

NORTH SYDNEY COUNCIL
ANNUAL REPORT
2022/23





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The Annual Report is on Council's website and viewing copies are available at Council's Customer Service Centre and Stanton Library.

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Endorsed November 2023

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RECOGNITION OF THE CAMMERAYGAL PEOPLE

*We respectfully acknowledge the
Traditional Custodians of the land and
waters of North Sydney local government
area (LGA), the Cammeraygal people*

We recognise the Cammeraygal people as the Traditional Owners of the area known today as North Sydney. We acknowledge that the alienation of Cammeraygal Country occurred with a land grant in 1794 without consultation, treaty, or compensation.

Western archaeological evidence shows that Aboriginal people have been in North Sydney at least 5,800 years, and likely for thousands more. We treasure and seek to preserve Cammeraygal connection to Country.

In 1890, when North Sydney Council was formed through the merging of three boroughs, the word Cammeraygal was included on its coat of arms. Today it holds a central position in the Council's logo as a reminder of the long and ongoing Indigenous heritage of this place.

In recent years the spelling of Cammeraygal has varied to include Gameraigal and Gai-maragal as our community has sought to reflect and honour the heritage of First Nations people in a more culturally appropriate manner.

ABOUT THIS REPORT





The Annual Report lets you know how Council has performed over the year. It includes statutory information and financial reports required by the *Local Government Act 1993*.

There are three sections:

Part A - Community Report

Part B - Statutory Information

Part C - Financial Reporting

The Community Report shows Council's progress in implementing its Delivery Program/Operational Plan against our five strategic directions:



OUR LIVING ENVIRONMENT



OUR BUILT INFRASTRUCTURE



OUR INNOVATIVE CITY



OUR SOCIAL VITALITY



OUR CIVIC LEADERSHIP



MAYOR'S MESSAGE

On any measure, this year has been challenging: State Government infrastructure projects have taken a toll on our environment and peace of mind, housing affordability and cost of living crises continue to impact us and we all continue to transition from a once in a century pandemic into a "post" COVID world.

These challenging times reinforce the importance of strong community connections and the inestimable value of public open spaces and services. Council has a vital role in supporting our community, especially in difficult times, and ensuring that the character and quality of our neighbourhoods, public spaces and venues are nurtured and accessible to all.

It is, therefore, pleasing to see that despite challenges such as getting the North Sydney Olympic Pool redevelopment on track, standing up to the State Government on the impacts of the Western Harbour Tunnel and Warringah Freeway projects and undertaking extensive capital works projects throughout the local government area, Council remains in a strong financial position.

Over the course of the 2022/23 financial year Council:

- opened the first stage of the expanded Hume St Park, Crows Nest
- campaigned on behalf of residents and lobbied the State Government on the impacts of the Western Harbour Tunnel/ Warringah Freeway Upgrade works and other State Government projects and policies
- implemented the St Leonards Park masterplan including the renewal of the playground increasing the play space by 300%

- upgraded and opened Primrose Park Tennis Courts
- partnered with RecycleSmart to offer a new soft plastics recycling service to residents
- undertook a Food Organics trial
- celebrated 50 years of the Precinct system and 30 years of the Bushcare program
- updated the Disability Inclusion Action Plan and established a Disability Inclusion Advisory Committee
- Opened the first stage of the West Street cycleway and commenced planning for Stage 2

These are just some of the works, events and services provided as part of Council's commitment to sustainability, inclusion, diversity and integrity.

Council's resources have been stretched and continue to face increasing demand.

Significantly, Council recruited and appointed new General Manager, Therese Manns during the 2022/23 year. This appointment is already transforming Council's administration of major projects and increasing Council's capacity to continue to deliver sustainable, inclusive services with integrity and transparency.

Cr Zoë Baker, Mayor of North Sydney



GENERAL MANAGER'S FOREWORD

Since joining Council