive signage	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	Bushland PoM; PJ & MH Catchment Bushland / Fauna Rehabilitation Plans	User facility improvements
Provenance seed bank & propagation project	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	Bushland PoM	Biodiversity, Social environment
Bushland stormwater remediation and site stabilisation projects (eg Tunks Park Stage 2; Quarry Creek; Bridge End Slope Stabilisation)	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	Bushland PoM; Bushland Rehab. Plans (both)	Biodiversity
Sub totals for both catchments	\$341,655	\$387,234	\$390,452	\$376,314	\$362,321	\$368,479	\$374,791	\$421,261	\$407,893	\$394,690		
Implementation of North Sydney Council's Street Tree Strategy											Street Tree Strategy 2006	
Canopy enhancement program (Aerial Bundled Cabling)	\$50,000.00	\$50,000.00	\$60,000.00	\$60,000.00	\$60,000.00	\$60,000.00	\$60,000.00	\$60,000.00	\$60,000.00	\$60,000.00		Biodiversity
Implementation of programs identified in the Water Management Plan											Water Management Plan 2010-2015	
Water audit and implementation	\$15,000	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	Water Management Plan	Water Efficiency

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Water Monitoring and Review (water use and quality)	\$20,000	\$20,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	Water Management Plan	Water Efficiency Recycled Water Water Quality
Maintain gross pollutant traps & litter baskets	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	Water Management Plan	Water Quality
Bioretention projects	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	Water Management Plan	Water Quality
Catchment Protection Officer	\$74,000	\$75,850	\$77,746	\$79,690	\$81,682	\$83,724	\$85,817	\$87,963	\$90,162	\$92,416	Water Management Plan	Water Quality
Catchment Education Program	\$5,000	\$5,000	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	Water Management Plan	Water Quality Water Efficiency
Improved Street Sweeping in the Catchments	\$64,000	\$65,600	\$67,240	\$68,921	\$70,644	\$72,410	\$74,220	\$76,076	\$77,978	\$79,927	Water Management Plan	Water Quality
Sub totals for Water Management Plan	\$298,000	\$301,450	\$322,486	\$326,111	\$329,826	\$333,634	\$337,538	\$341,539	\$345,640	\$349,843		
Implementation of programs identified in the Greenhouse Action Plan											Greenhouse Action Plan 2010-2015	
Coal Loader Sustainability Centre	\$0	\$0	\$20,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	The Coal Loader Sustainability Centre Draft Business Plan	Community participation
Energy Audit and Implementation	\$15,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Greenhouse Action Plan	Energy Efficiency
Additional Council GreenPower use	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	Greenhouse Action Plan	Renewable Energy

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Energy efficiency initiatives (eg Cogen North Sydney Olympic Pool), Photovoltaic projects (Council Chambers & Stanton Library)	\$300,000	\$300,000	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	Greenhouse Action Plan	Low Emission Energy
Street Lighting Improvement	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	Greenhouse Action Plan	Energy Efficiency
Residential Sustainability Programs	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	Greenhouse Action Plan Water Management Plan	Energy Efficiency Renewable Energy Low Emission Energy Water Efficiency
Sustainable Food Programs	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	Greenhouse Action Plan	Energy Efficiency Reduce Fuel Use Water Efficiency Waste Minimisation Community Participation
Sustainable Transport Programs (including Green Travel Guides & Bike Strategy implementation)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	Greenhouse Action Plan	Reduce Fuel Use Active Transport Public Transport Community Participation
School Sustainability Programs	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	Greenhouse Action Plan Water Management Plan	Energy Efficiency Renewable Energy Low Emission Energy Water Efficiency
Sustainable Business Coordinator (CitySwitch and other business programs)	\$40,000	\$41,000	\$80,000	\$82,000	\$84,050	\$86,151	\$88,305	\$90,513	\$92,775	\$95,095	Greenhouse Action Plan Water Management Plan	Energy Efficiency Renewable Energy Low Emission Energy Water Efficiency Recycled Water
Greenhouse Monitoring and Review (Carbon Management System)	\$5,000	\$5,000	\$26,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	Greenhouse Action Plan	Energy Efficiency Renewable Energy Low Emission Energy
Sustainability Education Programs	\$156,000	\$159,900	\$170,000	\$174,250	\$178,606	\$183,071	\$187,648	\$192,339	\$197,148	\$202,077	Greenhouse Action Plan Water Management Plan	Energy Efficiency Renewable Energy Low Emission Energy Water Efficiency Recycled Water

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Sustainable Transport Officer	\$59,000	\$60,475	\$61,987	\$63,537	\$65,125	\$66,753	\$68,422	\$70,132	\$71,886	\$73,683	Greenhouse Action Plan	Reduce Fuel Use Active Transport Public Transport Community Participation
Sub totals for Greenhouse Action Plan	\$770,000	\$776,375	\$712,987	\$710,787	\$718,781	\$726,976	\$735,375	\$743,985	\$752,809	\$761,854		
Environmental Levy Administration	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000							
Sub-totals and Grand Total for Levy Matrix 2011-2021												
Sub totals for Port Jackson	\$267,484	\$274,171	\$281,025	\$288,051	\$295,252	\$302,634	\$310,199	\$317,954	\$325,903	\$334,051		
Sub totals for Middle Harbour	\$158,875	\$162,847	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000	\$168,000		
Sub totals for both catchments	\$341,655	\$387,234	\$390,452	\$376,314	\$362,321	\$368,479	\$374,791	\$421,261	\$407,893	\$394,690		
Sub totals for Street Tree Strategy	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000		
Sub totals for Water Management Plan	\$298,000	\$301,450	\$322,486	\$326,111	\$329,826	\$333,634	\$337,538	\$341,539	\$345,640	\$349,843		
Sub totals for Greenhouse Action Plan	\$770,000	\$776,375	\$712,987	\$710,787	\$718,781	\$726,976	\$735,375	\$743,985	\$752,809	\$761,854		
Sub totals for Environmental Levy Administration	\$90,000	\$92,250	\$94,556	\$96,920	\$99,343	\$101,827	\$104,372	\$106,982	\$109,656	\$112,398		

Environmental Improvement and/or Protection Initiatives - eligible to be funded through the proposed annual Environmental Levy

PROJECT / ACTION	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	REFERENCE DOCUMENT	ENVIRONMENTAL FACTORS ADDRESSED
Grand Totals	\$1,976,014	\$2,044,327	\$2,019,507	\$2,016,182	\$2,023,524	\$2,051,550	\$2,080,276	\$2,149,720	\$2,159,901	\$2,170,836		



LONG TERM FINANCIAL PLAN (LTFP2)

2010/2011-2019/20

Prepared March 2011

Part of the North Sydney Council's Resourcing Strategy

2020VISION
LIVING SUSTAINABLY

The 2020 Vision Logo



The “Sustainability Compass” symbolises setting the compass on the path towards sustainability. The four points of the compass describe the different dimensions - environment, society, economy and governance, of sustainability.

This is the first Long Term Financial Plan for North Sydney in accordance with Integrated Planning and Reporting Framework requirements.

The Long Term Financial Plan was prepared by Council's Financial Services Department with assistance from Council's Corporate Planning and Governance, Strategic Planning, Engineering Infrastructure, Property Assets and Recreation Planning and Landscape Planning and Design Departments following consultation with Councillors and the senior management team. The following resources have been referenced in the development of this Strategy:

- A Social Plan for North Sydney 2008-2012
- ABS 2006 Census
- Audited Financial Statements 2008/09
- Audited Financial Statements 2009/10
- Comparative Information on NSW Local Government Councils 2008/09 (August 2010)
- Draft Inner North Sub Regional Strategy 2007
- Draft North Sydney Local Environment Plan 2009 and Draft North Sydney Development Control Plan 2010
- Financial Management Policy (CL09-FM)
- Metropolitan Plan for Sydney 2036 (December 2010)
- North Sydney Council Asset Management Strategy 2010/11-2019/20
- North Sydney Council Delivery Program 2010/11-2013/14
- North Sydney Council Engineering Infrastructure 2010/11-2019/20 and Property Asset Management Plan 2010/11-2019/20
- North Sydney Council Open Space Provision Strategy (2009)
- North Sydney Council Property Asset Management Plan 2010/11-2019/20
- North Sydney Council Recreational Needs Study (2005)
- North Sydney Council Section 94 Contributions Plan 2004-2014
- North Sydney Council Water Based Recreation Needs Study (2006)
- North Sydney Council Workforce Strategy 2010/11-2013/14

This Plan reflects our intentions at the time of publication. As with any plan or budget, the actual results may vary from that forecast. For further information contact Council's Director Finance and Information Management on 9936 8100.

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Foreword

We are pleased to present the *North Sydney Council Long Term Financial Plan 2010-2020*. This is the first Long Term Financial Plan prepared by North Sydney Council in accordance with the State Government's Integrated Planning and Reporting Framework requirements.

Council's Long Term Financial Plan 2010/11-2019/20 is part of our Resourcing Strategy, helping to ensure that community's long term goals and objectives, as expressed in the *2020 Vision, North Sydney Community Strategic Plan 2009-2020* are met. Effective workforce planning enables Council to focus on the medium and long term and also provide a framework for dealing with immediate challenges in a consistent way. Our Long Term Financial Plan links directly with our *North Sydney Council Delivery Program 2010/11-2013/14*.

The Long Term Financial Plan (LTFP) expresses in financial terms the activities that council proposes to undertake over the short, medium and long term and will guide the future strategies and actions of Council to ensure that it continues to operate in a sustainable manner. It examines the impact of Council's revenue, operational and capital expenditure forecasts, taking into account assumptions for economic factors and changes to service delivery levels.

Long term financial planning provides the following benefits for Council:

- It provides an indication of the future financial position of Council;
- It helps Council assess the financial sustainability of service levels;
- It allows scenario testing of different strategies and service levels;
- It identifies any potential funding gap arising from the long-term financial forecasts;
- It enables testing of sensitivity and robustness of the key assumptions used in the long term forecasts;
- It allows the long-term strategic decisions to be quantified and debated; and
- It assists Council in determining the risk of future strategic directions.

It is intended that this Plan be a living document that helps to guide the activities and decision making of the organisation into the future. The initiatives will be reviewed annually to ensure applicability in the changing environment and to also incorporate community feedback.



Cr Genia McCaffery
MAYOR



Penny Holloway
GENERAL MANAGER

1. Introduction

Under the Integrated Planning and Reporting Framework (IPR) councils are required to draw together their various plans, to understand how they interact and to get the maximum leverage from their efforts by planning holistically for the future.

The *2020 Vision, North Sydney Community Strategic Plan 2009-2020* provides a vehicle for expressing long term community aspirations. However these aspirations can only be achieved if sufficient resources - time, money, assets and people - are allocated.

Through the 2010/11-2013/14 North Sydney Council Delivery Program, Council outlines how the objectives of the 2020 Vision will be implemented through projects and services during its term of office. The implementation will be within the resources identified in the accompanying Resourcing Strategy.



Figure 1.1 Integrated Planning and Reporting Framework

The Resourcing Strategy which underpins the 2020 Vision consists of three components: long term financial planning, asset management planning and workforce planning. The Resourcing Strategy is the critical link between the 2020 Vision and the Delivery Program. Each component of the Resourcing Strategy is critical to achieving the goals and objectives of the 2020 Vision. The Resourcing Strategy is reviewed each year in line with preparation of the annual Operational Plan and Budget. It details the provision of resources required to implement strategies established by the 2020 Vision for which Council is responsible.

North Sydney Council has been committed to long term financial planning for some time now. Council has had in place a long term financial model since 2006. The model is revised annually.

The Long Term Financial Plan (LTFP) is a decision making tool. It is governed by a series of financial strategies and accompanying performance indicators that Council considers and adopts. The LTFP is not intended to be a document that specifically

indicates what services/proposals funds should be allocated; rather it addresses the impact of the Council's ability to fund its services and Capital Works, whilst living within its means i.e. ensuring financial sustainability. It establishes the financial framework upon which sound financial decisions are made.

Council's LTFP is underpinned by Council's Financial Management Policy (CL09-FM); refer Appendix 2. The policy outlines Council's guiding principles when preparing the Long Term Financial Plan and its ongoing financial sustainability. In order to live sustainably the Council has to look into the future and provide future generations with a sustainable infrastructure and environment without the burden of excessive debt.

The LTFP seeks to answer four key questions:

- Can we survive the pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

The LTFP includes:

- Planning assumptions used to develop the plan
- Projected income and expenditure, balance sheet and cashflow statement;
- Sensitivity analysis (factors/assumptions most likely to affect the plan);
- Modelling for different scenarios (planned/optimistic/conservative); and
- Methods of monitoring financial performance.

The LTFP intends to achieve the following objectives of the ten year time frame:

- Maintain existing service levels;
- Maintain a strong cash position;
- Maintain a balanced budget position;
- Maintain a sufficient Employee Leave Entitlement Cash Reserve based on the age and entitlements of all staff in accordance with Council's Workforce Strategy; and
- Maintain capital expenditure on asset renewal and upgrades; and

The longer the planning horizon, the more general the plan will be in the later years i.e. it is not expected that the tenth year of our plan will include specific detail. As decisions are made more detail can be added to the LTFP. As Council finalises its Delivery Program every four years, the first four years of the LTFP will become firmer. As the Operational Plan is completed (annually) the detailed budget will form the first year of the LTFP.

The following diagram illustrates the relationships and integration within the Framework:

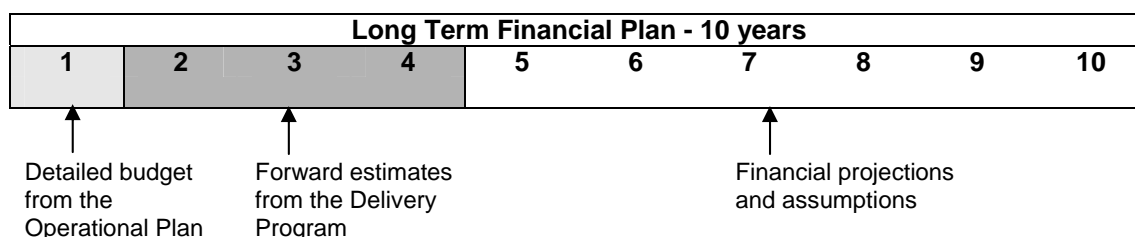


Figure 1.2 Relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan.

2. Our Organisation

This section provides an overview of North Sydney's community and Council including our vision, mission and values; our charter; introducing your councillors, Council's organisational structure, and a snapshot of the geographic and demographic profile of North Sydney.

2.1 Our Vision, Mission, Values and Charter

2.1.1 Our Vision

North Sydney is a vibrant community with a major and unique commercial centre surrounded by related villages and neighbourhoods. We celebrate community harmony, respect and diversity and our locality is recognised for its excellence in innovation, business and sustainability.

Our residents, workers and students are proud to belong to this community and we welcome those who visit and enjoy the area. Our community supports environmental, social and economic sustainability through civic leadership and local and practical solutions.

2.1.2 Our Mission

To be leading edge in serving the community of North Sydney by caring for its assets, improving its appearance and delivering services to its people in a financially, socially and environmentally responsible manner.

2.1.3 Our Core Values

Sustainability - equity, preservation, justice and precaution

Community service - efficiency, effectiveness and responsiveness

Open government - transparency and accountability

Ethical conduct - honesty and integrity

Justice - fairness and equity

Quality - innovation and excellence

Teamwork - cooperation and respect

2.1.4 Council's Charter

In addition to the Council's Charter under Section 8 of the Local Government Act, 1993, North Sydney Council has adopted its own Charter:

- We will leave to future generations a better environment than we inherited. Sustainability will be a call to action across our community. In partnership with our community, we will ensure that responsible stewardship of the local environment is a guiding principle in all our activities. We will develop new local parks and sporting facilities, broaden the use of our existing open space

and recreation resources and improve how we care for and manage them. We will work with other organisations, locally and regionally, to realise these ends. The importance of providing opportunities for community health and wellbeing will be central to all of our open space and recreation planning.

- We will work with our community to create a built environment that is well designed, welcoming, safe, accessible and beautiful and which truly reflects our local heritage. We will protect the character of our urban environment whilst managing growth. We ensure that North Sydney's networks of roads, footpaths, seawalls and other local infrastructure is maintained to a standard that meets our community's expectations. Funding for major new infrastructure will be spread over the life of the asset. We will bring together other levels of government in sharing responsibility for our local infrastructure. We will make North Sydney pedestrian and bike friendly. The use of public transport and other alternatives to the private car will be encouraged through the improvement and expansion of sustainable transport options and the encouragement of car sharing options.
- We will preserve the economic vitality of the North Sydney Central Business District and unique commercial centres. From a strong commercial heart, our CBD will host a thriving business community, provide diverse social and cultural activities and work in harmony with surrounding residential areas and other commercial centres nearby. The CBD will be internationally recognised as a place for innovation, excellence and Ecologically Sustainable Development. Our commercial centres will remain economically viable, healthy and attractive. Our neighbourhoods will be strengthened so that there are village centres with shops and places to meet within walking distance of residential areas.
- We will strengthen bonds in our community and give more recognition and support to our social and cultural diversity. A safer environment for people who live in and visit North Sydney will be created, and we will promote a sense of community responsibility for our collective wellbeing. We will ensure 'universal access' to our community services and facilities through continuous needs analysis and planning. We will pursue investment opportunities to enhance community assets under Council's care in the interests of quality of life, amenity and public safety. We will always regard our role in delivering services to the community as vital. We will work in partnership with other levels of government in planning and providing services. Central to our focus will be the needs of youth, families and older people as well as those with special needs.
- We will continue our established tradition of good governance and we will be a leader in ethical, transparent and open government. We will be worthy of and receive the highest level of community confidence in our capacity to govern. We will adopt a sustainable approach to our financial planning, explore additional sources of income and minimise risks to our organisation. Achieving this will ensure that we are able to maintain a healthy and secure financial position whilst providing our community with a high level of service.

2.2 Our Councillors

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Councillor Trent Zimmerman

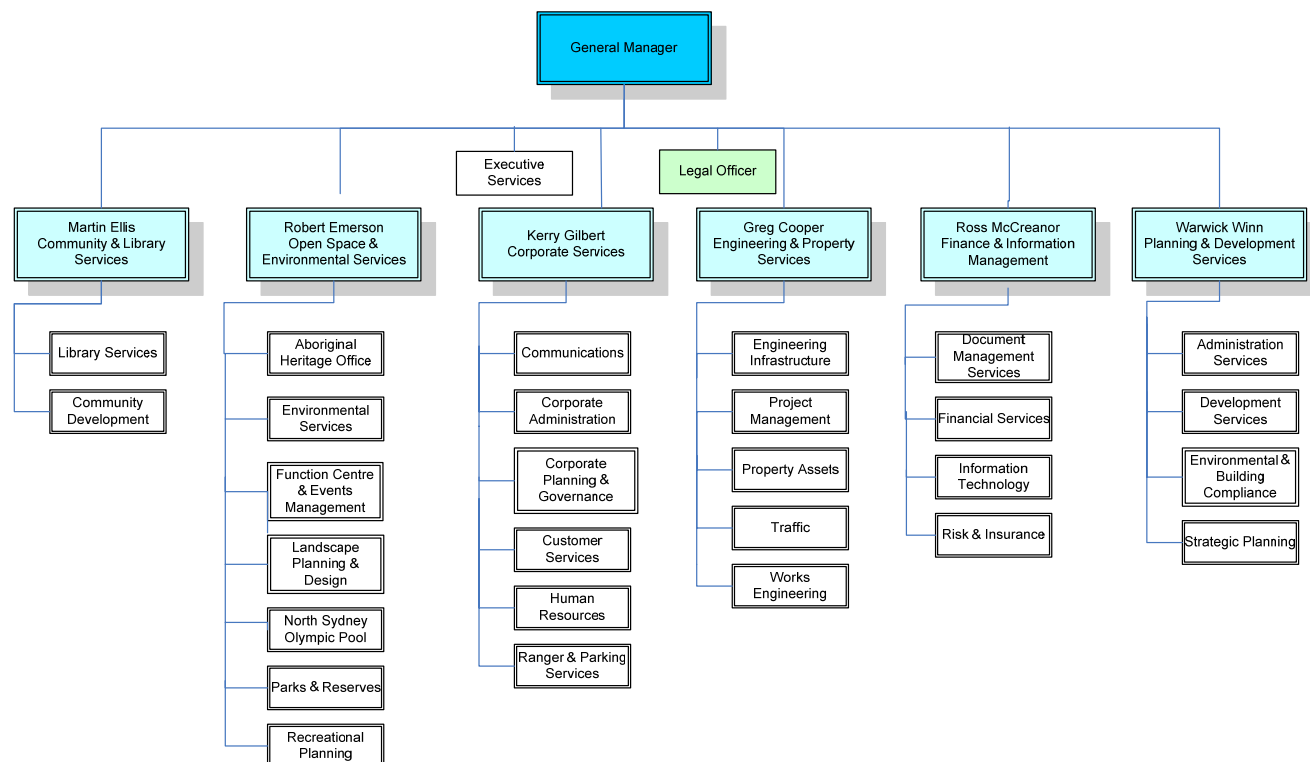


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2.3 Our Organisational Structure

North Sydney Council is constituted under the Local Government Act 1993. The organisational structure under which Council operates is set out below:



2.3.1 The role of the General Manager and Senior Management

General Manager, Penny Holloway

The General Manager is responsible for the operation of Council's organisation and for implementing the policies and decisions of the Council. The General Manager is responsible for the day to day management of Council, exercising any functions delegated by the Council; and the appointment, direction and dismissal of staff.

Responsible to the General Manager are six Directors who manage the Divisions of Community and Library Services, Corporate Services, Engineering and Property Services, Finance and Information Services, Open Space and Environmental Services and Planning and Development Services.

The General Manager, along with the Directors comprises the Senior Management Team (MANEX) that ensures the organisation is meeting its obligations and provides staff with strategic direction. The role of the General Manager is also to oversee Mayoral and Councillor support and legal services.

Director Community and Library Services, Martin Ellis

The Community and Library Services (CLS) Division plans and delivers a vast range of services including programs for seniors and people with special needs, family and children services, youth services and community events to encourage community connectedness. The Division is also responsible for management of Stanton Library and the North Sydney Heritage Centre.

Director Corporate Services, Kerry Gilbert

The Corporate Services (CS) Division coordinates governance, customer services, communications, community engagement, human resources, parking management, companion animal management and corporate administration. Another key role is coordination of integrated planning and forward planning for Council. The Division undertakes the process to establish a shared vision and strategic directions through consultation with the community.

Director Engineering and Property Services, Greg Cooper

The Engineering and Property Services (EPS) Division is responsible for the delivery of infrastructure and commercial operations. Operational activities include the maintenance of built assets including buildings, roads, footpaths and drainage. Commercial operation activities include parking meters, parking stations and the commercial property portfolio. Engineering and Property Services also delivers capital works projects, manages traffic planning and facilities, provides road safety education programs and manages Council's fleet and plant.

Director Finance and Information Management, Ross McCreanor

The Finance and Information Management (FIM) Division provides financial services, risk management and insurance, information technology services and document management services. Activities also include the management of Council's investment portfolio and long term financial planning.

Director Open Space and Environmental Services, Robert Emerson

The Open Space and Environmental Services (OSES) Division's key responsibilities include waste management, environmental services and sustainability, bushland management and parks and reserves management. Tree management is managed by this Division as well as management of the North Sydney Olympic Pool and the North Sydney Oval and Function Centre, public events, recreational planning, Aboriginal heritage, street cleaning, and landscaping planning and design.

Director Planning and Development Services, Warwick Winn

The Planning and Development Services (PDS) Division's key responsibilities are assessing and determining development applications and the regulation of strategic land use planning through planning instruments such as heritage controls. The Division also ensures that building and health regulations are enforced and supports local government area-wide economic development.

2.3.2 Employee Profile

The current organisational structure (i.e. the budgeted staff establishment) comprises 388 full time equivalent (FTE) staff positions across six Divisions and the General Manager's Office. The FTE comprised of a headcount of 489 people as detailed in the table below; whilst there are 111 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

Division	Full time (FT)	Part time (PT)	Casual
General Manager's Office	4	0	0
Community and Library Service	22	35	27
Corporate Services	66	11	2
Engineering and Property Services	46	3	12
Finance and Information Management	34	3	0
Open Space and Environmental Services	94	16	67
Planning and Development Services	41	3	3
Total FT, PT and Casual Headcount	307	71	111

2.4 North Sydney in Profile

2.4.1 Key Facts:

- North Sydney local government area (LGA) is located 3km from the Sydney GPO and covers 10 square kilometres.
- North Sydney's estimated resident population in 2007 was 62,323, an increase of 5.9% since 2001.
- By 2020 North Sydney is expected to increase to 64,551 people.
- Over 50,000 people travel daily to North Sydney for work and study. The State Government's employment capacity target for North Sydney is 15,000 by 2031 (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney has a low proportion of households with children, compared to the Sydney average with 88.6% of the population being over 18 years.
- North Sydney has a larger percentage of 25 to 34 year olds (27.4%) compared to the Sydney average.
- North Sydney is a relatively affluent community with above average incomes. Overall 47.1% of households earn \$1,700 or more per week, whilst 9.5% are low income households, earning less than \$500 per week.
- Overall, 60.9% of the population hold tertiary qualifications compared with 43% for the Sydney average.
- Of our 15,000 students attending schools and tertiary institutions in North Sydney, only one in five live in the LGA.
- Almost a third of North Sydney's population was born overseas; 18.2% are from a non-English speaking background, compared with 24% for the Sydney average.

- Dwelling density is higher in North Sydney than in other parts of Sydney with almost 25% residing in medium density dwellings (semi-detached, row, terrace, townhouses and villa units); while 52.6% live in high density dwellings (flats and apartments).
- By 2031 North Sydney is be required by the State Government to provide an additional 5,500 dwellings (target outlined in the 2007 Draft Inner North Subregional Strategy).
- North Sydney is home to one of the largest business districts in Australia as well as several smaller commercial centres. More than 45,000 businesses operate from North Sydney.
- Approximately 15-20% of North Sydney is open space, including seven parks with multiple sports fields and 188 larger parklands to pocket parks and smaller garden areas.

For more information about North Sydney's demographic characteristics, please refer to the demographic profile, on Council's website at www.northsydney.nsw.gov.au.

Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2001.



Figure 2.3 Map of North Sydney Local Government Area, showing Ward boundaries

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3. Environmental Scan

The Environmental Scan is a review of the key external and internal factors that may impact on North Sydney Council and its long term financial planning.

3.1 Current Financial Position

Council's current financial position continues to remain sound. The audited (unqualified) Financial Statements at the 30 June 2010 indicated that Council's internally restricted cash reserves totalled \$30.8m and its externally restricted cash reserves totalled \$13.5m. It should be noted that externally restricted monies can only be spent on the specific purposes for which they were received or levied, such as developer contributions (S94), grants and special levies.

Some of the key performance measures are all within the appropriate ranges and are as follows:

- Unrestricted Current Ratio - 4.3:1 (a healthy range is above 1.5:1)
- Debt Service Ratio - 0% (a healthy range is below 10%)
- Rates and Annual Charges Outstanding - 1% (a healthy range is below 5%)
- Building and Infrastructure Renewals Ratio - 119.4% (a healthy range is above 100%)
- Available Working Capital - \$3.4m (considered an adequate level by our external auditors to manage Council's day to day operations)
- For the year ending 30 June 2011, Council expects to be holding \$25.3m in internally restricted reserves and \$10.9m in externally restricted reserves. These figures are dependent on the completion rate of our non-recurrent works program.

In terms of the key performance measures, all are expected to remain within the "healthy" ranges.

Council's fees and charges have been reviewed generally in terms of a 3% increase except with the Domestic Waste Management Charge (DWMC). The annual DWMC will increase to \$256, an increase of \$10 or 4.0%.

Income from Council's property portfolio has stabilised and no more significant drops in revenue are expected to occur. However parking stations are continuing to be negatively affected by the retail downturn.

In overall terms, Council is still of the opinion that the bottom of our revenue decline has been reached and will not improve significantly for some time into the future. Therefore Council will continue to face the funding challenges posed when operating costs are increasing at a greater rate than operating revenue; a Section 94 (S94) works program that is facing long term revenue shortages and an ever increasing unfunded capital renewal program.

In the final version of the 2009/10 budget, reductions of over \$2.5m were made to the recurrent budget and \$1m to the non-recurrent budget. This included a reduction of 24 FTE (8% of the workforce) and many reductions to service levels. In summary some of the reductions to service levels have been listed below *as well as in Appendix 6, outlining Council's past and future "efficiency gains" (It should be noted that any savings from efficiencies need to be retained within the organisation to assist in covering those price "shocks" that do occur eg increases to the cost of fuel):*

- Significant reductions to staff training and performance incentives
- Reduction in the opening hours of customer service
- Significant reduction in property and project management
- Reduction in pavement scrubbing
- Reduction in engineering inspections, pavement repairs and signs and lines
- Significant reductions in development application assessment capacity
- Ceasing mowing of grass verges in front of residential property (however during 2009/10 Council voted to fully reinstate the 'mowing of grass verges' from 2010/11, funded by additional income sourced through advertising).
- Significant reductions in public events in parks
- Reductions to garden maintenance and street cleansing
- Ceasing all "voluntary" council rate rebates to eligible pensioners
- Reductions in grants to community groups and community centres
- Reductions to youth programs
- Reduced library supervision and services

3.2 General Assumptions

3.2.1 Population

North Sydney LGA is both a significant residential area and a substantial commercial area containing Sydney's second largest office market. It is well known for its recreational facilities and cultural attractions including Luna Park, North Sydney Oval, Admiralty and Kirribilli Houses and Sydney Harbour Bridge. Its location on Sydney Harbour foreshore adjacent to the Sydney CBD makes it attractive for business, residents and tourists alike. More than 45,000 businesses operate from the North Sydney CBD and smaller commercial centres¹.

North Sydney's estimated resident population (ERP) as at June 2009 was 63,941 people²; this is an increase of 1.54% since June 2008; a 5.9% increase since 2001 and 9.8% increase since 1996. It is predicted that North Sydney's resident population will increase to 64,551 people by 2020, representing an average annual growth rate of 0.4%. North Sydney's population growth is moderate in contrast to the NSW state average.

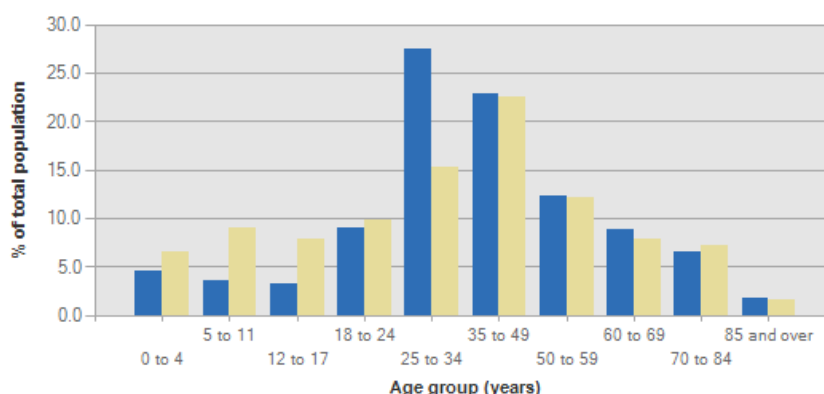
88.6% of the population is over 18 years. Almost half of North Sydney's residents are aged between 25 and 49 years. North Sydney has a higher percentage of 25 to 34 year olds (27.4%) compared to the Sydney average (15.3%).

With regard to specific population groups, the 25-34 year olds group increased slightly between 2001 and 2006, but the largest increases were in 35-49 year olds (up by 1,217 people) and 60-69 year olds (up by 1,372 people). This could indicate a change in the role and function of North Sydney LGA, with both parents groups and "empty nesters" moving in. There has also been an increase in 0-4 year olds. These statistics support community levels of satisfaction with Council services, the need for improved community services and facilities as well as the upgrade and provision of new open space and recreational facilities.

¹ Draft Inner North Sub Regional Strategy 2007

² Australian Bureau of Statistics, Cat. No. 3218.0 - Regional Population Growth, Australia, 2009

Age structure of North Sydney Council area and Sydney Statistical Division, 2006 (Enumerated data)



Source: Australian Bureau of Statistics, 2006 Census of Population and Housing (Enumerated)

There are 19 educational institutions in North Sydney. The student population, increased by 479 (4%) between 2004 and 2007, most notably at the three public primary schools), to reach 18,282, the majority of which live outside the LGA. In comparison to other local government areas North Sydney has one of the highest numbers of educational institutions in Australia.

3.2.1.1 Capacity to Pay

North Sydney Council:

- has the lowest average residential rates amongst category 2 councils;
- has the highest 'gross household income' amongst category 2 councils (as per the last census); and
- has less than 1% of rates outstanding.

In accordance with the ABS produced Socio-Economic Indexes for Areas (SEIFA), which compare the relative social and economic conditions of cities, towns and suburbs across Australia, North Sydney LGA ranks 12th highest nationally and 4th highest in NSW, after Ku-ring-gai, Mosman and Woollahra LGAs. The following table lists the top ten ranked Statistical Local Areas (SLAs) in NSW, according to the Index of Relative Socio-economic Advantage.

Most Advantaged		
Rank in NSW	Local Government Area (LGA)	Usual Resident Population
1	Ku-ring-gai	101,084
2	Mosman	26,236
3	Woollahra	50,162
4	North Sydney	58,257
5	Lane Cove	30,427
6	Manly	37,111
7	Willoughby	63,604
8	Hunter's Hill	13,242
9	Baulkham Hills	159,391
10	Pittwater	54,156

Source: ABS, 2006 (SEIFA 2006)

Analysis of the housing tenure of the population of North Sydney Council area in 2006 compared to the Sydney Statistical Division shows that there was a smaller proportion of households who owned their dwelling; a smaller proportion purchasing their dwelling; and a larger proportion who were renters. Overall, 22.3% owned their dwelling; 19% were purchasing, and 46.4% were renting, compared with 30.1%, 31.1% and 29.7% respectively for the Sydney Statistical Division.³

Overall, 47.1% of North Sydney households earn a high income (\$1,700 p.w. or more), and 9.5% are low income households (earning less than \$500 p.w).

The following table indicates that North Sydney residents have the highest 'gross weekly household income' over \$1,000 p.w. in Category 2 councils, whilst having by far the lowest average residential rates.

Table: DLG Comparative Data 2008/09							
The following table indicates that North Sydney residents have the highest 'gross weekly household income' over \$1,000 p.w. in Category 2 councils whilst having by far, the lowest average residential rates.							
Councils	Category	Av Res 2008/09 (in order of increase)	Av Bus 2008/09	Household Income >= \$1,000 p.w. Ranking - High (1) to Low (17)	Gross Weekly Household Income		
					2006 Census Data		
					< \$350	\$350 to \$1,000	>= \$1,000
North Sydney	2	\$434	\$2,502	1	8.80%	15.70%	66.50%
Mosman	2	\$1,046	\$2,348	2	7.70%	15.60%	65.50%
Lane Cove	2	\$938	\$3,077	3	9.00%	16.30%	63.70%
Woollahra	2	\$903	\$2,993	4	8.30%	15.00%	63.60%
Leichhardt	2	\$988	\$5,684	4	10.50%	16.20%	63.60%
Manly	2	\$1,039	\$3,639	5	9.80%	16.80%	62.10%
Willoughby	2	\$724	\$4,718	6	10.20%	17.00%	61.80%
Hunters Hill	2	\$1,203	\$965	7	12.10%	15.20%	61.00%
Canada Bay	3	\$739	\$2,564	8	11.30%	18.40%	60.00%
Pittwater	2	\$1,117	\$1,706	9	8.70%	18.60%	59.20%
Waverley	2	\$661	\$4,026	10	11.50%	19.50%	56.90%
Sydney	1	\$514	\$9,011	11	16.70%	19.50%	54.20%
Kogarah	2	\$765	\$2,088	12	12.10%	24.40%	52.50%
Ashfield	2	\$831	\$3,815	13	14.10%	25.70%	50.40%
Strathfield	2	\$716	\$3,940	14	14.60%	24.90%	48.20%
Burwood	2	\$851	\$4,568	15	15.60%	24.90%	47.30%
Botany Bay	2	\$545	\$7,680	16	17.50%	26.80%	44.00%

Source: DLG 2008/09 Comparative Indicators

The 2020 Vision has been designed to enhance opportunities for people living in North Sydney LGA who experience social exclusion and disadvantage. Council also has a Financial Hardship Policy (CL05-FM.)

3.2.1.2 Growth Capacity

The 2007 Inner North Sub Regional Strategy indicates North Sydney will be required by 2031 to add an additional 5,500 dwellings. Similarly over 50,000 people travel daily to North Sydney for work or study, with this set to increase by 15,000 (30%) persons by 2031.

³ <http://profile.id.com.au/Default.aspx?id=238&pg=119&gid=10&type=enum> (26/02/11)

Based on targets set by the Metropolitan Strategy (including Subregional Strategy) and historical development approval data, the following table provides a general guide as to what Council may expect the growth to be within the LGA over the next ten years:

	2010/11	2011/12	2012/13	2013/14	2014/15 to 2020/21 (p.a.)
Estimated population growth (+3.5% by 2020)	223	223	223	223	223
NSC Estimated Annual Dwelling Growth (based on history of DA approvals between 2001-2010)	220	220	220	220	220
NSC Projected Target Annual Dwelling Growth (based on the Metropolitan Strategy target of +5,500dw by 2031 - 2004 base date)	204	204	204	204	204
NSC Estimated workforce growth (based on history of DA approvals between 2004-2010 to 2013 + Metropolitan Strategy target +15k by 2031)	1,200	1,200	1,200	850	500
NSC Projected Target workforce growth (based on Metropolitan Strategy target +15k by 2031 - base date 2001)	500	500	500	500	500

Figure 3.1 Projected Growth

As summarised in Figure 3.1 Council expects annual growth in new dwellings to be between 200 and 220, and workforce growth to be between 500 and 1,200. It should also be recognised that there can be significant timing delays between planning approvals, construction and then habitation.

The results of steady growth have been captured within the Long Term Financial Model but there are two key financial outcomes from investigating some of the historical data. Firstly, growth in rates revenue is negligible and secondly, extraordinary increases in developer contributions (i.e. S94 income), increases both the financial capital liability for Council and the additional maintenance costs resulting from increased capital works.

Figure 3.2 able demonstrates the very limited effect that growth in dwellings, workforce and population has on rates revenue for an "in-fill" council. Over five years, the average net increase in rates is 0.2% or approximately \$55,000.

Year	2007/08	2008/09	2009/10	2010/11	2011/12	
New Dwellings - Sydney Water Connections	295	160	281		-	
Note: the number of water connections will lag DA's but should be reflected in 'rate movements' over approx. 2 years						
Schedule 2 - Original Base	Rates	26,560,178	27,447,763	28,424,200	29,480,300	
Schedule 1 - Revised Base	Rates		26,664,161	27,442,279	28,494,344	29,450,964
Movement		138,344	103,983	-5,484	70,144	-29,336
% Movement		0.58%	0.39%	-0.02%	0.25%	-0.10%

Figure 3.2 Projected Rates Revenue

Section 94 of the Environmental Planning and Assessment Act 1979 (the Act) enables Councils to levy contributions for the provision of public facilities required as a consequence of development and the resulting increased demand for public facilities. Under S94 of the Act, contributions may be levied towards: the capital costs, including land acquisition; and public facilities that the Council has the responsibility to provide.

The North Sydney Section 94 Contributions Plan was adopted by Council 27 January 2004 and came into force 5 February 2004. The Plan predicts a ten year period to reach the development capacity in the North Sydney LGA as outlined in the Plan, whether or not the development capacity is reached.

It should be noted that not all public facilities provided by Council are necessarily catered for under a S94 Contributions Plan. Works identified for provision under a S94 Contributions Plan are only established after detailed studies have been undertaken to determine the demand for such facilities at the time that the Plan was initially prepared.

There are often discrepancies between the amount of development forecast under a Section 94 Contributions Plan and the actual amount of development approved by Council. The take up of development is largely affected by the economy and the forecasting used under the Section 94 Contributions Plan is often based on past trends. Accordingly, Section 94 Contributions Plans are often reviewed in 5 year intervals to determine if the Plans are realising their potential.

There are further discrepancies between the amount of approved development and the amount of constructed development. Development Contributions collected under Council's Section 94 Plan are generally made payable prior to the issue of a Construction Certificate. Accordingly, the Section 94 development contributions paid to Council will always be less than the total of the contributions that have been conditioned to be collected from approved developments.

The projected S94 Programs including both Council's and developer contributions are set out below. These figures are based on planning assumptions. However the figures have been pared back in the LTFP to reflect expected cash inflows of approximately \$2.9m per annum and the increased maintenance costs.

Figure 3.3 represents the estimated growth scenario suggests that annual revenue from S94 would be in the order of \$4.2m, a capital expenditure obligation from Council of approximately \$2m and increased maintenance costs of \$188,000.

If contributions from new developments were to consistently exceed the proposed budget estimate of \$2.9m per annum, then Council would need to consider external borrowing for both the internal S94 debt (approximately \$8.8m) and for its own contribution. The current proposal for the rate increase does not include this scenario.

Expenditure Programs	S94 Program - Sharing of Costs %		Projected 2011/12 - 220 +workers p.a.		Projected 2011/12: increased workforce p.a.		Total Program \$	Additional Maintenance Costs
	S94 % Portion	NCS % Contribution	S94 \$ Portion	NCS \$ Contribution	S94 \$ Portion	NCS \$ Contribution		
Administration	93%	7%	24,754	1,863	26,647	2,006	55,269	0
Child Care facilities	93%	7%	42,882	3,228	112,822	8,492	167,424	5,023
Community Centres	83%	17%	112,388	23,019	64,965	13,306	213,679	6,410
Library Acquisition	73%	27%	20,962	7,753	13,247	4,900	46,862	9,372
Library Premises and Equipment	41%	59%	64,851	93,322	40,274	57,956	256,403	25,640
Multi-use Indoor Sports Facility	12%	88%	17,706	129,847	15,243	111,781	274,576	0
Olympic Pool - 50m	12%	88%	57,677	422,966	49,663	364,194	894,500	26,835
Open Space Acquisition	100%	0%	706,848	0	48,571	0	755,419	7,554
Open Space Increased Capacity	100%	0%	1,401,096	0	96,276	0	1,497,372	44,921
Public Domain - North Sydney	64%	36%	131,048	73,715	642,432	361,368	1,208,563	36,257
Public Domain - St Leonards	100%	0%	138,828	0	210,868	0	349,696	10,491
Public Domain - Other	14%	86%	28,681	176,181	23,821	146,327	375,009	11,250
Traffic - Public Domain/ North Sydney	100%	0%	13,795	0	38,788	0	52,583	1,577
Traffic - Public Domain/ St Leonards	100%	0%	13,883	0	18,882	0	32,765	983
Traffic - Public Domain/ Other	100%	0%	42,501	0	0	0	42,501	1,275
			2,817,900	931,894	1,402,500	1,070,329	6,222,623	187,590

Figure 3.3 Projected S94 Revenue

3.2.2 Inflation

Changes in inflation will impact on both revenue and expenditure. The consumer price index (CPI) forecasts from Council's financial advisors as well as comparison with other Category 2 Councils have been used as a guide in the preparation of the LTFF. A number of other assumptions and forecasts have been included in the LTFF models to provide a more accurate reflection of the movements in costs over a ten year period.

On 23 April 2010, Glenn Stevens, Governor of the Reserve Bank of Australia, in his address on the subject 'Economic Conditions and Prospects', commented that Australia had one of its mildest recessions in the post-War period. Australia's economy had a sharp but brief downturn late in 2008 and returned to real growth domestic product (GDP) growth of 2.75% in 2009. Stevens also made the following comments:

“As most recently estimated by the ABS, real GDP grew by 2¾ per cent through last year - a bit below average, but much higher than for most other high-income economies. This was supported by monetary and fiscal stimulus, the recovery in Asia, and a sound financial system. That in turn meant that the economy was able to get onto the recovery path more quickly.”

“As a result, the rate of unemployment, at about 5¼%, is more than 2 percentage points lower than we forecast a year ago. The level of employment is 3%, or some 350,000 jobs, higher than we expected a year ago.”

“So the outlook for demand seems likely to be driven more by investment, both private and public, and less by consumption than in some previous periods.”

“The Board’s focus will be on doing our part to secure a durable expansion and on achieving the medium-term target for inflation of 2-3% on average.”

Relating these comments back to trends in local government, it has been assumed that inflation will continue to be around 2.5-3% p.a. and that the shortage of skilled labour will continue. As labour costs represent the single largest outgoing (49.5% in 2010/11) of Council’s operations, it is expected that costs will generally increase by 1.5% above the CPI. This is consistent with recent reports into the sustainability of local government.

3.2.3 Planning, Reporting and Decision Making Framework

In anticipation of the introduction of IPR legislation, Council adopted a Quadruple Bottom Line (QBL) approach to its planning, reporting and decision making; taking into consideration a broad range of social, environmental, economic and governance issues/implications. It was intended that by integrating a QBL approach to Council’s planning, reporting and decision making processes, Council would be better equipped to undertake IPR requirements.

Council had already undertaken a number of initiatives to address sustainability within its plans, reports, processes and operations. However, the adoption of a formalised QBL approach to planning, reporting and decision making was adopted to assist Council’s in more accurately defining and reporting its performance.

The ‘North Sydney Council Organisational Sustainability Program’ guided by Council’s Organisational Sustainability Policy (CL08-OM), was adopted in 2009 to embed sustainability considerations into all Council planning, reporting, decision making processes, and operations. The program, which includes a Sustainability Assessment Toolkit, provides guidance to Council when determining the significance of projects. As part of its consideration, Council takes into account how important the proposal and/or decision is in terms of the achievement of, or ability to achieve the community goals and objectives as identified in the 2020 Vision.

This framework gives the community some certainty about how Council will approach its consideration of proposals and/or decisions. Council will consider each proposal and/or decision on a case-by-case basis. Significant proposals and/or decisions that deviate from the Delivery Program will require the amended Plan to be placed on public exhibition for 28 days.

3.2.3.1 Service Levels

Council delivers services through 29 departments/functions. Analysis and community consultation has shown that if Council is to meet the objectives and targets of the 2020 Vision, all of these services need to be maintained at their existing level and some services will require enhancement in service levels.

Ongoing reviews of service levels, in consultation with the community and having regard to their full service deliver costs are undertaken on a regular, planned and ad hoc basis to ensure that funding allocations are both justifiable and sustainable. These reviews are undertaken in-house or with external assistance.

Sennitt Management Services undertook an Efficiency Review of North Sydney Council in 2006, and found that the Council organisation was very efficient. Further areas of review were suggested with a view to improved performance, all of which have been undertaken. Reviews have been targeted to achieve different objectives, including:

- Reviews of structure, service levels and performance;*
- Reviews of service delivery method and scope;*
- Reviews of service delivery processes and standards; and*
- Review of strategies and plans of management (which set service delivery standards)*

Similarly ongoing productivity improvements have been made which have freed up resources for re-allocation to other priorities as well as producing efficiency gains, improving income and producing expenditure reductions.

Council conducts a Customer Satisfaction Survey every two years to determine community attitudes towards the services and facilities it provides about the quality and appropriateness of each of its services. This feedback informs reviews of service delivery standards and levels used in the development and review of the Delivery Program to ensure areas that are not meeting community expectation are reviewed.

The service levels, asset maintenance and renewal requirements outlined in the Asset Management Strategy and sub plans have determined the capital expenditure and maintenance expenditure components of the LTFP.

Council's sustainability reporting reports the rate of annual asset consumption and compares this to asset renewal and asset upgrade and expansion. A sustainability ratio of 1.0 indicates that the current funding provided is equal to the required lifecycle funding estimate. A sustainability ratio of less than 1.0 indicates a funding gap. Other than the introduction of the Infrastructure Levy, there has been no additional funding for these assets. As an example Council's Engineering Infrastructure Asset Management Plan indicates that the current level of funding remains insufficient, as indicated in Figure 3.4.

Asset Group	Asset Category	2007 Sustainability Ratio	2010 Sustainability Ratio
Footpaths	Footpaths	1.09	0.91
Road Pavement	Roads Local	0.81	0.84
	Roads Regional	1.28	0.98
Seawalls and Marine Structures	Marine Structures	0.89	0.69
	Sea Walls	1.41	0.80
Stormwater Drainage	Drainage	0.87	0.58
	Kerb and Gutter	0.29	0.50
	Pollution Pits	0.57	0.80
Street Furniture	Public Lighting	0.48	0.56
	Street Furniture	0.39	0.42
	Bus Shelters	1.27	1.18
	Street Signs	0.81	0.25
Structures	Fences	0.23	0.38
	Retaining Walls	0.80	0.59
Traffic Facilities	Parking Meters	0.67	0.84
	Traffic Devices	0.66	0.52
Buildings	Buildings	0.66	0.68
Totals		0.84	0.73

Figure 3.4: Sustainability Ratios - Engineering Infrastructure Asset Management Plan

4. Planning Assumptions

The LTFP contains a number of assumptions. Variations in these assumptions during the life of the plan may have a significant impact on Council's future financial planning. The LTFP is updated annually in conjunction with preparation of the Operational Plan and Budget, which responds to the four-year Delivery Program, to ensure the assumptions are continually updated with the latest information available.

4.1 Revenue Assumptions

4.1.1 Rates and Annual Charges

The structure of a rate can only be:

1. An ad valorem amount (at value), or
2. A base amount to which an ad valorem amount is added, or
3. An ad valorem amount plus minimums (section 548 of Local Government Act).

The ad valorem amount of an ordinary rate is to be levied on the land value of all land that is to be rateable to the rate (Section 498). The rate in the dollar is to apply uniformly to the land value of all rateable land in the area of that rate. The following information relates to the 2010/11 financial year. The structure for rates and annual charges in subsequent years are outlined within the Revenue Policy contained within the Operational Plan.

4.1.1.1 Ordinary Rates (Residential and Business)

Council has two ordinary rates being "residential" and "business". These rates are applied to those properties categorised as either residential or business. Those properties that are subject to a Mixed Development Apportionment Factor (MDAF) as supplied by the Valuer General are rated part Residential and part Business on the basis of that MDAF and are not categorised according to the dominant use.

The revenue derived from ordinary rates is based on the percentage breakdown of expenditure between the residential and business districts, currently 60% residential and 40% business.

	MINIMUM		AD VALOREM			TOTALS	%
	No	\$ Values	No	Rate in \$	\$ Value	\$ Value	
Residential Properties (\$ 407.00)	26,850	10,927,950	5,801	0.075984	4,396,231	15,324,181	60
Business Properties (\$ 408.00)	1,446	589,968	2,201	0.571278	9,627,344	10,217,312	40
	28,296	11,517,918	8,002		14,023,575	25,541,493	

4.1.1.2 Special Rate (Neutral Bay Mainstreet Levy)

First adopted by Council in the 2003/04 financial year, the rating structure for the Neutral Bay Mainstreet Levy program is a base amount (30%) and an ad valorem amount (at value). Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Neutral

Bay. This rate is to fund the carrying out of streetscape works within the Neutral Bay Business Area. The current approval for this rate will expire on 30 June 2013.

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$145.27)	413	59,997	413	0.078262	140,003	200,000

4.1.1.3 Special Rate (Crows Nest Mainstreet Levy)

First adopted by Council in the 1996/97 financial year, the rating structure for the Crows Nest Mainstreet program is a base amount (30%) and an ad valorem rate. Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Crows Nest. This rate is to fund the carrying out of streetscape works within the Crows Nest Business Area.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. The current approval for this rate will expire on 30 June 2013. The amount of revenue collected by the levy was not increased

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$116.10)	770	89,397	771	0.069080	208,601	297,998

4.1.1.4 Special Rate (Environmental Levy)

First adopted by Council in the 2000/01 financial year, the rating structure for the Environmental Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Environmental Levy.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. This rate revenue is equivalent to an average of \$50.00 per rateable property, an increase of \$15.00 per rateable property effective from 2010/11. The current approval for this rate expired on 30 June 2013.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$24.99)	36,298	917,087	36,298	.007225	907,812	1,814,899

4.1.1.5 Special Rate (Infrastructure Levy)

First adopted by Council in the 2007/08 financial year, the rating structure for the Infrastructure Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Infrastructure Levy. This rate revenue is equivalent to an average of \$44.79 per rateable property. The current approval for this rate will expire on 30 June 2012.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Ratable Properties (base \$22.39)	36,298	812,712	36,298	.006472	813,103	1,625,910

4.1.1.6 Specific Rating Issues

a) Upon registration of a new strata plan or deposited plan Council will re-rate the property(s) from the commencement of the proceeding quarter of the rate year.

b) Aggregation of rates in accordance with Section 548A of the Local Government Act will apply for all lots categorised as Residential or Business for rating purposes, one separately titled car-space and one separately titled utility lot that are in the same ownership as the residential or business lot and are within the same building or strata plan. All aggregations will only apply from the commencement of the quarter following the lodgement of the application with Council.

c) At the end of each month all rate balances will be written off, up to a maximum of five dollars per assessment, and the resulting abandonments shall be incorporated in Council's final accounts.

d) For the 2010/2011 rating year, the base date for land values is 1 July 2007. For the 2011/2012 rating year, the base date for land values is 1 July 2010.

4.1.2 User Charges and Fees

For many years Council's Revenue Policy (within the Operational Plan) provided guidance on how 'user charges and fees' were to be developed. Council's guiding revenue principles and Pricing Framework for Varying Fees and Charges include:

- *Endeavour to apply all revenue policies on an equitable basis;*
- *The "User Pays" principle will in general be the basis for the full recovery of costs;*
- *Fees and charges will take into account the movements in the CPI;*
- *Income earned from Council's assets will be maximised, based on industry market rates;*
- *As a minimum, Council will seek to recover the administrative costs in performing its statutory duties; and*
- *Consideration will be given to those groups and/or members of the community who are disadvantaged and may not otherwise be able to access the service. Generally this will be reflected by discounting the fee or charge.*

The factors that determine Council's Pricing Policy (within the Operational Plan) are equity, user-pays and market rates:

- *Prices represent either the full recovery of costs or the current market-rate whichever is the greater, except to those individuals or groups that have been identified as disadvantaged and in need of "special consideration";*
- *Reserve the right to vary this pricing policy on any reasonable basis having regard for specific circumstances;*
- *Documents that are made available on Council's website will be free of charge except for those variations identified in the Schedule of Fees and Charges; and*

- *A fee for the use of credit cards by customers will be charged when making payments.*

The annual review incorporate matters such as the ability to pay, full or partial cost recovery and levels of subsidy. Also, consideration will be given to those members of the community, who because of their special circumstances may not be able to access the service. These considerations are reviewed annually and are detailed in a separate report to Council on subsidies and donations.

4.1.3 Interest and Investments

Council has a large investment portfolio that is subject to movements in interest rates. Investments are placed and managed in accordance with Council's adopted Investment Policy (CL03-FM) in compliance with the Local Government Act. As a custodian of the community's funds, Council ensures that funds are invested with the appropriate care and due diligence. Council's guiding investment principles are:

- *Applicable risks;*
- *Any constraints and other prudential requirements having regard to applicable legislation and regulations;*
- *Compliance monitoring and reporting;*
- *Expected level of future returns; and*
- *Appropriate benchmarks for each category of investments.*

The assumed interest rate on investments for the next ten years ranges from 5.5% to 6% p.a. Based on independent advice this return represents the market's central estimate for the ten year bank bill index average.

Council's policy regarding the interest rate on outstanding rates is to charge the maximum allowable by the Division of Local Government (DLG), currently 9% p.a. Since 2003, the level of outstanding 'rates and charges' has reduced from 2.5% to <1% in 2010.

4.1.4 Other Revenue

4.1.4.1 Parking Meters

Council has been using paid parking to manage and control the demand and utilisation of on-street parking since the mid 1980s. The resulting revenue stream is a significant component of Council's total income. Currently there are 460 multi bay parking meters servicing 2,600 paid parking spaces. The bulk of these spaces are in the North Sydney CBD and the four retail shopping villages within the LGA. Over the last ten years there has been small growth (1% p.a.) in the number of bays; however these have been located adjacent to residential areas. These additional metered spaces have low financial yields compared with the CBD metered spaces. Figure 4.1 outlines the financial performance of this activity.

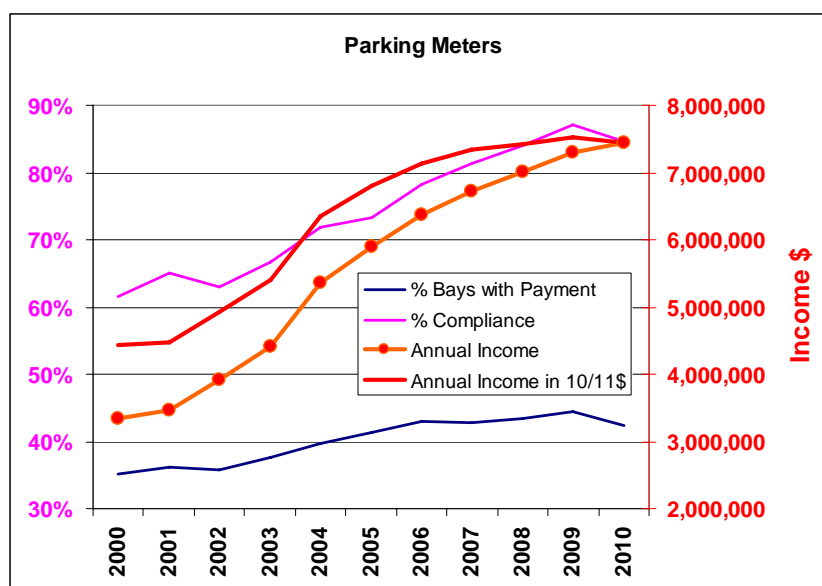


Figure 4.1 Parking Meter Income

Since 2000 parking meter income has increased by 8.3% p.a. However the increase in income has not been evenly distributed over the 10 year period. The maximum increase, 21% occurred in 2004/05. The smallest increase (2.1%) occurred in 2009/10. There are a number of factors that impact on meter income. Principal among them is the Compliance Rate. Compliance Rate is the ratio of vehicles which are parked illegally to the total number of vehicles that are parked. Compliance is linked to the Booked Rate. This is the percentage of illegally parked vehicles that are issued with an infringement.

Prior to 2002 the enforcement of parking was undertaken by NSW Police. During the last three years of the Police control of this function the book rate fell below 0.5% and consequently the compliance rate also fell to 55%. Council took over this function in 2002 and directed additional resources at parking enforcement. Initially the book rate was lifted to 5%. The book rate has now risen to 8% with falling number of illegally parked vehicles. The impact on compliance and its impact on revenue is clearly evident in the graph above. Compliance now sits at 85% and this is considered a practical maximum.

Council sets parking meter fees for each area so as to ensure turnover and obtain an average peak period vacancy rate of 10%. Council's current meter rate structure is delivering on these objectives. Consequently there is little to no opportunity to increase our rates above inflation.

4.1.4.2 Property Portfolio

Council manages a property portfolio covering commercial, residential and community facilities. The portfolio is managed under contract by a property consultant, Preston Rowe Paterson. The extent of the portfolio has remained constant since 2001. Overall income grew by 4.1% p.a. until 2007/08. Following the GFC, Council has seen rising vacancy rates, significant increase in rent incentives and falling rents upon lease renewals. The falling rents upon lease renewal will take five years to work their way through the lease cycle.

Figure 4.2 shows a similar six year dip/recovery from 2002/03 to 2007/08. A similar recovery pattern is expected over the next five years. Income should remain static for

the next two years and then hopefully start to increase in the following three years. It is anticipated that income growth over a five year time frame will be inline with CPI.

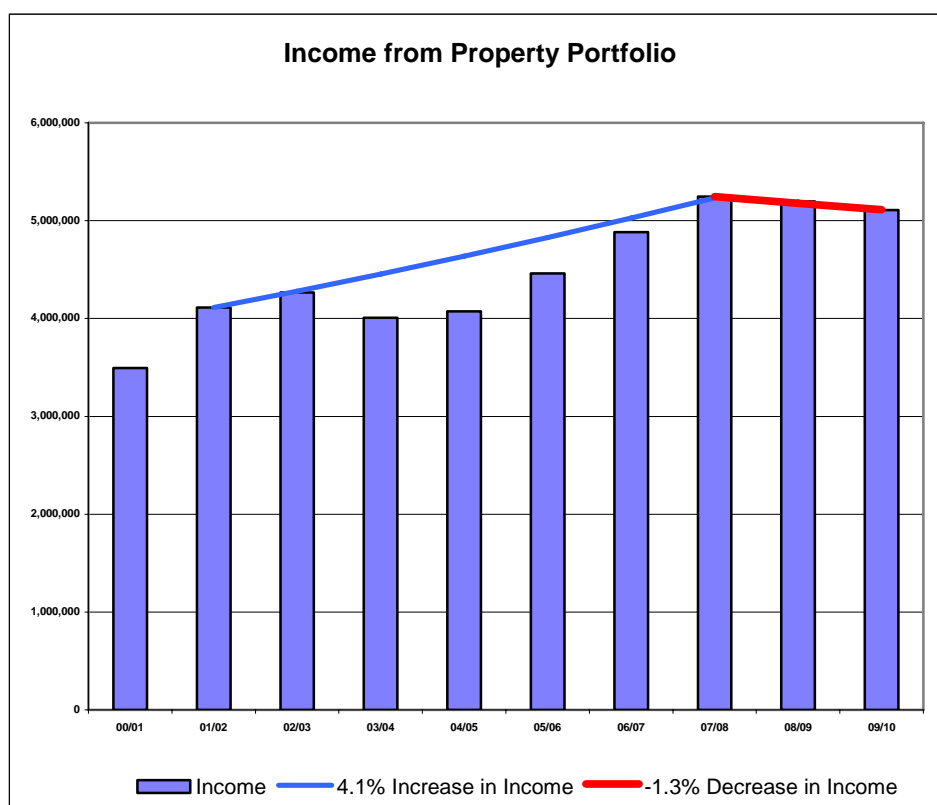


Figure 4.2 Property Portfolio Income

4.1.4.3 Off-Street Car Parks

Council operates five commercial off-street car parks with a combined capacity of nearly 944 spaces. Three of the car parks in Crows Nest are operated as “shopper” parking and offer the first 2hrs free to customers. 370 spaces have been allocated to permanent customers. The remainder is used by casuals and early bird.

Prior to the GFC in 2008 leasing of permanent car spaces was seen as a “sellers market. Demand exceeded supply and consequently annual fees across the industry increased ahead of inflation. Council’s permanent spaces were 100% sold and there was a waiting list. Post 2008 it has become a “buyers” market. Council now has a 20% vacancy in its permanents and there is significant competitive pressure to hold and even reduce permanent fees. The loss of approximately 75 permanents equates to a \$315k p.a. loss in income. Some of this loss has been offset by increased income from casuals and early birds.

Unlike previous downturns the post 2008 reduction in demand for permanent parking spaces does not appear to show any signs of recovery. Demand has now stabilised at the current levels. Income growth is expected to be limited to 1% or 2% p.a. over the next three to five years. Casual income recovered quickly after the GFC and is expected to grow at 3% to 4% p.a. Overall income should rise by 2.5% over the next two years and increasing to 3.5% in the five year time frame. Using an average 3% p.a. increase over the five to ten year time frame is reasonable.

Figure 4.3 shows off street parking income trends from 2000/01 to 2009/10.

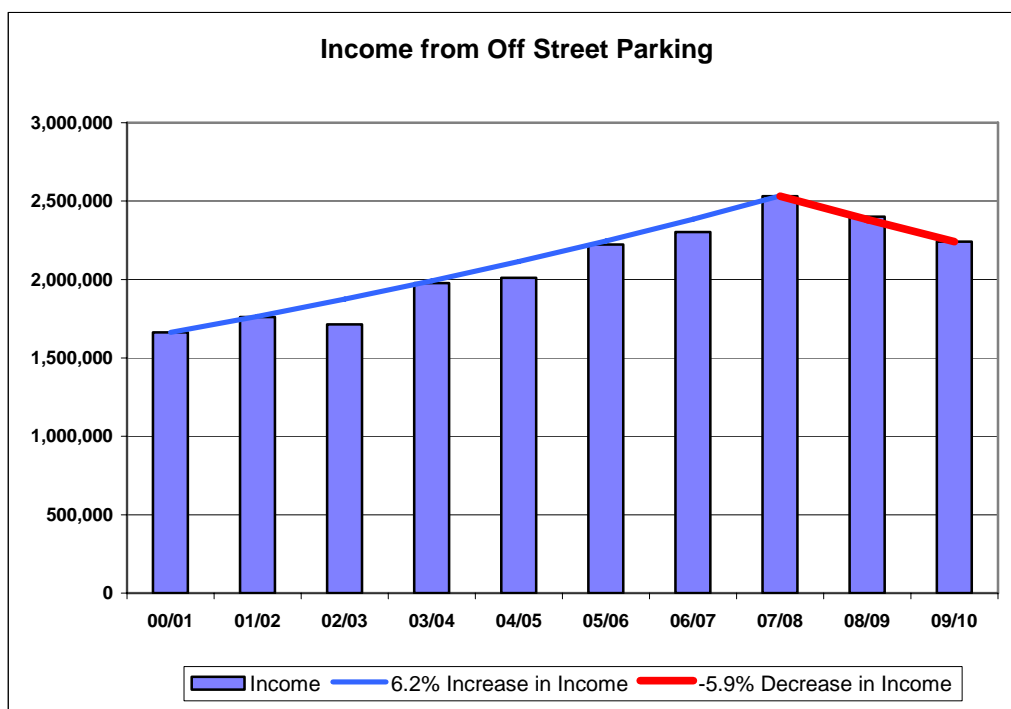


Figure 4.3 Off Street Parking Income

4.1.4.4 Outdoor Dining

Outdoor dining was first introduced to the LGA in the mid 1990s. As Council has redeveloped the retail shopping villages the popularity and demand for space grew quite rapidly. Council is just now reaching saturation point. Continued growth in the area occupied will be very limited and will most likely be at the lowest square meter rate. It is expected that rents will rise inline with inflation, about 3% per year, and remain in keeping with rates of the adjoining councils. Figure 4.4 shows outdoor dining income trends from 2000/01 to 2009/10.

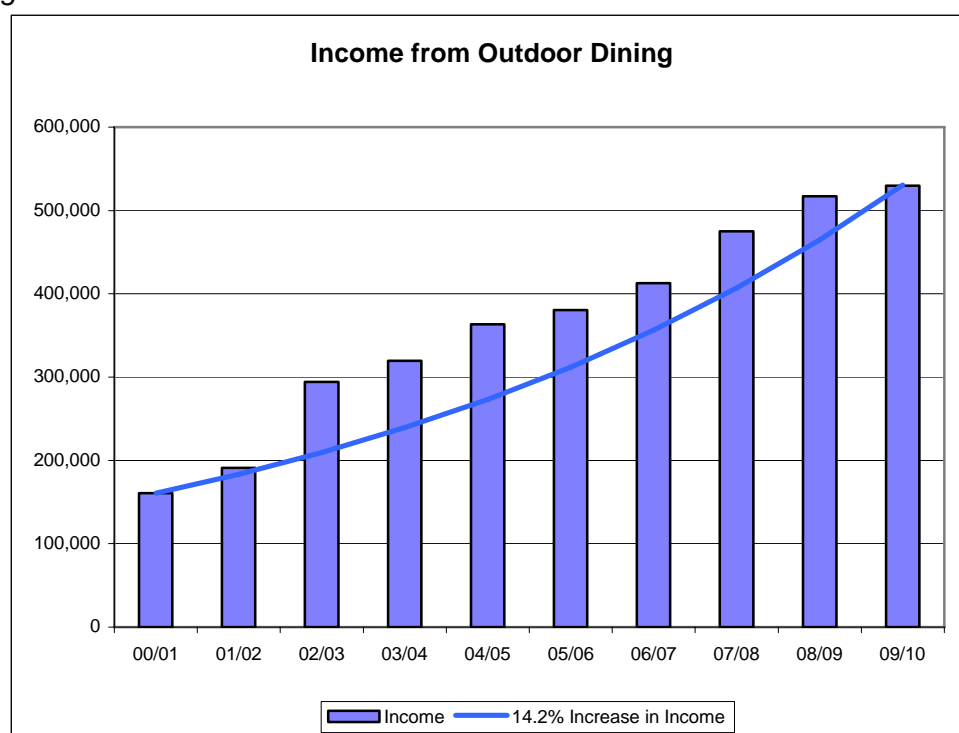


Figure 4.4 Outdoor Dining Income

4.1.4.5 Grants - Operating and Capital

Council's Financial Management Policy (CL09-FM) recognises the importance of actively pursuing and maintaining grant funding. Generally any matching funds required from Council for non-recurrent grants are sourced from the existing level of internally restricted assets (i.e. internal reserves). Future matching of funds is uncertain. The assumed increase in recurrent grant funding is based on CPI. However if there is any reduction in recurrent grants such as FAG and the Roads to Recovery, there will be corresponding decreases in the funding available to meet the cost of providing services.

4.1.4.6 Net Gain from Disposal of Assets

All funds generated from the sale of assets will be directed to assets that offer improved community benefits or are income-producing. Revenue from asset sales will not be directly used to offset recurrent operating expenditure. In effect, gains from asset sales are not available for the continued provision of existing services.

4.2 Expenditure Assumptions

4.2.1 Employee Costs

The current organisational structure (i.e. the budgeted staff establishment) comprises 388⁴ full time equivalent (FTE) staff positions across six Divisions and the General Manager's Office. The FTE comprised of a headcount of 489 people; whilst there are 111 casual staff recorded on Council's payroll system, they are only engaged to work on a needs basis, within the budget levels.

In 2009/10 as a result of planned reductions in services and staffing levels, Council reduced its FTE by 24 positions (8%). Council carried forward these reductions in 2010/11 and will continue the same going forward, with the exception of minor changes and planned productivity gains.

Changes in employee costs impact both on revenue and expenditure. Terminations will impact on the employee entitlements' reserve, employee entitlements liability as well as recruitment and training costs.

The following analysis details what drives North Sydney Council's employee costs:

4.2.1.1 Award Increases

The known Award increases commencing on or after 1 November 2010 include:

- 2.6% increase effective from 1 November 2010;*
- 2.15% increase effective from 1 July 2011;*
- 3.25% increase effective from 1 July 2012; and*
- 3.25% increase effective from 1 July 2013.*

4.2.1.2 Market Competitiveness

Council aims to provide a fair reward system for employees which allows for internal

⁴ The head count is based on payroll information as at 8 March 2011.

equity and external competitiveness. Council aims to position itself at the 75th percentile of salaries at comparable Councils.

Council participates in an annual salary survey conducted by Mastertek Consultants. The last survey was conducted in April 2010. The survey compared 143 positions typically found in NSW Local Government and involved 18 councils from within the Sydney Metropolitan Area (13) and regional NSW (5).

Council typically compares itself against the metropolitan councils. The comparison takes into account top and bottom of salary ranges and some market loadings required in specific, hard to recruit positions. Council is at 95.25% of the 75th percentile for Indoor (Professional and Administrative) staff and 96% of the 75th percentile for Outdoor (Unskilled, semi-skilled and trade) staff.

Note: While the DLG issued comparative data provides a guide it can not be relied upon as an accurate comparison. It would appear councils use different data when calculating the number of employees. North Sydney Council has revised its number of employees based on the following criteria: FTE staff is based on the total number of full, part time and casual employees on Council's payroll on the last pay day for the financial year of reporting. In 2008/09, the revised FTE was 376 and 2009/10 was 356. Applying the new staffing number brings Council's average cost per employee for 2008/09 to \$79,273.94, below similar sized neighbouring councils.

4.2.1.3 Salary System

The Mastertek survey identified salary systems and sustainability as a "hot topic" in the 2010 Survey Summary:

"A major challenge for many councils is that of managing increasing salary costs against a backdrop of significant financial restrictions such as rate pegging and cost shifting from the State Government. In response, a large proportion of survey respondents have indicated that the salary systems currently in place are, or will be, reviewed with a particular focus on achieving more sustainable projections in terms of salary growth into the future. Many salary systems currently in place have provided wage growth of up to 5% per annum and beyond in many cases. Those figures are clearly not sustainable if income does not grow at a similar rate. Many councils are also looking critically at the 'return on investment' for the organisation and its community in relation to the annual salary growth and looking at ways to improve and strengthen the link between employee development and performance and the opportunities for salary progression".

The Local Government (State) Award requires that each Council establishes a salary system and provides for a system of progression through a salary range. Council's salary system has established a series of grades for each position, based on a job evaluation system and market comparisons. Staff are able to progress through their salary grade range in compliance with Award requirements.

Councils may also make available access to bonus payments or other opportunities for additional reward for those employees who have progressed through the salary system to the maximum point/step for their position. It should be noted that skills and performance progression increases are paid on top of Award increases.

In 2009 Council, in consultation with employees and Unions, reviewed its Performance Planning and Assessment System (PPA) in order to make it a more sustainable system. The result of the review saw a saving in salary increases and

incentives of \$344,000 between the 2009/10 and 2010/11 performance cycles. This saving will be carried forward throughout the life of this plan.

4.2.1.4 Employee Transport Allowance

Most other councils draw a significant portion of their labour force from within their LGA. High housing prices in North Sydney precludes many employees from living within the LGA. The additional travel times and the difficulty finding parking is a significant detriment to many potential employees.

As indicated in Council's Workforce Strategy the average daily two-way travel distance is 42km, with 70% of employees travelling more than 18km each day to and from work.

As Council does not provide parking for employees in contrast to the majority of other councils, it has established a transport allowance for eligible employees in order to remain competitive in the employment marketplace.

The cost of providing parking to staff, particularly in close proximity to a CBD is factored at approximately \$300 per month per employee or \$3,600 per annum. North Sydney Council has progressively introduced a Transport Allowance for various levels of staff to compensate for the lack of employee parking facilities and as an attraction and retention strategy. The cost impact of introducing the Transport Allowance is \$275,000 per annum. The following costs apply. The rates vary from \$400 p.a. to \$2,000 p.a. depending on the grading of the position.

Figure 4.5 illustrates the one-way distance employees need to travel to work each day.



Figure 4.5 Employee Travel Distances

4.2.1.5 Employee Overhead Model

Total employee costs are a combination of direct wages and salaries plus overheads that include workers compensation, superannuation, training and advertising. Workers compensation ranges from 2.3% (year 1) to 2.5% (years 2 to 10), training remains steady at 1.5% and superannuation has dropped from 12.75% (years 1 and 2) to 12% (years 3 to 10). The recent review of the PPA System has resulted in a decrease from the previously projected increase (2009/10) of 4.5% p.a.

Employee Costs - Salaries plus overheads					
Year	Salary - Award Increase	Salary - PPA Increase	Salary %Increase	Net Movement in Overheads	Projected Increase in Employee Costs
1	2.15%	1.90%	4.05%	-0.03%	4.02%
2	3.25%	1.00%	4.25%	-0.17%	4.08%
3	3.25%	1.00%	4.25%	-0.66%	3.59%
4	3.00%	1.00%	4.00%	0.01%	4.01%
5	3.00%	1.00%	4.00%	0.01%	4.01%
6	3.00%	1.00%	4.00%	0.02%	4.02%
7	3.00%	1.00%	4.00%	0.00%	4.00%
8	3.00%	1.00%	4.00%	0.00%	4.00%
9	3.00%	1.00%	4.00%	0.00%	4.00%
10	3.00%	1.00%	4.00%	0.00%	4.00%

Figure 4.6 Employee Costs

Staffing numbers are expected to remain stable as indicated in Figure 4.6. In the next three years, there are expected to be some retirements from longer serving staff. This has been reflected through a decrease in superannuation and long service leave costs from years 1 to 3.

The funding level of Council's employee entitlements reserve (including long service leave) is more than adequate to cover projected total employee leave liabilities, and will not require abnormal cash injections in the medium term.

4.2.2 Borrowing Costs

Council has been debt free for many years, however there will be significant demands on Council to acquire additional public open space and to redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it will become necessary to start a controlled borrowing program. In addition, Council will be seeking to transfer value between existing and new assets through asset sales and property leasing opportunities.

If needed, borrowing will be undertaken in accordance with Council's Financial Management Policy (CL09-FM):

- That the capital cost of infrastructure be recognised over the period during which the benefits will be enjoyed.
- That loan funds are a resource to fund the replacement and upgrading of existing infrastructure and fund the creation of new infrastructure.
- That loan funds will be limited:
 - to the acquisition or enhancement of income producing assets;
 - to the construction and/or upgrading of buildings;
 - to infrastructure assets that have a life expectancy of greater than 10 years.
- That loan borrowings will not exceed a 'net debt service ratio' of 5%.

Debt will only be approved where there is an agreed economic, social, or environmental benefit from a project and other sources of funding are not available.

In the year 2011/12 Council is prepared to borrow for two significant projects, the Alexander St Car Park Redevelopment and the Replacement Parking Meter Solution. The debt servicing of these loans is expected to be sourced from the users of these services and the terms and conditions for each loan, have yet to be determined.

- The Alexander St Car Park Redevelopment loan of \$5m will be for 20 years at an indicative interest rate of 7.5%.
- The Replacement Parking Meter Solution loan of \$4m will be for 10 years at an indicative interest rate of 8.5%.

In the years 2018 to 2020, the replacement of 50 metre pool at North Sydney Olympic Pool (upgrading of a building) has been programmed to occur. For this project, \$2.7m will be borrowed in 2018/19 and \$2.9m will be borrowed in 2019/20. The servicing costs for these loans will be met from rates receipts. These repayments have been built into 2019/20 and 2020/21 of Council's Long-Term Financial Plan and in future financial plans.

- The Olympic Pool Upgrade loans of \$2.7m and \$2.9m will be for 10 years each at an indicative interest rate of 7.5%.

4.2.3 Materials and Contracts

4.2.3.1 Road Construction

Each year Council awards a contract to undertake road pavement works in the LGA. Typically the contract entails milling the old road pavements to various depths and the supply and lay of asphaltic concrete. The costs of these works remained fairly static until 2007/08. Over 2008/09 and 2009/10 the costs increased by 6% and 23 % respectively. Since 2005/06 the cost has risen by 4.6% p.a. Since 06/07 the average annual increase has been 5.7%. Figure 4.7 illustrates the annual cost to undertake the same typical mix of works.

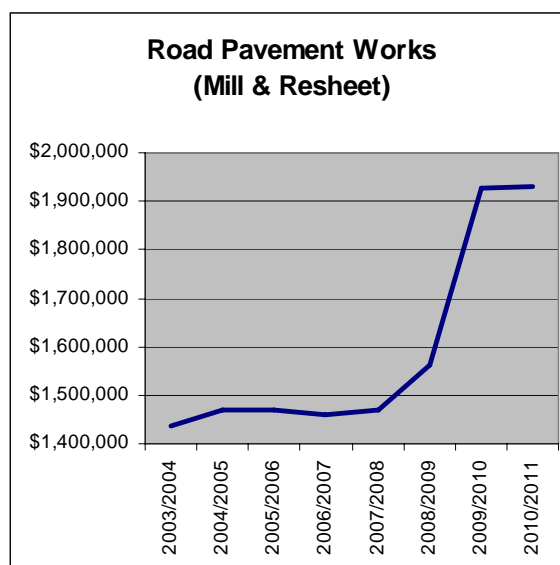


Figure 4.7 Road Pavement Works Annual Costs

In 2009/10 Council delivered approximately \$1.8m worth of civil infrastructure renewal and maintenance. The primary method of delivery is through Council's Annual Schedule of Rates Contract. This works covers drainage, footpaths, kerb and gutter and graffiti removal. Over the last five years the average annual increase has been 4.8%. Figure 4.8 represents the cost of delivering a typical basket of civil projects over the last 10 years.

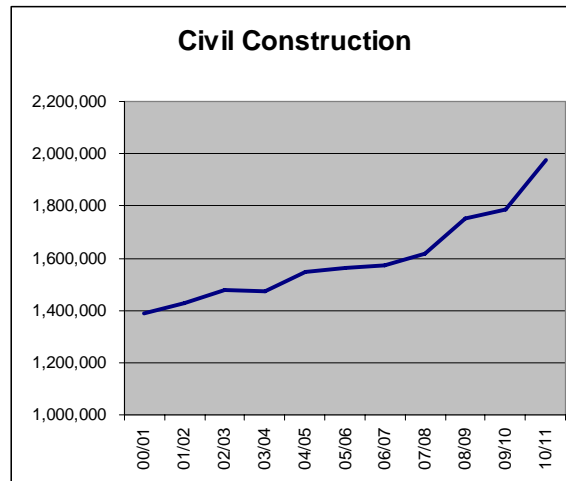
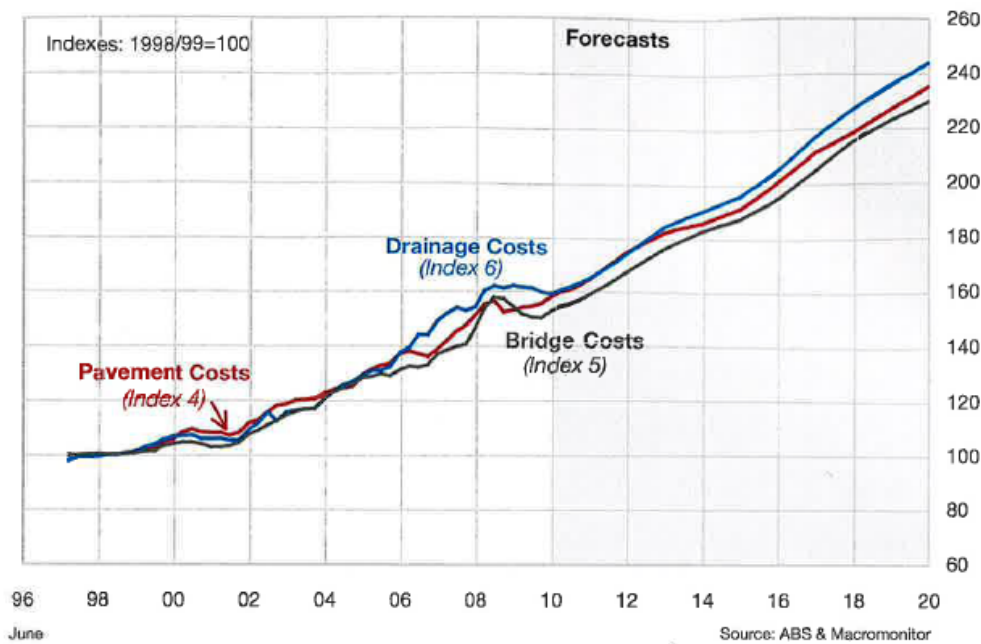


Figure 4.7 Civic Construction Annual Costs

Adopting an annual increase of 3.9% in line with the IPWEA is reasonable. Council's cost escalation history is in line with the findings of the NSW Local Road Construction Cost Forecast 2010 - 2020 prepared by MacroMonitor on behalf of IPWEA:

Chart 13: Road & Bridge Construction Cost Indexes

Local Government – New South Wales



2.9.2. Outlook for output costs

During the strong upturn in road construction from 2001 to 2008, total New South Wales road construction output costs increased by a healthy average annual rate of 5.1% per year. It is estimated that local government road costs also increased by 5.1% per year, on average, over this time. There were some ups and downs in the rate of cost growth during this period, but cost inflation remained strongly positive. This rate of cost inflation reflected the strong growth in road construction, growth in other areas of construction and in the general economy during that time.

One slightly weaker period of inflation was experienced in 2003/04, due partly to a decline in bitumen and fuel prices and also due to the slowing in some other materials prices. A similar slowing of cost inflation occurred in 2006/07. Again this was caused, in part, by the flow-on effects of the decline in oil, fuel and bitumen prices, but was also related to the big drop in New South Wales road construction (which in turn resulted from falls in Private sector motorway and subdivision construction).

4.2.4 Depreciation

Accounting standard AASB 116 that deals with property, plant and equipment states (paragraph 31):

"After recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a re-valued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date."

As comparable market transactions for the majority of Council's assets do not exist fair value is determined by depreciated replacement cost e.g. the current cost of replacement less depreciation based on the amount of the assets useful life already consumed. Subsequent depreciation expense is then based on the current replacement cost and the useful life of the asset.

It is reasonable to assume that the current replacement costs of Council's assets will continue to increase over time but that their useful lives will remain static. Therefore as assets are periodically re-valued to comply with AASB116 Council's depreciation expense is obviously going to increase. Essentially the amount of economic benefits of an asset consumed during a period will be priced at their current value rather than their historic cost.

The last major class of assets still booked at cost is 'Other Structures'. This asset class includes fences, playground and sporting equipment, lighting, seawalls, retaining walls etc. DLG circular 09/09 requires Other Structures to be re-valued at fair value by 30 June 2011.

As part of the change to the revaluation method Council has had to re assess the useful lives and replacement costs of its property, plant and equipment assets. This has resulted in significant changes in the annual depreciation charge for some asset classes.

The 2011/12 depreciation expense for Other Structures will be based on fair value and is estimated to be \$1.85m, an increase of \$0.6m. Therefore total annual depreciation based on "fair value" will be over \$15m, from 2010/11 which is a very significant increase from \$10.9m in 2009/10.

The information from Council's various asset management plans has been based on data collected since 1993, and regularly updated. At present all assets included in 'other structures' such as sea walls, wharves, jetties and fences are being assessed for condition and eventual re-valuation based on fair value.

Both the asset management plans and financial systems use the same replacement costs and useful lives.

Figure 4.9 represents the impacts from future re-valuations represented as percentage increases:

Annual percentage projected increases by category										
Category	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10
Plant and Equipment		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Office Equip		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Furniture and Fittings		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Operational land		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Community land		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Land Improvements - depreciable		0.00%	0.00%	15.20%	0.00%	0.00%	12.04%	0.00%	0.00%	9.54%
Buildings Specialised	0.00%	8.24%	0.00%	0.00%	11.71%	0.00%	0.00%	15.43%	0.00%	0.00%
Buildings Non Specialised	0.00%	8.24%	0.00%	0.00%	11.71%	0.00%	0.00%	15.43%	0.00%	0.00%
Other Structures		0.00%	0.00%	15.20%	0.00%	0.00%	12.04%	0.00%	0.00%	9.54%
Roads, bridges and footpaths		0.00%	15.41%	0.00%	0.00%	10.20%	0.00%	0.00%	12.80%	0.00%
Storm water drainage		0.00%	15.96%	0.00%	0.00%	11.40%	0.00%	0.00%	14.87%	0.00%
Heritage collection		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Library books		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%

Note: shading indicates the year of re-valuation for each asset class

Figure 4.7 Future Revaluations

4.2.5 Other Expenses

4.2.5.1 Street Lighting

There are two basic components to the cost of providing street lighting - power costs and the costs of providing and maintaining the lights. The power costs are now subject to competitive tender, however it is predicted that electricity prices will triple over the 10 year period and this equates to approximately 11% to 12% increase p.a. The provision and maintenance of the lights is a monopoly service delivered by Energy Australia (EA). This is also an area where there has been significant uncertainty around pricing. The current EA pricing structure is causing Council a dilemma. The older less efficient lights are far cheaper to own than the newer more efficient lights. As Council moves over to the more efficient lights we are seeing a significant jump in the cost of lighting.

Compounding this is the RTA rebate given to Council for the Traffic Route Lighting Subsidy. This rebate is now only increasing in line with inflation effectively transferring the additional costs of the traffic route lighting onto Council.

It is assumed that street lighting costs will increase in excess on average of 10% p.a. Figure 4.10 shows street lighting costs from 2000/01 to 2009/10.

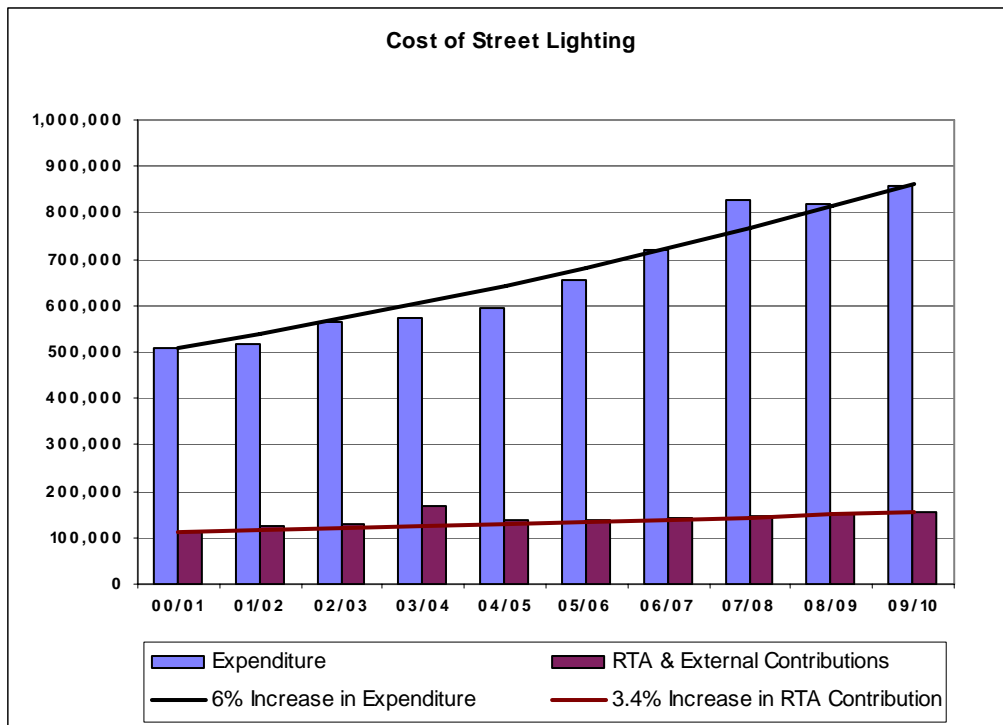


Figure 4.10 Street Lighting Annual Costs

4.2.5.2 Electricity

Figure 4.11 shows an average cost increase of 6.2%. Council also achieved a 7% reduction in power consumption over the last five years. The cost increase last year was nearly 30%. Electricity prices are expected to rise by approximately 11% over the next 10 years.

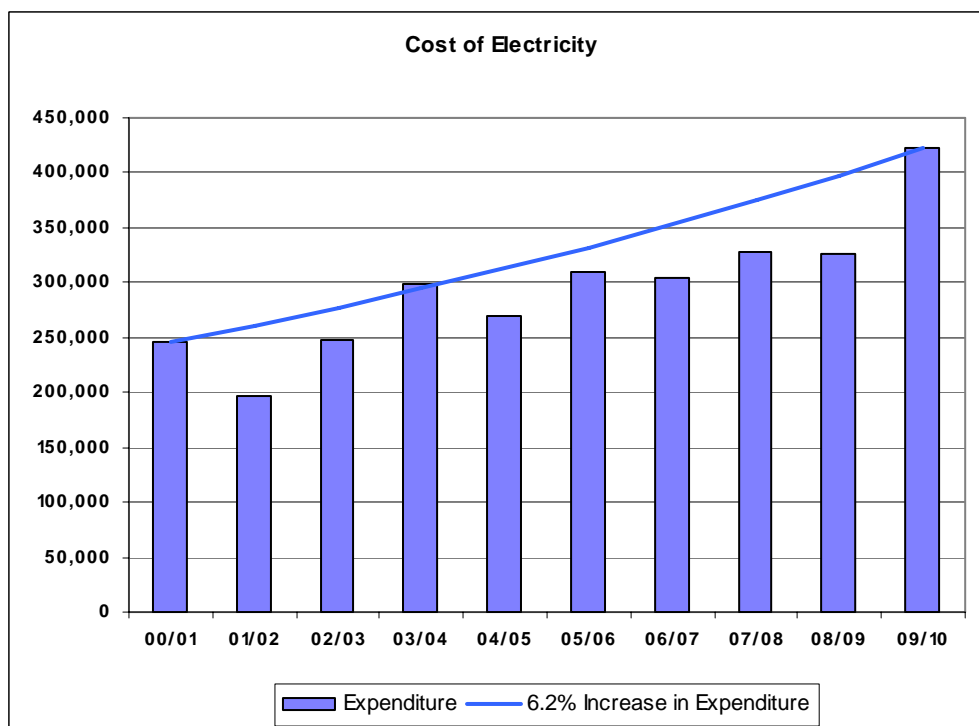


Figure 4.11 Electricity Annual Costs

4.2.5.3 Property Insurance

The increase in property insurance rates has been reasonably constant over the last 10 Years at 14% p.a. This trend is expected to continue into the future. Figure 4.12 shows property insurance costs from 2000/01 to 2009/10.

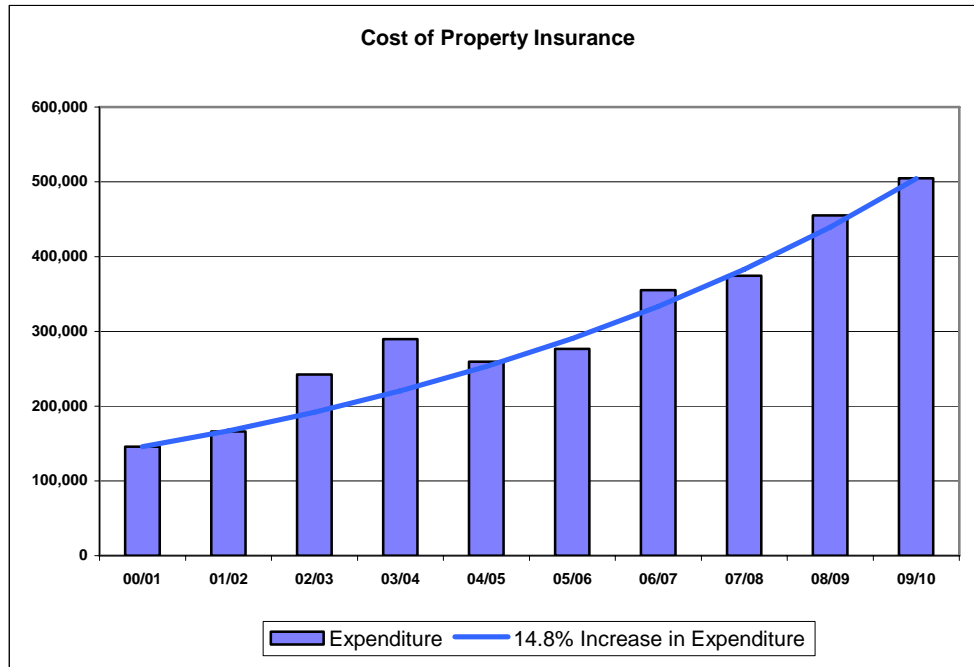


Figure 4.12 Property Insurance Annual Costs

4.2.5.4 Water

Council has made substantial reductions in water consumption; however opportunities for further savings are diminishing. Water and sewer rates are expected to rise by approximately 5% over the next 10 years. Figure 4.13 shows water costs from 2000/01 to 2009/10.

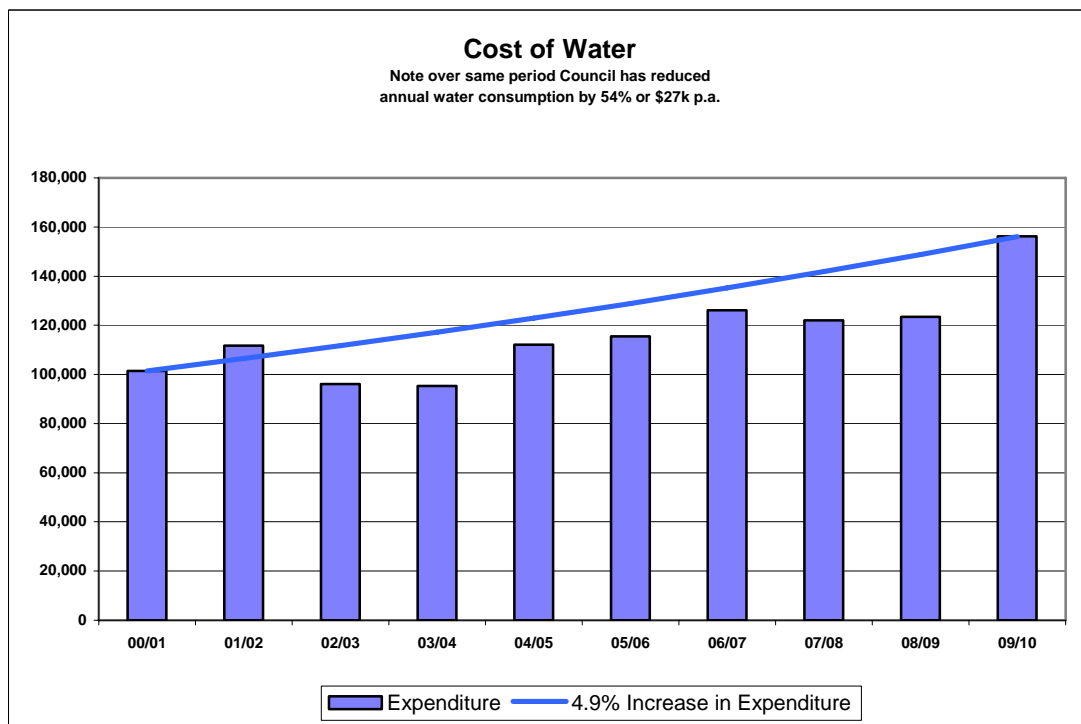


Figure 4.13 Water Annual Costs

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5. Long Term Financial Model - (3) Scenarios

The LTFP expresses in financial terms the activities that Council proposes to undertake over the short, medium and long term and will guide the future strategies and actions of Council to ensure that it continues to operate in a sustainable manner.

This LTFP is to provide a benchmark of the financial position based on current strategies projected out ten years. The LTFP fits in with Council's integrated planning and reporting framework in the long term, in terms of the 2020 Vision, Community Strategic Plan; the medium term, in terms of the Delivery Program; and in the short term, in terms of the Operational Plan.

Financial strategies or scenarios provide direction and guidance. By including such scenarios Council will know how much flexibility there is within the plan and will be able to strategize to develop the best plan for the Council and to meet community expectations.

Three scenarios have been developed to demonstrate the impact of changes in assumptions:

Scenario 1 - known as the 'Base Case' this is the lowest level from which the plan has been developed.

Scenario 2 - includes a 5.5% rate increase, each year for 7 years from, 2011/12 (Year 2). Note: in the adopted 2010/11 version of the LTFP Scenario 2 was originally based on 5% including the annual rate peg.

Scenario 3 - includes a 6% rate increase each year for 7 years from 2011/12 (Year 2).

Council should remain financially sound over the ten year period under both Scenarios 2 and 3 in terms of maintaining a balanced cash budget, sufficient unrestricted cash and available working capital, sound liquidity, sufficient cash reserves and a good debt collection ratio. However, Council will not be able to maintain all categories of assets at a satisfactory level under Scenario 1.

Council at its meeting 10 May 2010 endorsed Scenario 3 of the LTFP. Council resolved that a further report be provided to Council on a consultation strategy to be undertaken during 2010/11 with respect to Scenario 3.

Council at its meeting 20 September 2010 endorsed the Community Engagement Strategy detailing how Council would consult with stakeholders and involve them in the decision making process. Phase 1 and 2 consultation opportunities occurred from October 2010 to March 2011.

The 2011/12 rate peg amount was announced in December 2010 as 2.8%.

For each of the scenarios the following projected annual CPI increases will apply:

Year		CPI increase
2011/12	Year 2	3%
2012/13	Year 3	2.8%
2013/14	Year 4	2.4%
2014/15	Year 5	2.5%

Year		CPI increase
2015/16	Year 6	2.7%
2016/17	Year 7	2.6%
2017/18	Year 8	2.2%
2018/19	Year 9	2.4%
2019/20	Year 10	2.8%

The following assumptions apply in both Scenario 2 (the timelines as set out below are the same for scenarios 2 and 3):

a) The Infrastructure Levy is due to expire on 30 June 2012 (Year 2). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 12.3% increase shown for Year 3 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

b) Similarly, the Environmental Levy is due to expire on 30 June 2013 (Year 3). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 11.9% increase shown for Year 4 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

Including the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy in the both scenarios means that Council will have this quantum of rates in perpetuity. Council will not need to make further SRV applications to IPART.

c) Both the Neutral Bay and the Crows Nest Mainstreet Levies are due to expire on 30 June 2013 (Year 3). It is not proposed to incorporate them into this SRV application. Whilst it is considered that they will continue at that time and at the same quantum, it is proposed that a separate SRV application under Sec 508(2) of the Local Government Act will be made to IPART at that time. This type of application is generally time limited. This course of action will allow Council to further consult with the community regarding the relevance of each of these levies prior to the application being made.

Financial Year	Modelling Year	Event
2010/11	1	<ul style="list-style-type: none"> Special Rate (Crows Nest Mainstreet Levy) renewed for 3 years Special Rate (Environmental Levy) renewed for 3 years
2011/12	2	<ul style="list-style-type: none"> Special Rate (Infrastructure Levy) expires 30 June 2012 Proposed rate increase 5.5% Average Rate Increase: 5.5% p.a. for years 1 to 7
2012/13	3	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2013 Special Rate (Environmental Levy) expires 30 June 2013 Infrastructure Levy quantum incorporated into ordinary rates and internally restricted

Financial Year	Modelling Year	Event
		<ul style="list-style-type: none"> Proposed rate increase 12.3% (includes the infrastructure levy)
2013/14	4	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Environmental Levy quantum incorporated into ordinary rates and internally restricted Proposed rate increase 11.9% (includes the environmental levy)
2014/15	5	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2015/16	6	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2016/17	7	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2017 Proposed rate increase 5.5%
2017/18	8	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Proposed rate increase 5.5%
2018/19	9	<ul style="list-style-type: none"> Proposed rate increase CPI
2019/20	10	<ul style="list-style-type: none"> Proposed rate increase CPI

5.1 Scenario 1: Base Case - No Policy Changes from 2010/11 (Year 1)

5.1.1 Assumptions

- Ordinary Rates and annual charges are forecast to increase by 2.6% per annum in 2010/11 (Year 1), by 2.8% per annum in 2011/12 (Year 2) and by the abovementioned projected CPI increases over the remaining life of the plan.
- Special Rates are forecast to continue to raise the following approximate amounts of revenue per annum over the life of the plan:

Environmental Levy	\$1.8m;
Crows Nest Mainstreet Levy	\$298,000;
Neutral Bay Mainstreet Levy	\$200,000; and
Infrastructure Levy	\$1.6m.
- User Charges and Fees, Other Revenues and Grants and Contributions provided for Operating Purposes are forecast to increase annually by the projected increase in the CPI over the life of the plan.
- Council's investment portfolio is forecast to provide returns at the rate of 6% per annum over the life of the plan.
- Employee Benefits and On-Costs are forecast to increase by approximately 4% per annum over the life of the plan.
- Materials and Contracts and Other Expenses are generally forecast to increase annually by the projected increase in the CPI over the life of the plan, except for the following variations:

Expense	Projected Increase
Street Lighting	10% p.a.
Electricity	11% p.a.
Insurance - Property	14% p.a.
Insurance - Motor Vehicle	5% p.a.
Water	5% p.a.
Bank Charges	3% p.a.
Civil Construction	3.9% p.a.
Road Construction	4% p.a.

- Advertising on Council infrastructure raised an additional \$500,000 of revenue in 2010/11 (Year 1). This new revenue stream is then forecast to increase *annually by the projected increase in CPI* over the life of the plan. Note: Council ceased mowing of grass verges in front of residential property effective from 2009/10, however during 2009/10 Council voted to fully reinstate the mowing of grass verges from 2010/11, funded by additional income sourced through advertising.
- A \$5m loan has been allowed for in 2011/12 to finance the upgrade of the Alexander Street Car Park (by PPP), the repayments of which will be funded from increased takings from this facility over twenty years.
- A \$4m loan has been allowed for in 2011/12 to finance the replacement of the parking metre system, the repayments of which will be funded from increased takings from this facility over ten years.
- *A \$2.7m loan in 2018/19 and a \$2.9m loan in 2019/20 have been allowed to finance the replacement of 50 metre pool at North Sydney Olympic Pool. The servicing costs for these loans will be met from rates receipts over ten years.*

5.1.2 Commentary on Trends (Appendix 3)

- Income Statement: Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. Other than revenue generated from advertising on Council infrastructure and increased takings from the upgraded Alexander Street Car Park (which is not expected to exceed the repayments on the loan obtained to fund the project), no new revenue streams are anticipated.
- Net Operating Result: From 2011/12, the operating result is forecast to deteriorate significantly. Over the life of the plan, the net operating result is forecast to deteriorate by an average of approximately \$1.1m per annum, as shown in Figure 5.1.1.

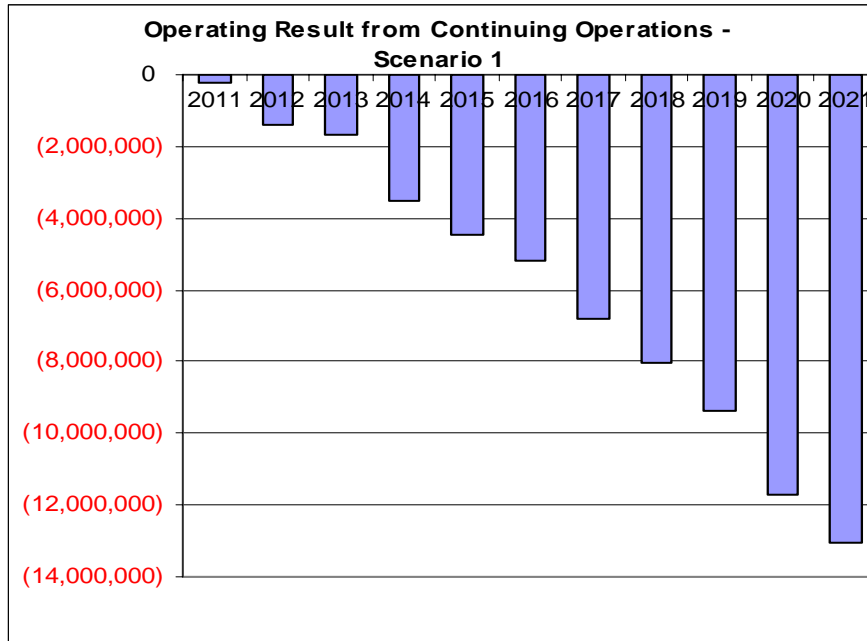


Figure 5.1.1 Net Operating Result

- Net Operating Result before capital grants and contributions: *From 2011/12, the Net Operating Result before Capital Grants and Contributions is forecast to deteriorate by approximately \$1.2m per annum over the life of the plan, as shown in Figure 5.1.2.*

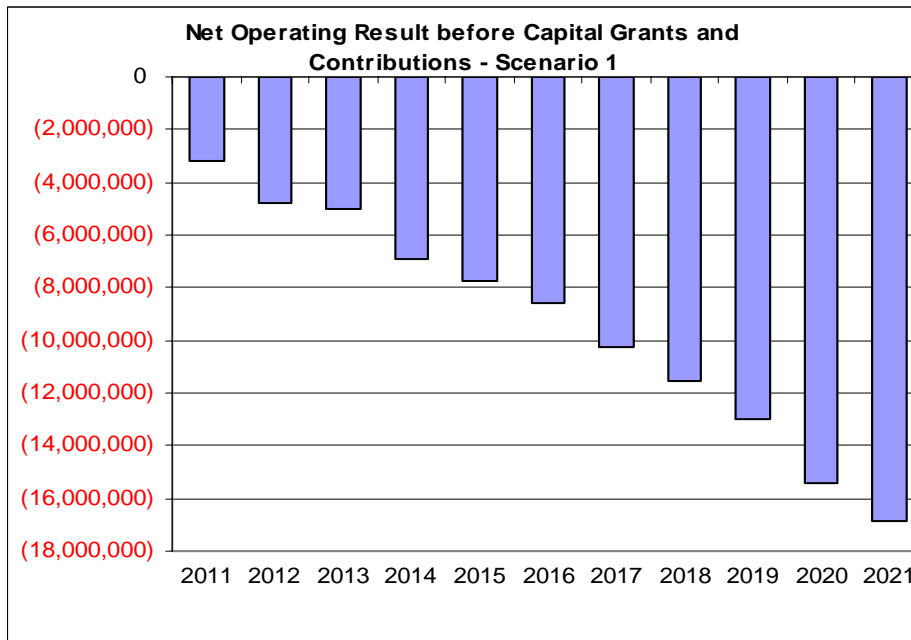


Figure 5.1.2 Net Operating Result before Grants and Contributions

- **Balance Sheet and Cash Flow Statement:** The funding of forecast operating deficits will lead to significant falls in Council's cash and investments. This will, in turn, result in reductions in the level of funds available for future capital projects represented by significant reductions in transfers to the Capital Works Reserve.

This is the "benchmark" reflecting Council's current spending. It is assumed that service levels will not alter significantly over the next ten years. The future years are projected taking into account various inflationary factors including adjustments for CPI, wages index and other increases in revenue and costs.

In this scenario, the operational revenue is not sufficient to meet the operational expenditure and over time a growing income gap results from the increasing annual deficit. To be sustainable, Council will need to fund this deficit arising from the growing income gap or significantly adjust the levels of services provided.

5.2 Scenario 2: 5.5% rate increase each year for 7 years from 2011/12 (Year 2)

5.2.1 Assumptions

- As per Scenario 1
- Ordinary Rates are forecast to increase by:
 - 2.6% per annum in 2010/11 (year 1);
 - 5.5% per annum from 2011/12 (year 2 to 8); and
 - 2.4% in 2018/19 to 2.8% in 2019/20 (years 9-10).
- *The quantum of rates received from Infrastructure Levy and the Environmental Levy will be incorporated into ordinary rates upon their expiration in 2012 and 2013 respectively, and held as internally restricted assets.*

5.2.2 Commentary on Trends (Appendix 4)

- **Income Statement:** Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. However, with additional revenue from ordinary rates from 2011/12 to 2017/18, the impact of this is not expected to be as significant as was the case with Scenario 1.
- **Net Operating Result:** *From 2011/12, the Net Operating Result is forecast to deteriorate by approximately \$275,000 per annum for the life of the plan. This is approximately \$825,000 more favourable than that for Scenario 1 due to additional revenue from ordinary rates, the impact of the abovementioned*

new revenue streams and an anticipated increase in developer contributions received as economic conditions improve, as shown in Figure 5.2.1.

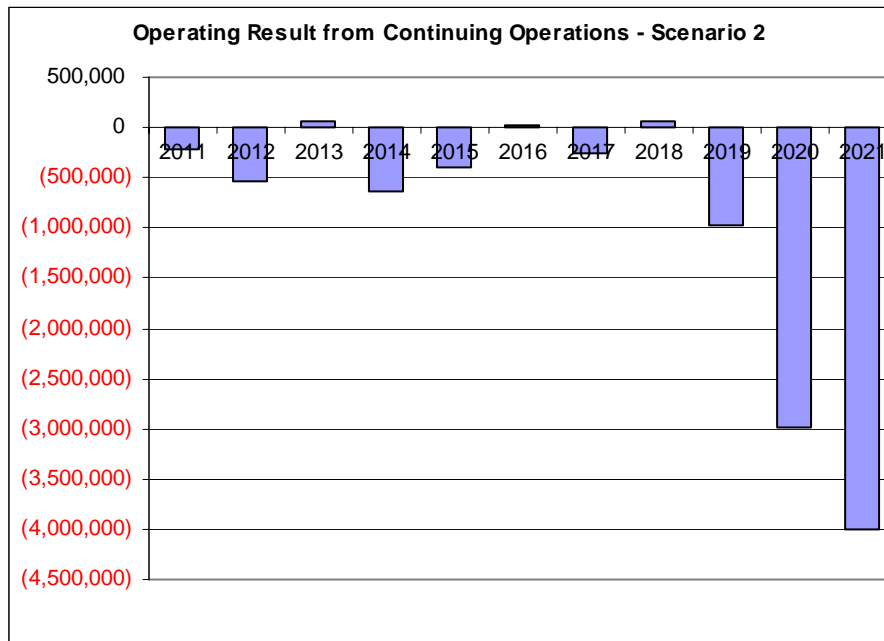


Figure 5.2.1 Net Operating Result

- *Net Operating Result before capital grants and contributions: The Net Operating Result before Capital Grants and Contributions is forecast to be approximately \$350,000 per annum. This is approximately \$850,000 more favourable than that for Scenario 1, due to additional revenue from ordinary rates and the impact of the abovementioned new revenue streams, as shown in Figure 5.2.2.*

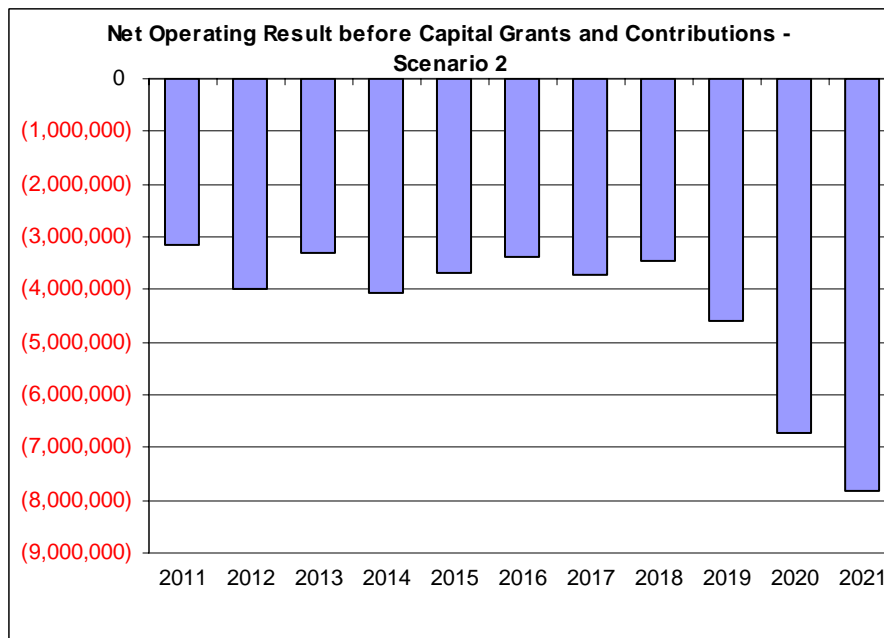


Figure 5.2.2 Net Operating Result before Grants and Contributions

- *Balance Sheet and Cash Flow Statement: Improved operating results will result in increases in the level of funds available for future capital projects as opposed to Scenario 1. However, this will not maintain the current level of transfers to the Capital Works Reserve as in 2010/11.*

5.3 Scenario 3: 6% rate increase each year for 7 years from 2011/12 (Year 2)

5.3.1 Assumptions

- As per Scenario 1
- Ordinary Rates, which are forecast to increase by:
 - 2.6% per annum in 2010/11 (year 1);
 - 6% per annum from 2011/12 (year 2 to 8); and
 - 2.4% in 2018/19 to 2.8% in 2019/20 (years 9-10).
 - *The quantum of rates received from Infrastructure Levy and the Environmental Levy will be incorporated into ordinary rates upon their expiration in 2012 and 2013 respectively, and held as internally restricted assets.*

5.3.2 Commentary on Trends (Appendix 5)

- *Income Statement: Expenses from continuing operations are forecast to increase at a faster rate than income from continuing operations over the life of the plan. However, with additional revenue from ordinary rates from 2011/12 to 2017/18, the impact of this is not expected to be as significant as was the case with Scenarios 1 and 2.*
- *Net Operating Result: The Net Operating Result is forecast to deteriorate by \$115,000 per annum. This is approximately \$985,000 per annum more favourable than Scenario 1 and approximately \$160,000 per annum more favourable than Scenario 2, as shown in Figure 5.3.1.*

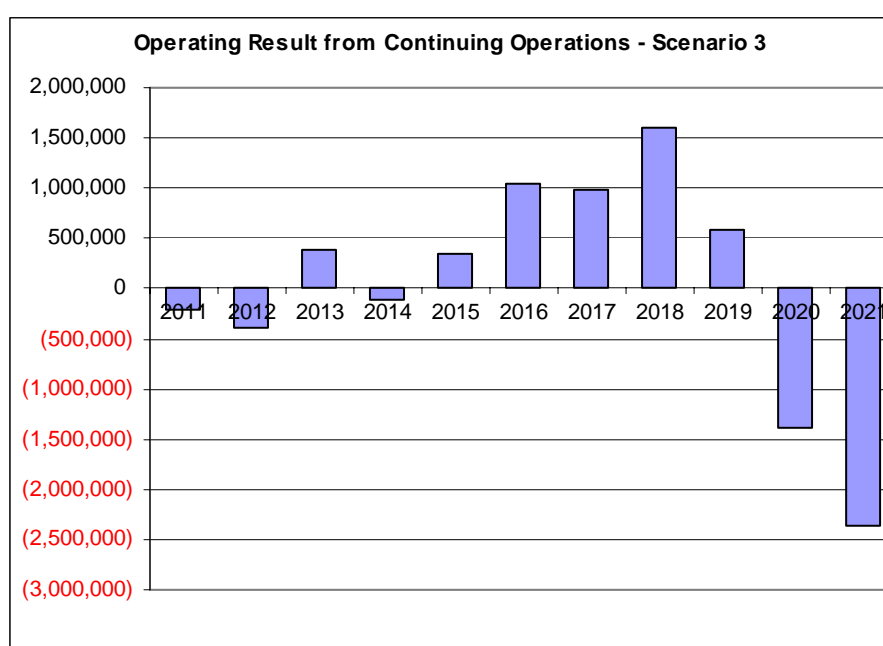


Figure 5.3.1 Net Operating Result

- Net Operating Result before capital grants and contributions: The Net Operating Result before Capital Grants and Contributions is forecast to *deteriorate by approximately \$190,000 per annum. This approximately \$1,010,000 per annum more favourable than Scenario 1 and approximately \$160,000 more favourable than Scenario 2, as shown in Figure 5.3.2.*

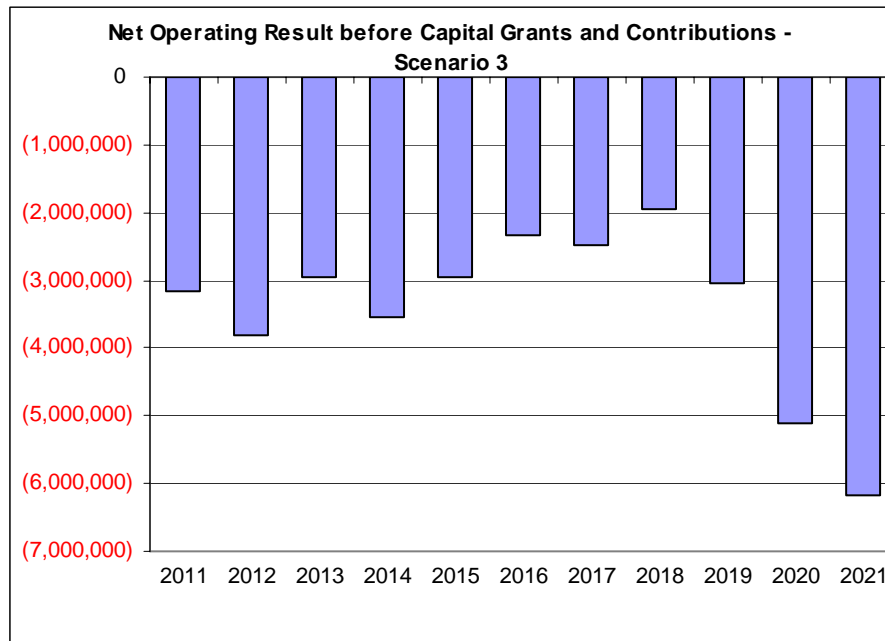


Figure 5.3.2 Net Operating Result before Grants and Contributions

- Balance Sheet and Cash Flow Statement

Cash and investments: Forecast operating surpluses from 2011/12 to 2017/18 will result in increases in Council's cash and investments. This will in turn, result in increases in the level of funds available for future capital projects and will be represented by increases in the transfers to the capital works reserve over and above the 2010/11 levels.

6. Monitoring and Evaluation

Performance reporting will be in accordance with the Note 13 - Statement of Performance Measures of the current Accounting Code and Council's Financial Management Policy (CL09-FM).

Council will review the Long Term Financial Plan each year as part of the development of the annual Operational Plan. The review will include an assessment of the previous year's performance in terms of the accuracy of the projections made in the LTFP compared to the actual results. Evaluation will include reviewing and amending estimates and scenarios, where long term goals are not being achieved or where changes have affected set goals and strategies. Assumptions will be adjusted to improve the accuracy of the LTFP over the longer term.

Council will not only monitor its performance against the LTFP and the annual budget, but has also developed key performance indicators to assess its long term financial sustainability. Council's Financial Management Policy includes several indicators including:

- Loan borrowings will not exceed a 'net debt service ratio'
- Unrestricted current ratio
- Available cash position
- Asset renewal expenditure
- Debt service ratio
- Collection performance (outstanding debtors ratio)

The following indicators are also included in the 2020 Vision:

- Operating balance ratio
- Rates and Annual Charges ratio
- Building and infrastructure renewal ratios
- Broad liabilities ratio

The following indicators are also included in the Delivery Program 2010/11-2013/14:

- Investment rate of return (% greater than 90 day UBSA Bank Bill Index)
- Increase in property portfolio revenue

Council will thoroughly evaluate the LTFP every four years, in line with the review of the Community Strategic Plan. This will occur 3 to 9 months after each local government election. The Resourcing Strategy, including LTFP, will be reviewed and updated and a draft Community Strategic Plan and resourcing options presented to the community.

Performance will be monitored by Council's Senior Management Team (MANEX) via quarterly performance reporting against the Operational Plan and the annual budget.

Appendix 1: Terms Used in this Plan

Asset renewals	Is the replacement and/or refurbishment of existing assets to an equivalent capacity or performance as opposed to the acquisition of new assets (or refurbishment of old assets) that increase capacity/performance.
Available Funds	Refer to the Financial Management Policy for definition.
Borrowings	Refer to the Financial Management Policy for definition.
Building and infrastructure renewals ratio	Assesses the adequacy of renewal of building and infrastructure assets compared to rate at which those assets are depreciated. It is calculated by dividing the amount expended on building and infrastructure renewals by the amount expense in depreciation for building and infrastructure assets.
Budget	The annual financial activities and financial statements Council has adopted to monitor its performance. The budget is subject to an annual audit at the end of the financial year.
CBD	Refers to the Central Business District in the suburb of North Sydney, which is the economic centre of the North Sydney local government area.
Capital Expenditure	Defined as expenditure on all asset classes plus the net transfer to the plant replacement reserve and transfers to the infrastructure reserve.
Capital Sustainability	If the cost of council's recurrent operations are met from its recurrent revenues over the medium term (e.g. 5 years) and not partly funded from its capital revenues (e.g. proceeds from asset sales, developer contributions and capital grants) it is considered to be financially sustainable on a recurrent basis. But if it reports operating deficits greater than 10% of its operating revenues in any one year, it is considered financially unsustainable. ⁵
Capital Works	Defined as buildings and engineering works to create an asset, as well as constructing or installing facilities and fixtures with, and forming an integral part of those works.
Cash	Describes cash on hand and demand deposits.
Community Strategic Plan	The Community Strategic Plan (known as the 2020 Vision) is the highest level plan that a council is required to prepare. The purpose of the plan is to identify the community's main priorities and expectations for the future. The plan outlines the goals, objectives and strategies for achieving the long term vision for North Sydney. The Community Strategic Plan guides decision making and resource allocation to achieve a stated vision for the future. The Community Strategic Plan must cover a minimum 10 year time frame and is renewed every 4 years.

⁵ IPART Report on the Revenue Framework for Local Government, page 78

Consumer Price Index (CPI)	Measure of price movements of a standard basket of goods including food, alcohol, tobacco, clothing and footwear, housing and housing contents.
Council	Describes North Sydney Council.
Debt	Refer to the Financial Management Policy for definition.
Debt Service Ratio	Represents Council's ability to service debt out of uncommitted or general purpose funds available for operations.
Delivery Program	A plan that complies with the relevant provisions of the Local Government Act and identifies Council's strategic direction and objectives for at least four years into the future. It summarises the initiatives, performance measures and resources required to deliver these activities for the years of the plan.
Expenses	Encompasses losses as well as those expenses that arise in the course of Council's ordinary activities.
Financial Modelling	Refer to the Financial Management Policy for definition.
Governance	The values, policies and procedures a council and its staff adopt, to provide ethical, transparent and accountable local governance.
Income Statement	A statement of income and expenditure for a period, usually a year.
Integrated Planning and Reporting Framework	An approach to provide strategic direction and review our progress towards delivering identified priorities. North Sydney has an integrated approach to move towards sustainability.
Liability	Is a present obligation for the entity arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits.
North Sydney	Describes the entirety of the North Sydney local government area.
Operating Result	Refer to the Financial Management Policy for definition.
Part 3A Assessments	The NSW Minister for Planning forms an opinion as to whether a proposal should be declared a project to be assessed under Part 3A of the <i>Environmental Planning and Assessment Act 1979</i> (EP&A Act).
Rates and annual charges ratio	Is designed to assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts. The rates and annual charges ratio is calculated by dividing the rates, annual and extra charges outstanding by rates, annual and extra charges collectible.
Recurrent Sustainability	A council is considered to be financially sustainable when its service and infrastructure levels and standards are met over a ten year period according to a long term plan and

consistent with key financial benchmarks; that is where the council's long term financial requirements are matched by its long term financial capacity. A council is considered to be financially unsustainable on a capital basis if is not able to meet its asset renewal requirements over a ten year period.⁶

Revenue

Arises in the course of Council's ordinary activities and is referred to by a variety of different names including sales, fees, interest, dividends and rent.

Section 94

Section 94 funds are developer contributions. Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions, from developers, for public facilities required as a consequence of development. Section 94 contributions are adjusted annually by CPI, and are detailed in the Fees and Charges Schedule for the current year and Council's Section 94 Contributions Plan.

Sustainability

Maintaining and enhancing quality of life, while ensuring the viability of the community, now and in the future, through an integrated consideration of social, environmental, economic and governance factors.

⁶ IPART Report on the Revenue Framework for Local Government, page 80

List of Acronyms

ABS	Australian Bureau of Statistics
CBD	Central Business District
CLS	Community Library Services
CS	Corporate Services
CSP	Community Strategic Plan
CPI	Consumer Price Index
DA	Development Application(s)
DWM	Domestic Waste Management charge
EA	Energy Australia
EPS	Engineering and Property Services
ERP	Estimated Resident Population
FIM	Finance and Information Management
FT	Full Time
FTE	Full Time Equivalent
GDP	Gross Domestic Product
GST	Goods and Services Tax
IPR	Integrated Planning and Reporting
LGA	Local Government Area
LTFP	Long Term Financial Plan
MANEX	Management Executive i.e. Senior Management Team
MDAF	Mixed Development Apportionment Factor
NSC	North Sydney Council
OSES	Open Space and Environmental Services
PDS	Planning and Development Services
PPA	Performance Planning and Assessment System
PPP	Public Private Partnership
PT	Part Time
QBL	Quadruple Bottom Line
RBA	Reserve Bank of Australia
S94	Section 94 contributions
SEIFA	Socio-Economic Indexes for Areas
SES	State Emergency Service
SLA	Statistical Local Area
SRV	Special Rate Variation
UBSA	Bank Bill Index

Appendix 2: Financial Management Policy (CL09-FM)

ADOPTED: 21 JUNE 2010

RELATED TO 2020 VISION DIRECTION 5. OUR CIVIC LEADERSHIP

RESPONSIBLE DIRECTOR: FINANCE AND INFORMATION MANAGEMENT

1. STATEMENT OF INTENT

- 1.1. This Policy provides a clear direction and context for decision making that guides the allocation, management and use of Council's financial resources. Adherence to this Policy will ensure that robust and transparent financial management is established and maintained to meet the Council's accountability to the community for the stewardship of community assets both now and into the future.
- 1.2. Under the Local Government Act, Council is required to prepare and adopt an annual budget. Council is also required to prepare a Long Term Financial Plan for a minimum period of 10 years. The Long Term Financial Plan will summarise the financial impacts of the goals and objectives identified in the Community Strategic Plan, determine their sustainability, and set the future financial direction of the Council.
- 1.3. The Long Term Financial Plan will be used to assist decision making during finalisation of the Community Strategic Plan and the development of the Delivery Program.
- 1.4. The Long Term Financial Plan must be reviewed in detail at least annually as part of the development of the Operational Plan; and must be reviewed in detail as part of the four yearly review of the Community Strategic Plan.

2. ELIGIBILITY

- 2.1 This Policy applies to all Councillors, employees with delegated authority and external consultants employed as representatives of Council.

3. DEFINITIONS

- 3.1 A 'financial model' is a decision making and problem-solving tool. It is a guide for future trends and actions. It will also provide an opportunity for council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term. A 'financial plan' is Council's response to those future trends.
- 3.2 The term 'financial sustainability' describes a state when Council will have sufficient funds to meet all its resource and financing obligations and be able to respond to adverse changes in financial conditions.

4. PROVISIONS

This Policy is linked to Council's vision, mission and core values as outlined in the 2020 Vision, Community Strategic Plan. The provisions are as follows:

- 4.1 **Organisational Sustainability**

All relevant legislative requirements together with environmental, social, economic and governance factors are to be taken into account.

4.2 **Guiding Principles**

The following guiding principles must be observed by Councillors, employees and consultants when preparing the Long Term Financial Plan:

- 4.2.1 Prudent management of financial risks relating to debt, assets and liabilities. Council will set financial parameters within which the organisation could operate and remain financially stable and operationally focused.
- 4.2.2 Provision of reasonable stability in the level of rate burden.
- 4.2.3 Consideration of the financial effects of Council decisions on future generations.
- 4.2.4 Future lifecycle costs will be reported and considered in all decisions relating to new services and upgrading of existing services and asset renewal.
- 4.2.5 Future service levels will be determined in consultation with the community.
- 4.2.6 Provision of accurate and timely disclosure of strategic financial information.
- 4.2.7 New revenue sources to be identified where possible.

4.3 **Financial Sustainability**

The following aims and parameters are designed to assist Council in achieving financial stability, affordability, focus and efficiency:

- 4.3.1 Council will aim to maintain Available Funds (the unallocated portion of all future revenues) between 6% and 8% of rating revenue. Available Funds are 'working capital' used to meet short term cash requirements, provide contingency for unexpected costs or loss of revenue, and to provide the flexibility for Council to take advantage of opportunities that may arise from time to time.

While it is anticipated that at a point in time the Available Fund balance may fall below the targeted level, the onus in planning is to ensure adequate adjustment is made to restore the balance through future programs, within an acceptable timeframe.

- 4.3.2 Borrowings are funds that a Council may source from external parties either by overdraft, loans or by any other means approved by the Minister for Local Government such as finance leases.

Council has been debt free for many years, however there may be significant demands on council to acquire additional public open space and to redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it may become necessary to start a controlled borrowing program. In addition,

Council will be seeking to transfer value between existing and new assets through asset sales and property leasing opportunities. If needed, borrowing will be undertaken in line with the following principles:

- That the capital cost of infrastructure be recognised over the period during which the benefits will be enjoyed.
- That loan funds are a resource to fund the replacement and upgrading of existing infrastructure and fund the creation of new infrastructure.
- That loan funds will be limited:
 - to the acquisition or enhancement of income producing assets;
 - to the construction and/or upgrading of buildings;
 - to infrastructure assets that have a life expectancy of greater than 10 years.
- That loan borrowings will not exceed a 'net debt service ratio' of 5%.

Debt will only be approved where there is an agreed economic, social, or environmental benefit from a project and other sources of funding are not available.

4.3.3 Leasing facilities are broken down into two types, operating and finance, with the main difference being that finance leases entail the notion of ownership and subsequently fall under the umbrella of Council's global borrowing limit, whereas operating leases represent rental arrangements that are not included in the global borrowing limit. Presently, Council has no "finance" leases and several operating leases.

4.3.4 The operating result (before capital) is considered to be the one of the main indicators of the long term viability of Council. In broad terms a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services), and to continue to renew existing assets. The indicator includes significant accounting and engineering estimates relating to the consumption of long lived assets (depreciation) which significantly impact this result. This estimating process requires continued refinement and consultation across the industry between engineering and finance professionals.

Note 1 'Summary of Significant Accounting Policies' of the Annual Financial Statements sets the framework for the accounting and recognition (capitalisation) of Council's physical assets. This note will be reviewed and replaced by an Asset Accounting and Capitalisation Policy, which may in turn impact on the levels of depreciation recorded as part of the above operating result.

4.3.5 A number of financial health-check indicators have been developed by the Local Government Finance Professionals through the Local Government Managers of Australia (LGMA). To make the indicators more readily understood by the wider community a colour coding 'traffic light' system has been used to rate and present the Council's performance under the health check. These indicators should reflect trends over a 4 year perspective.

The key indicators council currently uses are as follows:

Unrestricted Current Ratio

Definition:	Current Assets less Externally Restricted Current Assets divided by Current Liabilities less Specific Purpose Current Liabilities.
Purpose:	Measure the liquidity or solvency of Council, i.e. Council's ability to pay its debts as they fall due.
Benchmark:	Less than 1:1 = Red 1:1 to 2:1 = Amber 2:1 to 10:1 = Green Over 10:1 = Red

Available Cash Position

Definition:	(a) Available Cash Assets = Cash Assets less Externally Restricted Assets. (b) Unrestricted Available Cash Assets = Available Cash Assets less Internally Restricted Assets.
Purpose:	Assess Council's available funds and reflect its capacity to respond to opportunities or react to unforeseen commitments that may arise.

Asset Renewal Expenditure

Definition:	Capital Expenditure on Existing Assets divided by Annual Depreciation.
Purpose:	A long term indicator of the condition of and the cost to maintain public infrastructure assets.
Benchmark:	Greater than 1:1 = Green Less than 1:1 = Red

Debt Service Ratio

Definition:	Net Debt Service Cost divided by Total Revenue from Ordinary Activities.
Purpose:	Show the amount of annual revenue necessary to service annual debt obligations and indicate the commitment of or from future revenue necessary to fund long term capacity.
Benchmark:	Less than 10% = Green 10% to 15% = Amber Greater than 15% = Red

Collection Performance (Outstanding Debtors Ratio)

Definition:	Outstanding Rates, Annual Charges and Fees divided by Invoices Raised plus Arrears Brought Forward.
Purpose:	Measure the effectiveness of Council in recovering debts legally owed to it.
Benchmark:	Less than 4% = Green 4% to 5% = Amber Greater than 5% = Red

- 4.3.6 Council's annual allocations to recurrent and non-recurrent budgets will generally not exceed anticipated cash inflows and be consistent over the medium term. Council's cash reserves which are above the minimum requirement will be made available for re-allocation.
- 4.3.7 The full life cost of capital expenditure will be considered before capital projects are approved. Asset renewal, maintenance, and

operational costs impacting on future budgets will be included in forecasts as part of the capital budgeting process.

- 4.3.8 Capital expenditure decisions need to be fully informed by understanding the impacts on future results. A building can not be considered as a one-off cost. It will have operational costs for electricity, water, and consumables and will normally involve services that will require operational budgets, including employee costs. The building will then need to be maintained and eventually renewed and or be disposed of. Consideration of these costs and any potential revenue must be part of the initial process and be recorded in future estimates to aid further financial planning.
- 4.3.9 Council's will review its longer term rating strategy (model) annually as part of its Long Term Financial Plan. Business and residential rating structures will form part of the review.
- 4.3.10 Council's pricing methodology will be applied consistently for all fees and charges. Fees and charges will be reviewed annually to ensure compliance and currency. The Schedule of Fees and Charges will include each fee to be levied, the purpose of the fee, the current amount of the fee and the GST inclusive price.

The factors that determine Council's Pricing Policy are equity, user pays and market rates:

- Prices represent either the full recovery of costs or the current market-rate whichever is the greater, except to those individuals or groups that have been identified as disadvantaged and in need of "special consideration".
 - Council reserves the right to vary this pricing policy on any reasonable basis having regard for specific circumstances.
 - Council documents that are made available on Council's website will be free of charge except for those variations identified in the Schedule of Fees and Charges.
 - Council will charge a fee for the use of credit cards by customers when making payments.
- 4.3.11 Council's revenue strategies will be considered as part of the longer term financial planning in accordance with its Resourcing Strategy. Rates increases are determined by the Minister for Local Government and rate variations beyond this level will be linked to community expectations for services.
- 4.3.12 Council will actively pursue grant funding and other contributions to assist in the delivery of core services.
- 4.3.13 Council will invest surplus cash in accordance with its Investment Policy. Returns on externally restricted cash will be transferred to restricted cash and treated as capital revenue where required. Estimated returns on unrestricted investments will be partly applied to the recurrent budget (maximum - up to the projected CPI rate of return) and the balance transferred to internally restricted reserves.
- 4.3.14 All funds generated from the sale of assets will be directed to assets that offer improved community benefits or are income-

producing. Revenue from asset sales will not be directly used to offset recurrent operating expenditure.

- 4.3.15 Bonus income is deemed to be income received either outside the normal budgeting process or income received within the standard budget but of an amount that would be abnormally large by its nature (a variation greater than \$100,000).

This income should in the first instance be applied to any losses of income brought about by market fluctuations (e.g. rent reviews) then any surplus would be a transfer to the reserves. Up to 50% of funds received may be allocated for income-producing projects and the balance, allocated to internally restricted reserves.

- 4.3.16 Consideration will be given to those members of the community, who because of their special circumstances may not be able to access the service:

Pensioners	up to 50% of "full cost" or the maximum permitted under the legislation.
Non Profit Organisations or Groups	up to 50% of "full cost".
Permanent Hirers of Facilities	up to 15%.
Children/Students	up to 50% of "full cost" or the maximum permitted under the legislation.

- 4.3.17 Council will adopt the maximum interest rate applicable each year for outstanding rates and domestic waste management charges.

- 4.3.18 Council will maintain an ongoing review of its services that seeks to better define service requirements, refine delivery methods and balance service aims against affordability for both the Council and our customers.

5. RESPONSIBILITY/ACCOUNTABILITY

- a. The Financial Services Department is the key stakeholder of this Policy. However all related Departments/Council staff that have direct or indirect association to financial planning and management, are also responsible for the whole or part lifecycle management of Council's financial management.
- b. The effectiveness of this Policy shall be reviewed at least once during the term of Council.

6. RELATED POLICIES/DOCUMENTS/LEGISLATION

The Policy should be read in conjunction with:

- 2020 Vision, North Sydney Community Strategic Plan
- Annual Financial Statements - Note 1 Summary of Significant Accounting Policies
- Asset Management Policy
- Asset Management Strategy
- Investment Policy
- Local Government Act 1993
- Regulations under the Act
- Schedule of Fees and Charges

Appendix 3: 10 Year Financial Model - Scenario 1 (Base Case)

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 1 - Special Variation is not approved

INCOME STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	37,030,521	38,099,632	39,176,935	40,126,229	41,138,820	42,259,743	43,368,293	44,330,664	45,302,264	46,463,002
User Charges & Fees	18,036,415	18,411,876	20,027,289	20,507,943	21,020,642	21,588,199	22,149,493	22,636,781	23,180,064	23,829,106
Interest & Investment Revenue	3,321,000	1,965,532	2,028,099	2,084,735	2,145,695	2,213,467	2,281,731	2,343,474	2,496,634	2,656,533
Other Revenues	14,650,720	14,716,670	15,086,737	15,412,818	15,760,639	16,145,676	16,526,464	16,857,046	17,225,615	17,665,932
Grants & Contributions provided for Operating Purposes	3,079,729	3,217,343	3,301,763	3,376,148	3,455,493	3,543,327	3,630,193	3,705,605	3,789,683	3,890,128
Grants & Contributions provided for Capital Purposes	2,950,021	3,428,260	3,353,048	3,427,296	3,287,455	3,374,932	3,461,471	3,536,710	3,620,535	3,720,561
Other Income:										
Net gains from the disposal of assets	363,723	114,328	117,529	120,350	123,359	126,689	129,983	132,843	136,031	139,840
Total Income from Continuing Operations	79,432,129	79,953,641	83,091,399	85,055,519	86,932,102	89,252,035	91,547,627	93,543,123	95,750,826	98,365,102
Expenses from Continuing Operations										
Employee Benefits & On-Costs	31,716,946	33,552,126	34,900,921	36,324,879	37,628,942	39,137,863	40,707,291	42,343,724	44,037,473	45,798,972
Borrowing Costs	500	500	718,223	687,970	655,315	620,065	582,013	540,937	496,595	650,687
Materials & Contracts	25,746,384	24,871,681	25,574,567	26,196,397	26,859,424	27,592,469	28,318,465	28,951,995	29,657,104	30,496,620
Depreciation & Amortisation	14,433,100	15,041,200	15,257,793	16,540,974	16,903,221	17,214,240	18,217,830	18,553,039	18,992,746	20,375,417
Other Expenses	7,753,622	7,881,636	8,334,445	8,805,804	9,324,619	9,901,290	10,525,239	11,184,799	11,919,678	12,749,781
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	79,650,552	81,347,143	84,785,949	88,556,023	91,371,520	94,465,927	98,350,838	101,574,494	105,103,596	110,071,477

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 1 - Special Variation is not approved

INCOME STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Operating Result from Continuing Operations	(218,423)	(1,393,502)	(1,694,550)	(3,500,504)	(4,439,418)	(5,213,892)	(6,803,212)	(8,031,371)	(9,352,770)	(11,706,375)
Net Operating Result for the Year	<u>(218,423)</u>	<u>(1,393,502)</u>	<u>(1,694,550)</u>	<u>(3,500,504)</u>	<u>(4,439,418)</u>	<u>(5,213,892)</u>	<u>(6,803,212)</u>	<u>(8,031,371)</u>	<u>(9,352,770)</u>	<u>(11,706,375)</u>
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,168,444)	(4,821,762)	(5,047,598)	(6,927,800)	(7,726,873)	(8,588,824)	(10,264,683)	(11,568,081)	(12,973,305)	(15,426,936)

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 1 - Special Variation is not approved

BALANCE SHEET - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Current Liabilities	21,216,881	21,787,903	22,252,711	22,722,117	23,188,697	23,715,811	24,263,429	24,816,073	25,600,073	26,464,669
Non-Current Liabilities										
Borrowings	-	8,617,842	8,205,432	7,760,366	7,280,050	6,761,683	6,202,239	5,598,453	7,494,428	9,270,536
Provisions	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931
Total Non-Current Liabilities	338,931	8,956,773	8,544,363	8,099,297	7,618,981	7,100,614	6,541,170	5,937,384	7,833,359	9,609,467
TOTAL LIABILITIES	21,555,812	30,744,676	30,797,074	30,821,414	30,807,678	30,816,425	30,804,599	30,753,457	33,433,432	36,074,136
Net Assets	771,910,577	770,517,075	768,822,525	765,322,021	760,882,603	755,668,711	748,865,499	740,834,129	731,481,358	719,774,984
EQUITY										
Retained Earnings	684,519,577	683,126,075	681,431,525	677,931,021	673,491,603	668,277,711	661,474,499	653,443,129	644,090,358	632,383,984
Revaluation Reserves	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000
Council Equity Interest	771,910,577	770,517,075	768,822,525	765,322,021	760,882,603	755,668,711	748,865,499	740,834,129	731,481,358	719,774,984
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-
Total Equity	771,910,577	770,517,075	768,822,525	765,322,021	760,882,603	755,668,711	748,865,499	740,834,129	731,481,358	719,774,984

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 1 - Special Variation is not approved

EQUITY STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	772,129,000	771,910,577	770,517,075	768,822,525	765,322,021	760,882,603	755,668,711	748,865,499	740,834,129	731,481,358
a. Current Year Income & Expenses Recognised direct to Equity										
- Transfers to/(from) Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
- Transfers to/(from) Other Reserves	-	-	-	-	-	-	-	-	-	-
- Other Income/Expenses recognised	-	-	-	-	-	-	-	-	-	-
- Other Adjustments	-	-	-	-	-	-	-	-	-	-
Net Income Recognised Directly in Equity	-	-	-	-	-	-	-	-	-	-
b. Net Operating Result for the Year	(218,423)	(1,393,502)	(1,694,550)	(3,500,504)	(4,439,418)	(5,213,892)	(6,803,212)	(8,031,371)	(9,352,770)	(11,706,375)
Total Recognised Income & Expenses (c&d)	(218,423)	(1,393,502)	(1,694,550)	(3,500,504)	(4,439,418)	(5,213,892)	(6,803,212)	(8,031,371)	(9,352,770)	(11,706,375)
c. Distributions to/(Contributions from) Minority Interests	-	-	-	-	-	-	-	-	-	-
d. Transfers between Equity	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	771,910,577	770,517,075	768,822,525	765,322,021	760,882,603	755,668,711	748,865,499	740,834,129	731,481,358	719,774,984

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 1 - Special Variation is not approved

CASH FLOW STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Receipts:										
Proceeds from Borrowings & Advances	-	9,000,000	-	-	-	-	-	-	2,740,024	2,889,420
Payments:										
Repayment of Borrowings & Advances	(89,000)	-	(382,158)	(412,410)	(445,066)	(480,316)	(518,367)	(559,444)	(603,786)	(844,050)
	-	-	-	-	-	-	-	-	-	-
Net Cash Flow provided (used in) Financing Activities	(89,000)	9,000,000	(382,158)	(412,410)	(445,066)	(480,316)	(518,367)	(559,444)	2,136,238	2,045,370
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,199,398)	323,997	(116,020)	(1,424,279)	(141,056)	(540,253)	(1,850,989)	-	-	-
plus: Cash, Cash Equivalents & Investments - beginning of year	12,948,000	11,748,602	12,072,598	11,956,578	10,532,299	10,391,243	9,850,989	8,000,000	8,000,000	8,000,000
Cash & Cash Equivalents - end of the year	11,748,602	12,072,598	11,956,578	10,532,299	10,391,243	9,850,989	8,000,000	8,000,000	8,000,000	8,000,000

Appendix 4: 10 Year Financial Model - Scenario 2

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 2 - Special Variation of 5.5% is approved

INCOME STATEMENT - CONSOLIDATED	2010/11 Year 1 \$	2011/12 Year 2 \$	2012/13 Year 3 \$	2013/14 Year 4 \$	2014/15 Year 5 \$	2015/16 Year 6 \$	2016/17 Year 7 \$	2017/18 Year 8 \$	2018/19 Year 9 \$	2019/20 Year 10 \$
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	37,030,521	38,894,790	40,822,934	42,815,265	44,919,681	47,151,590	49,489,714	51,910,274	53,146,368	54,623,087
User Charges & Fees	18,036,415	18,411,876	20,027,289	20,507,943	21,020,642	21,588,199	22,149,493	22,636,781	23,180,064	23,829,106
Interest & Investment Revenue	3,321,000	2,020,000	2,140,850	2,268,934	2,404,684	2,548,559	2,701,048	2,862,664	3,033,955	3,215,499
Other Revenues	14,650,720	14,716,670	15,086,737	15,412,818	15,760,639	16,145,676	16,526,464	16,857,046	17,225,615	17,665,932
Grants & Contributions provided for Operating Purposes	3,079,729	3,217,343	3,301,763	3,376,148	3,455,493	3,543,327	3,630,193	3,705,605	3,789,683	3,890,128
Grants & Contributions provided for Capital Purposes	2,950,021	3,428,260	3,353,048	3,427,296	3,287,455	3,374,932	3,461,471	3,536,710	3,620,535	3,720,561
Other Income:										
Net gains from the disposal of assets	363,723	114,328	117,529	120,350	123,359	126,689	129,983	132,843	136,031	139,840
Total Income from Continuing Operations	79,432,129	80,803,267	84,850,149	87,928,754	90,971,952	94,478,974	98,088,365	101,641,923	104,132,250	107,084,153
Expenses from Continuing Operations										
Employee Benefits & On-Costs	31,716,946	33,552,126	34,900,921	36,324,879	37,628,942	39,137,863	40,707,291	42,343,724	44,037,473	45,798,972
Borrowing Costs	500	500	718,223	687,970	655,315	620,065	582,013	540,937	496,595	650,687
Materials & Contracts	25,746,384	24,871,681	25,574,567	26,196,397	26,859,424	27,592,469	28,318,465	28,951,995	29,657,104	30,496,620
Depreciation & Amortisation	14,433,100	15,041,200	15,257,793	16,540,974	16,903,221	17,214,240	18,217,830	18,553,039	18,992,746	20,375,417

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 2 - Special Variation of 5.5% is approved

INCOME STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Other Expenses	7,753,622	7,881,636	8,334,445	8,805,804	9,324,619	9,901,290	10,525,239	11,184,799	11,919,678	12,749,781
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	79,650,552	81,347,143	84,785,949	88,556,023	91,371,520	94,465,927	98,350,838	101,574,494	105,103,596	110,071,477
Operating Result from Continuing Operations	(218,423)	(543,876)	64,199	(627,269)	(399,568)	13,047	(262,473)	67,429	(971,346)	(2,987,323)
Net Operating Result for the Year	(218,423)	(543,876)	64,199	(627,269)	(399,568)	13,047	(262,473)	67,429	(971,346)	(2,987,323)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,168,444)	(3,972,136)	(3,288,849)	(4,054,565)	(3,687,023)	(3,361,885)	(3,723,944)	(3,469,281)	(4,591,881)	(6,707,884)

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 2 - Special Variation of 5.5% is approved

BALANCE SHEET - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Payables	11,315,812	11,504,677	11,939,231	12,375,982	12,807,312	13,296,375	13,802,916	14,311,219	14,854,954	15,450,288
Borrowings	-	382,158	412,410	445,066	480,316	518,367	559,444	603,786	844,050	1,113,312
Provisions	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069
Total Current Liabilities	21,216,881	21,787,903	22,252,711	22,722,117	23,188,697	23,715,811	24,263,429	24,816,073	25,600,073	26,464,669
Non-Current Liabilities										
Borrowings	-	8,617,842	8,205,432	7,760,366	7,280,050	6,761,683	6,202,239	5,598,453	7,494,428	9,270,536
Provisions	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931
Total Non-Current Liabilities	338,931	8,956,773	8,544,363	8,099,297	7,618,981	7,100,614	6,541,170	5,937,384	7,833,359	9,609,467
TOTAL LIABILITIES	21,555,812	30,744,676	30,797,074	30,821,414	30,807,678	30,816,425	30,804,599	30,753,457	33,433,432	36,074,136
Net Assets	771,910,577	771,366,701	771,430,900	770,803,631	770,404,063	770,417,110	770,154,637	770,222,066	769,250,720	766,263,397
EQUITY										
Retained Earnings	684,519,577	683,975,701	684,039,900	683,412,631	683,013,063	683,026,110	682,763,637	682,831,066	681,859,720	678,872,397
Revaluation Reserves	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000	87,391,000
Council Equity Interest	771,910,577	771,366,701	771,430,900	770,803,631	770,404,063	770,417,110	770,154,637	770,222,066	769,250,720	766,263,397
Minority Equity Interest	-	-	-	-	-	-	-	-	-	-
Total Equity	771,910,577	771,366,701	771,430,900	770,803,631	770,404,063	770,417,110	770,154,637	770,222,066	769,250,720	766,263,397

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 2 - Special Variation of 5.5% is approved

EQUITY STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	772,129,000	771,910,577	771,366,701	771,430,900	770,803,631	770,404,063	770,417,110	770,154,637	770,222,066	769,250,720
a. Current Year Income & Expenses Recognised direct to Equity										
- Transfers to/(from) Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
- Transfers to/(from) Other Reserves	-	-	-	-	-	-	-	-	-	-
- Other Income/Expenses recognised	-	-	-	-	-	-	-	-	-	-
- Other Adjustments	-	-	-	-	-	-	-	-	-	-
Net Income Recognised Directly in Equity	-	-	-	-	-	-	-	-	-	-
b. Net Operating Result for the Year	(218,423)	(543,876)	64,199	(627,269)	(399,568)	13,047	(262,473)	67,429	(971,346)	(2,987,323)
Total Recognised Income & Expenses (c&d)	(218,423)	(543,876)	64,199	(627,269)	(399,568)	13,047	(262,473)	67,429	(971,346)	(2,987,323)
c. Distributions to/(Contributions from) Minority Interests	-	-	-	-	-	-	-	-	-	-
d. Transfers between Equity	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	771,910,577	771,366,701	771,430,900	770,803,631	770,404,063	770,417,110	770,154,637	770,222,066	769,250,720	766,263,397

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 2 - Special Variation of 5.5% is approved

CASH FLOW STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	37,138,318	38,803,667	40,669,130	42,704,075	44,800,682	47,022,552	49,355,487	51,776,282	53,057,502	54,516,931
User Charges & Fees	18,088,920	18,368,740	19,951,834	20,454,685	20,964,955	21,529,120	22,089,418	22,578,351	23,141,305	23,782,796
Interest & Investment Revenue Received	3,321,000	2,020,000	2,140,850	2,268,934	2,404,684	2,548,559	2,701,048	2,862,664	3,033,955	3,215,499
Grants & Contributions	6,029,750	6,645,603	6,654,811	6,803,444	6,742,948	6,918,259	7,091,664	7,242,315	7,410,218	7,610,689
Other	13,189,002	13,185,706	13,535,548	13,876,687	14,222,860	14,605,596	14,985,709	15,317,406	15,699,320	16,134,515
Payments:										
Employee Benefits & On-Costs	(31,629,498)	(33,456,556)	(34,680,512)	(36,102,454)	(37,409,055)	(38,888,085)	(40,448,087)	(42,082,773)	(43,757,791)	(45,492,772)
Materials & Contracts	(25,675,398)	(24,800,837)	(25,413,056)	(26,035,990)	(26,702,469)	(27,416,374)	(28,138,147)	(28,773,573)	(29,468,752)	(30,292,727)
Borrowing Costs	(500)	(500)	(718,223)	(687,970)	(655,315)	(620,065)	(582,013)	(540,937)	(496,595)	(650,687)
Other	(7,876,979)	(7,861,773)	(8,291,819)	(8,761,816)	(9,280,012)	(9,849,277)	(10,469,746)	(11,127,295)	(11,856,239)	(12,678,066)
Net Cash provided (or used in) Operating Activities	12,584,616	12,904,050	13,848,563	14,519,594	15,089,278	15,850,285	16,585,332	17,252,439	16,762,922	16,146,178
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	1,865,185	-	-	-	-	-	-	-	-	-
Payments:										
Purchase of Investment Securities	-	-	-	(821,215)	(3,820,554)	(4,607,073)	(4,451,013)	(5,084,696)	(4,502,691)	(3,455,815)

Appendix 5: 10 Year Financial Model - Scenario 3

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

INCOME STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Income from Continuing Operations										
Revenue:										
Rates & Annual Charges	37,030,521	39,042,114	41,133,405	43,306,176	45,610,774	48,114,251	50,647,120	53,337,511	54,607,836	56,125,452
User Charges & Fees	18,036,415	18,411,876	20,027,289	20,507,943	21,020,642	21,588,199	22,149,493	22,636,781	23,180,064	23,829,106
Interest & Investment Revenue	3,321,000	2,030,092	2,162,117	2,302,561	2,452,024	2,614,501	2,780,330	2,960,430	3,134,066	3,318,411
Other Revenues	14,650,720	14,716,670	15,086,737	15,412,818	15,760,639	16,145,676	16,526,464	16,857,046	17,225,615	17,665,932
Grants & Contributions provided for Operating Purposes	3,079,729	3,217,343	3,301,763	3,376,148	3,455,493	3,543,327	3,630,193	3,705,605	3,789,683	3,890,128
Grants & Contributions provided for Capital Purposes	2,950,021	3,428,260	3,353,048	3,427,296	3,287,455	3,374,932	3,461,471	3,536,710	3,620,535	3,720,561
Other Income:										
Net gains from the disposal of assets	363,723	114,328	117,529	120,350	123,359	126,689	129,983	132,843	136,031	139,840
Total Income from Continuing Operations	79,432,129	80,960,683	85,181,887	88,453,293	91,710,385	95,507,577	99,325,053	103,166,926	105,693,830	108,689,430
Expenses from Continuing Operations										
Employee Benefits & On-Costs	31,716,946	33,552,126	34,900,921	36,324,879	37,628,942	39,137,863	40,707,291	42,343,724	44,037,473	45,798,972
Borrowing Costs	500	500	718,223	687,970	655,315	620,065	582,013	540,937	496,595	650,687
Materials & Contracts	25,746,384	24,871,681	25,574,567	26,196,397	26,859,424	27,592,469	28,318,465	28,951,995	29,657,104	30,496,620
Depreciation & Amortisation	14,433,100	15,041,200	15,257,793	16,540,974	16,903,221	17,214,240	18,217,830	18,553,039	18,992,746	20,375,417
Other Expenses	7,753,622	7,881,636	8,334,445	8,805,804	9,324,619	9,901,290	10,525,239	11,184,799	11,919,678	12,749,781

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

INCOME STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Joint Ventures & Associated Entities	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	79,650,552	81,347,143	84,785,949	88,556,023	91,371,520	94,465,927	98,350,838	101,574,494	105,103,596	110,071,477
Operating Result from Continuing Operations	(218,423)	(386,460)	395,938	(102,730)	338,864	1,041,650	974,214	1,592,432	590,234	(1,382,047)
Net Operating Result for the Year	(218,423)	(386,460)	395,938	(102,730)	338,864	1,041,650	974,214	1,592,432	590,234	(1,382,047)
Net Operating Result before Grants and Contributions provided for Capital Purposes	(3,168,444)	(3,814,720)	(2,957,110)	(3,530,026)	(2,948,591)	(2,333,282)	(2,487,257)	(1,944,278)	(3,030,301)	(5,102,608)

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

BALANCE SHEET - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
ASSETS										
Current Assets										
Cash & Cash Equivalents	11,748,602	13,012,103	14,913,909	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Investments	33,098,569	33,098,569	33,098,569	34,773,205	39,001,963	44,227,813	49,507,193	55,639,479	61,279,959	65,986,174
Receivables	4,791,155	4,963,437	5,249,763	5,459,024	5,681,320	5,924,052	6,168,109	6,414,506	6,567,768	6,750,864
Inventories	38,453	37,146	38,196	39,125	40,115	41,210	42,294	43,240	44,293	45,547
Other	233,282	237,176	246,134	255,138	264,030	274,112	284,555	295,034	306,243	318,517
Total Current Assets	49,910,059	51,348,430	53,546,570	55,526,491	59,987,428	65,467,186	71,002,151	77,392,259	83,198,264	88,101,102
Non-Current Assets										
Investments	2,472,431	2,472,431	2,472,431	2,597,525	2,913,409	3,303,775	3,698,140	4,156,216	4,577,554	4,929,104
Receivables	97,261	100,759	106,571	110,819	115,332	120,259	125,214	130,216	133,327	137,044
Infrastructure, Property, Plant & Equipment	657,323,637	663,184,173	659,928,556	656,240,903	650,284,698	643,960,043	637,488,147	630,676,252	626,216,006	620,716,163
Investments Accounted for using the equity method	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000
Investment Property	83,620,000	85,120,000	86,620,000	88,120,000	89,620,000	91,120,000	92,620,000	94,120,000	95,620,000	97,120,000
Total Non-Current Assets	743,556,330	750,920,363	749,170,558	747,112,247	742,976,439	738,547,077	733,974,501	729,125,683	726,589,887	722,945,311
TOTAL ASSETS	793,466,389	802,268,794	802,717,128	802,638,738	802,963,867	804,014,264	804,976,652	806,517,942	809,788,151	811,046,413
LIABILITIES										
Current Liabilities										
Payables	11,315,812	11,504,677	11,939,231	12,375,982	12,807,312	13,296,375	13,802,916	14,311,219	14,854,954	15,450,288

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

BALANCE SHEET - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Borrowings	-	382,158	412,410	445,066	480,316	518,367	559,444	603,786	844,050	1,113,284
Provisions	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069	9,901,069
Total Current Liabilities	21,216,881	21,787,903	22,252,711	22,722,117	23,188,697	23,715,811	24,263,429	24,816,073	25,600,073	26,464,642
Non-Current Liabilities										
Borrowings	-	8,617,842	8,205,432	7,760,366	7,280,050	6,761,683	6,202,239	5,598,453	7,494,428	9,270,168
Provisions	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931	338,931
Total Non-Current Liabilities	338,931	8,956,773	8,544,363	8,099,297	7,618,981	7,100,614	6,541,170	5,937,384	7,833,359	9,609,099
TOTAL LIABILITIES	21,555,812	30,744,676	30,797,074	30,821,414	30,807,678	30,816,425	30,804,599	30,753,457	33,433,432	36,073,740
Net Assets	771,910,577	771,524,117	771,920,055	771,817,324	772,156,189	773,197,839	774,172,053	775,764,485	776,354,719	774,972,672

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

EQUITY STATEMENT - CONSOLIDATED	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening Balance	772,129,000	771,910,577	771,524,117	771,920,055	771,817,324	772,156,189	773,197,839	774,172,053	775,764,485	776,354,719
a. Current Year Income & Expenses Recognised direct to Equity										
- Transfers to/(from) Asset Revaluation Reserve	-	-	-	-	-	-	-	-	-	-
- Transfers to/(from) Other Reserves	-	-	-	-	-	-	-	-	-	-
- Other Income/Expenses recognised	-	-	-	-	-	-	-	-	-	-
- Other Adjustments	-	-	-	-	-	-	-	-	-	-
Net Income Recognised Directly in Equity	-	-	-	-	-	-	-	-	-	-
b. Net Operating Result for the Year	(218,423)	(386,460)	395,938	(102,730)	338,864	1,041,650	974,214	1,592,432	590,234	(1,382,047)
Total Recognised Income & Expenses (c&d)	(218,423)	(386,460)	395,938	(102,730)	338,864	1,041,650	974,214	1,592,432	590,234	(1,382,047)
c. Distributions to/(Contributions from) Minority Interests	-	-	-	-	-	-	-	-	-	-
d. Transfers between Equity	-	-	-	-	-	-	-	-	-	-
Equity - Balance at end of the reporting period	771,910,577	771,524,117	771,920,055	771,817,324	772,156,189	773,197,839	774,172,053	775,764,485	776,354,719	774,972,672

North Sydney Council - 10 Year Financial Plan for the Years ending 30 June 2020: Scenario 3 - Special Variation of 6% is approved

**CASH FLOW STATEMENT -
CONSOLIDATED**

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	37,138,318	38,945,004	40,972,642	43,187,218	45,482,888	47,972,980	50,503,516	53,190,694	54,516,521	56,016,370
User Charges & Fees	18,088,920	18,366,080	19,949,015	20,451,610	20,961,703	21,524,813	22,086,690	22,574,471	23,141,303	23,782,793
Interest & Investment Revenue Received	3,321,000	2,030,092	2,162,117	2,302,561	2,452,024	2,614,501	2,780,330	2,960,430	3,134,066	3,318,411
Grants & Contributions	6,029,750	6,645,603	6,654,811	6,803,444	6,742,948	6,918,259	7,091,664	7,242,315	7,410,218	7,610,689
Other	13,189,002	13,183,796	13,533,635	13,874,601	14,220,654	14,602,674	14,983,858	15,314,774	15,699,319	16,134,513
Payments:										
Employee Benefits & On-Costs	(31,629,498)	(33,456,556)	(34,680,512)	(36,102,454)	(37,409,055)	(38,888,085)	(40,448,087)	(42,082,773)	(43,757,791)	(45,492,772)
Materials & Contracts	(25,675,398)	(24,800,837)	(25,413,056)	(26,035,990)	(26,702,469)	(27,416,374)	(28,138,147)	(28,773,573)	(29,468,752)	(30,292,727)
Borrowing Costs	(500)	(500)	(718,223)	(687,970)	(655,315)	(620,065)	(582,013)	(540,937)	(496,595)	(650,687)
Other	(7,876,979)	(7,861,773)	(8,291,819)	(8,761,816)	(9,280,012)	(9,849,277)	(10,469,746)	(11,127,295)	(11,856,239)	(12,678,066)
Net Cash provided (or used in) Operating Activities	12,584,616	13,050,909	14,168,610	15,031,203	15,813,365	16,859,428	17,808,064	18,758,106	18,322,049	17,748,524
Cash Flows from Investing Activities										
Receipts:										
Sale of Infrastructure, Property, Plant & Equipment	1,865,185	-	-	-	-	-	-	-	-	-
Payments:										
Purchase of Investment Securities	-	-	-	(1,799,730)	(4,544,642)	(5,616,216)	(5,673,745)	(6,590,362)	(6,061,818)	(5,057,765)

Appendix 6: Summary of Past Efficiency Gains and Productivity Savings

Council has a performance review and improvement strategy in place, whereby reviews are undertaken on a regular, planned and ad hoc basis of various areas of the organisation. These reviews may be undertaken in-house, or with external assistance. As a result of the strategy, ongoing productivity improvements have been made, which have freed up resources for re-allocation to other priorities as well as producing efficiency gains, improving income and producing expenditure reductions. Following is a summary of all Council service areas/reviews undertaken systematically over the past ten year period.

General Manager's Office (GM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
General Manager's Office	Mayor's Office: Executive support of Mayor in civic duties; Citizenship Ceremonies	4.1.3.2 Celebrate diversity within the community	Review of structure, service levels and performance	2001	Full-time Executive Assistant position: Streamlined management of citizenship ceremonies	Citizenship Ceremony budget has only risen from \$2,000 to \$2,500 over 9 years
	GM's Office: Executive support of GM in organisation administration	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	2001	Full-time Executive Assistant Position: Provision of support to both GM and Director of Corporate Services; streamlined management of Delegations and Pecuniary Interest Returns	More efficient provision of support
	Legal Services: Management of all legal functions for and within Council; Provision of legal advice to Council, and	5.4.2.2 Implement best practice governance strategies	Review of structure, service levels and performance	2001	In 2000/2001, Council's legal expenditure was \$1.92 million. Council reviewed the provision of legal services for the Council in 2001. The review led to employment of an experienced lawyer. Council efficiently conducts its legal processes and advice is sought when it cannot be provided in-house. Procedures are in place to ensure that Council is able to recoup legal expenditure when appropriate. Council has sought tenders for the provision of external legal services three times since 2001 – ensuring competitiveness and service delivery. In 2009/2010, Council's legal expenditure was \$733,000.	Reduction of legal expenditure by 300% over 9 years

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Community Development	Children's Services	4.4.1.4 Provide childcare services including Family Day Care and Vacation Care programs	Review of structure, service levels and performance	2004	Vacation Care: A review led to vacation care being put out to tender. It is now being provided by an external child care provider.	\$20,000 p.a.
				2008	Further reviews undertaken on regular basis to align resources and demands.	More efficient distribution of resources
				2009	Negotiation with Lane Cove and Mosman Councils to manage their FDC schemes for a fee: discussions on hold	\$17,000 p.a.
				2010	Review of fees charged to FDC parents Review in 2010 led to restructure of Family Day Care. Participation in Regional Benchmarking project with view to future savings through co-operation.	
	Aged and Disability	4.4.1.4 Increase access to services and information support for families, young people and older people	Review of structure, service levels and performance	2009	Crows Nest Centre is outsourced provider of aged and disability services. Review of Plan of Management undertaken. Decision to reduce Council subsidy commensurate with Centre's ability to obtain revenue from other sources.	\$66,000 p.a.
Community Services and Facilities		4.4.1.3 Facilitate equal access to community services and facilities	Review of performance	2008	Review of Nutcote Museum's recurring deficit - new Management Plan introduced.	Balanced budget
				2010	Review of Kirribilli Neighbourhood Centre's (KNC's) monthly market. Capital investment in venue stabilised centre's balance sheet.	Income generated for community facility: \$300,000

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					<i>Worked with KNC to attract Commonwealth grant of \$300,000</i>	<i>for 3 years</i>
	<i>Community Transport</i>	<i>4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Independent review commissioned to guide Strategic Plan and contract renewal due in 2011.</i>	<i>Expansion of services</i>
	<i>Arts and Cultural Development</i>	<i>4.1.5.1 Develop and implement a diverse range of arts and cultural programs</i>	<i>Review of structure, service levels and performance</i>	<i>2004</i>	<i>Review of demands and available resources to meet demands. Decision by Council to increase level of cultural activity led to additional part-time resource</i>	<i>Expansion of services</i>
	<i>Youth Services</i>	<i>4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities</i>	<i>Review of structure, service levels and performance</i>		<i>Year 1: Youth worker position not replaced</i> <i>Years 2 and 3: reduction of staffing position (equivalent to same level of saving)</i>	<i>\$50,000 p.a.</i>
	<i>Aboriginal Social Planning</i>	<i>4.3.1.4 Establish partnerships and programs to improve social conditions and outcomes amongst particular communities</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Regional program involving 11 Northern Sydney Councils. Combined program to achieve efficient service delivery. Program to end at 30 June 2011. Attracted State Grant</i>	<i>\$15,000</i>
<i>Library Services</i>	<i>Reader Services</i>	<i>4.2.3.5 Develop and enhance quality of library services and events</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Restructure, reducing cost of Management, restoring frontline hours</i>	<i>\$16,000 p.a.</i>
	<i>Collection Services</i>	<i>4.2.3.1 Continue to</i>	<i>Review of structure,</i>	<i>2007/08</i>	<i>Library restructure: A review was undertaken</i>	<i>\$166,000 p.a.</i>

Community and Library Services Division (CLS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		<i>review library collection management guidelines</i>	<i>service levels and performance</i>	2009	<i>of the book purchasing and cataloguing area, with the result that cataloguing was outsourced and 3 staffing positions saved in a time of increasing circulation and library visits. Further library efficiencies: Further savings are planned through adjustment of staff hours.</i>	<i>\$50,000 p.a.</i>
	<i>Historical Services</i>	<i>4.1.4.3 Promote access to local history through North Sydney Heritage Centre, local museums and signage</i>	<i>Review of structure, service levels and performance</i>	2009	<i>Restructured Historian's role to allow for part time written work and contract Curator. Won Queensland Premier's Prize for History</i>	<i>Expansion of services</i>
	<i>Shorelink</i>	<i>4.2.3.3 Promote outreach library services and online databases</i>	<i>Review of structure, service levels and performance</i>	2009 2010	<i>Managed Services for five Council Shorelink Network: This allows for improved bandwidth for public access to the Libraries database, and a decrease in staffing. Move to Managed Services. Reduction of Shorelink staff</i>	<i>\$7,000 p.a.</i>

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
<i>Communications</i>	<i>Public Relations Website maintenance Graphic Design</i>	<i>5.3.1.1 Enhance Council's existing external communications methods</i>	<i>Review of structure, service levels and performance</i>	<i>March 2009</i>	<i>Communications - Savings through streamlining staffing positions and reducing editions of Community News and corporate advertising</i>	<i>\$72,000</i>
	<i>In-house printing service</i>	<i>5.4.2.2 Implement best practice governance strategies</i>	<i>Review of service delivery method and scope</i>	2008	<i>External and internal communications and advertising: Methods of production have been reviewed and new methods introduced, including new digital printer; using electronic</i>	<i>\$60,000</i>

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
				2009	rather than paper communication where possible; using on-line advertising Communications: Savings achieved through streamlining staffing positions and Council communications	
Corporate Administration	Council, Committee and reference Group Meetings Councillor support Word-processing and admin support	5.4.1.1 Ensure relevant Council processes and decisions are accessible	Review of structure, service levels and performance	March 2009	Administration: Savings will be achieved through streamlining staffing positions	\$60,000
Corporate Planning and Governance	Corporate Planning and Governance	5.1.2.2 Develop and maintain effective reporting systems that enable Council to measure and report on performance	Review of structure, service levels and performance	2009	Corporate planning, Savings achieved through streamlining staffing positions and reducing Precinct System funding	\$90,000
	Community Engagement	5.2.1.4 Support the Community Precinct System	Review of structure, service levels and performance	2007	Precincts System Review: An external review was undertaken of Council's Precincts system. This led to a re-organisation of resources to provide better targeted support to Precinct Committees (although there were no cost savings, there were improved efficiencies)	Improved efficiencies
Customer Services	Counter Services Call Centre Booking Services	5.4.3.1 Implement strategies to ensure excellence in customer service	Review of structure, service levels and performance	November 2008	Customer services review: A review has identified areas of down time in the front-line customer services area, and as a result shifts were re-organised, with savings of 1.5 FTE staff. Review of hours of operation saw a further reduction of one staffing position	\$90,000 p.a. \$60,000 p.a.
Human Resources	Human Resources	5.4.4.2 Implement	Review of	2009	HR staffing: Review of structure, roles and	\$30,000 p.a.

Corporate Services Division (CS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	OH&S	best practice Human Resource policies and strategies	structure, service levels and performance		work methods leading to efficiencies Reduction of a number of training programs and staff support budgets for 2009/10 year only	\$164,000
Ranger and Parking Services	Ranger Services Parking Services	2.5.2.1 Continue to implement and review the Resident Parking Permit Policy and on street resident parking schemes	Review of structure, service levels and performance Review of service delivery processes and standards	2009 2010	Ranger and parking services review and restructure: This area was reviewed and one position removed from the structure as a result. Operational and process review A review was undertaken to ensure that ranger and parking services processes and procedures were effective and efficient	\$50,000 Improved efficiency in service delivery

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
Engineering Infrastructure	Road assets; Design Projects; Drainage Infrastructure; Footpath and Cycleway; Engineering Investigations; Infrastructure Levy Program; Local Emergency Management; Pollution Control device cleaning; Stormwater investigations	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of structure, service levels and performance Review of Asset Management Plans	March 2009 Annually	Council contracts out a significant portion of its engineering and property maintenance tasks and almost all of the capital works program. The tendering system ensures Council obtains best value. Internal delivered works are completed under a "Job Card" system. This enables Council to compare the costs with contracted works.	More services achieved for the same or less funding
Property Assets	Management of investment property	2.1.1.3. Develop a program of	Review of structure, service levels and	2008 and 2010	Investment property management outsourced: The six year contract was	Income increased by 2.7% p.a. over

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	portfolio (licences/leases)	infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	performance		awarded 2006 as a 2x2x2 contract with renewal subject to satisfactory performance. An independent consultant is engaged to undertake the review.	the last 5 years (05/06 to 09/10) This is in spite of the GFC in 2008
	Maintenance of Council owned property assets Coordination of property asset management plans; Land management Property legal services	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of Property Asset Management Plan	2010 and annually	Streamlined service delivery. Property maintenance on Council Buildings delivered in a similar manner to Engineering Infrastructure. Property Maintenance on the Commercial property portfolio is delivered through the Property Management Consultant. This component is subject to the independent review.	More services achieved for the same or less funding
Project Management	Major building and streetscape project formulation, programming, estimates, planning and design consultancy; Delivery of building upgrade projects, internal workspace fit outs; Coordination of Streetscape works program	2.2.4.5 Increase community engagement in providing streetscapes, neighbourhoods, villages and commercial centres	Review of structure, service levels and performance gaps	March 2009	Reduction of staffing position	\$120,000
Traffic Services	Investigation, analysis, design and advice on traffic and transport matters; Setting priorities for funding maintenance and installation of traffic facilities; Management of	2.5.1.1 Provide planning, design, investigation and management of traffic and transport in accordance with safety and	Review of on-street parking management strategy	March 2010	Tender for new parking meters and on-street parking management system. Improved efficiency and productivity of parking management	Parking Income increased by 3.1% p.a. over the last 5 years (05/06 to 09/10) This is in spite of the GFC in 2008.

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	on-street parking Coordination of the Traffic Committee Road safety programs and education	community priorities				Costs have been contained at 2.8%
Works Engineering	Plant and fleet management	2.1.1.3. Develop a program of infrastructure asset acquisition and creation, maintenance, renewal and disposal to minimise whole of life costs	Review of performance	Annually	Regular reviews of whole of life operational cost of each item of plant and appropriate decisions are then made to achieve best value when plant is replaced. Savings are achieved at plant changeover	Internal hire rate has increased by less than the inflation rate over time
	Road restorations Maintenance of roads, footpaths, kerb and gutter, stormwater drainage, marine structures, road furniture, fences, street lighting, retaining walls and bus shelters	2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings	Review of Council's Road Pavement Asset Management Plan, and methods of service delivery	2009	Streamlining of road patching: Delivery of asphalt maintenance has been modified reducing the need to undertake "heavy patching". Contractors now deliver the smaller amount of heavy patching. Council has set up an additional "pot hole" truck to increase responsiveness in this area. For less money Council is providing an improved level of service. Streamlining of road waste disposal: Waste bins stockpile the waste from Council's road and footpath sweepers. Previously the sweepers disposed of this material at the Artarmon Waste Transfer Station. Contractors have been engaged to collect and dispose of the waste from the depot. There are significant savings in the cost of waste disposal as well as improvements in productivity with reduced travel times for the sweepers.	\$60,000 p.a. \$25,000 p.a. on waste disposal costs and 15% improvement in productivity.

Engineering and Property Services Division (EPS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
					Engineering works streamlining: A number of positions amalgamated to streamline processes.	\$120,000 p.a.
	Metered parking	2.5.2.2 Use technology to manage parking	Review of service level and performance	2008/9	Review of parking meter data retrieval: This led to a change of provider and call charge rate reductions	\$30,000 p.a.
	Car parking stations	2.5.2.3 Provide integrated and efficient parking options in villages and retail areas	Review of structure, service levels and performance	2003	Introduction of central management for all Council paid car parks: <ul style="list-style-type: none"> - installation of boom gates - credit card payments - closed Circuit TV Skeleton staff operates from central control room. Significant reduction in staff and improved efficiency and effectiveness.	\$150,000 p.a. Increase in revenue
	Graffiti removal	2.2.4.4 Build pride in community assets that assist in maintenance as well as deterring graffiti and vandalism	Review of service delivery method and scope	2006	Outsourced service delivery. Contract for removal of all graffiti on Council and private property for the same cost as the previous contract for removal from just Council property.	Revised terms of contract and the scope of works have resulted in savings estimated to be in the order of \$45,000

Finance and Information Management Division (FIM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
Document Management	Coordination of incoming and outgoing correspondence (hard copy and digital) Archiving	5.4.6.1 Implement best practice records management	Review of service delivery methods, processes and standards	2001	Upgrade to a digitised (electronic) document management system: <ul style="list-style-type: none"> (a) significant improvements in data retention, data recovery and access (efficiencies to customer) 	\$100,000 p.a.

Finance and Information Management Division (FIM)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	Disposal of records Access to information				service) (b) (b) also significant savings in physical storage costs	
Financial Services	Financial Planning Financial Operations	5.5.1.2 Implement best practice financial planning	Review of cash management process	2002	Review of the 'Cash to Cash' cycle to ensure that the management of debtors' cash and creditors is efficient. Improved Council's management of its working capital	\$100,000 p.a.
Information Technology	Corporate database administration Networks Administration	5.4.6.4 Provide suitable information technology hardware and software across the organisation	Review of service delivery method	2007	Fixed and mobile call charges tender: A tender for all Council's phone call charges led to considerable ongoing savings	\$120,000 p.a.
			Review of service delivery method	2008	Review of computing and printing hardware: Implementation of multifunction devices to replace printers. Implementation of virtualisation of the servers, reducing numbers as well as energy consumption.	\$70,000 (approx. in hardware savings) \$5,000 (ongoing maintenance)
			Review of service delivery method	2010	New phone system (VOIP) and internet provider: This has replaced outdated equipment with "never grow old" equipment and software, reducing replacement and management costs of the phone system, and bringing all Council outposts into the one coordinated system. This has also provided significant efficiencies across Council, estimated to be between 5% to 8% for the majority of employees (ie 15 to 45 mins per day)	Productivity improvements of 5% to 8% – freeing up resources for other priorities
Risk Management	Risk mgt strategies and policies Claims management	5.4.5.1 Implement best practice risk management strategies	Review of service delivery processes	2002	Review of claims management and processing practices	60% reduction in average cost of claims
	Annual insurance		Review of policy	2005	Review of public liability insurance	\$200,000 p.a.

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
	<i>Bushland management</i>	<i>1.1.1.2 Rehabilitate bushland areas</i>	<i>Review of structure, service levels and performance</i>	<i>2009</i>	<i>Bushland Management efficiencies: Restructure and redistribution of workload resulted in a reduction of .5 of a position</i>	<i>\$30,500</i>
	<i>Waste Management</i>	<i>1.3.2.2 Effectively manage Council's waste collection and disposal contracts</i>	<i>Review of domestic waste management charges</i>	<i>2005</i>	<i>Waste management charges review: Comparative review undertaken across Sydney metropolitan Councils that determined North Sydney's DWMC is one of the lowest in the Sydney metro area</i>	<i>Improved customer satisfaction</i>
	<i>Sustainability Programs</i>	<i>1.3.1.6 Implement environmental sustainability programs to facilitate community stewardship</i>	<i>Review of strategies, projects and service delivery methods</i>	<i>2010</i>	<i>Sustainability programs are funded through the Environment Levy, and are reviewed annually as well as every five years in consultation with the community. Based on community input and expectations, the scope of the programs has expanded</i>	<i>Improved customer satisfaction</i>
	<i>Tree Preservation</i>	<i>1.1.2.1 Maximise tree plantings to enhance canopy cover in developed areas</i>	<i>Review of service levels and performance</i>	<i>2009</i>	<i>Tree Preservation Officer's position review: As a result of this review this position now also is responsible for delivery of the noxious weed act, therefore achieving a considerable efficiency improvements and subsequent savings in other areas.</i>	<i>Efficiency gains leading to improved performance</i>
<i>Landscape Planning and Design</i>	<i>Preparation of Parks and Reserves Strategic Plans Landscape Project documentation and design Landscape contract management</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages</i>	<i>Review of structure, service levels and performance</i>	<i>2010</i>	<i>Parks and gardens efficiencies: Reduction in parks administration area</i>	<i>\$84,000</i>
<i>Mollie Dive Function Centre & Event Management</i>	<i>Function Centre and public event management</i>	<i>3.2.2.3 Continue to source major regional and</i>	<i>Review of structure, service levels and performance</i>	<i>2009</i>	<i>Community event management efficiencies: Restructure resulted in this program being reduced from 1.4 positions</i>	<i>\$60,583</i>

Open Space and Environmental Services (OSES)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
		<i>sporting events</i>			<i>to .4 of a position</i>	
<i>North Sydney Olympic Pool</i>	<i>Operation of the Olympic Pool complex</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages</i>	<i>Review of service levels and performance</i>	<i>2010</i>	<i>Customer satisfaction surveys were undertaken over the year. The results identified areas for improvement which were all addressed</i>	<i>Improved customer satisfaction</i>
<i>Parks and Reserves</i>	<i>Sportsgrounds management and maintenance</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages</i>	<i>Review of structure, service levels and performance</i>	<i>2007</i>	<i>Review of Parks and Reserves Program: The review re-examined the structure of the program, the method of work delivery, productivity, occupational health and safety and program performance management. The review resulted in significant efficiency gains that were reinvested into the program to achieve an increased level of service.</i>	<i>Efficiency gains leading to improved performance</i>
	<i>Parks and Gardens management and maintenance</i>	<i>1.4.1.1 Provide a range of recreational facilities for people of all ages</i>	<i>Review of structure, service levels and performance</i>	<i>2007</i>	<i>Review of Parks and Reserves Program: The review re-examined the structure of the program, the method of work delivery, productivity, occupational health and safety and program performance management. The review resulted in significant efficiency gains that were reinvested into the program to achieve an increased level of service.</i>	<i>Efficiency gains leading to improved performance</i>
				<i>2009</i>	<i>Parks and Reserves efficiencies: Reduction in one full position whilst maintaining existing service levels</i>	<i>\$57,400</i>
	<i>Tree management and maintenance</i>	<i>1.1.2.2 Implement the North Sydney Street Tree Strategy</i>	<i>Review of structure, service levels and performance</i>	<i>2007</i>	<i>Review of tree management operation: This review significantly improved the work flow of the operation resulting in significant efficiency gains that were reinvested into increased service levels</i>	<i>Efficiency gains leading to improved performance</i>

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/Income generated
Administration Services	Processing of DA applications, certificates and advertising	2.3.1.1 Effective development assessment and determination processes	Review of service delivery method	2003	P&DS filing/archiving project: This involved scanning of all old hard copy DA and BA files from 1995 to 2001 (and ongoing) onto CDs, which are registered in Council's document management system. This improved work practice allows customers to come and view older DA plans and information online, rather than waiting for hard copy files to be retrieved, saving time for customers and records staff.	Efficiency gains leading to improved performance
			Review of service delivery method	2007	Introduction of E-Planning: This includes DA Tracking and having all planning documents available on Council's website, with continual review of content and updating of legislation. This saves customers' time in having to come into customer services to view details of applications, but also has saved time for assessment officers in dealing with enquiries. Also on the website is i.d profile, which provides community profile, demographics and statistics and allows customers to filter information in relation the North Sydney LGA - all information is updated regularly with ABS and census data	Efficiency gains leading to improved performance
Development Services	Planning Advisory service Construction and technical service Assessment services	2.3.1.1 Effective development assessment and determination processes	Review of service delivery processes, standards and methods	Audit 2008	Planning and Development Services Review: An independent PDS systems review was undertaken by Morrison Low leading to the conclusion that PDS was very efficient, but with some recommendations about re-organisation of resources within the PDS area and in support of the PDS area, to better target	Efficiency gains leading to improved performance

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
					areas of highest demand. However budget constraints meant this could not occur.	
			Review of budget	2009/10	<p>Significant reductions in staffing positions to achieve required savings. Single redundancy (Executive Planner), Positions not replaced - Team Leader Construction and Technical, Student Town Planner, Student Strategic Planner and Assessment Officer.</p> <p>Consequences of budget/staff reduction:</p> <ul style="list-style-type: none"> • DA turnaround times increased. • Strategic Planning 149 certificates assessed by senior staff, instead of the student position. 	\$185,000
Environment and Building Compliance	Environmental Health Environmental Protection Building Compliance	2.3.2.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	Review of team structure	2005	A review of the team structure in 2005 and the introduction of a Manager Position to oversee functions and streamline team performance.	Efficiency gains leading to improved performance and accountability
			Review of method of Food Shop Inspections (regulatory)	2006	Food shop inspections carried out by Environmental Health staff. Previously Council engaged a consultant to undertake this regulatory function. Education of foodshop proprietors through training and leaflets/brochures.	Savings of \$25,000 p.a on consultancy fees – outsourcing.
				2010	New staff training and inspection requirements introduced by NSW Health.	More regularised inspection program - resulting in huge improvements to the standards of food shop premises in the

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
			<p>Introduction of new reporting systems (Dataworks and Authority) to assess workloads and delivery timeframes</p> <p>Review of Compliance Section</p>	<p>2009</p> <p>2010</p>	<p>Data entry and allocation of all new Environmental and Building Compliance tasks by PDS Administration staff. New reports developed with IT.</p> <p>As a result from the findings of the PDS Audit in 2008, the Compliance section has been reviewed and a new Compliance Officer position has been created.</p>	<p>NSC community</p> <p>Improved customer satisfaction – Customer Service staff have access to tasks and current status for customers</p> <p>Efficiency gains leading to improved performance</p> <p>Cost increase implication of \$78,000 p.a. Efficiency gains leading to improved performance and accountability</p>
Strategic Planning	Strategic Planning	2.2.2.4 Monitor legislative and regulatory changes relating to land use planning	<p>Heritage Review</p> <p>Data integrity program (Authority system) review</p>	<p>2008/2009</p> <p>2008-2010</p>	<p>Database updated and project completed in-house. All attributes checked and correctly applied to applicable properties.</p> <p>Joint review of all attributes data stored in the Authority property database. IT Mapping, Strategic Planning and Administration Planning. Database 100% checked and updated. Authority property data is 99.9% accurate. Only a small number of “unreal” properties not validated.</p>	<p>Website updated - heritage status and significance available for customers</p> <p>Authentication and validation of property parcel data completed in-house. Major project co-ordinated between</p>

Planning and Development Services (PDS)						
Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Date of Review	Productivity Improvements	Savings made/ Income generated
						<i>departments. Efficiency gains leading to improved performance and issuance of certificates</i>

Appendix 7: Summary of Future Efficiency Gains and Productivity Savings

The process of service reviews will continue into the future, as part of North Sydney Council's performance review and improvement strategy and its commitment to productivity improvement. Each year service reviews of selected areas will be undertaken. The productivity improvements planned in 2011/12 include:

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
GM's Office	Legal Services: Management of all legal functions for and within Council. Provision of legal advice to Council	5.4.2.2 Implement best practice governance strategies	Review of legal service delivery process	March 2011	Audit of the provision of external and internal legal services through the organisation. Greater use of in-house lawyer throughout the organisation.	\$50,000 savings p.a.
Community & Library Services (CLS)	Community Transport	4.3.1.7 Continue provision of community transport enabling older people and people with disabilities to access services and leisure activities	Review of structure, service levels and performance	April 2011	Independent review commissioned to guide Strategic Plan and contract renewal due in 2011. Service better distributed across LGA for no additional expense	Expansion of services (no additional expenditure)
	Library Services	4.2.3.5 Develop and enhance quality of library services and events	Review of management structure, service levels and performance	June 2011	Reduction of resources allocated to management in the library and reallocation to direct customer service	\$43,000 savings p.a.
Corporate Services (CS)	Corporate Administration and Corporate Planning & Governance	5.4.2.2 Implement best practice governance strategies	Restructure	March 2011	Integration of two Departments under one Manager - consolidation of responsibilities in Governance Section	\$43,000 estimated savings
	Review of After Hours Telephone Service	5.4.3.1 Implement strategies to ensure excellence in	Review of service provider via EOI	May 2011	Savings in after hours call costs	\$7,200 estimated savings

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
		<i>customer service</i>				
	<i>Call Centre message service</i>	<i>5.4.3.1 Implement strategies to ensure excellence in customer service</i>	<i>Review of Service Delivery</i>	<i>May 2011</i>	<i>Savings in productivity as a result of the increased use of internal voice mail vs. e-mail messaging</i>	<i>\$20,000 estimated savings</i>
<i>Engineering & Property Services (EPS)</i>	<i>On Street Parking Management</i>	<i>2.5.2.2 Use technology to manage parking</i>	<i>Review of service delivery mechanism and method</i>	<i>June 2011</i>	<i>Council is currently tendering for a comprehensive integrated system covering all aspects of on street parking management Expect improved efficiencies in parking surveys and better compliance in regard to paid parking</i>	<i>\$35,000 savings in survey costs; and an increase in income of \$100,000</i>
	<i>Fence Renewal Program</i>	<i>2.1.1.1 Provide and maintain safe, public infrastructure including roads, footpaths, stormwater, drains, seawalls and buildings</i>	<i>Review of service delivery method and standards</i>	<i>June 2011</i>	<i>Review of fence renewal delivery program being undertaken by Contractors. The initial review showed that contractors were not set up to reuse the fence timbers. New service deliver program using in-house staff will see significant reuse of material saving on purchase and disposal costs</i>	<i>\$100,000 saving</i>
<i>Finance & Information Management (FIM)</i>	<i>Insurance Claims Management Service (outsourcing)</i>	<i>5.4.5.3 Maintain an appropriate insurance program</i>	<i>Review of service delivery method and standards</i>	<i>June 2011</i>	<i>Review completed. Due to the adoption of ISO 31000 (new risk mgt standard), internal resources will be released to progress this project.</i>	<i>\$80,000 savings p.a.</i>
	<i>Provision of Property Certificates (on-line) -</i>	<i>5.4.6.1 Implement best practice records</i>	<i>Review of service delivery method and</i>	<i>May 2011</i>	<i>Review completed. Moving to an on-line service</i>	<i>\$60,000 savings p.a.</i>

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
	Section 603 & 149	management	standards		will improve the efficient (annual) production of 6,000 certificates and improve the response times to customers (equivalent to a 10% productivity improvement).	
	Firewall Management (incl. provision of equipment)	5.4.6.4 provide suitable information technology hardware and software across the organisation	Review of service delivery method and standards	March 2011	Review completed. By re-investing in hardware and outsourcing the management, a 30% reduction in annual costs is expected.	\$15,000 savings p.a.
Open Space & Environmental Services (OSES)	Sport and Recreation Needs Planning	1.4.1.1 Provide a range of recreational facilities for people of all ages and abilities 4.3.1.1 Provide a range of recreation and leisure activities for people of all ages and abilities	Review of service delivery method	2011	A review of the existing recreational planning program is planned to be undertaken in 2011	\$50,000 savings p.a.
	Function Centre	1.4.1.1 Provide a range of recreational facilities for people of all ages and abilities	Review of service delivery method	2012	A review of the North Sydney Oval Function Centre operation is scheduled for 2012 to determine the future viability of the Centre and service delivery mode	Potential for improved income
Planning & Development Services (PDS)	Environmental Health Environmental Protection Building Compliance	2.3.2.2 Inspect food premises to ensure compliance with the Food Standards Code	Food Shop Inspections - (regulatory)	2011	New staff training and inspection requirements introduced by NSW Health. All food premises to be inspected as per their risk category. All food premises to appoint an accredited Food Safety Supervisor (FFS) by 1	More frequent inspection program - resulting in improvements to the standards of food shop premises in the North Sydney LGA

Service Area	Description of Activities	Related 2020 Vision Strategy	Service Review	Target Date for Review	Productivity Improvements to be achieved	Target Savings to be made/ Income to be generated
					October 2010. Council to record certificate details of each FFS.	
	Development Assessments	2.3.1.1 Investigate and respond to situations likely to be objectionable, affect human health or safety or cause nuisance	Planning Advisory Service	2011/2012	<p>New planning legislation - State and Federal Governments.</p> <p>The Planning Advisors facilitation of new government initiatives. (e.g. environmental sustainability initiatives such as solar panels and water management)</p> <p>Education provided to Customers (website updates/links and 12 free meeting appointments per week), Council staff (meetings and email updates), Councillors (via the Councillor Bulletin) and Precincts (via the Precinct e-bulletin and meeting attendance).</p>	Service provision/ Community education with regard to Planning Legislation "mum and dad" developers, staff, Councillors and Precincts

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North Sydney Council - Sustainability Indicators from the Financial Management Policy

Scenario 1 Special Variation is not approved
 Scenario 2 Special Variation is approved (5.5%)
 Scenario 3 Special Variation is approved (6.0%)

Indicator	Source	Operating/ Capital	Description	Target	2009/10 actual	Scenario	2010/11 projected year 1	2011/12 year 2	2012/13 year 3	2013/14 year 4	2014/15 year 5	2015/16 year 6	2016/17 year 7	2017/18 year 8	2018/19 year 9
Debt Service Ratio	Financial Management Policy	Capital	Show the amount of annual revenue necessary to service annual debt obligations and indicate the commitment of or from future revenue necessary to fund long term capacity.	Max 5%	0.00%	1	0.00%	0.00%	1.38%	1.35%	1.32%	1.28%	1.25%	1.22%	1.19%
						2	0.00%	0.00%	1.35%	1.30%	1.26%	1.21%	1.16%	1.12%	1.09%
						3	0.00%	0.00%	1.34%	1.29%	1.24%	1.19%	1.15%	1.10%	1.08%
Operating Result (before capital income)	Financial Management Policy	Operating	In broad terms a deficit from operations indicates that Council is not earning sufficient revenue to fund its ongoing operations (services), and to continue to renew existing assets	Balance (zero)	10,893,000	1	(3,168,444)	(4,821,762)	(5,047,598)	(6,927,800)	(7,726,873)	(8,588,824)	(10,264,683)	(11,568,081)	(12,973,305)
						2	(3,168,444)	(3,972,136)	(3,288,849)	(4,054,565)	(3,687,023)	(3,361,885)	(3,723,944)	(3,469,281)	(4,591,881)
						3	(3,168,444)	(3,814,720)	(2,957,110)	(3,530,026)	(2,948,591)	(2,333,282)	(2,487,257)	(1,944,278)	(3,030,301)
Unrestricted Current Ratio	Financial Management Policy	Operating	Measure the liquidity or solvency of Council, i.e. Council's ability to pay its debts as they fall due.	Desirable Min 1.5	4.30:1	1	4.04:1	3.72:1	3.46:1	3.07:1	2.77:1	2.45:1	2.02:1	1.53:1	0.99:1
						2	4.04:1	3.80:1	3.69:1	3.54:1	3.57:1	3.65:1	3.70:1	3.79:1	3.76:1
						3	4.04:1	3.81:1	3.73:1	3.63:1	3.72:1	3.87:1	4.02:1	4.21:1	4.28:1
Building & Infrastructure Renewal Expenditure	Financial Management Policy	Capital	A long term indicator of the condition of and the cost to maintain public infrastructure assets	Greater than 1.0	109.77%	1	82.09%	119.78%	63.30%	64.29%	49.11%	47.04%	53.02%	58.31%	86.24%
						2	82.09%	121.04%	72.72%	83.35%	68.68%	66.87%	72.95%	71.79%	96.57%
						3	82.09%	121.04%	72.72%	83.35%	68.68%	66.87%	72.95%	71.79%	96.57%
Collection Performance	Financial Management Policy	Operating	Measure the effectiveness of Council in recovering debts legally owed to it.		0.98%	1	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
						2	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
						3	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%	1.06%
Rates Coverage Ratio		Operating	Reliance on rates and annual charges	Greater than 50%	39.52%	1	46.62%	47.65%	47.15%	47.18%	47.32%	47.35%	47.37%	47.39%	47.31%
						2	46.62%	48.14%	48.11%	48.69%	49.38%	49.91%	50.45%	51.07%	51.04%
						3	46.62%	48.22%	48.29%	48.96%	49.73%	50.38%	50.99%	51.70%	51.67%
Broad Liabilities Ratio		Capital	Estimated cost to bring Infrastructure up to a satisfactory condition or standard (Special Schedule 7) divided by operating revenue	>0 & <60%	16.74%	1	18.01%	29.76%	28.08%	26.92%	25.74%	24.51%	23.31%	22.19%	24.00%
						2	18.01%	29.43%	27.47%	26.01%	24.56%	23.11%	21.70%	20.36%	22.00%
						3	18.01%	29.37%	27.36%	25.85%	24.35%	22.85%	21.42%	20.05%	21.66%
Operating Balance Ratio		Operating	The operating result (excl capital) relative to operating revenue	>-10%	13.24%	1	-4.14%	-6.30%	-6.33%	-8.49%	-9.24%	-10.00%	-11.65%	-12.85%	-14.08%
						2	-4.14%	-5.13%	-4.04%	-4.80%	-4.20%	-3.69%	-3.94%	-3.54%	-4.57%
						3	-4.14%	-4.92%	-3.61%	-4.15%	-3.33%	-2.53%	-2.59%	-1.95%	-2.97%
Application of the Pricing Methodology	Financial Management Policy	Operating		Fees and charges will be reviewed annually to ensure compliance and currency.	Completed		Completed	Completed	As per the Financial Management Policy, this will be undertaken annually.						
Persue Grant Funding	Financial Management Policy	Operating/ Capital							As per the Financial Management Policy, grants will be persued at every opportunity in every						
Invest Surplus Cash	Financial Management Policy	Operating	Council will invest surplus cash in accordance with its Investment Policy.	0.2% above index					As per the Financial Management Policy, surplus funds will be invested as per the Investment Policy and Strategy.						
Distribution of Funds from Asset Sales	Financial Management Policy	Capital	All net surplus funds to be held for Asset improvements (not operating exp)	100% transferred to Internally Restricted Reserves					As per the Financial Management Policy, all net proceeds from the sale of assets will be re-invested into community benefit						
Bonus Income	Financial Management Policy	Operating/ Capital	Income received outside the standard budget or abnormal revenue growth (>\$100k)	Initially apply to any revenue shortfalls, then up to 50% to the Income Producing Projects Res and					As per the Financial Management Policy, the net receipt of extraordinary and abnormal funds will be ret internally restricted reserves..						

2019/20 year
10

1.58%
1.45%
1.42%
(15,426,936)
(6,707,884)
(5,102,608)
0.39:1
3.64:1
4.25:1
87.62%
98.07%
98.07%
1.06%
1.06%
1.06%
47.24%
51.01%
51.64%
25.52%
23.37%
23.01%
-16.30%
-6.49%
-4.86%

year.

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5. Resourcing the Delivery Program

This section outlines Council's financial estimates, detailing how the scheduled projects and services will be funded.

Council's Resourcing Strategy has identified that Council needs adequate income to maintain existing services and infrastructure at a high standard, replace ageing infrastructure and to provide additional infrastructure. This means ensuring we have access to the money, time, assets and people to achieve the outcomes as identified in the 2020 Vision.

Council's financial position is strong and is projected to remain so over the period of this plan, being the result of adherence to Council's Financial Management Policy (CL09-FM), prudent management and fiscal responsibility, and the proposed special variation to rates.

The Delivery Program's draft budget, over the life of this plan, is based on continuing current service levels and a rate increase of 5.5% per annum.

5.1 Links with the Resourcing Strategy and Operational Plan

The Delivery Program informs and is informed by Council's Resourcing Strategy. Council prepared its Long Term Financial Plan in accordance with guidelines issued by the Division of Local Government. This was adopted by Council on 10 May 2010. The planning assumptions used for the preparation of the Long Term Financial Plan have also been used in the preparation of the four year Delivery Program and Revenue Policy (contained within the Operational Plan).

The four year budget covers a population in excess of 63,941 people (as at June 2009), 36,207 rates assessments, with the partial introduction of 5,500 new dwellings and a projected 30% worker population increase in accordance with targets for North Sydney outlined in the Draft 2007 Inner North Sub Regional Strategy.

The Operational Plan prepared annually, includes the detailed budget for the activities to be undertaken each year, as part of the Delivery Program.

The relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan is shown in the following diagram:

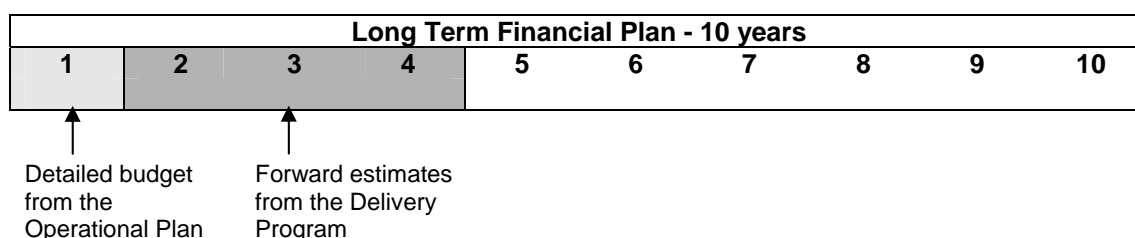


Figure 5.1 Relationship between the Delivery Program, Operational Plan and the Long Term Financial Plan

5.2 Council's Rating Structure

The 2010/11 budget shows total operating revenue of \$75m. Operating expenses for 2010/11 are budgeted at \$76m after allowing for depreciation of \$12.2m. This results in an operating deficit of \$347,927; a decrease of \$5m on the 2009/10 budgeted operating surplus of \$4.6m.

Major components of the 2010/11 budget included:

- State Government allowed rate increase (rate peg) of 2.6%
- Fees and charges increased by an average of 3%
- Estimated employee award increase of 3%
- Estimated CPI increase of 3%
- Capital works and other major projects program totalling \$15.4 million (\$11.1 million in 2009/10)
- Section 94 revenue of \$1.3 million.

On 7 December 2009 Council resolved to seek a continuation of both the Crows Nest Mainstreet Levy (no increase/area specific) and the Environmental Levy (\$15 pa average increase) for 5 years. On 30 June 2010 Council was advised by the Division of Local Government that permission was granted for the continuation of both the Crows Nest Mainstreet Levy and the Environmental Levy for only 3 years (until 2013/14). This timeframe was determined to coincide with the current term of Council.

On 10 May 2010 Council resolved to adopt Scenario 3 of the Long Term Financial Plan. Scenario 3 involves a 6% rate increase each year, for seven years from 2011/12 (i.e. Year 2). This increase includes the annual rate peg which is expected to be around 3% per annum in keeping with CPI. In adopting Scenario 3, Council also resolved that community consultation be undertaken in 2010/11 regarding the proposed variation. Refer to Section 5.2.2 for details of the proposed rating structure effective from 2011/12.

In December 2010 the Independent Pricing and Regulatory Tribunal (IPART), who has been delegated powers by the State Government to set the annual rate peg based upon the new Local Government Cost Index and productivity factor, as well as responsibility for the determination of special variation; announced the 2011/12 rate peg as 2.8%. The average rate peg over the past eight years has been 3.3% per year.

In addition to the announcement of the 2011/12 rate peg, Council has also received new land valuations from the Valuer General and these will be applied when rates are levied for 2011/12.

5.2.1 Current Rating Structure

The following information relates to the 2010/11 financial year.

5.2.1.1 Ordinary Rates (Residential and Business)

Council has two ordinary rates being "residential" and "business". These rates are applied to those properties categorised as either residential or business. Those properties that are subject to a Mixed Development Apportionment Factor (MDAF) as

supplied by the Valuer General are rated part Residential and part Business on the basis of that MDAF and are not categorised according to the dominant use.

The revenue derived from ordinary rates is based on the percentage breakdown of expenditure between the residential and business districts, currently 60% residential and 40% business.

	MINIMUM		AD VALOREM			TOTALS	%
	No	\$ Values	No	Rate in \$	\$ Value	\$ Value	
Residential Properties (\$ 407.00)	26,850	10,927,950	5,801	0.075984	4,396,231	15,324,181	60
Business Properties (\$ 408.00)	1,446	589,968	2,201	0.571278	9,627,344	10,217,312	40
	28,296	11,517,918	8,002		14,023,575	25,541,493	

5.2.1.2 Special Rate (Neutral Bay Mainstreet Levy)

First adopted by Council in the 2003/04 financial year, the rating structure for the Neutral Bay Mainstreet Levy program is a base amount (30%) and an ad valorem amount (at value). Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Neutral Bay. This rate is to fund the carrying out of streetscape works within the Neutral Bay Business Area. The current approval for this rate will expire on 30 June 2013.

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$145.27)	413	59,997	413	0.078262	140,003	200,000

5.2.1.3 Special Rate (Crows Nest Mainstreet Levy)

First adopted by Council in the 1996/97 financial year, the rating structure for the Crows Nest Mainstreet program is a base amount (30%) and an ad valorem rate. Council levies a Special Rate on properties, categorised as Business for rating purposes, within a designated area within the suburb of Crows Nest. This rate is to fund the carrying out of streetscape works within the Crows Nest Business Area.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. The current approval for this rate will expire on 30 June 2013. The amount of revenue collected by the levy was not increased

	BASE AMOUNT 30%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
Business Properties (base \$116.10)	770	89,397	771	0.069080	208,601	297,998

5.2.1.4 Special Rate (Environmental Levy)

First adopted by Council in the 2000/01 financial year, the rating structure for the Environmental Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Environmental

Levy.

Council received approval from the State Government to continue this levy for another three years commencing 1 July 2010. This rate revenue is equivalent to an average of \$50.00 per rateable property, an increase of \$15.00 per rateable property effective from 2010/11. The current approval for this rate expired on 30 June 2013.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$24.99)	36,298	917,087	36,298	.007225	907,812	1,814,899

5.2.1.5 Special Rate (Infrastructure Levy)

First adopted by Council in the 2007/08 financial year, the rating structure for the Infrastructure Levy program is a base amount (50%) and an ad valorem amount (at value). All rateable properties within the Council area are charged the Infrastructure Levy. This rate revenue is equivalent to an average of \$44.79 per rateable property. The current approval for this rate will expire on 30 June 2012.

	BASE AMOUNT 50%		AD VALOREM			TOTALS
	No	\$ Value	No	Rate in \$	\$ Value	\$ Value
All Rateable Properties (base \$22.39)	36,298	812,712	36,298	.006472	813,103	1,625,910

5.2.1.6 Specific Rating Issues

a) Upon registration of a new strata plan or deposited plan Council will re-rate the property(s) from the commencement of the proceeding quarter of the rate year.

b) Aggregation of rates in accordance with Section 548A of the Local Government Act will apply for all lots categorised as Residential or Business for rating purposes, one separately titled car-space and one separately titled utility lot that are in the same ownership as the residential or business lot and are within the same building or strata plan. All aggregations will only apply from the commencement of the quarter following the lodgement of the application with Council.

c) At the end of each month all rate balances will be written off, up to a maximum of five dollars per assessment, and the resulting abandonments shall be incorporated in Council's final accounts.

d) For the 2010/2011 rating year, the base date for land values is 1 July 2007. For the 2011/2012 rating year, the base date for land values is 1 July 2010.

5.2.2 Proposed Rating Structure

In accordance with adoption of Scenario 3 of the Long Term Financial Plan, Council adopted a Community Engagement Strategy, on 20 September 2010, which detailed how Council would inform, consult and obtain feedback from stakeholders, including both residential and business ratepayers, regarding the proposed special variation.

Council at its meeting of 20 September 2010 resolved (in part):

THAT a further report summarising community feedback gathered through the Engagement Strategy be presented to Council; and

THAT the Long Term Financial Plan be updated and that the revised plan be presented to Council for adoption in early 2011.

The Engagement Strategy 'Investing in our Future' was implemented in three phases, with Phases 1 and 2 implemented between October 2010 to March 2011.

Council at its meeting of 14 March 2011 considered the consultation findings and resolved that the amended LTFP be placed on public exhibition from 21 March to 12 May 2011.

Based on community feedback to the consultation and revised financial modelling Council resolved to make an application to IPART under Section 508A of the Local Government Act 1993 to fund remaining shortfalls as outlined in Scenario 2 of the revised LTFP. This application is based on increasing rates by 5.5% per annum cumulative over 7 years. Council will be advised whether its application is successful on 10 June 2011.

Under Scenario 2 of the LTFP a number of Council's existing levies will be continued by being incorporated within the special variation proposal:

a) The Infrastructure Levy is due to expire on 30 June 2012 (Year 2). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 12.3% increase shown for Year 3 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

b) Similarly, the Environmental Levy is due to expire on 30 June 2013 (Year 3). Ordinarily Council would be required to reapply to IPART for the continuation of this levy after the expiration of the instrument approving the previous SRV. As part of the current proposal, Council intends to include the continuation of the quantum of rates received from this levy, incorporate that quantum of rates into ordinary rates and then internally restrict the income. The 11.9% increase shown for Year 4 of the proposal takes into account the expiring SRV approval and the continuation of the same quantum of rates albeit in a different format.

Including the continuation of the quantum of both the Infrastructure Levy and the Environmental Levy means that Council will have this quantum of rates in perpetuity. Council will not need to make further SRV applications in relation to these levies.

c) Both the Neutral Bay and the Crows Nest Mainstreet Levies are due to expire on 30 June 2013 (Year 3). It is not proposed to incorporate them into this SRV application. Whilst it is considered that they will continue at that time and at the same quantum, it is proposed that a separate SRV application under Sec 508(2) of the Local Government Act will be made to IPART at that time. This type of application is generally time limited. This course of action will allow Council to further consult with the community regarding the relevance of each of these levies prior to the application being made.

The following table indicates the anticipated rating timetable for Scenario 2, incorporating existing levies.

Financial Year	Modelling Year	Event
2010/11	1	<ul style="list-style-type: none"> Special Rate (Crows Nest Mainstreet Levy) renewed for 3 years Special Rate (Environmental Levy) renewed for 3 years
2011/12	2	<ul style="list-style-type: none"> Special Rate (Infrastructure Levy) expires 30 June 2012 Proposed rate increase 5.5% Average Rate Increase: 5.5% p.a. for years 1 to 7
2012/13	3	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2013 Special Rate (Environmental Levy) expires 30 June 2013 Infrastructure Levy quantum incorporated into ordinary rates and internally restricted Proposed rate increase 12.3% (includes the infrastructure levy)
2013/14	4	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Environmental Levy quantum incorporated into ordinary rates and internally restricted Proposed rate increase 11.9% (includes the environmental levy)
2014/15	5	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2015/16	6	<ul style="list-style-type: none"> Proposed rate increase 5.5%
2016/17	7	<ul style="list-style-type: none"> Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) expire 30 June 2017 Proposed rate increase 5.5%
2017/18	8	<ul style="list-style-type: none"> Anticipated: Special Rates (Neutral Bay and Crows Nest Mainstreet Levies) renewed for 4 years - a separate 508(2) SRV application Proposed rate increase 5.5%
2018/19	9	<ul style="list-style-type: none"> Proposed rate increase CPI
2019/20	10	<ul style="list-style-type: none"> Proposed rate increase CPI

5.3 Financial Estimates

The major challenges faced over the life of this plan are the commitments that will be required for ongoing capital and maintenance planning on the ageing infrastructure within the LGA and within the constraints of the State Government rate pegging legislation.

The financial estimates detailed shows the actual results for the 2009/10 financial year and a summary of estimated income and expenditure across the four years under each Direction; showing both with and without a special variation to rates.

In accordance with Council's Long Term Financial Plan, the financial estimates have been prepared for the following scenarios:

- Scenario 1 - known as the 'Base Case' this is the lowest level from which the LTFP has been developed; inclusive of 2.8% rate peg for 2011/12.
- Scenario 2 - includes a 5.5% rate increase, each year for 7 years from 2011/12 (Year 2 of the LTFP).

Appendix 5 is Council's Budgeted Income Statement for 2010/11 to 2013/14.

Appendix 6 details Council's capital budget for 2010/11 to 2013/14.

5.3.1 Scenario 1 - Operating and Capital Budget Estimates without SRV, inclusive of 2.8% rate peg in 2011/12

	2010/11 Year 1	2011/12 Year 2	2012/13 Year 3	2013/14 Year 4
1 Our Living Environment				
Operating Expenditure	23,240,064	23,714,558	24,535,837	25,187,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-15,036,826
Capital Expenditure	728,105	939,352	390,000	260,000
Capital Income	-93,105	-159,352	0	0
2 Our Built Environment				
Operating Expenditure	16,782,536	16,909,205	16,869,684	17,640,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,898,243	6,891,168	6,877,297
Capital Income	-238,908	-288,908	-289,608	-290,333
3 Our Economic Vitality				
Operating Expenditure	173,899	484,095	237,520	150,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
4 Our Social Vitality				
Operating Expenditure	5,742,561	5,931,807	6,039,403	6,236,676
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	448,585	382,317	410,893
Capital Income	0	0	0	0
5 Our Civic Leadership				
Operating Expenditure	20,214,956	21,374,600	23,008,709	23,653,021
Operating Income	-47,545,765	-49,523,311	-52,101,182	-53,442,350
Capital Expenditure	300,800	185,000	285,000	185,000
Capital Income	0	0	0	0
Totals				
Operating Expenditure	66,154,016	68,414,265	70,691,153	72,868,142
Operating Income	-73,804,237	-76,030,046	-79,109,722	-81,040,223
Capital Expenditure	14,174,897	18,276,736	8,781,818	8,591,523
Capital Income	-332,013	-448,260	-289,608	-290,333
Net Transfers To / From (-) Reserves & Internal Transactions	-6,192,663	-10,212,695	-73,641	-129,109

5.3.2 Scenario 2 - Operating and Capital Budget Estimates with 5.5% SRV

	2010/11	2011/12	2012/13	2013/14
	Year 1	Year 2	Year 3	Year 4
1 Our Living Environment				
Operating Expenditure	23,240,064	23,714,558	24,620,837	25,307,740
Operating Income	-14,063,186	-14,375,252	-14,726,939	-13,221,828
Capital Expenditure	728,105	1,489,352	1,100,000	1,490,000
Capital Income	-93,105	-159,352	0	0
2 Our Built Environment				
Operating Expenditure	16,782,536	16,989,205	16,951,284	17,725,110
Operating Income	-11,112,422	-11,239,517	-11,364,660	-11,622,099
Capital Expenditure	11,485,804	15,963,243	7,294,168	7,617,297
Capital Income	-238,908	-288,908	-289,608	-290,333
3 Our Economic Vitality				
Operating Expenditure	173,899	484,095	337,520	290,595
Operating Income	-33,000	-33,000	-33,924	-34,738
Capital Expenditure	1,199,603	805,556	833,333	858,333
Capital Income	0	0	0	0
4 Our Social Vitality				
Operating Expenditure	5,742,561	5,985,807	6,204,136	6,405,712
Operating Income	-1,049,864	-858,966	-883,017	-904,210
Capital Expenditure	460,585	458,585	402,317	580,893
Capital Income	0	0	0	0
5 Our Civic Leadership				
Operating Expenditure	20,214,956	21,410,758	23,065,375	23,688,021
Operating Income	-47,545,765	-50,318,469	-53,747,181	-57,946,384
Capital Expenditure	300,800	185,000	310,000	185,000
Capital Income	0	0	0	0
Totals				
Operating Expenditure	66,154,016	68,584,423	71,179,152	73,417,178
Operating Income	-73,804,237	-76,825,204	-80,755,721	-83,729,259
Capital Expenditure	14,174,897	18,901,736	9,939,818	10,731,523
Capital Income	-332,013	-448,260	-289,608	-290,333
Net Transfers To / From (-) Reserves & Internal Transactions	-6,192,663	-10,212,695	-73,641	-129,109

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6. Monitoring and Reporting

As Council implements the Delivery program it keeps track of its progress. In accordance with IPR requirements progress reports must be periodically provided to Council.

6.1 Monitoring Progress

Council reviews and reports quarterly to the community on Council's progress against the Delivery Program by measuring performance against specific indicators and progress of current projects outlined in the annual Operational Plan.

Council has two types of indicators (KPIs) that in evaluating performance. The first type consists of strategic. they are sufficiently simple to ensure that the community can understand what is being measured and how it relates to them. The second type are directly linked to specific operational activities. They help the Senior Management Team evaluate performance with ongoing service and program delivery.

The indicator suite includes a mix of both qualitative and quantitative indicators. Qualitative data is generally sought through community feedback to enable comparisons, while quantitative data is based on numerical scales and can produce statistics. Council's Customer Satisfaction Survey is a good example of how both qualitative and quantitative indicators are used to measure the effectiveness of Council services and programs.

Targets for the KPIs have been chosen on what best measures the cumulative impact of all activities outlined in the Delivery Program. The targets provided do not assume that Council is the sole contributor to achieving the desired target, and in some cases, Council is not directly involved in them. Also, the targets do not suggest a direct cause and effect correlation between Council's actions and the target being measured. Rather, the targets have been nominated to provide data from which to reach a reasonable conclusion on Council's performance and progress towards achieving the goals and objectives in 2020 Vision.

Each indicator is assigned to either environmental, economic, social or governance themes reflecting Council's commitment to quadruple bottom line reporting.

All indicators are periodically reviewed to ensure their appropriateness and usefulness.

6.1.1 Performance Reviews

Performance is assessed against the target or milestone as exceeded/met or on track; behind/delayed but can get back on track; or not met or in danger of not being achieved. Off track performance is reviewed and corrective action/improvement taken as appropriate.

A financial assessment of performance is reported quarterly to Council in accordance with the Local Government Act 1993, this is known as the Quarterly Budget Review Statement (QBRs).

Council's performance reports are available on Council's website at www.northsydney.nsw.gov.au/deliveryprogram

6.1.2 Annual Report

The Annual Report details Council's success in meeting the objectives, activities and performance indicators outlined in the Delivery Program and Operational Plan.

The Annual Report also provides information required under the Local Government Act 1993 that must be disclosed by councils each year. The Report also contains detailed externally audited financial statements.

Information on what Council did or did not achieve is fed back into the planning process for the next Operational Plan.

The Annual Report is available from Council's Customer Service Centre and Stanton Library and is also available on Council's website at www.northsydney.nsw.gov.au.

6.2 Delivery Program Review

In accordance with IPR requirements Council must review its Delivery Program each year when preparing the annual Operational Plan and budget to ensure it is still on the right track for moving towards the 2020 Vision.

Where an amendment to the Delivery Program is proposed it must be included in a Council business paper which outlines the reason for the amendment and Council must resolve to adopt the proposed amendments. Where significant amendments are proposed, the Delivery Program must be re-exhibited for a minimum of 28 days and public submissions must be accepted and considered before the final program is adopted.

Council is required to prepare a new fixed term Delivery Program every four years, aligning with the term of Council. Council may choose to roll the Delivery Program forward beyond its elected term to enable effective forward planning, provided it is consistent with the Community Strategic Plan and Resourcing Strategy.

As part of the quadrennial review of the Delivery Program, it is a requirement of the Local Government Act that out-going Councils report back to the community at the end of their term to identify what has been achieved and what still requires action. This will help inform the incoming Council when it meets to determine the priority projects and issues that will be the focus of their four year term and form the basis of the next Delivery Program.

INVESTING in our FUTURE



North Sydney Council Proposed Special Rate Variation: Community Consultation Summary



Prepared by North Sydney Council
8 March 2011

For further information contact Council's Corporate Planning and Governance Manager on 9936 8100.

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Acronyms Used

AMS	Asset Management Strategy
CATI	Computer Assisted Telephone Interviewing
CPI	Consumer Price Index
CSP	Community Strategic Plan (2020 Vision)
CSS	Customer Satisfaction Survey
DLG	Division of Local Government
DP	Delivery Program
IAP2	International Association for Public Participation Australasia
IPART	Independent Pricing and Regulatory Tribunal
IPR	Integrated Planning and Reporting
LGA	Local Government Area
LTFP	Long Term Financial Plan
NSC	North Sydney Council
NSW	New South Wales
OP	Operational Plan
Q&A	Question and Answer
SRV	Special Rate Variation
TIS	Translating and Interpreting Service
WFS	Workforce Strategy

1. Introduction

Eligibility for applying for special rate variations under section 508A of the Local Government Act 1993 require councils to have substantially implemented their Integrated Planning and Reporting (IPR) Framework, clearly demonstrating linkages between community priorities identified through consultation and the council's IPR Framework; and to have undertaken adequate community consultation regarding the reasons for the variation and its impact on ratepayers. Councils must include in their applications:

- Details of the range of methods used by the council to inform the community on the special variation proposal and to obtain community feedback on this option; and
- A summary of the outcomes from community consultations and engagement, including details of the level of community support for the proposal (including relevant stakeholder groups) and any action they propose to address issues of common concern.

North Sydney Council was part of Group 1 requiring implementation of IPR by 30 June 2010. The 2020 Vision, North Sydney Community Strategic Plan (CSP) was adopted in November 2009 and is Council's third long term strategic plan. The 2020 Vision was prepared following a ten month community consultation process that also sought community input and feedback regarding the preparation of Council's four year Delivery Program (DP), 2010/11 Operational Plan (OP) and supporting Resourcing Strategy.

The DP and Resourcing Strategy, including a 10 year Long Term Financial Plan (LTFP), 10 year Asset Management Strategy (AMS) and a four year Workforce Strategy (WFS) were adopted in June 2010.

The LTFP prepared in conjunction with the 2020 Vision has identified that Council needs adequate income to:

- Maintain existing services and infrastructure at a high standard,
- Replace ageing infrastructure; and to
- Provide additional infrastructure.

Council at its meeting 10 May 2010 endorsed Scenario 3 of the LTFP. Council resolved:

THAT a further report be provided to Council on a consultation strategy to be undertaken during 2010/11 with respect to Scenario 3 to include the average rate for units, the average rate for houses and the average commercial rate per week.

Scenario 3 involves a 3% (on average) rate increase each year, for seven years from 2011/12 (i.e. Year 2 of the DP). This increase will be in addition to the annual State Government-allowed increase (rate peg) which is expected to be around 3% in keeping with the Consumer Price Index (CPI).

Council at its meeting of 20 September 2010 endorsed the Community Engagement Strategy detailing how Council would consult with stakeholders and involve them in the decision making process; enabling consultation to begin in October 2010.

Council began concurrently preparing its 2011/12 Draft OP and Budget in October 2010. The findings of this consultation will also be used to inform the 2011/12 OP and Budget and the annual review of the four year DP and Resourcing Strategy.

This summary of community consultation findings will be presented to Council at its meeting of 14 March 2011. The purpose of the summary is to inform Council of the community's level of support for the proposed variation and to inform Council's decision on whether to proceed with the proposed variation requesting approval for a special rate variation, effective from 1 July 2011.

1.1 What is a special rate variation?

Each year the State Government sets a maximum percentage amount that councils can increase their rates by, known as 'rate pegging'. Councils can then assess whether that rate peg increase is sufficient to maintain services and infrastructure or they can request an increase above the rate peg, known as a 'special rate variation' (SRV).

Section 508A of the Local Government Act allows a council to increase its general income by an amount that is greater than the general variation each year, up to a maximum of seven years. Councils must identify the amount of additional income it requires over the period of the proposed variation, calculated as a percentage. It then determines the annual percentage increases it requires over the rating period to match this amount. These percentages, which will include the rate peg for each year, may be different from year to year.

The Independent Pricing and Regulatory Tribunal (IPART) will assess and determine applications by councils for special variations under powers delegated by the Minister for Local Government commencing with the 2011/12 income year¹.

IPART is an independent body that oversees regulation of the water, gas, electricity and public transport industries in NSW. IPART also undertakes a number of advisory and service functions for the NSW Government related to issues of pricing, efficiency, industry structure, service provision and competition. Under the delegation of the Minister's powers, IPART has new local government functions including:

- Setting the annual rate peg based upon an IPART-published Local Government Cost Index and productivity factor; and
- Special variation determination powers.

The 2011/12 rate peg amount of 2.8% was announced in December 2010. The average increase over the past eight years has been 3.3% per year.

1.2 Why does North Sydney Council need a special rate variation?

The 2008/09 Local Government Comparative Indicators released by the Minister for Local Government in August 2010 show that North Sydney Council, in comparison to other metropolitan councils, has the third highest population density after Waverley and City of Sydney Councils; the lowest residential rates of councils in metropolitan

¹ On 6 September 2010, the Minister for Local Government, the Hon Barbara Perry MP, delegated to IPART her authority under the following sections of the *Local Government Act 1993*: sections 506, 507, 508(2), 508(3), 508(6), 508(7), 508A, 548(3) and 548(8).

and regional areas; less than average commercial rates; the lowest level of outstanding rates in NSW; a good unrestricted current ratio; and no debt.

North Sydney is home to an estimated resident population of 63,941 (an increase of 8% since 2001) and this is expected to further increase by 1% to 64,551 people by 2020. By 2031 North Sydney is also required by the State Government to provide an additional 5,500 dwellings as per the target outlined in the 2007 Draft Inner North Subregional Strategy.

North Sydney is also home to one of the largest business districts in Australia and several smaller commercial centres. More than 45,000 businesses operate from North Sydney. Over 50,000 people travel to North Sydney each day for work and study; this is set to increase by an additional 15,000 (30%) workers by 2031, as outlined in the 2007 Draft Inner North Subregional Strategy.

There are competing demands and pressures on Council to maintain its range of infrastructure and service levels across the Local Government Area (LGA). The feedback received from engagement with the North Sydney community during the preparation of Council's IPR Framework indicates that our community expects public assets and services to be of a high standard and also wants to see the provision of new facilities.

However financial analysis of Council's assets and service delivery has indicated the expectations and desires expressed by the community can not be achieved within the existing budgetary constraints and pressures, due to a number of restrictions, including:

- Rate pegging;
- Provision of additional services not previously provided by local government with those costs now being borne by councils;
- Continued rising costs of service delivery, exceeding inflation and rate pegging; and
- Increasing maintenance demands on our ageing infrastructure.

2. Executive Summary

Council's Community Engagement Policy (CL02-OG) states that Council will engage the community when issues involving decision making or policy formulation are deemed, by Council officers or the elected Council, to be of specific interest to the community, and/or arise that may have a significant immediate or long term impact on the local community.²

In accordance with this policy, a Community Engagement Strategy was prepared outlining how Council would involve the community in applying for a special rate variation, effective from 2011/12. The International Association for Public Participation (IAP2) Public Participation Spectrum was used to determine appropriate engagement methodologies to ensure a range of 'levels' of engagement were offered.

The Engagement Strategy 'Investing in our Future' was implemented in three phases. Phase 1 and 2 engagement opportunities occurred from October 2010 to March 2011. The online budget allocator and the community ward forums that will continue into mid 2011 to coincide with Phase 3 engagement opportunities which include the public exhibition of the Draft 2011/12 OP, scheduled for April/May 2011.

This report summarises the consultation findings. The following table summarises the key methodologies undertaken, the level of engagement of each method and the number of participants:

Methodology	IAP2 Level of Engagement	Number
Letter/Information to ratepayers	1	32,813
Ratepayer Survey	2 and 3	3,613
Customer Satisfaction Survey	2	600
Public meeting 1 - 1 February	1, 2, 3 and 4	25
Public meeting 2 - 26 February	1, 2, 3 and 4	32
Online Budget Allocator	2 and 3	69
Ward Forums	2 and 3	103
Written submissions	2	21
	Total	37,276

Table 2.1: Summary of engagement methods

Phase 1 and 2 findings have been analysed. The program yielded a substantial amount of information about community preferences from two main groupings of respondents:

- i) a self selected group of 3,763; and
- ii) a randomly selected group of 600.

The widely publicised consultation program ran for over four months and yielded a substantial amount of community input. The validity of the sample size for each major component of the engagement strategy indicates that the findings are statistically robust.

Overall there is demonstrated community support for a rate variation. The community feedback and survey results re-inform the views that emerged during the 2009

² Council's Policy Manual can be viewed at <http://www.northsydney.nsw.gov.au/www/html/2210-policymanual.asp>

consultation for the development of the 2020 Vision. In summary the findings show that depending on the magnitude of the rate increase, the number of people who prefer to raise rates outweighed those who didn't. The findings show that a rate increase was preferable to raising income by other means such as fees and charges. Based on this information there would appear to be a mandate for implementing the proposed program of works via raising rates rather than increasing dependency on variable income.

A reply paid survey was sent to all ratepayers in October 2010 calling for feedback. The return rate was 11%. The respondent sample is statistically robust. Ratepayers were given a number of funding options to consider. First preference support was highest for the proposed 6% SRV over seven years i.e. LTFP Scenario 3 (option 1), followed the option of a SRV of less than 6% (option 2). Both options include the annually determined rate peg.

Respondents were also asked to provide feedback regarding prioritisation of the program of works to be funded via the variation. Respondents were asked to indicate whether they thought each project/service was essential, somewhat important, neutral, not very important or not needed. A consistent level of support was indicated for all proposed projects/services. Support was highest for continuation of the graffiti removal service followed by improvement of parks, reserves, playgrounds and sports fields.

Council's biennial Customer Satisfaction Survey (CSS) sought feedback from a sample of 400 residential customers and 200 business customers in November 2010. This sample is robust; the difference in comparison with the Ratepayer Survey is that the CSS although, demographically representative, was randomly selected.

The CSS found that three of the top four key service areas of relative importance were the same for both residents and businesses, these included:

- Maintaining roads and footpaths;
- Maintaining parks, ovals and bushland areas; and
- Keeping local roads and footpaths clean

The CSS also included topical questioning regarding support for the proposed rate variation. Amongst residents, first preferences with 41% was highest for the option of a SRV of 3% on average, per annum for 7 years in addition to the rate peg i.e. 6% total per annum (option 1); seconded by 27% wanting Council to progressively reduce funding of current services and programs (option 3) and thirdly, with 27%, wanting Council to reduce levels of service to operate within current resources (option 3). When combining residents' first and second preferences per option support is highest for option 1 with 69%, followed by option 2, a new levy to fund specific projects and services, which received 68%.

For businesses, first preference was highest for the option of a new levy to fund specific projects and services (option 2) with 39% support; while options 1 and 3 were both at 25%. When combining businesses' first and second preferences per option, support is highest for option 2 with 66%, followed by option 1 with 28%.

The findings of the Ratepayer Survey and CSS have been compared with the findings of another survey conducted at the same time that also included related questions. The annual Customer Service Survey was conducted internally in November 2011. Questions allowing comparison between the three (3) surveys have been compared. Comparison of results found that support is highest for the option of

a 6% rate increase, per annum over 7 years inclusive of the annual rate peg amount. The findings of the CSS and Customer Services Survey support and validate the Ratepayer Survey findings.

Of the total 57 attendees at the public meetings, 48 (84%) participated in the feedback activity; 54% are in support of/can live with the proposed 6% increase per annum over 7 years, while 42% were not in support; and 4% of participants were undecided.

Of the 69 budget scenarios and 28 comments were submitted via the Budget Allocator, almost one third of (35.3% or 24) participants suggested Council should spend more in order to undertake enhanced services and projects and/or new infrastructure. While for eight of the ten existing budget categories, which related to existing infrastructure and services provided by Council, highest preferences were for maintaining the current level of expenditure. These findings complement those of the CCS which indicate that the community both rates core services of high importance and are satisfied with the current level of service level; as such a reduction in service levels could lead to a reduction in customer satisfaction.

Participants were asked to indicate which discretionary services Council should continue to support. Support was highest for graffiti removal; which supports the findings of the Ratepayer Survey which also ranked highest of the services within the program of works proposed to be funded through special rate variation income. Support was lowest for Council's continued support of the Precinct System, which similarly ranked as a lower priority with respondents of the Ratepayer Survey. Regarding the 'Wish List' (visionary projects), which included the remainder of the projects/services within the proposed program of works; findings indicate that support was equally highest for park and landscape upgrades and village/commercial streetscape upgrades. Similarly park and landscape upgrades was the second highest priority supported by respondents of the Ratepayer Survey.

103 people have participated in the 2010/11 Ward Forums series to date. Four questions were asked in relation to the General Manager's presentation regarding the 2010/11 OP and Budget and proposed special rate variation.

The engagement strategy also called for written submissions as an alternative form of participation in the consultation process. Council received 21 written submissions and of these only ten submissions made comment one way or the other regarding the proposed rate variation. Of those, 3 were in support of the proposed rate variation of 6%, per annum over seven years; while 7 were against and 11 made no comment either way. By comparison Council received 28 written submissions during the public exhibition of its IPR suite of plans.

Information packs were distributed to all established internal forums including Reference Groups, Precinct Committees and Streetscape Committees. The minutes of two Precinct Committee meetings reflect discussion regarding the proposed increase.

One media release were issued by Council in relation to the proposed rate variation and eight advertisements were run in the local papers promoting consultation opportunities. Council received a small amount of media attention regarding the proposed rate increase.

3. Community Engagement Strategy

Councils are required under the Local Government Act to inform the community of particular issues that potentially affect their way of life. North Sydney Council is committed both in principle and in practice to engaging on matters affecting the North Sydney community.

All applications for special variations must follow adequate community consultation regarding the reasons for the variation and its impact on ratepayers. Councils must provide details of the range of methods used to inform the community on the special variation proposal and to obtain feedback on this option. As part of this information, councils must identify the key stakeholders or other groups they consulted with and why.

In accordance with Council's Community Engagement and Open Government (CL05-OG) policies a project-specific engagement strategy was adopted on 20 September 2010 outlining how Council would involve the community in applying for a special rate variation for 2011/12, by providing a range of opportunities for key stakeholders to be involved in the decision making process.

In line with Council's guiding principles for engagement, the framework illustrated in the table below was used to determine the most appropriate engagement methodologies. This framework has been adapted from the IAP2 Public Participation Spectrum. Council used this framework to ensure a range of 'levels' of engagement were offered.

North Sydney Council's Community Engagement Framework		
Level	Code³	Description
Inform	1	Providing balanced and objective information to help the community understand problems, alternatives, opportunities and/or solutions
Consult	2	Obtain public feedback on alternatives and/or decisions
Involve	3	Work directly with the community throughout the process to ensure that public concerns and aspirations are consistently understood and considered
Collaborate	4	Partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution

Table 3.1: Derived from the IAP2 Public Participation Spectrum

Community engagement opportunities were offered across the three phases of the application process. These included:

3.1 Phase 1

Phase 1 involved the preparation of the Draft 2011/12 OP and Budget. The following engagement methodologies were undertaken:

3.1.1 Letter to all Ratepayers (Level 1)

All ratepayers were informed of Council's intention to apply for a rate variation. The letter outlining the proposed variation was sent to all

³ The code is used to identify the level(s) of engagement to be used per method of engagement per project phase.

residential and business ratepayers. Council resolved that the letter and other promotional material should indicate which councillors support and oppose the proposal and their arguments for and against. The letter included a calculator showing the average proposed residential (units and houses) and commercial rate increase and information about how to get involved in the consultation process including via the Ratepayer Survey (3.1.2) as well as an explanatory brochure (Appendix 2) detailing the proposed program of works to be funded by the provided variation. Alternatively ratepayers were invited to send written responses.

3.1.2 Ratepayer Survey (Level 2 and 3)

The hard copy survey with reply paid envelope was distributed to all North Sydney ratepayers along with the letter (3.1.1). The survey could also be completed online, however the rationale for distributing the survey in hard copy was to encourage participation and especially because a large number of North Sydney ratepayers are not owner occupiers i.e. may not live in North Sydney. The purpose of the survey was to canvas stakeholder feedback on the proposed variation and/or alternative options⁴ as well as prioritisation of the services and programs proposed to be funded by the variation.

3.1.3 Fact Sheets (Level 1)

Council produced a series of five fact sheets that were made available from Council's website (3.2.1), the Customer Service Centre, Stanton Library and North Sydney Olympic Pool. The Facts Sheets were also displayed in notice boards throughout the LGA - refer Appendix 4. Topics included:

- Fact Sheet 1: Investing in the Future of North Sydney
- Fact Sheet 2: Yes/No Cases⁵
- Fact Sheet 3: Infrastructure and Services
- Fact Sheet 4: Income
- Fact Sheet 5: Efficiencies

3.1.4 Public Meetings (Level 1, 2, 3 and 4)

The Mayor and General Manager hosted two public meetings. The first meeting was held on Tuesday 1 February, starting at 6pm with 25 people attending. The second meeting was held Saturday 26 February, starting at 10.30am, attended by 32 people. The meetings were open to local residents, businesses and ratepayers. Two meetings were held to encourage maximum participation, by providing options for those with work, family other commitments.

Both meetings were facilitated by an external facilitator. The agenda was the same for both meetings; it included a presentation outlining why Council is proposing a special variation, arguments for and against the proposed rate increase and how the proposal links to Council's IPR Framework followed by a question and answer session.

⁴ Council resolved that the survey which asks ratepayers whether they support the rate increase or not and whether they would prefer Council to consider an increase in specific purpose levies or a reduction in spending.

⁵ Council at its meeting 10 May 2010 resolved by a 9/4 vote in favour of Scenario 3 of the LTFP which included a 6% special rate variation including the rate peg, in turn Council at its meeting 20 September 2010 resolved to list the councillors voting for and against and their yes/no case arguments.

3.1.5 Customer Satisfaction Survey (Level 2)

Council's biennial CSS was conducted in November 2010. 400 residents and 200 business customers participated in the telephone survey. The survey sought feedback on the community's attitudes towards a wide range of Council services, including customer service, the environment, planning, roads and footpaths, parks and open space, community services and facilities, waste collection, and communication. Participants were asked to rank their satisfaction with and importance of these services.

The 2010 survey also included topical questioning regarding the proposed rate variation. Priorities identified through the survey have been considered by Council and prioritised for attention over the next year and beyond in the DP.

3.1.6 Online Budget Allocator (Level 2 and 3)

The Budget Allocator is an online tool facilitated by Bang The Table Pty Ltd and is designed to help ratepayers/residents understand community priorities and the processes in preparing a budget. It allowed participants to review significant areas of spending that reflect a proportion of Council's overall annual budget. Including the following key services/asset classes - roads, footpaths, other infrastructure, cleaning of streets and public areas, parks and reserves, community services, library services and environmental services, as well as discretionary services and a 'wish list' (summary) containing the proposed program of works to be funded by the proposed variation. Link - <http://northsydney.budgetallocator.com>

3.1.7 Community Ward Forums (Level 1 and 2)

Council hosts a series of Ward Forums annually. The North Sydney LGA is divided into four wards. The Mayor and General Manager host one forum per ward each year providing an overview of key projects in that area. The forums provide an opportunity to inform residents of changes in their local area and an opportunity to discuss these and other issues with the Mayor and General Manager, Councillors and senior staff.

The 2010/11 Forum series included an overview of the 2010/11 OP and Budget (including IPR Framework and proposed SRV). Participant feedback indicated this agenda item proved insightful and informative and will remain a standing agenda item for all future forums.

3.2 Phase 2

The second phase involved general publicity and promotion. Feedback and progress updates were reported at various stages of the engagement process.

3.2.1 Council Website (Level 1)

The proposed SRV and consultation opportunities were outlined on Council's website. The webpage included the fact sheets, background information, links to Council's IPR Framework and calculator to help ratepayers approximate the proposed increase applicable to their property (based on

land values). Written submissions were also called for via the website. Link - <http://www.northsydney.nsw.gov.au/SRVconsultation>

3.2.2 North Sydney News (Level 1)

Articles/information related to the public exhibition of the Draft 2011/12 OP and Budget have been included in the Autumn issue of 'North Sydney News', Council's (biannual) newsletter distributed to all households and businesses in the North Sydney LGA.

3.2.3 Media Releases (Level 1)

A media release was distributed advising of community engagement opportunities related to the proposed variation as well as related information - refer Appendix 5. The Mayor and councillors directly approached the local media to promote the arguments for and against the proposal. The local papers are also provided with copies of business papers for all Council meetings including reports relating to the proposed variation. Council received a small amount of media attention regarding the proposed rate increase - refer Appendix 6.

3.2.4 Advertisements (Level 1)

Advertisements promoting the proposed SRV (background information) and related engagement opportunities in particular the public meetings and the Budget Allocator were run in 'The Mosman Daily' and 'North Shore Times' newspapers - refer Appendix 7. Adverts ran on the following dates:

- 25 November 2010 - Mosman Daily (Advert 1)
- 26 November 2010 - North Shire Times (Advert 1)
- 16 December 2010 - Mosman Daily (Advert 2)
- 17 December 2010 - North Shore Times (Advert 2)
- 20 January 2011 - Mosman Daily (Advert 3)
- 21 January 2011 - North Shore Times (Advert 3)
- 27 January 2011 - Mosman Daily (Advert 3)
- 24 February 2011 - Mosman Daily (Advert 4)

3.2.5 e-News Subscriptions (Level 1)

Council coordinates eight e-newsletters including Stanton e-news, Business e-news and Green events e-news. Information regarding the proposed SRV was distributed to subscribers. In addition a new subscription was set up to enable SRV progress updates to be distributed to survey respondents who requested to be 'kept informed'.

3.2.6 Reference Groups (Level 1 and 2)

Council has seven reference groups including Environmental Services, Library Services, Historical and Cultural Services and Sports and Recreation. Information packs were distributed to all Reference Group members. Councillors and members of the public are members of Reference Groups.

3.2.7 Precinct Committees (Level 1 and 2)

The North Sydney Community Precinct System was established in the late 1970s, encouraging residents, workers, students and property owners to take an active role in providing input into the operations of Council. Precinct Committees are organised by the residents and are advisory. Precinct meetings are one avenue for informing Council of community opinion and maintaining two-way communication between community members and Council staff and Councillors. There are currently 17 active Precinct Committees. Information packs were distributed to all Precinct Committees and with the advice that senior staff were available and attended committee meetings to discuss the proposal.

3.2.8 Streetscape Committee (Level 1 and 2)

Council works with local retailers and businesses to improve the ambience of its local shopping/commercial areas through its streetscape program. There are currently six active shopping area Streetscape Committees in North Sydney. Information packs were distributed to all Streetscape Committee members and senior staff were available to attend committee meetings to discuss the proposal.

3.3 Phase 3

The third phase will involve public exhibition of the Draft 2011/12 OP and Budget and will occur in April/May 2011:

3.3.1 Public Exhibition (Level 2)

The Draft 2011/12 OP and Budget will be placed on exhibition for a minimum of 28 days in accordance with legislative requirements to allow the community an opportunity to make comment. Submissions may be made in writing during this period.

3.3.2 Community Information Session (Level 1 and 2)

During the public exhibition of the Draft 2011/12 OP and Budget, Council will host a community information session open to all local residents, businesses and ratepayers. This session will be held on Thursday 5 May 2011, starting at 6.15pm in the Hutley Hall, 200 Miller Street, North Sydney.



Photo: showing fact sheets in notice board in Civic Park, North Sydney

4. Ratepayer Survey

4.1 Methodology

A quantitative survey was developed, and the questions were tested by an in-house focus group. A copy of the survey is appended to this report (Appendix 3).

Along with an explanatory brochure, +/-32,813 surveys were distributed, via a letterbox distribution company, to all residential and business ratepayers of the North Sydney LGA.

Residents were encouraged to review the full proposed program of works and further information available on Council's website. Respondents had the choice of completing the survey on paper and returning it via the supplied reply-paid envelope, or going on-line to Council's website and completing the survey electronically.

Surveys were distributed in the week commencing 12 November 2010 and closed on the 3 December; however the deadline was extended till 20 December 2010⁶.

A total of 3,613 surveys were completed; 3 surveys were completed online, and the balance on paper and returned via reply-paid post.

4.2 Analysis

Data entry of the hard-copy surveys was undertaken internally by temporary data entry staff engaged for the task, and validated daily. Council used Excel to analyse and report on the survey responses.

4.3 Sample

The survey was distributed to +/-32,813 residential and business ratepayers of the North Sydney LGA and 3,613 (11%) have been returned.

A sample of 3,613 has a margin of error of 1.54% at the industry standard 95% confidence level⁷. This means that the results are an accurate reflection of key stakeholder views within +/- 1.54%.

4.4 Detailed Findings

The survey was divided into five sections. The first section dealt with the proposed works/services to be funded by a special variation, asking respondents to prioritise given programs and services. The second section asked respondents how they thought Council should pay for the programs and services. The final section collated demographic information about the respondents to determine the representativeness of the survey responses.

⁶ Completed surveys received up until 2 March 2011 (i.e. following the second public meeting) have been included in total figure received/analysis.

⁷ Margin of Error Calculator used -

http://www.marketingcounsel.com/tools/margin_of_error_calculator2.htm

4.4.1 Proposed Program of Works

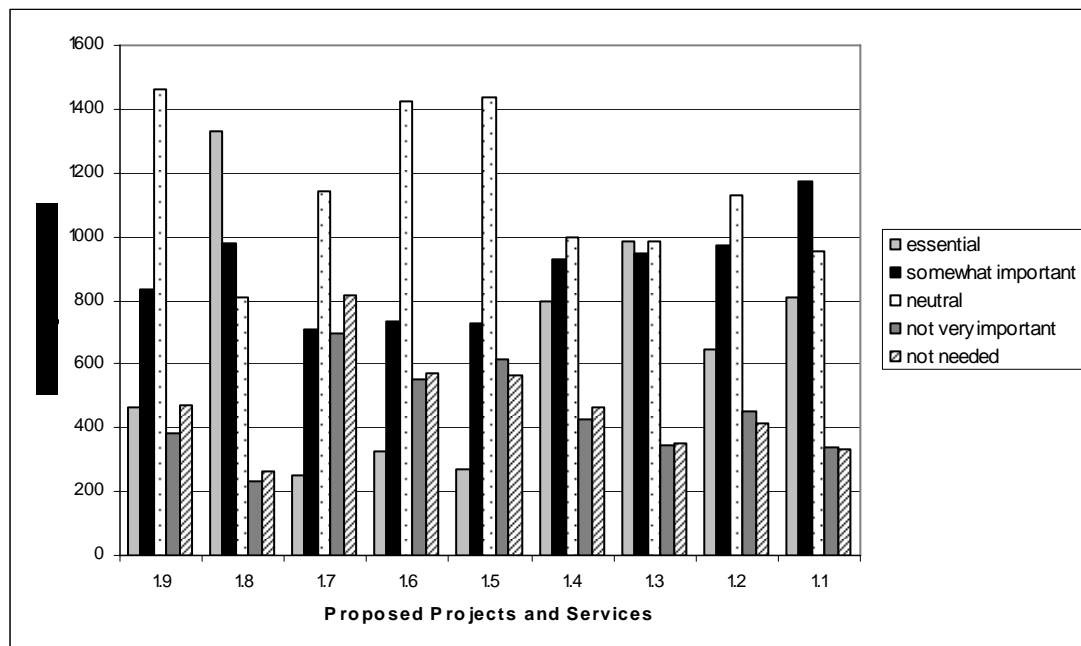
The objective of the first question was to gain an understanding of the community priorities regarding the services and programs proposed to be funded by an increase in rating income.

Respondents were provided with a summary of the proposed program of works and were directed to Council’s website for more information if required. They were asked for each component of the program, how important they thought it was.

Q1. A rate increase will be used to fund and maintain the following services and programs. To help us prioritise, please circle whether you think they are essential, somewhat important, neutral, not very important or not needed:

- 1.1 Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park
- 1.2 Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay.
- 1.3 Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool.
- 1.4 Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies).
- 1.5 Refurbish the Crows Nest Centre and Forsyth Park Community Centre.
- 1.6 Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre.
- 1.7 Provide community events including Youth Week, Children’s Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition.
- 1.8 Continue free graffiti removal service for residents and businesses.
- 1.9 Continued support of the North Sydney Community Precinct System.

The following graph details respondents’ priority rankings per proposed program /service. Note: all respondents completed all or part of this question. Where a response was skipped for a particular item it was recorded as ‘neutral’.



Graph 4.1: Proposed Program of Works - Project/Services Priorities

The following table presents an alternative view of the graph, showing respondents' priority rankings per proposed program/service:

Services and Programs		essential	somewhat important	neutral	not very important	not needed
1.1	Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park	809 (22%)	1175 (34%)	954 (26%)	340 (9%)	335 (9%)
1.2	Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay	649 (18%)	974 (27%)	1128 (32%)	449 (72%)	413 (11%)
1.3	Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool	983 (27%)	948 (36%)	987 (27%)	346 (10%)	349 (10%)
1.4	Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies)	798 (22%)	927 (26%)	999 (27%)	424 (12%)	465 (13%)
1.5	Refurbish the Crows Nest Centre and Forsyth Park Community Centre	272 (8%)	727 (20%)	1435 (39%)	612 (17%)	567 (16%)
1.6	Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre	329 (9%)	735 (20%)	1426 (40%)	550 (15%)	573 (16%)
1.7	Provide community events including Youth Week, Children's Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition	250 (7%)	711 (20%)	1142 (31%)	695 (19%)	815 (23%)
1.8	Continue free graffiti removal service for residents and businesses	1329 (38%)	977 (27%)	812 (22%)	231 (6%)	264 (7%)
1.9	Continued support of the North Sydney Community Precinct System	465 (13%)	833 (23%)	1460 (40%)	383 (11%)	472 (13%)

Table 4.1 Raw data - respondents' priority rankings per proposed program/service

There was moderate to high support for all proposed programs/services. Support was highest for graffiti removal (1.8), with only 13% classifying this project/service as not very important or not needed, followed by improvements to parks, reserves and playgrounds (1.1) with only 18% classifying these projects/services as not very important or not needed; and thirdly support was highest for the upgrade of the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool (1.3), with only 20% classifying this project/service as not very important or not needed.

4.4.2 Funding Preferences

Respondents were presented with a number of options of paying for the program of works. Respondents could indicate how they thought Council should fund the required services, assets and infrastructure by ranking their preferences.

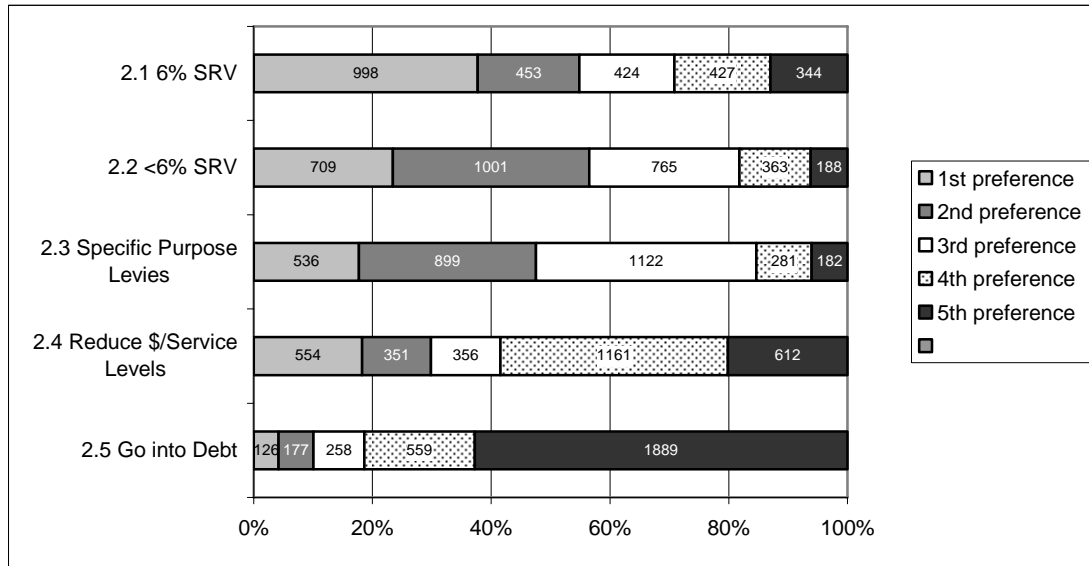
Q2. The following table presents a number of options and ways for paying for the above mentioned services and programs. Please rank the options from 1 to 5 in order of your preference with 1 being your first preference:

- 2.1 Council should proceed with the average 3% seven year special rate variation to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers).⁸
- 2.2 Council should proceed with a smaller special rate variation over seven years and should offset the gap with increased user fees and charges (e.g. parking meters, pool entry) to fund the difference.
- 2.3 Council should apply for specific purpose levies to fund the specified services and programs.

⁸ At the time surveying commenced the 2011/12 rate peg had not yet been advised. The 2011/11 rate peg was announced by IPART on 10 December 2010 as 2.8%, commencing 1 July 2011.

- 2.4 Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.
- 2.5 Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years.

Graph 4.2 compares for each funding option, the total number of responses per preference, ranking most preferred (1) to least preferred (5). Note: not all respondents completed this question, where a response was skipped or an invalid response given for a particular item it was recorded as Other*; Other has been excluded from the graph below to give a true indication of valid preferences, refer to Table 4.2 below for quantity of Other preferences per option.



Graph 4.2: Funding options for all preferences

The following table presents an alternative view of the graph, showing respondents' priority rankings per proposed program /service as percentages:

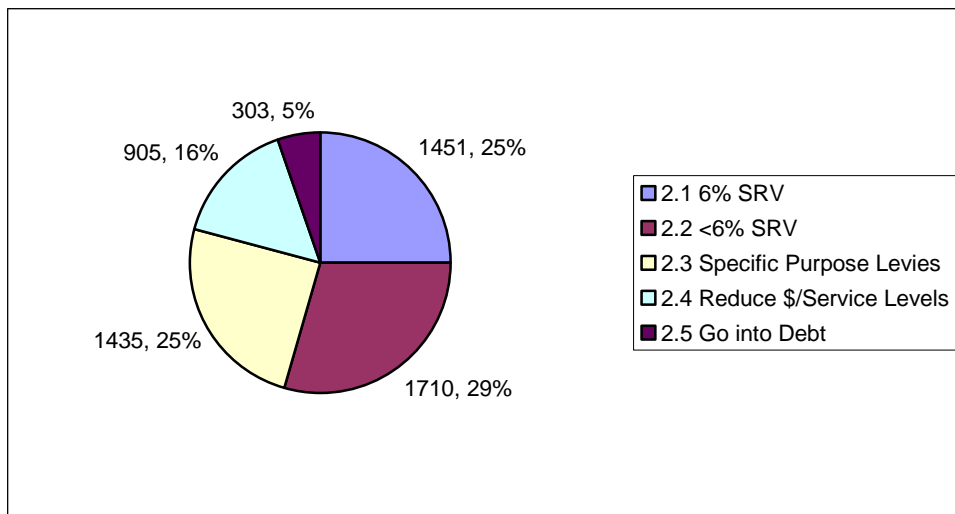
Funding Option		Preferences %					
		1st	2nd	3rd	4th	5th	Other
2.1	Council should proceed with the average 3% 7year SRV to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers).	27	13	12	12	10	26
2.2	Council should proceed with a smaller SRV over 7 years and should offset the gap with increased user fees and charges (e.g. parking meters, pool entry) to fund the difference.	20	28	21	10	5	16
2.3	Council should apply for specific purpose levies to fund the specified services and programs.	15	25	31	8	5	16
2.4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.	15	10	10	32	17	16
2.5	Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years	3	5	7	15	53	17

Table 4.2: Respondents' preferences per option shown as percentage

First preference support was highest for funding the option of a special rate variation of 6% (option 2.1), followed by the option of a special rate variation of less than 6% (option 2.2).

Whilst first preference support is highest for option 2.1, the following graph combines first and second preferences per option, showing percentages and total number of responses; when combined support is highest, for the option of a special rate variation of less than 6% (option 2.2), followed by the option of a special rate

variation of 6% (option 2.1), which received 9 more responses than a specific purpose levy (option 2.3). This means that 54% of respondents were happy with a special rate variation.



Graph 4.3: First and Second Preferences Combined

An abbreviation of the funding preferences question was also asked of participants in Council’s biennial Customer Satisfaction Survey and annual Customer Service Survey. The findings of these surveys are outlined in Section 5.

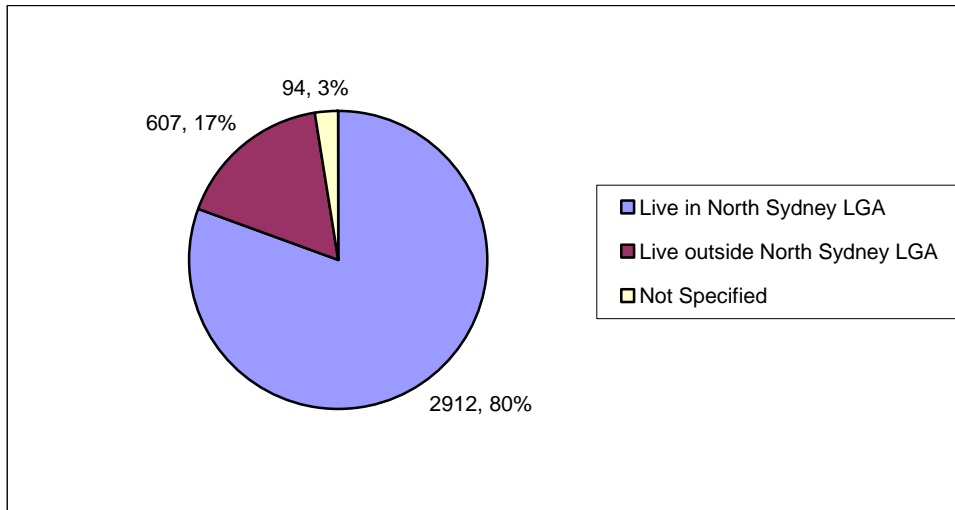
4.4.3 Demographic Information

Two demographic questions were asked to determine whether we had received responses from a good cross section of the community, and to ensure that, where appropriate respondents could be analysed by respondent type.

4.4.3.1 Respondent Locality

Graph 4.4 indicates whether or not respondents live within the North Sydney LGA. 80% of respondents live in the North Sydney LGA. Less than a quarter lived outside the LGA or did not specify.

The survey did not request respondents to detail the suburb in which their rateable property is located, however respondents could choose to provide their contact details and give permission for Council to use this information for the purpose of keeping respondents informed regarding the proposed SRV application. The Privacy Statement included on the survey prohibited use of contact details for analysis purposes.



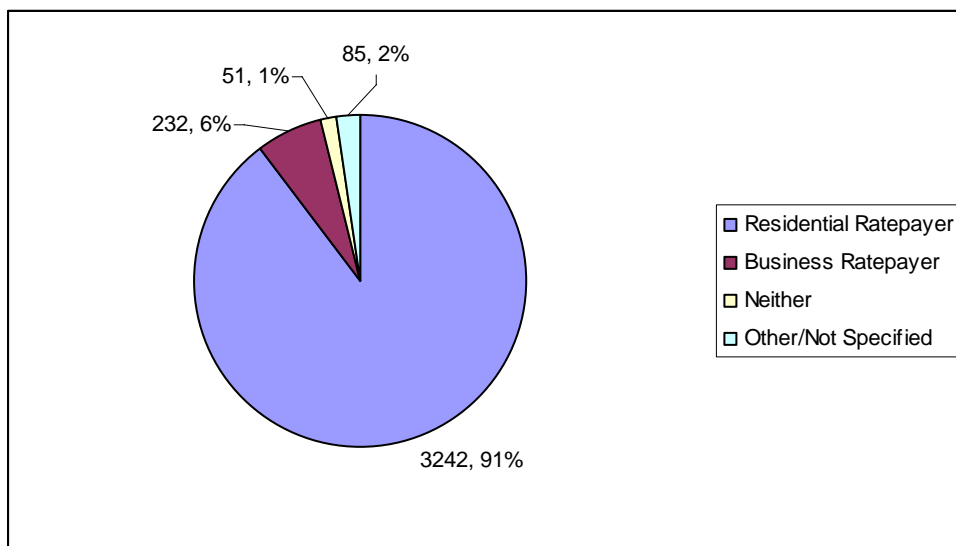
Graph 4.4: Respondent Locality

4.4.3.2 Ratepayer Type

Respondents were asked to indicate whether or not they were North Sydney LGA ratepayers and what type of ratepayer i.e. residential or business ratepayer. Graph 4.5 illustrates that 91% of respondents were residential ratepayers, while 6% were business ratepayers. 1% of respondents were not ratepayers within North Sydney LGA.

Some respondents were both residential and business ratepayers; 96 (2.7%) of the total 3,613 returned surveys were completed by ratepayers who own both a residential and business property.

Note: The survey did not ask for respondent dwelling type.



Graph 4.5: Ratepayer Type

4.4.4 General Comments

Provision to include comments was included within the survey. A total of 1,684 comments were made. Comments have not been analysed in terms of the number of comments for and against a proposed rate increase as this would double count/may not be consistent with the funding preferences respondents gave in Q2. However the comments have been categorised in the table below.

All requests for service (n=26) and complaints (n=1) will be actioned by Council in accordance with agreed service levels.

Note: comments categorised as 'Other/Neutral' were those which made no comment either way regarding the proposed rate variation.

	n = 1,684 %
Complaint	0.06
Obtain income from other sources	0.06
Do not go into debt	0.18
Go into debt	0.59
Apply for specific purpose levies	0.71
Increase business rates only	0.89
Service request	1.54
Increase Fees and Charges/User pays	4.75
Compliment	6.65
Do not proceed with SRV	7.63
Proceed with an SRV	10.33
Operate within existing means/Reduce spending/Reduce waste	17.16
Other/Neutral	49.47

Table 4.3 summary of comments by category

Sample of randomly selected individual comments:

- As a self-funded retiree, my income is not extensible and I am getting to the limit of my possible expenses. We have had an increase in power bills and have not seen the end of it. If Carbon Tax is introduced there will be an automatic increase to my cost of living, and at this stage nobody is able to establish how much. I think we have to be very cautious in our expenses and wait for a more stable period.
- For convenience and safety reasons planned maintenance of infrastructure is important.
- North Sydney is a wonderful area. I have commercial and residential property interests in the area. Rate payers need to keep this area up to date as much as possible. Also the NSW and Commonwealth government have a vested interest in keeping the area updated from a tourism, cultural and economic viewpoint.
- Thanks for giving me a chance to voice my opinion.
- We have some of the most amazing parks and infrastructure, but we can readily exist with a lot less without it affecting our general quality of life. We are still suffering from the repercussions of the global financial crisis, let us try to recover.
- Cost management is essential.
- I am happy with council's contribution to the amenity of this wonderful area, the encouragement of volunteers and its pride of heritage matters I appreciate NSC's regular clean up of large items!! Is there anyway of discourage/penalise the regular illegal, weekly, dumping of large items around our streets?

- One of the main reasons why we bought a unit in your LGA was due to the lower rates. To raise rates to parity with those of surrounding LGA's may discourage buying into North Sydney LGA.
- Rates are not high. We need to have good facilities.
- The proposed increase seems very reasonable for the level of service provided by NSC.
- We support most of the arguments of the "no" case ...
- While I do not reside in North Sydney at present, I may in the near future.
- The council have implemented great things and services that benefit the whole community - thank you. However, the budget should be managed within the current constraints of its revenue. At present, many organisations have been faced with this challenge and succeeded. NSC should be able to do the same before asking for more money. If you genuinely feel the need for more money, the council needs to demonstrate it has exhausted all options within current budget.
- Sydney needs to improve its infrastructure. We support this though we do not live in the property. How Council spends the revenue raised will hopefully be done thoughtfully and with minimum waste.
- I think council should not go into debt for improvements but use the money they have for maintenance. I think you do a good job of maintaining streets etc and if extras mean lessening it, then I am against it.
- I support the proposed special rate variation and works needed to maintain existing services and infrastructure.
- We need to maintain and improve our municipalities we need to accept that rates need to be sufficient to cover the cost of services we want the street lawn mowing is a perfect example of how we don't want to cut services.
- Sadly, being very selfish, as a self funded retiree I am a little worried about increases in so many charges.
- I believe that we need to maintain and improve our local area. This takes effort, time and money. I have no problem paying extra levies if council remains diligent and efficient at doing this.
- Improve labour productivity, reduce employee costs, live within means/tighten belts. Council just wants to find ways to control/stabilise these.

4.4.5 Contact Details

31% (1,135) respondents (617 by email and 518 by post) indicated they wanted to be kept informed of other consultation opportunities related to the special rate variation proposal. A new e-news subscription was set up to enable progress updates to be distributed to survey respondents who requested to be 'kept informed' and hard copies are distributed to those who supplied a postal address.

Note: More than 31% of respondents provided their contact details however they did not tick the relevant box indicating permission for Council to use their contact details for the purposes of keeping respondents informed regarding the proposed SRV application.

5. 2010 Customer Satisfaction Survey

Independent community-wide surveys are undertaken on a biennial basis (i.e. every two years) to measure the community's satisfaction with Council services and to obtain information on the importance of those services to the community, to assist with the prioritisation of funding to Council activities.

Customer Satisfaction Surveys were conducted in 2002, 2004, 2006, 2009 and the latest survey was completed in November 2010. The 2010 results were presented to Council's Resources Allocation Committee meeting held 3 February 2011. The summary of results findings is available from Council's website. Link - <http://www.northsydney.nsw.gov.au/www/html/2308-customer-satisfaction-survey.asp>

5.1 Methodology

The 2010 Survey was conducted from 6 to 20 November. The survey was qualitative in nature, involving telephone (CATI) interviewing amongst both businesses and residential customers.

5.2 Analysis

Analysis was conducted by Woolcott Research Pty Ltd who undertook the survey on Council's behalf.

5.3 Sample

The survey sample consists of:

- a) Residential customers - 400 telephone interviews were conducted. Respondents were residents of the North Sydney LGA (both owners and renters) aged 18 years and over. Respondents were drawn randomly from electronic White Pages listings.
- b) Business customers - 200 telephone interviews were conducted. Respondents were drawn randomly from electronic White Pages listings. Quotas were set for business type in accordance with total listings in North Sydney.

The North Sydney residential population as at June 2009 was 63,941 people. A sample of 400 residents has a 4.88% margin of error, at the industry standard 95% confidence level.

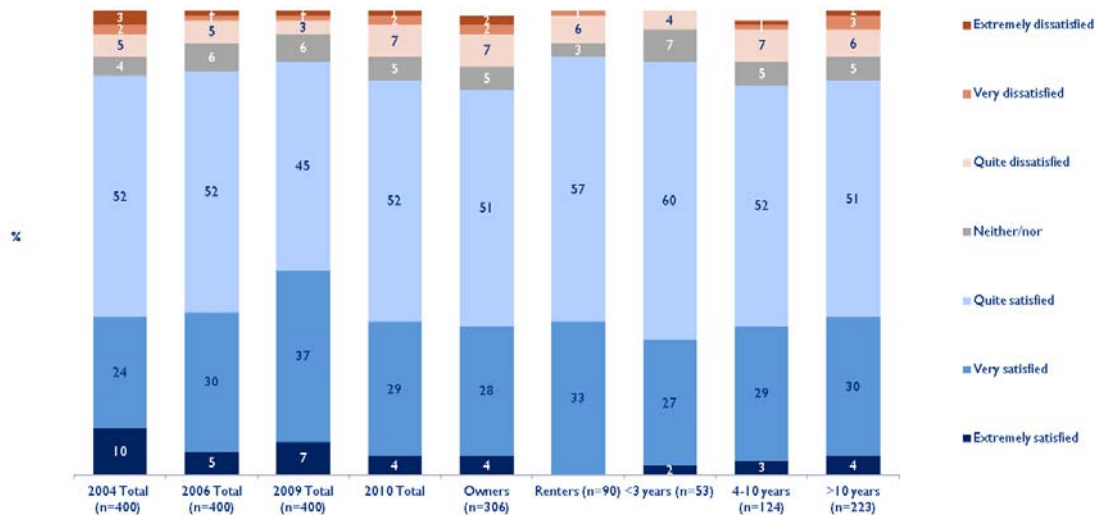
5.4 Detailed Findings

Note: Woolcott Research has advised that as a general rule of thumb, a difference of greater than 5% would be needed in order to be considered statistically significant at the 95% confidence interval. However, the difference required does alter slightly depending on what the percentages are (slightly more is required around the 50% range, and slightly less for percentages around 90% and 10% respectively).

The 2010 Survey highlighted the community's satisfaction with 13 key service areas. The mean score of residents' overall satisfaction with Council's performance was 5.1 (85%), this fell from 5.3 (89%) in 2009 and 5.2 (87%) in 2006. However the mean score of business's overall satisfaction with Council's performance was 4.9 (76%),

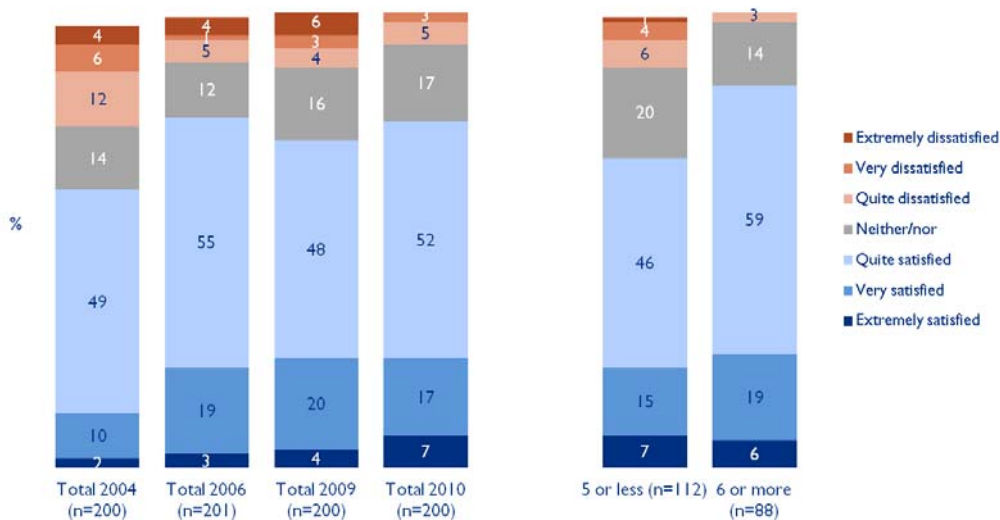
this increased from 4.7 (72%) in 2009. Notably no businesses were 'extremely disappointed' with Council's performance compared to 6% who were in 2009.

The following graph compares overall satisfaction by residents between 2004 and 2010, as well as provides a demographic break down of responses:



Graph 5.1: Overall Residents Satisfaction - comparison between previous years

The following graph compares overall satisfaction by businesses between 2004 and 2010, as well as provides a break down of responses by business size:



Graph 5.2: Overall Businesses Satisfaction - comparison between previous years

5.4.1 Importance of Services

For residents, the top four (4) key service areas of highest important were:

- maintaining roads and footpaths 100% (no change from 2009)
- maintaining parks, ovals and bushland areas 95% (no change from 2009)
- keeping local roads and footpaths clean 85% (no change from 2009)
- improving services offered at community centres 75% (up 1% from 2009)

The only decreases in relative importance for residents were minor, including:

- improving children's services 59% (down 1% from 2009)
- improving waste and recycling collection services (down 1% from 2009)

All other key service areas either increased by 1% or remained the same as 2009 results.

For businesses, the top four (4) key service areas of highest importance were:

- maintaining roads and footpaths 100% (no change from 2009)
- improving the overall management of parking 74% (up 2% from 2009)
- keeping local roads and footpaths clean 73% (down 1% from 2009)
- maintaining parks, ovals and bushland areas 93% (down 1% from 2009)

Three (3) of the top four (4) key service areas of relative importance were the same for both residents and businesses.

5.4.2 Satisfaction with Key Services

For residents, satisfaction was highest with the following four (4) service areas:

- feeling safe in North Sydney 98% (new in 2010, to measure KPI in 2020 Vision)
- waste and recycling collection services 85% (up 5% from 2009)
- maintaining parks, ovals and bushland areas 85% (down 2% from 2009)
- cleanliness of local roads and footpaths 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for residents were with the following service areas:

- appearance of public spaces in the North Sydney CBD 75% (up 1%)
- community centres and facilities 65% (up 10%)
- management of development within the area 57% (up 4%)
- overall management of parking restrictions, residents parking 55% (up 3%)

For residents, dissatisfaction was highest with the following four (4) service areas:

- maintenance of roads and footpaths 35% (down 2% from 2009)
- overall management of parking restrictions, residents parking 31% (down 4% from 2009)
- policing of parking 30% (down 2% from 2009)
- pedestrian and cycle paths 27% (new in 2010, to measure 2020 Vision KPI)

For businesses, satisfaction was highest with the following four (4) service areas:

- appearance of public spaces in the North Sydney CBD 84% (up 6% from 2009)
- cleanliness of local roads and footpaths 83% (up 7% from 2009)
- maintenance of parks, ovals and bushland areas 82% (down 3% from 2009)
- appearance of commercial streetscapes 82% (up 4% from 2009)

Comparing results with the 2009 survey findings, other notable increases in satisfaction for businesses were with the following service areas:

- maintenance of roads and footpaths 69% (up 10%)
- traffic management with the use of speed humps, chicanes etc 69% (up 5%)
- policing of parking 58% (up 11%)
- management of development within the area 63% (up 4%)

For businesses dissatisfaction was highest with the following four (4) service areas:

- overall management of parking restrictions, residents parking 44% (up 2% from 2009)
- policing of parking 34% (down 4% from 2009)
- maintenance of roads and footpaths 21% (down 10% from 2009)
- traffic management with the use of speed humps, chicanes etc 17% (down 5% from 2009)

The following matrix indexes residents' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • North Sydney Olympic Pool • Customer Service/Information by Council staff • Waste and recycling collection services 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Community services at community centres • Parks, Ovals and Bushland areas • Children's Services
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Overall management of parking • Policing of parking • Malls and plazas in commercial areas • Managing traffic on roads 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths

The following matrix indexes businesses' relevant importance for funding against satisfaction with service level provision:

<p>Low Importance - High Satisfaction - Lower priority issues</p> <ul style="list-style-type: none"> • Managing commercial areas • Appearance of commercial streetscapes • Customer Service/Information by Council staff 	<p>High Importance - High Satisfaction - issues requiring no additional attention</p> <ul style="list-style-type: none"> • Cleaning local roads and footpaths • Overall management of parking • Parks, Ovals and Bushland areas
<p>Low Importance - Low Satisfaction - Issues needing some attention</p> <ul style="list-style-type: none"> • Policing of parking 	<p>High Importance - Low Satisfaction - Critical issues for attention</p> <ul style="list-style-type: none"> • Maintaining roads and footpaths • Managing development • Managing traffic on roads

The findings of this consultation will also be used to inform preparation of the 2011/12 Operational Plan and Budget and the annual review of the four year Delivery Program and Resourcing Strategy.

5.4.3 Topical Questioning

Each year the Survey is conducted several new questions and/or topical areas are included. In 2010, for both the residential and business surveys, respondents identifying as ratepayers of the North Sydney LGA were asked an additional question relating to the proposed rate increase

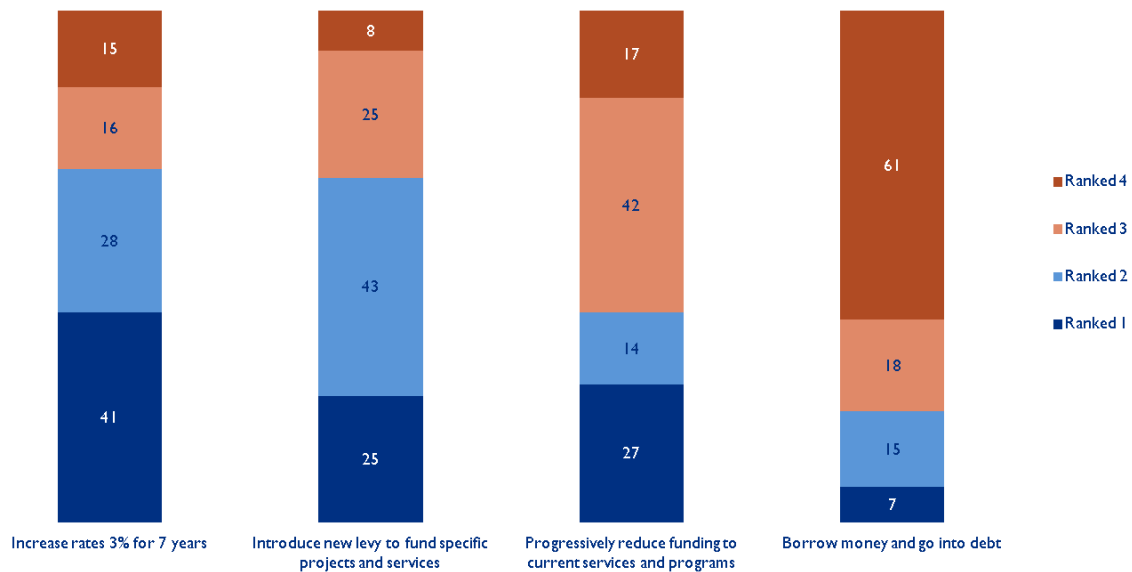
Q11. North Sydney Council needs to increase its income in order to continue infrastructure maintenance and service delivery at the levels expected by the North Sydney community. Please rank the following four options in your order of preference to achieve this. Please give a '1' to the option you prefer the most; through to a '4' for the option you prefer the least:

- a) Increase rates by an average of 3% per annum for 7 years in addition to the State Government allowed increase*⁹.
- b) Introduce a new levy to fund specific projects and services.
- c) Progressively reduce funding to current services and program (and reduce service levels) to operate within current resources.
- d) Borrow money and go in to debt.

The following graph shows preference rankings per option by residential ratepayers. 81% (324 of 400) of residential participants completed this question. A sample of 324 has a margin of error of 2.38%.

Amongst residents, first preferences were highest, with 41%, for the option of a special rate variation of 3% on average per annum for 7 years in addition to the State Government allowed increase i.e. 6% total per annum (option 1); followed by option of progressively reducing funding to current services and program, and in turn reducing levels of service to operate within current resources (option 3), with 27%.

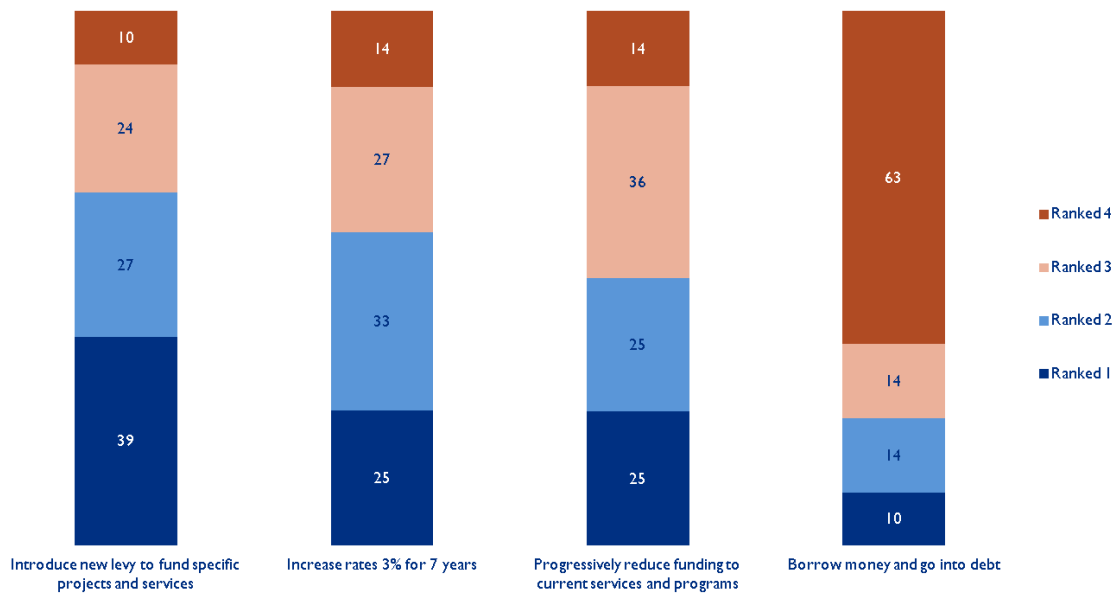
When combining residents first and second preferences per option support is highest for option 1 with 69%, followed by option 2, a new levy to fund specific projects and services, which received 68%. The following graph combines first and second preferences per option showing percentages and total number of responses.



Graph 5.3: Residential ratepayers ranking of options to increase revenue

The following graph shows preference rankings per option by business ratepayer participants. 25.5% (51 of 200) of business participants completed this question. A sample of 51 has a margin of error of 11.87%.

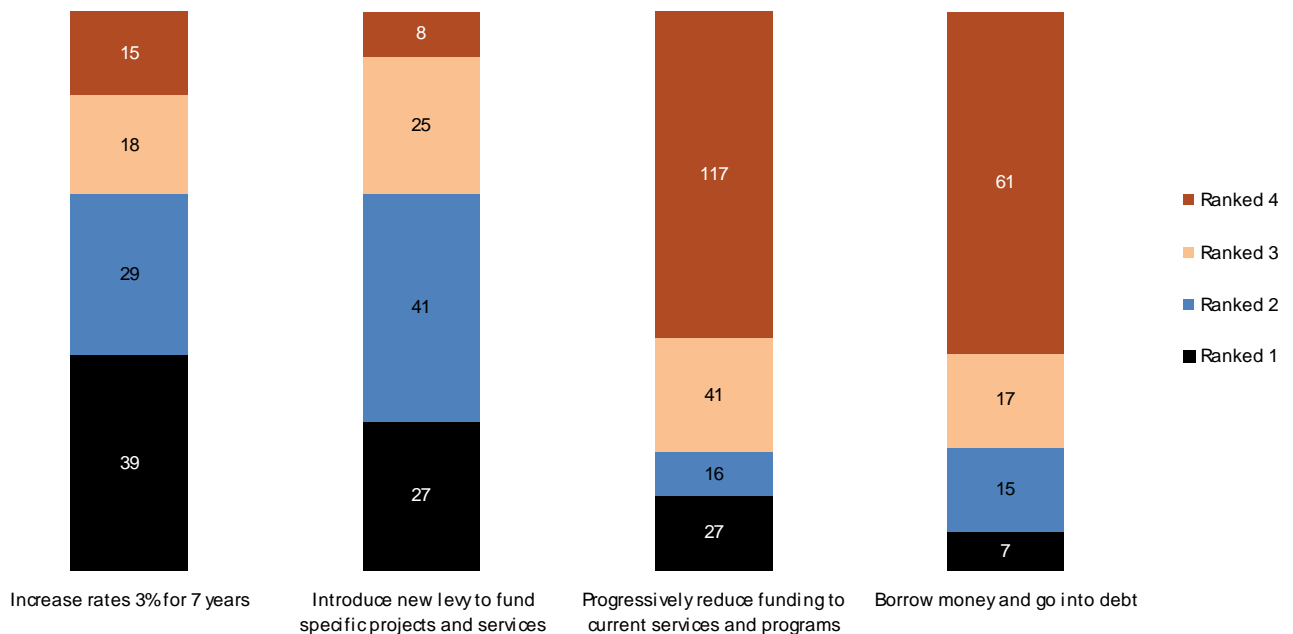
⁹ The following prompt/additional information was provided by Woolcott to participants as needed: For 82% of residents (on the minimum rate/land value up to \$535,645), the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year. The annual State allowed increase is the amount that all councils are allowed to increase their rates income by each year. It is known as the 'rate peg'. The 2011/12 increase is expected to be around 3% in keeping with CPI. The 2010/11 rate peg was 2.6%.



Graph 5.4: Business ratepayers ranking of options to increase revenue

For businesses, first preferences were highest for the option of a new levy to fund specific projects and services (option 2) with 39% support; while options 1 and 3 were both at 25%.

When combining businesses first and second preferences per option, support is highest for option 2 with 66%, followed by option 1 with 28%. The following graph combines first and second preferences per option showing percentages and total number of responses. The following graph presents the combined residents and business responses per option. When combined first preferences were equally highest (66%) for options 1 and 2. These findings are similar to those of the ratepayer survey.



Graph 5.5: Residents and Business Ratepayers Combined

Council also conducted its periodic Customer Service Survey from 1 to 22 November to 2010. The survey was open to customers of Council's Customer Service Centre. The survey could be completed via the touch screen survey kiosk (administered via OpinionMeter software¹⁰) located in the foyer of Council's Customer Service Centre, in hard copy or online via Council's website. The purpose of the survey was to seek customer feedback on services by the Customer Service Desk and the Call Centre. 70 people participated in the survey. 34 out of 70 respondents answered the following question:

Q11. Council needs to increase its income in order to continue infrastructure maintenance and service delivery at the levels expected by our community. Council is considering the following options. Please nominate your preference.

The following table shows the number of respondents as a percentage per option:

Option		Number	Percentage
1	Council should apply a 3% special rate variation for 7 years to fund services and programs - about \$16 extra yearly for 82% of residential ratepayers, in addition to the annual State Government allowed increase.	21	61.76%
2	Council should proceed with a smaller special rate variation for 7 years, increasing some fees/charges (eg parking, pool entry) to fund the difference, in addition to the annual State Government allowed increase.	5	14.71%
3	Council should apply for specific purpose levies to fund the specified services and programs.	3	8.82%
4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources.	2	5.88%
5	Council should go into debt for the replacement of existing and the purchase of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years.	3	8.82%

Table 5.1: Customer Services Survey results

¹⁰ Council used OpinionMeter software to conduct the survey via a touch screen kiosk.

6. Public Meetings

The Mayor and General Manager hosted two public meetings in February 2011. The first meeting was held on Tuesday 1 February, starting at 6pm with 25 people attending. The second meeting was held Saturday 26 February, starting at 10.30am with 32 people attending. Both meetings were held in the Hutley Hall, 200 Miller Street, North Sydney.

The meetings were open to local residents, businesses and ratepayers. The meetings were promoted via Council's website, advertisements in newspapers, via Council's e-newsletters subscriptions, including the 'SRV Keep Informed' subscription and to Precinct Committee and Streetscape Committee members.

Each meeting was facilitated by an independent external facilitator. The meeting agenda included a presentation of information outlining why Council is proposing a special variation to rates, arguments for and against presented by Councillors, demonstration of how the proposal links to Council's IPR Framework followed by a question and answer (Q&A) session.

Each meeting included a feedback session. Each attendee was given the opportunity to indicate their level of support or opposition to the proposed SRV. Attendees were asked whether they Fully Support, Support, Can Live with, Oppose, Strongly Oppose or Undecided at the end of the meeting.

The following table provides a summary of the feedback sessions for both meetings. Of the total 57 attendees, 48 (84%) attendees participated in this activity. 54% are in support of/can live with the proposal, while 42% were not in support and only 4% were undecided.

Options	Fully Support	Support	Can Live With	Oppose	Strongly Oppose	Undecided
1/2/11 No. of votes	2	6	1	2	7	2
26/2/11 No. of votes	12	2	3	4	7	0
Total	14	8	4	6	14	2

Table 6.1: Feedback Activity - level of support

Refer to Appendix 8 for summary of feedback session, compiled for both meetings.

Refer to Appendix 9 for Q&A summary arising from 1 February 2011 meeting.

Refer to Appendix 10 for Q&A summary arising from 26 February 2011 meeting.

The Q&A summaries and presentation given at both meetings have been posted on Council's website and distributed to attendees/keep informed subscribers.



Photo: showing feedback exercise results, 1 February 2011



Photo: showing feedback exercise results, 26 February 2011

7. Online Budget Allocator

The Budget Allocator is an online tool facilitated by Bang The Table Pty Ltd, designed to help ratepayers and residents understand community priorities and to help them understand the processes in preparing a budget:

In order to maintain and extend the levels of services and infrastructure you are enjoying now, Council will need to increase its rates from 2011/12. This tool allows you to: understand Council's budget; review significant areas of spending; choose priority areas in which you want services maintained or improved; and identify areas in which you are willing to see a decrease. You can opt for increased services across the board but be aware that, if adopted Council may not have sufficient funds to support the proposed program of works.

The Budget Allocator allowed participants to review significant areas of spending that reflect a proportion of Council's overall annual budget, including the following key services/asset classes - roads, footpaths, other infrastructure, cleaning of streets and public areas, parks and reserves, community services, library services and environmental services, as well as discretionary services and a 'wish list' containing the proposed program of works to be funded by the additional income.

The Budget Allocator was promoted via Council's website, advertisements in newspapers, via Council's e-newsletters subscriptions, including the 'SRV Keep Informed' subscription and to Precinct Committee and Streetscape Committee members.

As at 2 March 2011 69 individual participants have submitted their budget scenarios and feedback using the software. Unfortunately the software cannot advise the total number of visits to the site; this data would have provided a useful comparison between the number of site visits and the number of budget scenarios submitted.

The Budget Allocator was used in conjunction with all other engagement methodologies to help the community to understand the difficult choices that Council has to make, specifically that income needed to rise significantly just to maintain current service levels over time.

The Budget Allocator comprised ten budget categories. Each of the Roads, Footpaths, Other Infrastructure, Cleaning of Streets and Public Areas, Parks and Reserves, Community Services, Library Services and Environmental Services categories allowed participants to select one budget item only from each category, while each of the Discretionary Services and 'Wish List' categories allowed participants to make multiple choices. Participants were also allowed to provide an overall comment once they had submitted their budget.

For the purposes of this exercise, Council's current budget is \$27.36m. Of the 69 preferred budget scenarios submitted, 24 (35.3%) participants suggest Council should spend more than \$27.36m. However for eight of the ten budget categories, which related to existing infrastructure and services provided by Council, preferences were highest for maintaining the current level of expenditure to deliver/maintain these services.

The findings are summarised in the table below. Refer to Appendix 11 for full results summary showing spending preferences and preference distribution per the number of people that completed each category i.e. not all 69 participants completed each category.

Budget Category	Increase Spending by 5-10%	Current Spend (remain static)	Decrease Spending by 5-10%
Roads	18	26	22
Footpaths	22	29	7
Other Infrastructure	19	31	15
Cleaning of Streets and Public Areas	15	35	12
Parks and Reserves	17	31	15
Community Services	14	25	23
Library Services	10	33	19
Environmental Services	13	29	21

Table 7.1: summary of spending level preferences

Regarding current discretionary services provided by Council, participants were asked to indicate which discretionary services Council should continue to support. Support was highest for graffiti removal, which supports the findings of the Ratepayer Survey (see Section 4) which ranked highest of the services within the proposed program of works to be funded through the special rate variation income. Support was lowest for Council's continued support of the Precinct System, which similarly ranked as a lower priority with respondents of the Ratepayer Survey.

Regarding the 'Wish List', which included the remainder of the projects/services promoted via the proposed program of works to be funded by special rate variation income; support was equally highest for park and landscape upgrades and village/commercial streetscape upgrades. Similarly park and landscape upgrades was the second highest priority supported by respondents of the Ratepayer Survey.

Using the same criteria as per analysis of respondent comments in the Ratepayer Survey, comments submitted by the Budget Allocator participants have been categorised in the table below. All requests for service (n=4) will be actioned by Council in accordance with agreed service levels.

Note: comments categorised as 'Other/Neutral' were those which made no comment either way regarding the proposed rate variation.

	n = 28 %
Complaint	0
Obtain income from other sources	0
Go into debt	0
Apply for specific purpose levies	0
Increase business rates only	0
Do not go into debt	3.57
Do not proceed with SRV	3.57
Increase Fees and Charges/User pays	7.14
Compliment	7.14
Service request	14.29
Proceed with SRV	14.29
Other/Neutral	21.43
Operate within existing means/Reduce spending/Reduce waste	28.57

Table 7.2: summary of comments by category

The Budget Allocator will remain open during the public exhibition of the Draft 2011/12 Operational Plan and Budget, scheduled for mid April to mid May 2011, and the final results will be presented to Council together with all other submissions received during the public exhibition period.

8. Community Ward Forums

Council hosts a series of Ward Forums annually. The North Sydney LGA is divided into four wards. The Mayor and General Manager host one forum per ward, per annum, providing an overview of key projects within the Ward area. The forums provide an opportunity to inform residents of changes in their local area and an opportunity to meet the Mayor and General Manager, Councillors and senior staff.

The 2010 Forum Series included an overview of the 2010/11 Operational Plan and Budget. Participant feedback indicated this agenda item proved insightful and informative and will remain a standing agenda item for all future forums.

The following forums were held (and/or are scheduled as indicated) at which Council's 2010/11 Operational Plan and Resourcing Strategy, including Long Term Financial Plan was detailed:

Ward	Forum Date	Attendance
Cremerne	21 September 2010	55
Victoria	16 November 2010	48
Tunks	29 March 2011	n/a
Wollstonecraft	29 June 2011	n/a

Table 8.1: Attendance Figures

The following table shows the questions relating to the proposal that were asked at the 2010 forums:

Ward	Q&A
Cremerne	<p>Q. Does Council carry any debt?</p> <p>A. Council has been debt free for many years, however, there may be significant demands on council to acquire public open space and redevelop some of its existing assets. Depending on the timing and size of these redevelopments, it will become necessary to start a controlled borrowing program.</p> <p>Councils are allowed to apply for a special rate variation (SRV) i.e. an increase above the rate peg set by the State Government to cover the costs of service provision and infrastructure maintenance and acquisition. North Sydney Council has resolved to apply for a SRV in 2011/12, a small increase above the rate cap over 7 years; as additional income is required to implement the 2020 Vision, North Sydney Community Strategic Plan. For more information refer to the following report: http://www.northsydney.nsw.gov.au/resources/documents/G0367.pdf</p> <p>Q. Was Council impacted by collateralised debt obligations (CDO) and/or other investments?</p> <p>A. Council's investment portfolio was affected by the global economic downturn in 2008/09 to a limited extent compared to other organisations because of our cautious investment strategy. Council did see a reduction on investment returns and adjusted budgets accordingly. Council was not impacted by CDOs. Council's income from investments has now returned to a good rate of return. For more information about Council's budget position as at 30 June 2010 refer to the following report: http://www.northsydney.nsw.gov.au/resources/documents/G02107.pdf</p>
Victoria	<p>Q. What does a 'special rate variation' mean?</p> <p>A. Section 508A of the Local Government Act allows a council to increase its general income by an amount that is greater than the general variation each year (known as the State Government-allowed increase or 'rate peg'), up to a</p>

Ward	Q&A
	<p>maximum of seven (7) years.</p> <p>A Council must identify the amount of additional income it requires over the period of the proposed variation, calculated as a percentage. It then determines the annual percentage increases it requires over the rating period to match this amount. These percentages, which will include the rate peg for each year, may be different from year to year.</p> <hr/> <p>Q. Is the proposed 3% special rate variation (SRV) per annum over seven years, over and above the normal annual increase?</p> <p>A. Yes. North Sydney Council proposes to apply for a total special rate variation of 6%, which will be on top of 2010/11 rates, over seven years starting from 2011/12 i.e. 1 July 2011. This increase is made up of 3% (on average) SRV plus the annual State Government-allowed increase (or rate peg) which is expected to be around 3% in keeping with CPI.</p> <p>The rate peg for 2010/11 was 2.6%. The average increase over the past seven years has been 3.3% per year. The 2011/12 rate peg is 2.8%.</p>

Table 8.2: Extract from Q&A Summaries:

9. Written Submissions

The Engagement Strategy called for written submissions as an alternative form of participation in the consultation process. Despite a widely published program Council received only 21 written submissions (some attached to the Ratepayer Survey); and of these only ten submissions make comment one way or the other regarding the proposed rate variation. By comparison Council received only 28 written submissions during the public exhibition of its IPR suite of plans.

Of the 21 people who commented:

- 3 supported the proposed 6% rate variation, per annum over seven years;
- 7 are against the proposed 6% rate variation, per annum over seven years; and
- 11 made no comment either way regarding the proposed rate variation.

Sample of randomly selected individual comments:

- Just say the variation is approved this year, what will happen next year after you have spent all the excess money, will you come down on the rate payer again?
- We expect Council to cater to the basic services in an efficient cost effective manner.
- North Sydney Council is an excellent council and does a fantastic job of providing services to residents.
- As a property owner we are in effect investors and expect our Council to be able to keep up any needed additions to preserve our investment; so here we must only expect that all minor and major needs in the whole of North Sydney will never be hindered by the lack of simple funds.
- I am not opposed to rate increases as such, but when I review the list of current reasons I am vehemently opposed.
- I would like to voice my strong support for this increase. I think it is very important for the Council to support, maintain and improve services and amenities within our Council area.

10. Precinct and Streetscape Committees

Information packs were distributed to all Precinct and Streetscape Committees and senior staff were available to attend Precinct meetings to discuss the proposal.

The following motions relating to the proposed rate increase were made at Precinct Committee meetings:

Precinct	Meeting Date	Motion from Minutes
Edward	1 December 2010	Council rate variation proposal: The meeting supported an increase in the rates, providing cost efficiencies were pursued.
Stanton	7 December 2010	NSC Rates to increase over the next five years (a total of 45%). Attendees upset about the consequent cutting back of services. Comment was made that there hadn't been a rate rise for approximately 8 to 12 years.
Willoughby Bay	9 December 2010	The General Manager attended the meeting to address the proposed rate increase.

Table 10.1: Extract from Precinct Committee Minutes submitted to Council



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all correspondence General Manager North Sydney Council
PO Box 12 North Sydney NSW 2059
DX10587

telephone (02) 9936 8100

facsimile (02) 9936 8177

email council@northsydney.nsw.gov.au

internet www.northsydney.nsw.gov.au

ABN 32 353 260 317

28 October 2010

IMPORTANT INFORMATION – PROPOSED SPECIAL RATE VARIATION

Dear Property Owner

North Sydney Council uses your rates to provide essential infrastructure and services such as roads, footpaths, parks, sporting fields, playgrounds, stormwater drainage, swimming pools, community centres, cycleways, public amenities and our library.

Council needs adequate income to maintain existing services and infrastructure (roads, footpaths, buildings) at a high standard, replace ageing infrastructure (eg playgrounds, seawalls) and to provide additional infrastructure (eg sport and recreation facilities), as identified by the community in the 2020 Vision Community Strategic Plan.

Our Long Term Financial Plan has identified that Council will need additional income to fund these essential services and infrastructure. So Council has decided to apply to the State Government for a special rate variation of 3% (on average) over seven years. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3% in keeping with CPI.

In dollar terms, 82% of residential ratepayers will pay no more than \$16 extra in the first year or 30 cents per week for the special increase. With the State Government-allowed increase the total cost will be \$32, or 60 cents per week. North Sydney has historically maintained rates well below other councils in the area such as the City of Sydney, Mosman, Lane Cove and Willoughby and even with this increase we will continue to have the lowest residential rates in metropolitan Sydney.

Council has resolved to consult widely with ratepayers before submitting our application. We value your opinion, so please have your say by completing the enclosed survey and returning it in the reply paid envelope by **Friday 3 December 2010**.

Please refer to the enclosed information before completing the survey. You can also find additional information on our website www.northsydney.nsw.gov.au, including an interactive budget allocator which allows you to select your priorities for Council spending and see how this impacts on the budget. Community meetings will be held in February 2011.

Council seeks your support for the special rate variation and we welcome your involvement in making this important decision. All feedback gathered through the consultations will be presented to Council in March 2011. To complete the survey online or for more information please call 9936 8100.

Yours sincerely

A handwritten signature in cursive script, reading 'Genia McCaffery'.

Cr Genia McCaffery
Mayor

A handwritten signature in cursive script, reading 'Penny Holloway'.

Penny Holloway
General Manager

IMPORTANT INFORMATION – PROPOSED SPECIAL RATE VARIATION

North Sydney Council’s ability to increase rates is limited each year by the State Government’s rate peg system. The average rate peg increase over the past 7 years has been 3.3% per year.

YES CASE

Mayor Genia McCaffery, Deputy Mayor Michel Reymond and Councillors Zoe Baker, Craig Carland, Jillian Christie, Jilly Gibson, Veronique Marchandean, Caroline Raymond and Andrew Robjohns support the special rate variation.

- North Sydney residents and businesses expect high levels of services and infrastructure but the cost of providing services and maintaining infrastructure is increasing beyond our control e.g. the 2010/11 rate peg was 2.6%, yet the Emergency Management Levy increased by 7%, asphalt 8% and street lighting costs by 4.5%.
- North Sydney Council is an efficient organisation. An independent review of our operations in 2006 found that expenditure has been constrained and savings have been achieved through ongoing review of operations. Since 2009/10 we have reduced staff numbers by 8% and introduced further efficiencies across Council.
- North Sydney’s rates are very low. They formed only 32% of total revenue in 2009/10 while the industry benchmark for rate income is 50%. Council relies heavily on user fees and charges to make up the difference. For 82% of residents, the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year.
- North Sydney has the second largest CBD in NSW while our business rates on average are \$2,502, which is less than the City of Sydney (\$9,011) and Willoughby (\$4,718).
- Our 10-year financial model shows that unless we increase our current income in the medium term our essential infrastructure will deteriorate to below the levels expected by the community and Council will have to cut other valued services and community programs. Without a special rate variation increase we will be unable to deliver what the community wants.

NO CASE

Councillors Stephen Barbour, Sarah Burke, Richard Pearson and Trent Zimmerman oppose the special rate variation.

- North Sydney Council is not a poor Council. While our rates are low, our income per resident is higher than the average for similar metropolitan Councils. According to the most recent Division of Local Government figures, North Sydney Council’s income per capita is \$1,131 compared to the average for other similar Councils of \$1,025 (2008/09). It is simply wrong to suggest that Council is comparatively disadvantaged by having lower rates.
- Residents and ratepayers have been consulted twice on raising rates significantly above inflation in recent years. On both occasions, the majority of ratepayers have opposed large rate increases and said that they would prefer either reduced spending or specific purpose levies such as that introduced to support infrastructure works.
- This proposed rate increase of 50% over seven years (23% over inflation) represents the largest rate increase ever proposed by North Sydney Council.
- Low rates were a deliberate policy introduced by Ted Mack when he was Mayor. He saw Council relying on other forms of income and this is what has happened in the years since. While our rates are low, we receive more income from other sources such as charges and fees.
- Like any business or other government agency, Council must live within its means. It must work to ensure that the costs of staff and administration do not continue to outpace revenue, that it looks for ways to do things more efficiently and that it explores other revenue sources.

To calculate approximately how much extra you will pay multiply your rates, without the domestic waste charge, by 6% (made up of an approximate 3% State Government-allowed increase and 3% special rate variation).

Residential ratepayers		
Proportion of ratepayers	Land value (\$)	Increase (\$)
82% (on minimum rate)	up to 535,645	27-32
13%	535,646-1.07m	32-60
4%	1.08m-1.85m	60-102
1%	1.86m-21.7m	102-1,170

Business ratepayers		
Proportion of ratepayers	Land value (\$)	Increase (\$)
40% (on minimum rate)	up to 71,419	27-28
55%	71,420-1.65m	28-582
4%	1,650,001-7.29m	582-2,562
1%	7,290,001-33.3m	2,562-11,691



APPENDIX 2 CHANGING COMMUNITY NEEDS AND EXPECTATIONS

Over time, community expectations of public facilities change. Building and accessibility standards have also changed significantly over the past few decades.

For example, when the Lavender Bay toilets were constructed, concrete floors, grille windows and a tap over a hand basin were the common style. Modern public toilets, such as the ones in Bradfield Park, have stainless steel appliances, auto sensors on the hand-basin, a support railing, a wide entry for wheelchair access and are self-washing when not in use.



INCREASING DEMAND ON OUR INFRASTRUCTURE

North Sydney has 138km of roads and 248km of footpaths. In the past year, we resurfaced 4.3km of these roads, filled 3,600 potholes and completed 6,400m² of heavy patching. Between 1991 and 2006, the population of North Sydney increased by 16%, while the number of cars increased by 32% so there is ever-increasing pressure on our roads.

These photos show the difference time makes to roads. The road with potholes, patches and worn lines, was last resurfaced more than a decade ago while the other road was resurfaced early in 2010.



KEEPING NORTH SYDNEY CLEAN AND WELL MAINTAINED

North Sydney stands out from other Sydney council areas for its natural beauty and its well-maintained streets, parks and gardens, and low levels of graffiti and bill posting. Council keeps North Sydney beautiful by regularly mowing verges, cleaning streets and commercial areas frequently, maintaining parks, gardens and street trees, and removing graffiti promptly. These photos, showing different ends of the same brick wall, highlight the ugliness of graffiti tags on public property.



INVESTING in our FUTURE

Council's 2020 Vision Community Strategic Plan outlines our community's aspirations for North Sydney. We consulted widely in developing the plan with residents, businesses, ratepayers, community groups and other levels of government. At every stage of the consultation the community made it clear that it has high expectations of Council services and infrastructure.

Council is currently responsible for maintaining 59 major buildings, numerous public toilets, change rooms at our nine sports grounds and 32 playgrounds. We also own and maintain a wide range of other infrastructure including roads, footpaths, signs, bus shelters, seats, fences, plazas and outdoor dining bays.

WHY DO WE NEED MORE MONEY FOR INFRASTRUCTURE AND SERVICES?

Our Long Term Financial Plan indicates we cannot maintain the current level of services and infrastructure renewal and maintenance unless our income increases. That's why Council is considering applying for a special rate variation.

There are many pressures on Council resources. These include:

- increased demand on infrastructure and services
- community expectation to keep North Sydney clean and well maintained
- increased responsibilities passed on by State and Federal Governments
- changing legislation and standards

APPENDIX 2

HOW WILL WE SPEND THE MONEY?

Here are some of the projects we will undertake over the next seven years using the additional rates income.

UPGRADE	WHERE	COST
Footpath lighting	Milsons Point & Lavender Bay	\$150,000
Public toilet upgrades	Lavender Bay, Kesterton & Waverton Parks	\$550,000
Sports change facilities	Anderson Park & Tunks Park	\$1.6m
Park lighting	Cammeray & Waverton Parks	\$300,000
Landscape upgrade	Cremorne Point Reserve	\$300,000
Playground upgrades	Tunks Park & Cremorne Point Reserve	\$165,000
Park levelling & returfing	Forsyth Park	\$160,000
Dinghy storage facilities	Blues Point Reserve	\$70,000
Crows Nest Community Centre refurbishment		\$150,000
Family Day Care Centre refurbishment		\$27,000
Village shopping centre upgrades		\$1.85m
CBD streetscape upgrade		\$3m

For more information contact North Sydney Council | **Phone** 9936 8100 | **Email** council@northsydney.nsw.gov.au | **Website** www.northsydney.nsw.gov.au | Translating and Interpreting Services (TIS) 13 14 50

MCMAHONS POINT CHILD CARE CENTRE

The McMahons Point Child Care Centre is a popular community centre providing preschool and occasional care services. The Centre recently had an internal makeover, but external structures and equipment (pictured) are old and need repair or replacing.



\$30,000

ANDERSON PARK

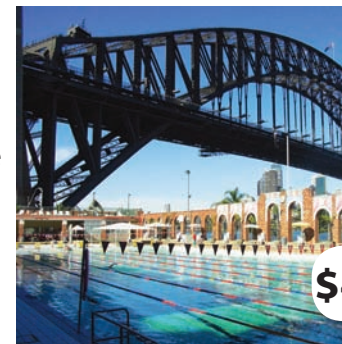
The population in northern Sydney has increased significantly while the number of sportsfields have remained the same, so there is year round demand for our playing fields. Anderson Park caters for a wide range of sports, including school sport and adequate change rooms are a necessity. The existing change rooms (pictured) are old and decrepit and need replacing.



\$800,000

NORTH SYDNEY OLYMPIC POOL

The North Sydney Olympic Pool turns 75 next year. While the 50m pool is a wonderful pool, time and the chlorinated salt water used in the pool have taken their toll on the pool shell. The cracking, corrosion and spalling beneath the pool (pictured) needs to be treated and the downstairs change rooms need to be upgraded.



\$4.5m

INVESTING in our FUTURE



COMMUNITY SURVEY – 2011/12 PROPOSED SPECIAL RATE VARIATION

North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3% over seven years, to fund infrastructure projects that the community has identified as important in our Community Strategic Plan. This increase does not include the State Government's annual rate pegged increase which is expected to be approximately 3% in keeping with CPI.

We encourage you to read the background information available at www.northsydney.nsw.gov.au Please answer the following questions and return the completed survey via the reply paid envelope by **Friday 3 December 2010**. This survey is open to North Sydney residential and business ratepayers only.

If you have any questions about this survey or the proposed special rate variation contact Council on 9936 8100.

- 1. A rate increase will be used to fund and maintain the following services and programs. To help us prioritise, please circle whether you think they are essential, somewhat important, neutral, not very important or not needed.**

	Services and Programs	essential	somewhat important	neutral	not very important	not needed
1.1	Improve our parks, reserves, playgrounds and sporting fields including sports field resurfacing and toilet and change room facilities upgrades in Anderson Park, Blues Point Reserve, Kurraba Reserve, Tunks Park and Waverton Park	1	2	3	4	5
1.2	Install new lighting in Cammeray Park, Waverton Park and along the commuter route from Milsons Point to Lavender Bay	1	2	3	4	5
1.3	Upgrade the change rooms and treat the concrete cancer in the 50m North Sydney Olympic Pool	1	2	3	4	5
1.4	Improve our shopping villages and CBD streetscapes by improving footpaths and paving, street furniture, public art and landscaping (not currently funded by existing levies)	1	2	3	4	5
1.5	Refurbish the Crows Nest Centre and Forsyth Park Community Centre	1	2	3	4	5
1.6	Refurbish the McMahons Point Child Care Centre, Cammeray Occasional Childcare Centre and Family Day Care Centre	1	2	3	4	5
1.7	Provide community events including Youth Week, Children's Festival, Spring into Jazz concerts, North Sydney Art Prize, Garden Competition	1	2	3	4	5
1.8	Continue free graffiti removal service for residents and businesses	1	2	3	4	5
1.9	Continued support of the North Sydney Community Precinct System	1	2	3	4	5

- 2. The following table presents a number of options and ways for paying for the above mentioned services and programs. Please rank the options from 1 to 5 in order of your preference with 1 being your first preference.**

	Options	Preference
2.1	Council should proceed with the average 3% seven year special rate variation to fund the specified services and programs (equating to approximately \$16 extra for 82% of residential rate payers)	
2.2	Council should proceed with a smaller special rate variation over seven years and should offset the gap with increased user fees and charges (eg parking meters, pool entry) to fund the difference	
2.3	Council should apply for specific purpose levies to fund the specified services and programs	
2.4	Council should progressively reduce funding to current services and programs (and reduce service levels) to operate within its current resources	
2.5	Council should go into debt for the replacement of existing and the purchasing of new infrastructure. The cost of these loans, including accrued interest, would have to be paid in future years	

3. Do you live in the North Sydney local government area? (Tick)

Yes

No

4. Are you: (Tick all that apply)

a) Residential ratepayer in North Sydney local government area

b) Business ratepayer in North Sydney local government area

c) None of these

5. Comments

6. Optional: Please provide the following information. In accordance with our Privacy Statement your details will not be included in the published survey data.

Name: _____

Residential Address: _____

Phone: _____

Email: _____

I would like to be kept informed of other consultation opportunities related to the special rate variation proposal.

Privacy Statement

The demographic information we request on this form will only be used to analyse this survey information. We ask for a valid email address or phone number for validation purposes only. Supplying this information is voluntary and the information is removed from the survey data before doing the analysis. Access to your survey responses is restricted to specific Council officers. If you cannot or do not wish to provide the information we ask for, the Council may not be able to include your survey responses in the analysis of the survey data. You may apply for access or amendment to your personal information held by Council subject to Council's Privacy Management Plan, Section 18 Government Information (Public Access) Act 2009 & Schedule 5 - Government Information (Public Access) Regulation 2009.

Fact Sheet 1:

Invest in the Future of North Sydney

North Sydney Council is seeking the community's support to maintain and improve infrastructure and services over the next seven years.

North Sydney is home to more than 62,300 people and this is expected to increase to 68,700 by 2021. By 2031, the State Government requires North Sydney to have an additional 5,000 dwellings¹.

North Sydney is also home to one of Australia's largest business districts and several smaller commercial centres and shopping villages. More than 45,000 businesses operate from the North Sydney local government area and over 50,000 people travel daily to the area for work and study.

Councils are responsible for providing a broad range of community services and facilities. Many of these are statutory requirements (ie required under NSW legislation), while others are provided on a 'discretionary' basis in response to local community needs. There are competing demands and pressures on North Sydney Council's infrastructure and services.

Community feedback received over the past 18 months, during the development of the North Sydney Community Strategic Plan 2009-2020, indicates that, despite these pressures, the local community expects our infrastructure and services to be of a high standard.



However, our long-term financial analysis shows that these expectations cannot be met within the current financial constraints. There are a number of pressures on Council's finances, including:

- rate pegging by the NSW State Government
- responsibility to provide additional services being passed on by State and Federal Governments
- costs of service delivery continually exceeding inflation and the annual increase allowed under rate pegging; and
- increasing maintenance demands on our ageing infrastructure.

Financial pressures and ageing infrastructure are not unique to North Sydney. They are adversely impacting councils across NSW. Through efficiency gains in recent years, Council has managed to maintain and improve service levels to the community. This is supported by State Government data, which confirms that North Sydney's services are provided with lower rates and fewer staff than other comparable councils in Sydney (see Fact Sheet 4).

These service levels can no longer be sustained on current income and, after careful review, Council has decided to seek your feedback on the option of making an application for a Special Rate Variation (SRV) of 3% (on average) for 7 years, starting from 2011/12. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3%, in keeping with CPI.

Council's decision is supported by a thorough assessment of its income and expenditure, detailed analysis of the current condition of all of Council's assets and our future capital works program. For more information refer to Council's *Resourcing Strategy*.

INVESTING
in our **FUTURE**



Fact Sheet 2:

Yes/No Case for a Special Rate Variation

YES CASE

Mayor Genia McCaffery, Deputy Mayor Michel Reymond and Councillors Zoe Baker, Craig Carland, Jillian Christie, Jilly Gibson, Veronique Marchandean, Caroline Raymond and Andrew Robjohns support the special rate variation.

- North Sydney residents and businesses expect high levels of services and infrastructure but the cost of providing services and maintaining infrastructure is increasing beyond our control e.g. the 2010/11 rate peg was 2.6%, yet the Emergency Management Levy increased by 7%, asphalt 8% and street lighting costs by 4.5%.
- North Sydney Council is an efficient organisation. An independent review of our operations in 2006 found that expenditure has been constrained and savings have been achieved through ongoing review of operations. Since 2009/10 we have reduced staff numbers by 8% and introduced further efficiencies across Council.
- North Sydney's rates are very low. They formed only 32% of total revenue in 2009/10 while the industry benchmark for rate income is 50%. Council relies heavily on user fees and charges to make up the difference. For 82% of residents, the additional special rate increase will be no more than \$16 per year or 30 cents per week in the first year.
- North Sydney has the second largest CBD in NSW while our business rates on average are \$2,502, which is less than the City of Sydney (\$9,011) and Willoughby (\$4,718).
- Our 10-year financial model shows that unless we increase our current income in the medium term our essential infrastructure will deteriorate to below the levels expected by the community and Council will have to cut other valued services and community programs. Without a special rate variation increase we will be unable to deliver what the community wants.

NO CASE

Councillors Stephen Barbour, Sarah Burke, Richard Pearson and Trent Zimmerman oppose the special rate variation.

- North Sydney Council is not a poor Council. While our rates are low, our income per resident is higher than the average for similar metropolitan councils. According to the most recent Division of Local Government figures, North Sydney Council's income per capita is \$1,131 compared to the average for other similar councils of \$1,025 (2008/09). It is simply wrong to suggest that Council is comparatively disadvantaged by having lower rates.
- Residents and ratepayers have been consulted twice on raising rates significantly above inflation in recent years. On both occasions, the majority of ratepayers have opposed large rate increases and said that they would prefer either reduced spending or specific purpose levies such as that introduced to support infrastructure works.
- This proposed rate increase of 50% over seven years (23% over inflation) represents the largest rate increase ever proposed by North Sydney Council.
- Low rates were a deliberate policy introduced by Ted Mack when he was Mayor. He saw Council relying on other forms of income and this is what has happened in the years since. While our rates are low, we receive more income from other sources such as charges and fees.
- Like any business or other government agency, Council must live within its means. It must work to ensure that the costs of staff and administration do not continue to outpace revenue, that it looks for ways to do things more efficiently and that it explores other revenue sources.

What Infrastructure and Services does Council Provide?

Since 2004, residents and ratepayers have told Council through successive surveys that their priorities are roads, footpaths, parks and open space, cleanliness of public spaces and commercial centres and community services.

North Sydney Council's service levels are significantly higher than other councils¹. We provide a range of services, such as verge mowing and free graffiti removal from private property, that are not offered by most NSW councils.

Residents' overall satisfaction with Council's performance rose from 86% in 2004 to 89% in 2009; whilst 72% of businesses were satisfied with Council's performance, up from 61% in 2004.

While there are some services that Council is required to provide under NSW law, such as food inspections and development assessments, many services are provided in response to local community needs and priorities.

The table below shows the range of services currently provided by North Sydney Council. You can find a full list of all the services currently delivered by Council in our *Delivery Program*. These services directly respond to community priorities outlined in the *2020 Vision, North Sydney Community Strategic Plan*.

Without a special rate variation, our long-term financial analysis shows some of these services may need to be discontinued in the future.

Community & Library Services	Corporate Services	Engineering & Property Services
<ul style="list-style-type: none"> • Access and Disability Services • Arts and Culture • Community Centres • Community Development • Community Events and Festivals • Community Information • Community Transport • Family Day Care and Vacation Care • Historical Services • Immunisation • Museums • North Sydney Heritage Centre • Senior Services • Social Planning • Stanton Library • Youth Services 	<ul style="list-style-type: none"> • Access to Information • Administrative and Executive Support • Business Papers and Minutes • Citizenship Ceremonies • Community Engagement (including Precincts) • Councillor Support • Corporate Planning • Customer Service Centre • Electoral Matters • Human Resources • Local Business Support and Economic Development • Policy Development • Public Relations • Ranger Services • Registration and management of domestic pets and feral animals • Parking enforcement 	<ul style="list-style-type: none"> • Asset Management • Carparks • Civic Design • Foreshore Works • Graffiti Removal • Local Emergency Management • Parking Meters • Permits - Outdoor Dining, Goods on Footpaths, Hoardings and Skips and Road Openings • Plant and Fleet Management • Property Management and Maintenance • Resident Parking Zones • Road Safety Education • Roads and Footpath management • Stormwater Management • Street Lighting • Streetscape Improvements • Traffic Management • Vehicle Crossings
Finance & Information Management	Open Space & Environmental Services	Planning & Development Services
<ul style="list-style-type: none"> • Accounting Services • Fees and Charges • Financial Planning • Information Technology • Insurance and Risk • GIS Mapping • Purchasing • Rating • Records Management 	<ul style="list-style-type: none"> • Aboriginal Heritage Centre • Bush Regeneration • Catchment Management • Environmental Education • Mollie Dive Function Centre • North Sydney Olympic Pool • Parks, playgrounds, gardens and sportsgrounds • Recreational planning • Street Cleansing • Street Trees and Tree Preservation • Waste and Recycling Collection • Verge mowing 	<ul style="list-style-type: none"> • Building Applications • Certificates • Development Assessment and building control • Environmental protection and regulatory services • Health Inspections • Heritage/Conservation • Land Use Planning • Unauthorised Uses

¹ NSW Division of Local Government (DLG) Comparative Information of NSW Local Government Councils 2008/09. Published 13 August 2010. For more information visit www.dlg.nsw.gov.au

Fact Sheet 4: Where does Council receive its Income from?

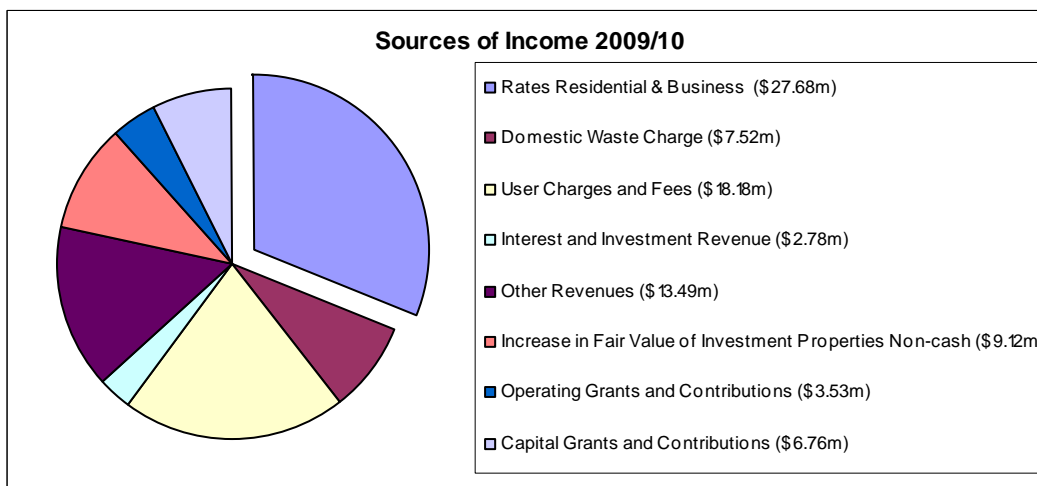
Councils receive income from rates and annual charges, user charges and fees, interest, contributions and grants from State and Federal Government. They also receive government funding for specific projects.

The rates you pay allow Council to fund infrastructure and essential services. These services include community and library services, recreation and leisure facilities, environmental planning and protection, and waste collection, treatment and disposal. See Fact Sheet 2 for more information about Council's services and infrastructure.

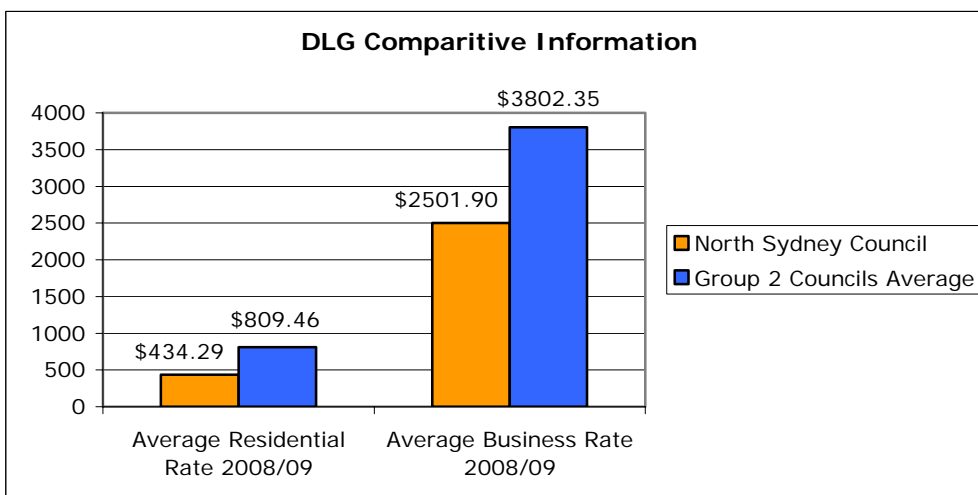
Only 32% of the Council's income in the 2009/10 financial year was from rates. As a benchmark, the average for a council in a sound financial position is about 50%.

Although Council has a property portfolio that contributes to our annual income, we do not believe it is prudent to sell our assets for short-term financial gain as this will not rectify our recurrent revenue concerns. Nevertheless as part of future financial planning Council may consider asset sales.

The following pie chart provides an overview of Council's 2009/10 income sources:



The following graph compares Council's 2008/09 average rates with other councils in Group 2. Source: DLG Comparative Information of NSW Local Government Councils 2008/09. Published 13 August 2010. For more information visit www.dlg.nsw.gov.au



Fact Sheet 5: Efficiencies

A key part of North Sydney Council's long-term financial planning and business planning includes identifying and implementing productivity improvements and expenditure reductions.

Council has maintained its budget discipline over the past years. It has returned unrestricted working fund surpluses despite the challenges encountered in resourcing its service levels, meeting increased community expectations and maintaining its large infrastructure portfolio to a high standard.

A key part of North Sydney Council's long-term financial planning and business planning includes identifying and implementing productivity improvements and expenditure reductions.

Sennitt Management Services reviewed council operations in 2006 and concluded that expenditure has been constrained, with staff numbers rising minimally across the organisation. They also concluded that savings had been achieved through review of operations. Council has a culture of continuous improvement and savings are made wherever possible.

Council is committed to continue using its limited resources in the most efficient manner possible to deliver goods and services to the community. Despite budget restrictions Council has been able to maintain services levels in all areas of its operations and in some areas substantially increase them.

In the past when consulting with the community about potential rate increases, you have asked us to 'tighten our belts'. We listened and since 2009/10 we have reduced staff numbers by 8% and introduced efficiencies across all areas of Council. However, the issue of funding our infrastructure and services at the level you desire still remains.

Increased Cost Examples

- Electricity/street lighting costs has risen by 4.5%
- Fire/Emergency Services Levy has risen by 7%
- Asphalt for road re-sheeting have increased by 8%
- Waste tipping charges have increased by 38%
- Reinstating verge mowing services costs \$500,000 per year

Productivity Gains and Cost Saving Examples

- Reorganisation of resources within the Planning and Development Services Division to better target areas of highest demand has generated annual savings of approximately \$185,000
- Review of the street cleaning program resulted in more efficient use of resources including reduction in number of street cleaners, with more work being undertaken through mechanical means; saving approximately \$98,000 per annum
- New phone system replaced outdated equipment, providing efficiencies across the organisation and especially to Call Centre services
- Introduction of multifunction devices to replace printers and virtualisation of the servers reducing emergency consumption, number of equipment and over \$70,000 per annum
- A number of positions within the Engineering and Property Services Division were amalgamated to streamline processes, saving \$120,000 per annum
- Customer Service Centre opening hours reduced from 8.30am to 5.30pm to 9am to 5pm saving \$60,000 per annum; in turn online services have increased



NORTH SYDNEY COUNCIL

Media Release

MR03

January 2011

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

North Sydney Council invites its ratepayers to have their say on Council's proposed rate increase at two public meetings to be held in February.

Council has resolved (9/4) to seek an increase its general rating income by an average of 3% per annum, over seven years. This increase will be in addition to the annual State Government-allowed increase which is expected to be around 3% in keeping with CPI.

In dollar terms, with an approved rate rise 82% of residential ratepayers would pay no more than \$16 extra in the first year or 30 cents per week for the special increase. With the State Government-allowed increase the total cost will be \$32, or 60 cents per week.

The public meetings are part of an extensive public consultation process that is being undertaken by the Council to get community feedback on the proposal.

North Sydney Mayor, Genia McCaffery said:

"The public meetings are an important opportunity for people to tell us what they think about our proposed rate rise and to find out more information about the Council services and infrastructure we need which a rate rise would fund."

Public meetings will be held on **Tuesday 1 February, 6pm start** and **Saturday 26 February, 10.30am start**. Both meetings will be held in the Hutley Hall, 200 Miller Street, North Sydney.

To RSVP, phone 9936 8100. For more information visit www.northsydney.nsw.gov.au

Ratepayers can also use an online Budget Allocator - <http://northsydney.budgetallocator.com> - to tell us their priorities for Council spending.

ends.

Consultation over rate rise to start

BOEL ERIKSSON

north sydney council reporter

A COMMUNITY consultation process about North Sydney Council's staggered 21 per cent rate increase on top of the CPI will start next month.

A boost in council rates over seven years from 2011 was approved by the council back in May.

At the time, only councillors Trent Zimmerman and Richard Pearson voted against it.

The budget for the "community engagement strategy", aimed at explaining the need for the special rise, is about \$37,700.

There was an additional \$30,000 for a deliberative forum of 50 "randomly picked" residents, but that will not go ahead after the councillors on Monday night supported Cr Zimmerman and rejected the idea.

"Spending \$30,000 when we're crying poor is not worthwhile," Cr Zimmerman said.

His motion also asked for a \$27,000 mailout of letters to affected residents to include a reply-paid survey which asks whether ratepayers would prefer the council to consider an increase in the specific purpose levy or a reduction in spending instead of a rate rise.

It was also agreed that material sent to ratepayers must show which councillors supported and opposed the proposal, and an opportunity for opposing councillors to "present their case".

The documents said the council's costs had risen about 5 per cent on average over the past 10-15 years, "whereas the rates have risen 2.6 per cent".

MOSMAN DAILY 23 September 2010

Staggering rates

COMMUNITY consultation about North Sydney Council's staggered 2.1 per cent rate increase starts next month. A rise in rates over seven years from 2011 was approved in May, with only councillors Trent Zimmerman and Richard Pearson voting against it. The budget for the "community engagement strategy", to explain the need for the rise, is \$37,700.

Learn more about rate rise

North Sydney

RATEPAYERS can attend two meetings next month to learn more about North Sydney Council's proposed rate increase.

The council wants to increase its rates by 3 per cent a year over seven years.

That will be in addition to the annual State Government-allowed increase, which is expected to also be about

3 per cent. If the rate rise is approved, 82 per cent of residential ratepayers would pay \$16 extra in the first year, or 30 cents per week, according to a council spokeswoman.

The meetings will be held next Tuesday at 6pm, and February 26 at 10.30am. Both will be at the Hutley Hall, 200 Miller St, North Sydney.

» Details: northsydney.nsw.gov.au or phone 9936 8100.

NEWS

'Mayor should chair' rate meeting

BOEL ERIKSSON
north sydney council

AN independent facilitator has been hired to chair two public meetings about North Sydney Council's proposed rate increase.

The move was adopted at Monday night's council meeting but criticised by councillor Trent

Zimmerman, who said Mayor Genia McCaffery should chair the meeting to save money.

The council wants to increase its rates by 3 per cent a year over seven years.

Cr McCaffery is in favour of the rate increase and said with her "strong opinion" being well known, it would be "extremely



Who should chair this meeting?

Comment on this story at
mosmandaily.com.au

difficult" to answer questions from the chair.

Cr Zimmerman said he thought she was being "overly cautious".

"You are the popularly-elected

mayor and should be able to chair public meetings like this," he said. The \$1500 fee, which Cr McCaffery said was "very reasonable", is a decrease from a similar public meeting held in 2009 to discuss the council's plan to increase rates by 14 per cent.

Back then, general manager Penny Holloway's decision to

spend \$3500 on a facilitator to run just one public meeting was heavily criticised by councillors.

Cr Zimmerman said he was "pleased that at least the cost has come down considerably" this time. One meeting was held on Tuesday after the *Daily* went to press. The second is on February 26 at Hutley Hall, North Sydney.

MOSMAN DAILY 3 FEBRUARY 2011

ADVERT 1



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

Council's Long Term Financial Plan has identified that Council will need additional income to fund essential services and infrastructure into the future. Council is applying to the State Government for a special rate variation of 3% (on average) over seven years starting 1 July 2011. This increase will be in addition to the annual State

Government-allowed increase which is expected to be around 3% in keeping with CPI.


Council is consulting widely with ratepayers before submitting its application and all ratepayers should now have received a letter with information on the special rate variation.

We encourage ratepayers to provide feedback during the consultation period (November 2010 - March 2011) through any of the following channels:

- complete the survey sent to all ratepayers by Friday 3 December 2010
- use the interactive budget allocator on Council's website to tell us your priorities for Council spending
- attend public meetings to be held Tuesday 1 February at 6pm and Saturday 26 February 2011 at 10.30am in the Hutley Hall, 200 Miller Street, North Sydney
- attend your next Ward Forum
- write to North Sydney Council, PO Box 12, NORTH SYDNEY NSW 2059 or email council@northsydney.nsw.gov.au

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 2



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION


North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent over seven years. All ratepayers were sent a letter with information about the special rate variation, together with a community survey. The deadline for ratepayers to complete their community survey has been extended until **Monday 20 December 2010**.

Ratepayers can also use an online Budget Allocator - <http://northsydney.budgetallocator.com> - to tell us their priorities for Council spending.

Public meetings will be held on **Tuesday 1 and Saturday 26 February 2011** in the Hutley Hall, 200 Miller Street, North Sydney. These meetings will provide an opportunity to discuss the proposal with the Mayor, Councillors and General Manager.

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 3



INVESTING in our FUTURE

HAVE YOUR SAY ON NORTH SYDNEY COUNCIL'S SPECIAL RATE VARIATION

<p>North Sydney Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent per annum, over seven years.</p>	<p>The Mayor, Councillors and General Manager invite you to discuss this proposal at the public meetings:</p> <p>Tuesday 1 February, 6pm Saturday 26 February, 10.30am</p>
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Both meetings will be held in the Hutley Hall, 200 Miller Street, North Sydney.

To RSVP phone 9936 8100. For more information visit www.northsydney.nsw.gov.au.

Ratepayers can also use an online Budget Allocator - www.northsydney.budgetallocator.com - to tell us their priorities for Council spending.

For more information visit www.northsydney.nsw.gov.au or phone 9936 8100

ADVERT 4



NORTH SYDNEY COUNCIL

MEETINGS – All welcome – for agenda information 9936 8188

Day	Date	Time	Meeting	Venue
Friday	25/02	10am	Active Transport Pedestrian Sub Committee	Supper Room
Saturday	26/02	10.30am	Rates Consultation Public Meeting	Hutley Hall
Monday	28/02	7pm	Council	Council Chamber

PRECINCT MEETINGS

Tuesday	01/03	7.30pm	Stanton	Geddes Room, North Sydney Council
Tuesday	01/03	7.30pm	Waverton	Waverton Uniting Church Hall
Wednesday	02/03	7.30pm	Edward	Geddes Room, North Sydney Council
Wednesday	02/03	7.30pm	Union	McMahons Point Community Centre

PUBLIC NOTICES

PUBLIC EXHIBITION OF NORTH SYDNEY DRAFT LOCAL ENVIRONMENTAL PLAN 2009 AND DRAFT DEVELOPMENT CONTROL PLAN 2010 - 20 JANUARY 2011 TO 31 MARCH 2011

Extension to exhibition period - At its meeting on 14 February 2011, Council resolved to extend the public exhibition period to **31 March 2011** following requests from the Mayor and the Combined Precincts Committee. The extension provides further time for community consideration of the draft plans and input into the planning process.

The draft LEP, draft DCP, and all supporting documentation may be viewed via the following methods:

- Online, at www.northsydney.nsw.gov.au/dlep2009;
- In person, at Council Chambers, 200 Miller Street, North Sydney; or
- In person, at Stanton Library, 234 Miller Street, North Sydney.

Submissions on either the draft LEP or draft DCP, addressed to the General Manager, will be received until 5pm on Thursday 31 March 2011 and may be made via:

- An online submission, using the web form provided at the above website;
- An email to council@northsydney.nsw.gov.au;
- A letter, sent to North Sydney Council, PO Box 12, North Sydney NSW 2059

Council staff will be available to answer your

questions throughout the exhibition period, via:

- Telephoning 9936 8100 between 9am and 5pm Mon-Fri (during busier periods, call centre operators may need to take messages, with return phone calls placed as soon as practicable); or
- Visiting Council Chambers, 200 Miller Street, North Sydney. Strategic Planning staff will be available to answer enquiries at the Customer Service Centre daily between the hours of 10am and 12pm during the exhibition period. Outside these times, staff availability cannot be guaranteed.

PUBLIC MEETING: PROPOSED SPECIAL RATE VARIATION

Council is seeking feedback from its ratepayers on a proposal to increase its general rating income by an average of 3 per cent per annum, over seven years. The Mayor, Councillors and General Manager invite residents and business to discuss this proposal at a public meeting, Saturday 26 February, starting 10.30am in the Hutley Hall, 200 Miller Street, North Sydney. To RSVP phone 9936 8100. For more information visit www.northsydney.nsw.gov.au

SYDNEY NORTH REGIONAL FOX BAITING PROGRAM – MARCH 2011

North Sydney Council is joining with other public land managers in the Sydney north region to implement a coordinated fox baiting program using 1080 "FoxOff" poison baits. This year, the program will be conducted in Balls Head Reserve

(Waverton), Berry Island Reserve and Badangri Reserve (Wollstonecraft) from Monday 7 March to Sunday 20 March 2011.

Pet owners are reminded that dogs and cats will be prohibited from entering these Reserves for the duration of the baiting program and for four weeks following its cessation (ie. up to Monday 8 April 2011). For further information contact the Bushland Management Coordinator on 9936 8224.

COMMUNITY DEVELOPMENT SUPPORT EXPENDITURE (CDSE) FUNDING AVAILABLE

Applications are now open for funding for community welfare and social services, community development, community health services and employment assistance activities (Category 1). Application details and forms are available at www.clubsnsw.com.au

The closing date for applications is Friday 20 May 2011. Category 1 applications should be sent to Wendy Joyce, CDSE Committee, North Sydney Council, PO Box 12, North Sydney NSW 2059.

WRITERS @ STANTON

Larry Writer

Thursday, 3 March 1pm, Stanton Library
Larry Writer will introduce his new biography *Bumper: the Life and Times of Frank 'Bumper' Farrell*, a tough street cop who ruled the beat in Kings Cross and inner Sydney from 1938 to 1976. Each author talk is followed by a book signing. All welcome.

Appendix 8: Feedback Exercise Summary - Public Meetings 2011

After hearing the General Manager’s presentation and Yes/No arguments from councillors, attendees were asked to advise their level of support for the proposed 6% special rate variation per annum for seven years.

Options	Fully Support	Support	Can Live With	Oppose	Strongly Oppose	Undecided
1/2/11 No. of votes	2	6	1	2	7	2
26/2/11 No. of votes	12	2	3	4	7	0
Total	14	8	4	6	14	2
Comments	<ul style="list-style-type: none"> Strongly support council 6% SRV. They provided great services I support the rate rise, in fact I believe we should do an even greater increase over less years Strongly support long term intergenerational sustainability Fully support the rate rise. Council has shown it requires the funds to make up for lost revenue over the years 	<ul style="list-style-type: none"> Small increase Support increase, but prefer to stick with 'peg' and vary levy as needed 	<ul style="list-style-type: none"> Council does provide excellent services which need to be paid for. The question is extent of services and how the demographic of resident priorities are prioritised and the costs, as well as looking to future. Still want to support a balance of a more modest rate rise and levies Council does provide excellent services and it needs to be paid for. Question is extent of services and how the demographic of residents' priorities are prioritised; and the costs; as well as looking to the future. Still want to support a balance of a more modest rate increase plus levies 	<ul style="list-style-type: none"> To save money some works could improve e.g. street cleaners, parking police, general labour workers are lazy. Perhaps these jobs are done by tender and so sold be scrutinised more carefully Because I own too much property 	<ul style="list-style-type: none"> No I oppose strongly a submission for SRV to be made with IPART. I consider North Sydney Council should concentrate on maintaining their core activities with the inflation and consistently increasing rates due to annual increases in land valuation and annual pegged increases User pays - sports change rooms and playgrounds 	<ul style="list-style-type: none">



Summary of Questions raised at the public meeting held 1 February 2011 in the Hutley Hall, North Sydney

Questions Raised	Council's Reply
<p>1. Following the 2010 review by the Office of the NSW Valuer General, land values in some areas of North Sydney are now higher. Do higher land values impact North Sydney ratepayers regarding the proposed SRV?</p>	<p>North Sydney received new land values as at 1 July 2010. Land value changes will not change the overall amount of rates collected by North Sydney Council (NSC), as Council has set rate base. In simple terms, the 'piece of pie' (i.e. total rate base) does not increase just the relativity/distribution amongst ratepayers.</p> <p>One ratepayer may find that due to a change in their land value their rates will go up, while another may find that their rates will go down. To assist ratepayers to approximate the increase proposed by the SRV, Council has created a calculator. The calculator is available at http://www.northsydney.nsw.gov.au/www/html/6948-special-rates-variation-consultation.asp?intSiteID=1</p> <p>For information about the land value system visit www.lpma.nsw.gov.au/valuations</p>
<p>2. With the suburb boundary changes to Kurraba Point and Neutral Bay, have property values changed?</p>	<p>Councils do not determine land values. For more information visit www.lpma.nsw.gov.au/valuations or contact the NSW Valuer General. We assume the boundary change would not affect valuations.</p>
<p>3. Is this the third time Council has applied for a SRV?</p>	<p>Yes. The first time SRV consultation was in 2007/08 which resulted in Council applying for and being granted a time-limited Infrastructure Levy (expires 30 June 2012). The first SRV application was for the financial year 2009/10. Council consulted the community regarding a one off 13.6% SRV, inclusive of the 3.5% increase (rate peg) that has been announced by the Minister, equating to an approximate \$90 per annum increase for those paying the average residential rate. Whilst 44% indicated support for the proposal, Council's application to the Minister of Local Government was not successful.</p>
<p>4. What percentage of community has returned the survey?</p>	<p>Council has received over 3,600 completed surveys, an approximate 11% return rate. The survey findings are currently being analyzed and the results will be presented to Council in mid March 2011. The results will be made available to the public following presentation to Council.</p>
<p>5. What is community consensus to date;</p>	<p>The results of the other consultation mechanisms are</p>

<p>other than opinions raised tonight?</p>	<p>currently being analyzed/still being received. All community feedback will be reviewed in context and a summary of findings from the community consultation phase will be presented to Council at a meeting scheduled for 14 March 2011. This report will be published on Council’s website.</p>
<p>6. Why are you calling it a 6% rate rise when it really is only 3.2%. The rate peg means rates will go up by 2.8% anyway in 2011/12. 3.2% is manageable and does sound like less of a burden. Why is the proposed increase described as a 6% increase per annum?</p>	<p>As identified through the Long Term Financial Plan (LTFP) Council will need to increase its income by a total of 6% per annum over seven years in order to fund and maintain infrastructure projects and services that the community has identified as important in the 2020 Vision, Community Strategic Plan. The 6% includes the rate peg which is determined each year and it is always quoted as the full increase being applied for, inclusive of the rate peg, rather than just the amount above the rate peg in order to allow easier understanding and calculation.</p> <p>In 2011/12 the rate peg has been announced by IPART as 2.8%, thus the difference applied for via the SRV in year 1 is 3.2%.</p>
<p>8. What are the alternative options for funding increased levels of services and infrastructure?</p>	<p>Council, via the consultation materials, has presented ratepayers with 5 options to fund the program of works (services and infrastructure) identified in the 2020 Vision. The 5 options include:</p> <ol style="list-style-type: none"> 1. 6% SRV 2. less than 6% SRV 3. special purpose levy(s) 4. reduce funding to current services and program (and reduce service levels) to operate within current resources 5. borrow/go into debt
<p>9. Will council consider a levy instead of an SRV? Is SRV funding restricted?</p>	<p>In May 2010, when adopting Council’s LTFP, effective from 2010/11, Councillors voted 9/4 in favour of Scenario 3 which proposed a 6% SRV; consisting of a 3% (on average) rate increase each year, for seven years from 2011/12 (i.e. Year 2 of the Delivery Program); this would be in addition to the annual rate peg which was expected to be around 3%.</p> <p>The 6% SRV is the preferred option to fund the program of works as identified in the 2020 Vision; however in consulting with ratepayers regarding this proposal, the Council resolved to also seek community feedback on several other options (see Question 7) including a specific purpose levy. Following consideration of the consultation results at their meeting 14 March 2011, Council will determine whether or not they are applying for an SRV, levy or other.</p> <p>In line with the introduction of Integrated Planning and Reporting Framework, a statutory requirement, councils are encouraged to consider special rate variations instead of levies as options for generating income to meet infrastructure</p>

	<p>maintenance and acquisition. Councils can decide that income generated through an SRV will be internally restricted and can only be spent approved projects and services.</p>
<p>10. If an SRV is approved what will happen to existing levies?</p>	<p>At the conclusion of the existing time-limited levy period they will be rolled in the general rate base, this is only applicable to the Environmental and Infrastructure Levies. If the SRV (of any amount) is not approved then Council will need to apply for the continuation of existing levies as they have been included in the LTFP.</p>
<p>11. Will the increase be locked away after the seven year period, or may the next term of council review/change the rating structure again?</p>	<p>Councils are required to prepare their Operational Plan and Budget annually, at which time they must review their Resourcing Strategy, including LTFP, Asset Management Strategy and Workforce Strategy. In accordance with Council's LTFP it is best practice to put in place a structure with provides some certainty regarding income that covers necessary/planned expenditure. However, as councils do determine the plans and budgets, a Council of the future may consider a different course of action.</p>
<p>12. What is intergenerational equity?</p>	<p>The term refers to meeting the needs of the present community/stakeholders without compromising the ability of future generations to meet their own needs, i.e. in the context of the proposed SRV it means paying for the maintenance of existing and establishment of new infrastructure and services now so that future generations do not bear inherited costs.</p> <p>Since 1977, councils' general revenues have been regulated in NSW under 'rate pegging'. Rate pegging sets the maximum general revenue (mainly rates) that councils can collect. The average rate pegging amount over the last 8 years is 3.3%. Last year the rate peg was 2.6%, and in 2010/11 it is set at 2.8%. The rate peg is supposedly linked to inflation and from 2010 the Local Government Cost Index and a productivity factor; however the reality is that local government costs are increasing at a higher rate including street lighting by 4.5%, building materials and contracts by 6% and the emergency management levy by 7%.</p>
<p>13. If the Liberals come into power at the State Government election in March, will IPART continue to determine the rate peg and special rate variations?</p>	<p>North Sydney Council can not foreshadow what the opposition will put in place and what the benefits may be for local government following the State election.</p>
<p>14. What does it mean that North Sydney has a high income per capita?</p>	<p>North Sydney Council has comparable revenue per capita to similar other inner city councils. As far as residents are concerned, Census information shows that North Sydney residents have one of the highest incomes per capita in NSW.</p>
<p>15. Will the proposed SRV mean our rates will be still be amongst the lowest in NSW?</p>	<p>Our LTFP outlines what we need to spend in order to maintain current and provide new services and infrastructure, this information determined the amount of income needed to</p>

	<p>cover/meet expenditure; the proposed 6% SRV is not to 'catch up' to other councils but to meet address our community needs. Regardless of the proposed 6% SRV will mean that North Sydney Council will still be amongst the lowest average residential rates, if not the lowest; but we cannot say what will happen with other councils in the future.</p>
<p>16. I own properties in North Sydney and City of Sydney. The minimum rate in City of Sydney is less than the minimum rate in North Sydney. Why is this?</p>	<p>Councils are categorised by groups for comparison by the NSW Division of Local Government. North Sydney is classified as Category 2, while City of Sydney is Category 1. By comparison with other Category 2 councils, North Sydney Council has the lowest average residential rates and amongst the lowest business rates. City of Sydney does not have a lower minimum or average residential rate than North Sydney Council.</p>
<p>17. We encourage Council to 'think outside the box'. Instead of comparing yourselves with/trying to catch up to other council areas, try to keep services at current level but reduce costs. Previously proposed advertising on public infrastructure is a wonderful idea where is this up to?</p>	<p>Council prides itself of its financial management and sustainability. Council is debt free. An independent review of council operations conducted by Sennitt Management Services in 2006 concluded that expenditure had been contained, with staff numbers rising minimally across the organisation. Council is progressively pursuing other/complimentary avenues for increased income, including advertising on infrastructure.</p> <p>In 2010/11 advertising in bus shelters was introduced generating an additional \$800,000 in income in a full year. Similarly Council recently publicly exhibited plans to introduce advertising on the footbridge across the Pacific Hwy, North Sydney. This proposal was condemned by Council's Urban Design Advisory Panel and Council decided not to pursue it. Council has only considered one location so far but is looking for others.</p>
<p>18. Is the proposed sale of the ANZAC Club (owned by Council) an alternative option to the proposed SRV? At a public meeting in November 2010 the sale of the site was proposed. It is suggested that the funds raised from sale can fund synthetic surfaces etc. The sale proceeds should be used to fund the proposed program not a SRV.</p>	<p>The options for future use of the ANZAC Club, a Council facility meeting early, are currently being explored. As part of the community consultation process a public meeting was held in November 2010. The community is invited to provide feedback, suggestions and ideas by 11 February 2011 for the future use/reuse of the site. For more information visit http://www.northsydney.nsw.gov.au/www/html/6950-anzac-memorial-club.asp</p> <p>Councils applying for an SRV, must as part of their application indicate the productivity improvements/cost savings that the council has realised in past years, and plans to realise over the special variation period. The application must also be linked to Council's Integrated Planning and Reporting Framework which has been formulated through community consultation and responds to identified needs now and in the future.</p>
<p>19. Why do users of sports fields not</p>	<p>The North Sydney local government area is a built up area</p>

<p>have to pay a fee for use?</p>	<p>with less than 10% public open space. Residents in all communities, especially medium to high density areas need access to open space and recreational facilities. It's integral to maintaining a healthy lifestyle and quality of life. Fees and charges are charged for some uses of sportsfields and facilities, as outlined in the Schedule of Fees and Charges http://www.northsydney.nsw.gov.au/www/html/2214-delivery-program.asp - however fees can not be charged for people using parks and reserves for passive and informal uses.</p>
<p>20. There is no doubt all of Council's services are excellent. However we don't need additional household waste collections every week - Council could save money here. Seems not enough initiative to save money/reduce costs.</p>	<p>Councils levy a separate charge (known as the Domestic Waste Management Charge or DWMC) for its domestic waste and recycling services, which is not part of rate revenue. The proposed SRV applies to rates only.</p> <p>The household waste collection service is not an automatic service. It is offered fortnightly to residents who request this service. Bookings essential. North Sydney has a chronic waste dumping problem and in such a densely populated area the community highly values our waste collection services; the services consistently rank highly in Council's biennial Customer Satisfaction Surveys.</p> <p>Refer to responses to Q16 and Q17 for an overview of the initiatives regarding proposed income, cost and productivity savings currently being pursued by Council in addition to complement the proposed SRV income.</p>



Summary of Questions raised at the public meeting held 26 February 2011 in the Hutley Hall, North Sydney

Questions Raised	Council's Reply
<p>1. Of the 32,000+ ratepayer surveys sent out, how many has Council received back?</p>	<p>North Sydney Council has received over 3,600 completed surveys, an approximate 11% return rate. Council will consider the findings of all consultation methodologies in context. The survey findings will be analyzed in context with the public meetings Q&A as well as written submissions, budget scenarios submitted via the Budget Allocator etc. A summary report will be presented to Council at its meeting 14 March 2011. The results will be made available to the public following presentation to Council.</p>
<p>2. What weight is Council giving in their decision making to the public meetings as opposed to the survey of ratepayers?</p>	
<p>3. Has Council applied for an SRV before?</p>	<p>Yes. The first time SRV consultation was in 2007/08 which resulted in Council applying for and being granted a time-limited Infrastructure Levy (expires 30 June 2012). The first SRV application was for the financial year 2009/10. Council consulted the community regarding a one off 13.6% SRV, inclusive of the 3.5% increase (rate peg) that has been announced by the Minister, equating to an approximate \$90 per annum increase for those paying the average residential rate. Whilst 44% indicated support for the proposal, Council's application to the Minister of Local Government was not successful.</p>
<p>4. Previous terms of Council have decided not to approve annual rate increases in line with the State allowed amount. For how many years were North Sydney's rates not increased inline with the permissible rate pegged amount?</p>	<p>Four financial years in the early 1980s. Rate pegging was introduced to NSW approx 34 years ago. This means that NSC has started from a much lower rate base than other comparable council areas.</p>
<p>5. How much in dollar terms will the approximate 3% increase bring in?</p>	<p>In 2011/12 the difference between the allowed 2.8% rate peg and the 6% is approximately \$920,000.</p>
<p>6. If the SRV is not approved by IPART, in dollar terms what shortfall is Council looking at?</p>	<p>In 2011/12 the rate peg has been set at 2.8%, therefore Council will need approximately \$920,000 to cover the proposed works/budget. Without an SRV that money will have to be found by reducing the proposed budget and cutting projects and services. We have to have a balanced budget. There will be a similar shortfall (compounding) each year for the 7 years.</p>
<p>7. Are educational establishments that own properties used for educational purposes exempt from rates?</p>	<p>Yes. But if an educational institution owns properties that are used and leased for non-educational purposes Council can charge rates for those properties. North Sydney LGA has the highest number of educational facilities in the country. This</p>

	means there is a high proportion of land in the North Sydney CBD and surrounding areas for which we can not charge rates. This is a decision of the State Government, not Council.
8. Is the property purchased by Wenona School in Ridge St, North Sydney used for educational purposes?	Yes. It is a boarding house for students. Therefore they are not charged rates for this property.
9. What services and facilities does Council provide for schools and do schools pay to use them?	Council provides a range of community services and facilities that are used by residents, students and schools including open space, sporting fields, community services and Stanton Library. Schools do pay to use sporting fields and reserves which only partially cover operating costs. The majority of schools use a privately contracted waste removal service, but if they do request use of Council's waste services there is a charge. Students are not charged for use of the Library or for passive or leisure use of sports fields and open space.
10. Are the majority of Council's staff administration (i.e. indoor) staff compared to day labour (i.e. outdoor)?	<p>Council's outdoor staff work in the following areas:</p> <ul style="list-style-type: none"> • Works Engineering (Dept) • Parks and Reserves • Street Cleaning • North Sydney Olympic Pool • Ranger and Parking Services <p>For more information about Council's organisational structure and staff costs refer to Council's Workforce Strategy 2010/11-2013/14 - www.northsydney.nsw.gov.au/resourcingstrategy</p>
11. What is Council doing to minimise its own costs?	Council has an ongoing program of reviewing services to achieve greater levels of efficiency. To date savings have been achieved across all areas of Council including customer services, internal support services, equipment, street cleaning, library services, works, planning and development and rangers just to name a few.
12. In order for Council to maintain services and not have to raise the rates, other revenue avenues need to be considered. Is advertising on public infrastructure the only option Council has considered so far?	No. Council raises funds from its property portfolio (commercial and residential properties) as well as from parking (parking stations and meters) and user charges.
13. What are Section 94 funds?	Section 94 (S94) funds are developer contributions. Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions, from developers, for public facilities required as a consequence of development. S94 contributions are adjusted annually by CPI, and are detailed in the Fees and Charges Schedule for the current year and Council's Section 94 Contributions Plan.
14. Who gave Council a mandate to invest in affordable housing?	Rate income is not spent on the acquisition of affordable housing in North Sydney. Funds were gathered through S94

	contributions for a number of years to replace the loss of affordable housing options/properties (boarding houses) and reinvested into other affordable housing stock. This funding option is no longer available.
15. Will all the new development in and around the CBD (which includes residential) increase Council's rate income?	<p>Generally no. Overall the net effect is 'no significant increase' in rate income. Depending on the type of development and type (business or residential) it replaces, it is possible for the rate income to both increase or decrease.</p> <p>Councils do not determine land values. For more information visit www.lpma.nsw.gov.au/valuations or contact the NSW Valuer General.</p>
16. In 1985 my rates were \$504, now, in 2010, they are \$1,059. CPI for 1985 to 2010 should make my rates about \$1,200. The proposed SRV over the 7 years will make my rates about \$1,100. Why doesn't the Council apply for a bigger increase to bring our rates in line with there they should be with CPI today?	In 2009/10 Council proposed a 11.87% increase (inclusive of the 3.5% rate peg; average residential increase \$90 pa) which although supported by 44% of ratepayers was not approved by the State Government. For 2010/12 Council prepared its integrated planning and reporting framework and decided to revisit its revenue needs after thorough investigation and consideration of community priorities now and in the future in conjunction with the preparation of the 2020 Vision, Community Strategic Plan. The Resourcing Strategy, which includes our Long Term Financial Plan, explored several scenarios and Council resolved to adopt Scenario 3 which included a more gradual increase to rates income over several years.
17. Council has mentioned it does use the 'user pays principle', so why are several of the proposed enhancements e.g. family day care and community centre refurbishment, change room facilities upgrades and dinghy storage not paid for by 'user pays'.	Council does apply the user pays principle for the majority of recurrent costs for community services; however the income received is insufficient to cover all maintenance and capital renewal. Full user pays would mean many community services would be unaffordable for those needing them.
18. What proportion of single resident households are there in North Sydney?	As per the 2006 Census, 35.6% of households are lone person, while 47% are family households (23.1% and 68.6% respectively for the Sydney statistical average). Eligible pensioners receive a rate rebate.
19. I am against the size of the new waste bins. If I could elect to have my bin picked up less frequently would this help cut costs?	The new bins were introduced to comply with Australian Standards. Before they the change over was introduced Council conducted a trial with a sample of all household types in North Sydney. Waste services (bin collection) are funded from the Domestic Waste Management Charge (DWMC), not from ordinary rates.
20. Wouldn't it be fairer to divide the total amount required amongst the 23,000+ ratepayers instead of slugging 1% of residential and business rate payers with the highest increase under the proposed 6% rate increase?	Rates are determined by land values set by the State Government. Councils are not able to change the current structure set by the State Government. The LGSA has lobbied for years for rates to be attributed to improved land values not just land value.

	<p>There are mechanisms in place to assist those who are having difficulty paying their rates. Council does not want residents to be “pushed” out of the area regarding this proposal.</p>
<p>21. Is it possible for Council to differentiate/increase business rates?</p>	<p>Businesses pay 40% while residents’ pay 60% of Council’s rates income. Businesses are already paying proportionally more which is one of the reasons why residential rates are comparatively low.</p>
<p>22. Could the proposed CBD upgrades be funded by a specific purpose levy instead of from SRV?</p>	<p>Theoretically yes. Such a levy would affect a particular geographical area that could include business and residential ratepayers.</p>
<p>23. What evidence is there that specific purpose levies can not be applied for anymore?</p>	<p>The State Government (Division of Local Government) has indicated that it prefers councils, which have put their Integrated Planning and Reporting Framework in place and which have developed a Long Term Financial Plan to apply for special variations to rates that address their ongoing funding needs rather than short-term levies for which councils then have to continually reapply.</p>

North Sydney Council

Budget Allocator Report



Participation

This report represents responses by 69 individual participants who submitted 69 budget scenarios to <http://northsydney.budgetallocator.com> for the period 9.00am, 17 November 2010 to 12.00 midnight Wednesday, 2 March, 2011. All charts and comments included within this document represent responses for all 69 budget scenarios.

Budget Distribution

The chart and statistics on page 3 indicate the spread of budgets submitted by each of the 69 participants.

Budget Category Selections

The Budget Allocator comprised ten budget categories. Each of the Roads, Footpaths, Other Infrastructure, Cleaning of Streets and Public Areas, Parks and Reserves, Community Services, Library Services and Environmental Services categories allowed participants to select one budget item only from each category, while each of the Discretionary Services and Wish List categories allowed participants to make multiple. The charts on pages 4 to 13 indicate the number of individual item selection made in each of the ten budget categories.

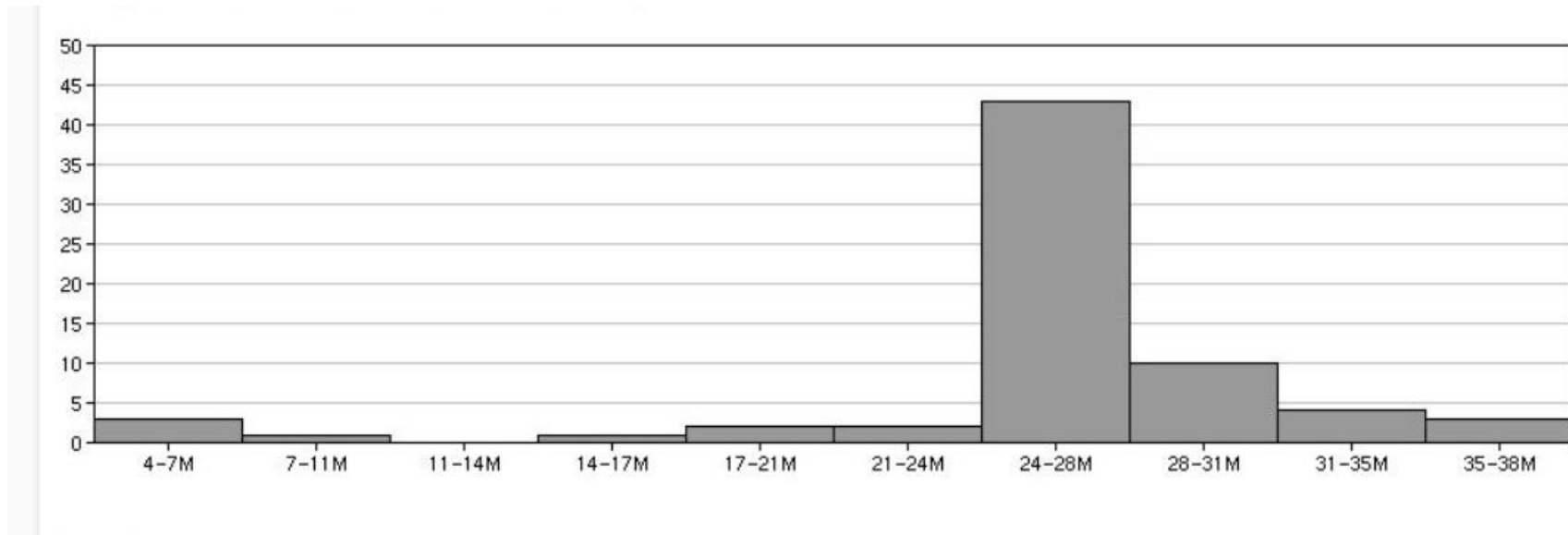
Individual Budget Comments

The Budget Allocator allowed participants to comment on individual budget items. The comments on page 14 represent all comments submitted in relation to Individual Budget Categories.

Budget Comments

The Budget Allocator allowed participants to provide an overall comment once they had submitted their budget. The comments from page 15 represent all Budget Comments submitted.

Budget Distribution

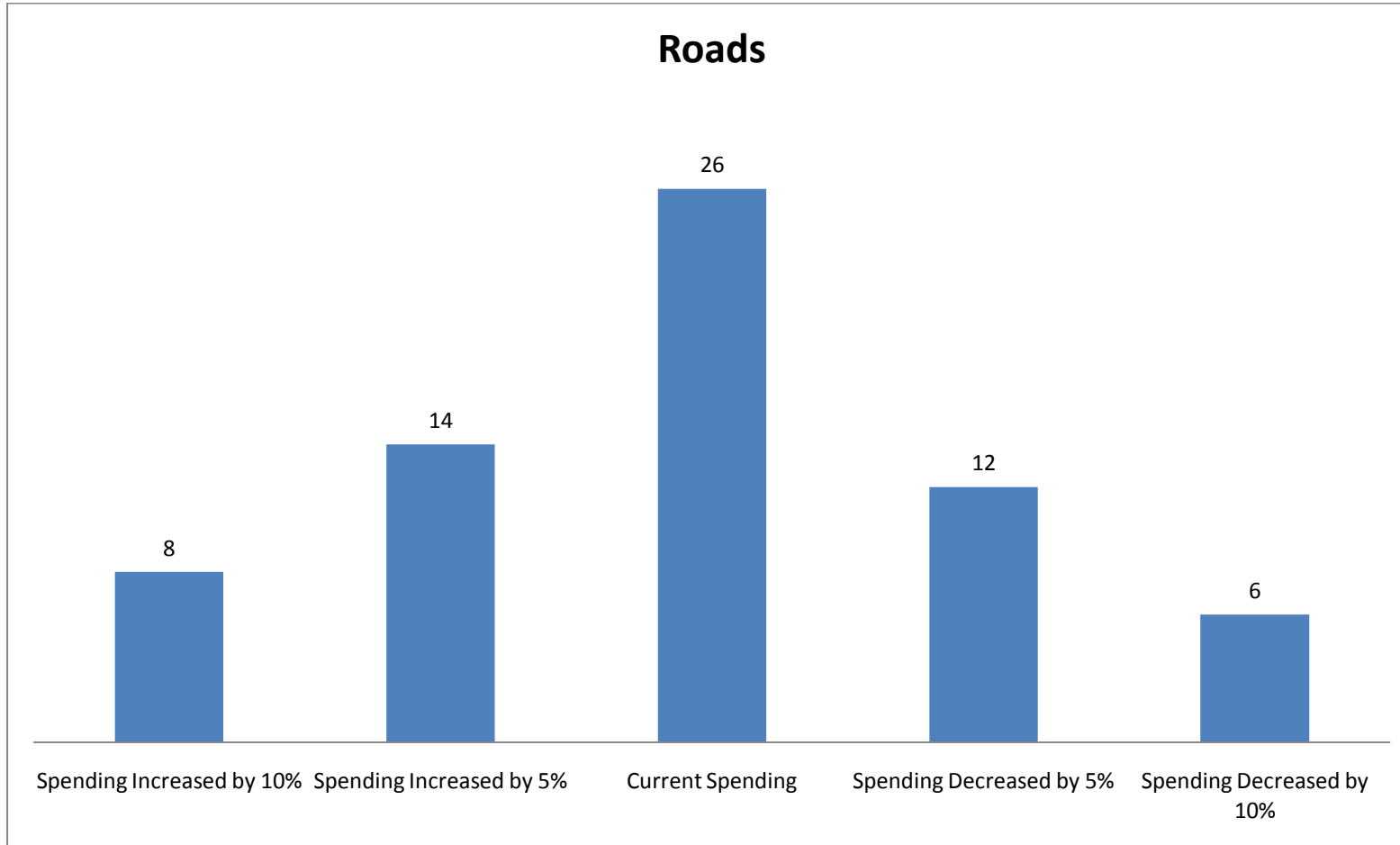


The chart above and statistics below indicate the distribution of budgets submitted as a number and as a percentage of the total budgets submitted.

\$4>\$7million (3) (4.5%)	\$7>\$11million (1) (1.5%)	\$11>\$14million (0) (0%)	\$14>\$17million (1) (1.5%)	\$17>\$21million (2) (3%)
\$21>\$24million (2) (3%)	\$24>\$28million (43) (62%)	\$28>\$31million (10) (14%)	\$31>\$35million (4) (6%)	\$35>\$38million (3) (4.5%)

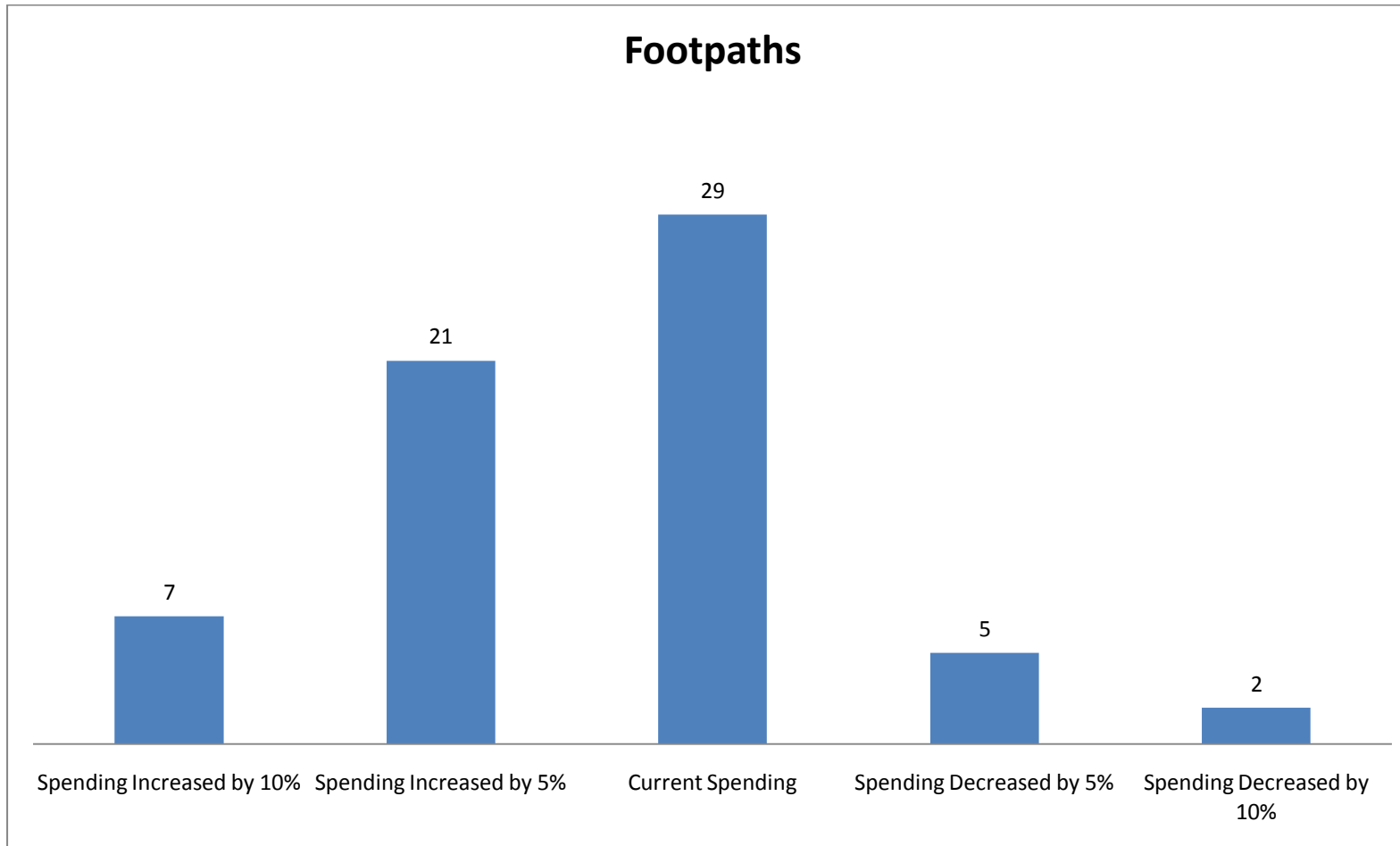
Budget Category Selections

Budget Category 1: **ROADS** (single choice)



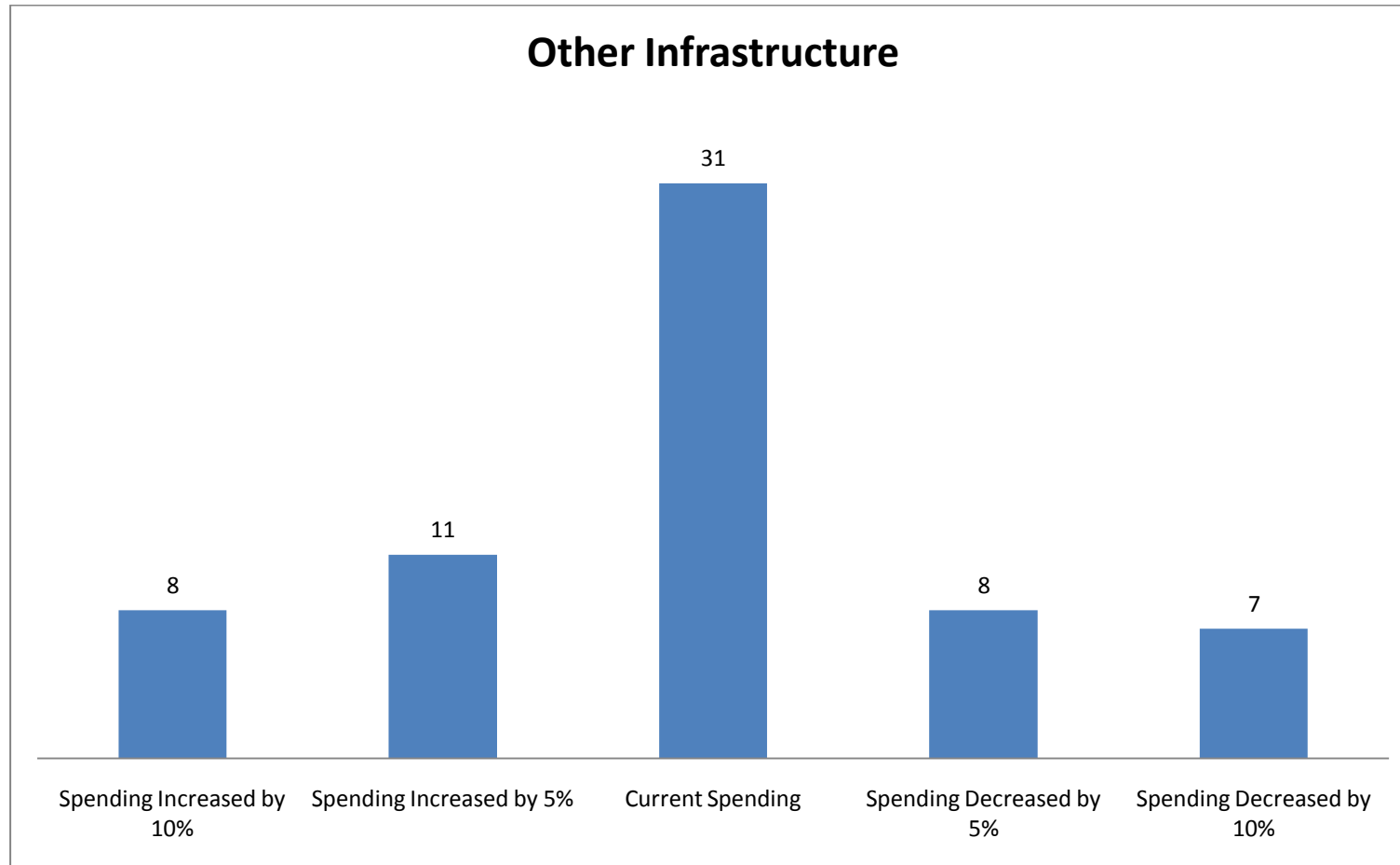
Budget Category Selections

Budget Category 2: **FOOTPATHS** (single choice)



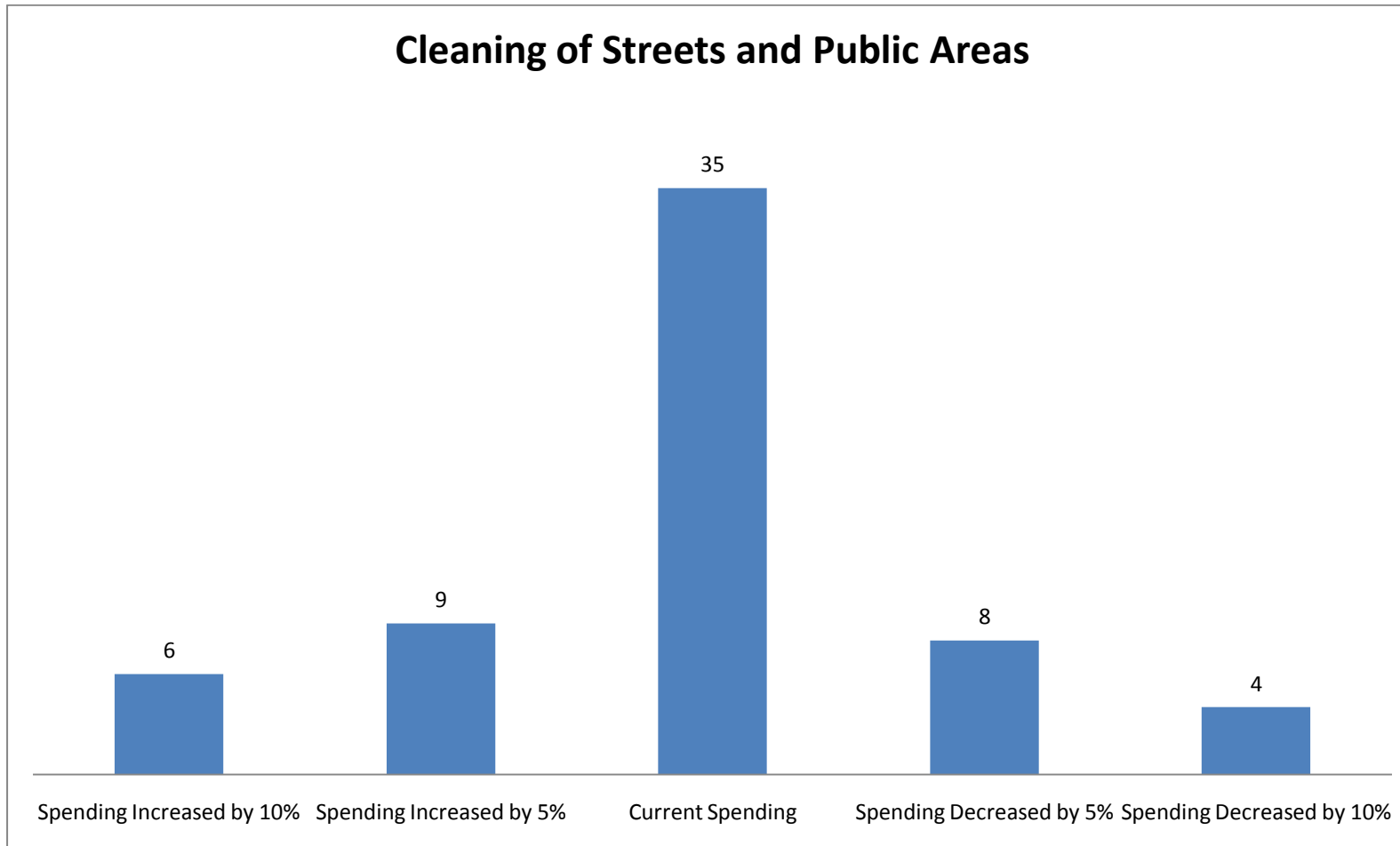
Budget Category Selections

Budget Category 3: **OTHER INFRASTRUCTURE** (single choice)



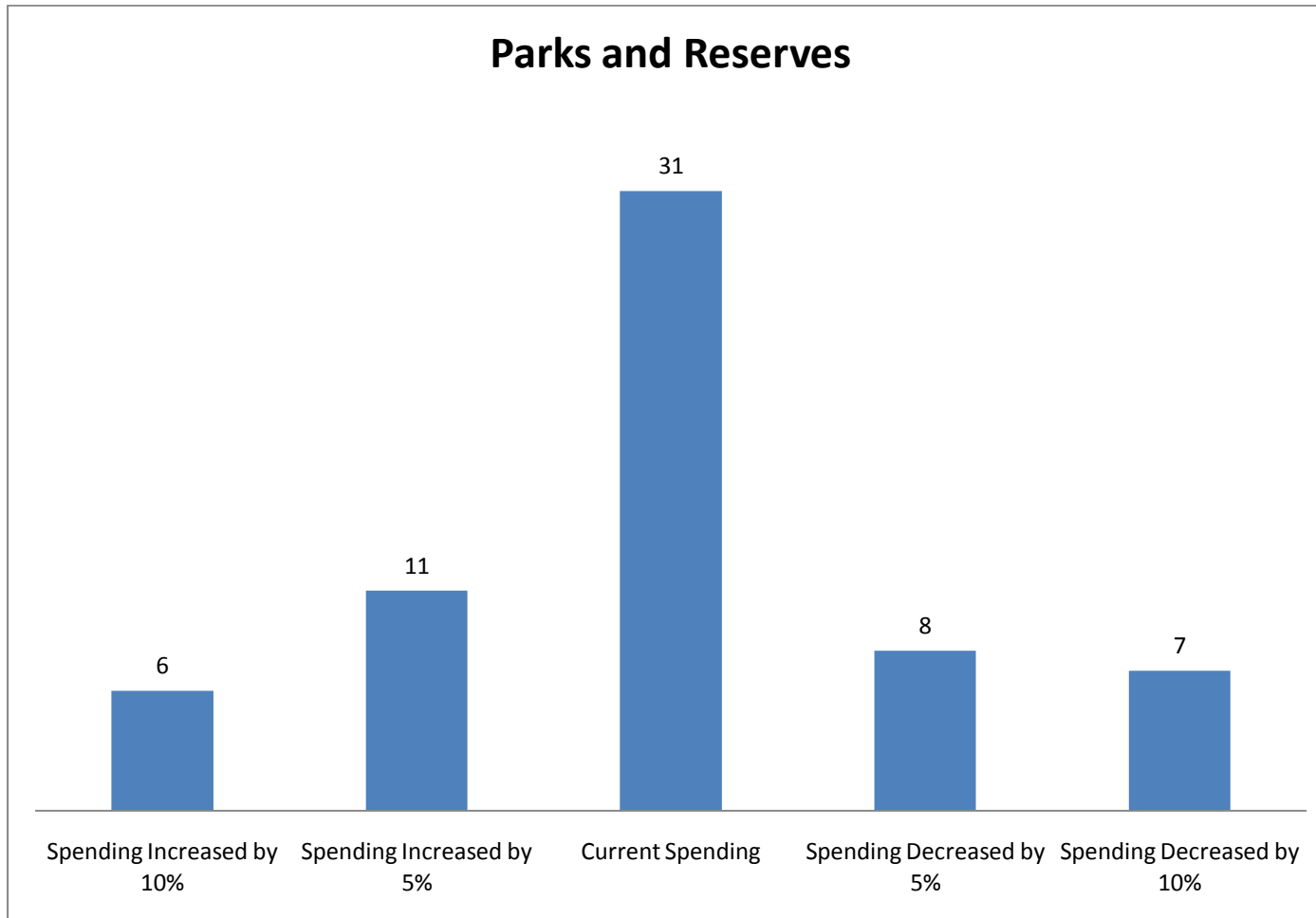
Budget Category Selections

Budget Category 4: **CLEANING OF STREETS AND OTHER PUBLIC AREAS** (single choice)



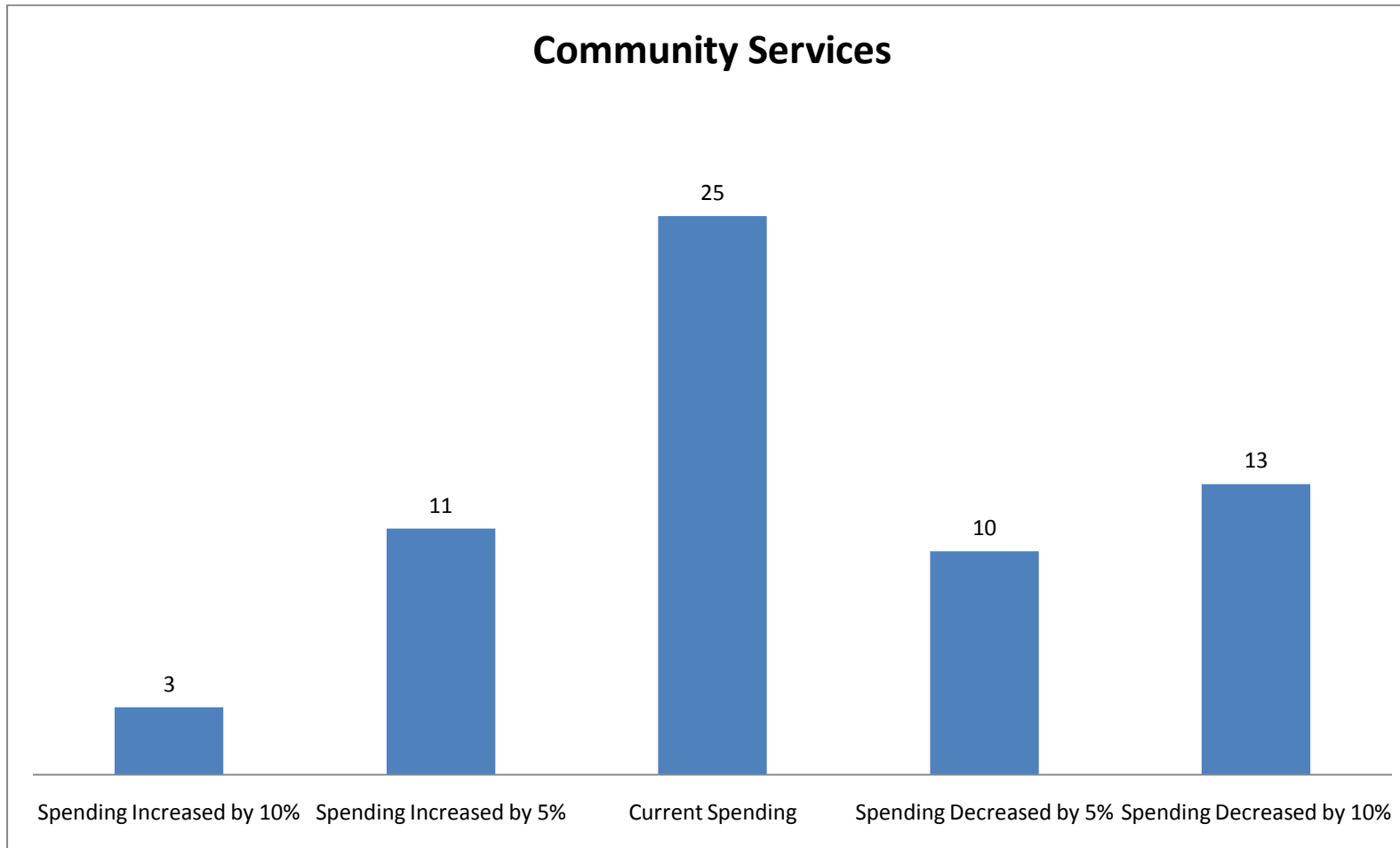
Budget Category Selections

Budget Category 5: **PARKS AND RESERVES** (single choice)



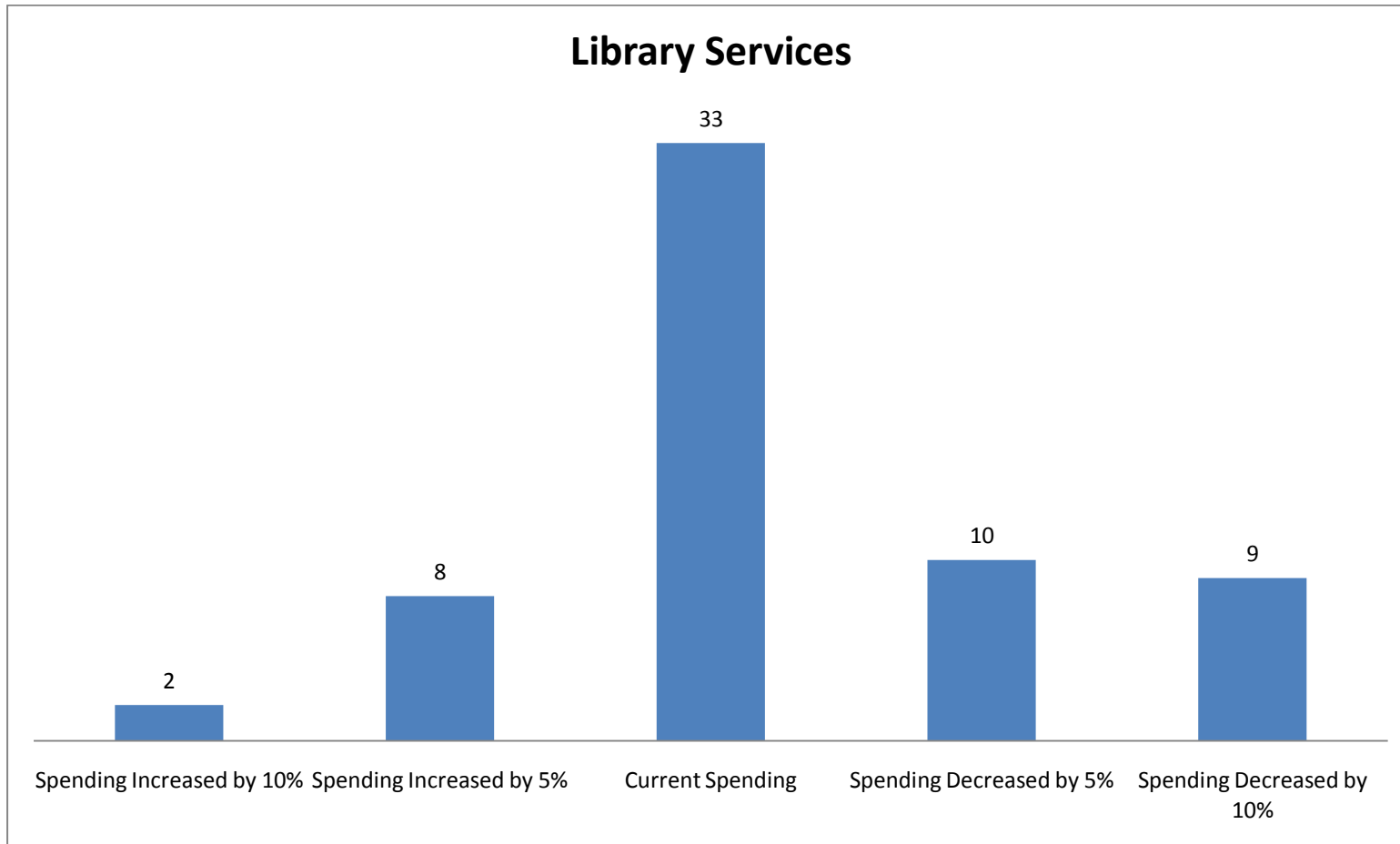
Budget Category Selections

Budget Category 6: **COMMUNITY SERVICES** (single choice)



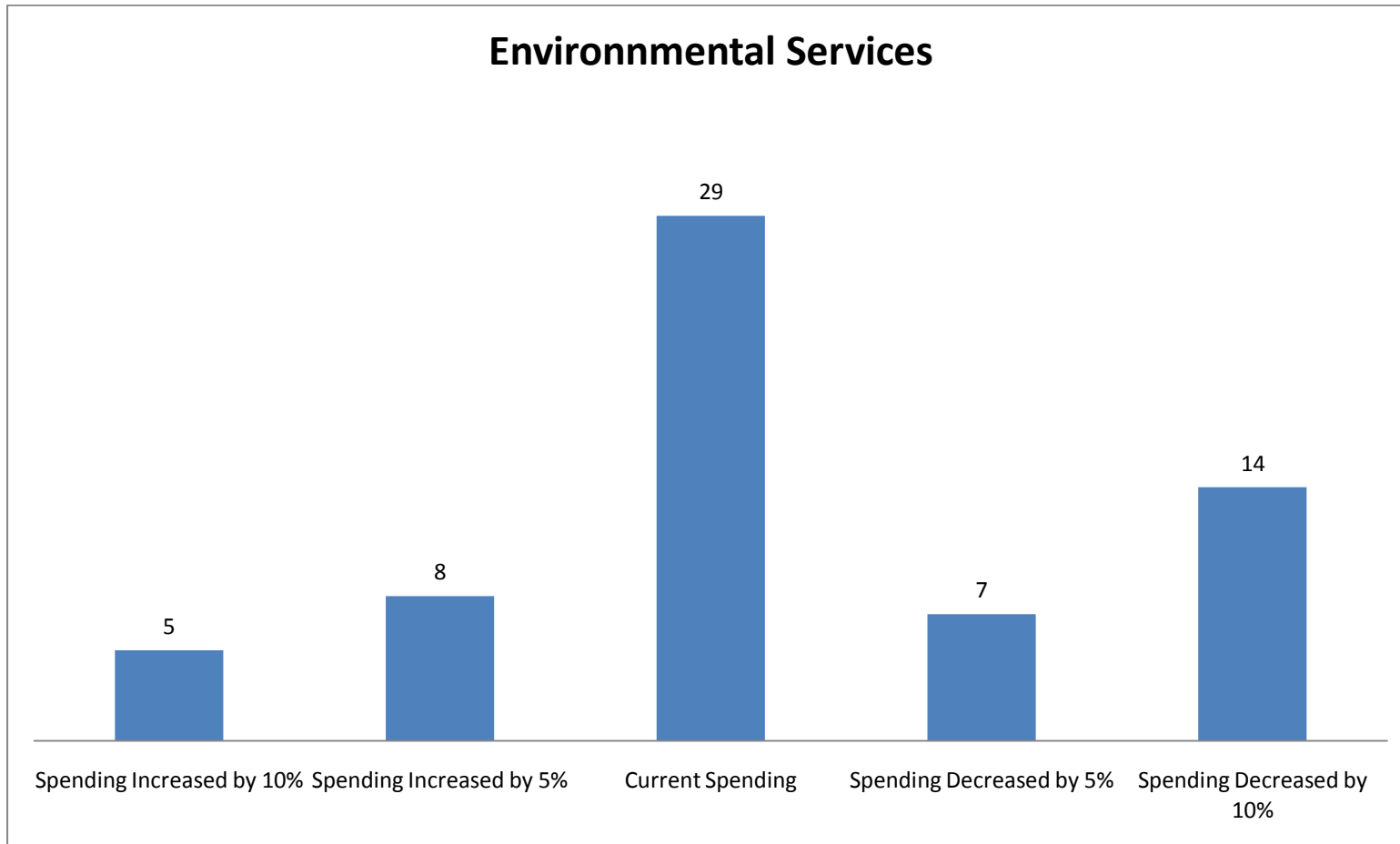
Budget Category Selections

Budget Category 7: **LIBRARY SERVICES** (single choice)



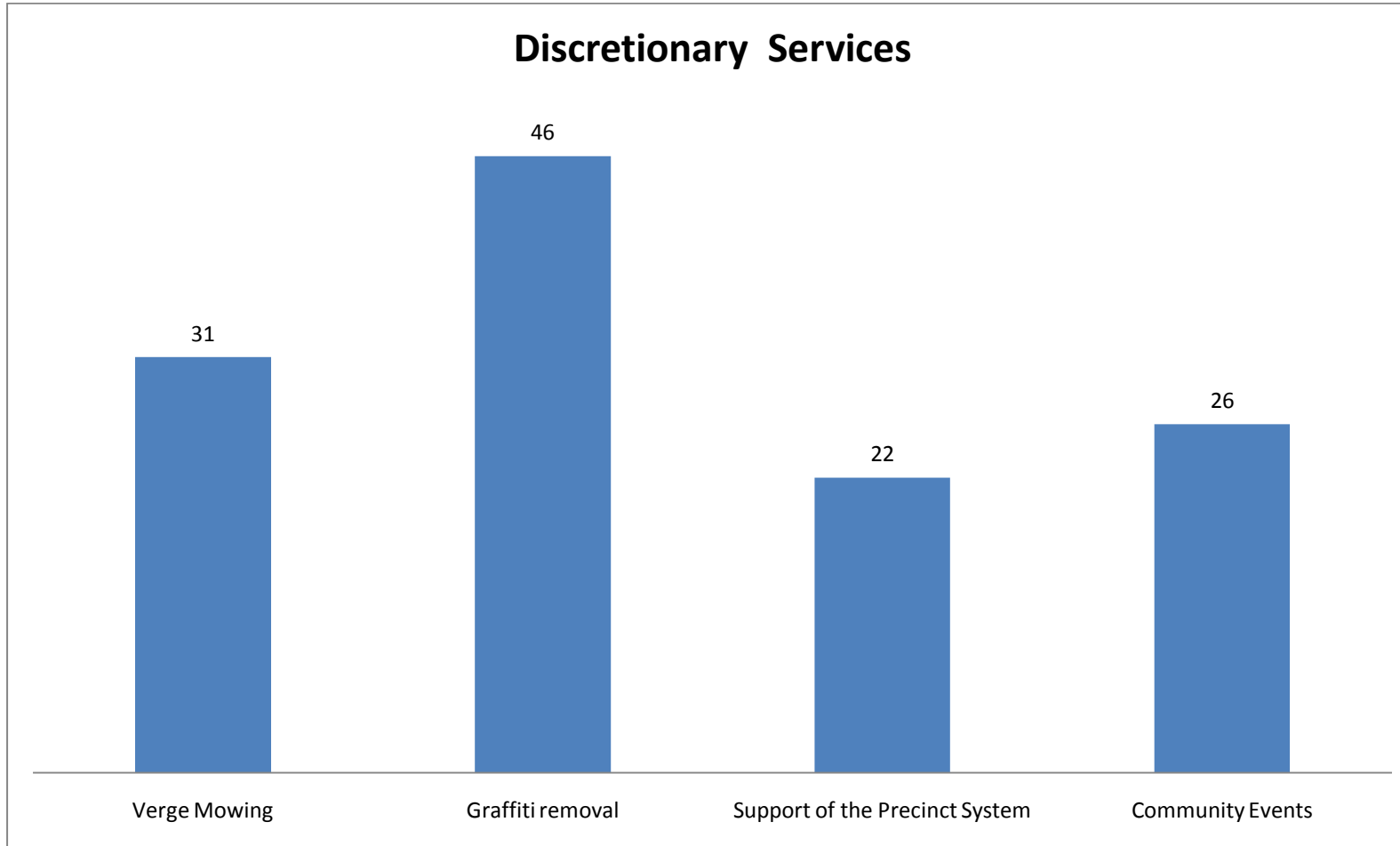
Budget Category Selections

Budget Category 8: **ENVIRONMENTAL SERVICES** (single choice)



Budget Category Selections

Budget Category 9: **DISCRETIONARY SERVICES** (multiple choice)



Budget Category Selections

Budget Category 9: **WISH LIST** (multiple choice)

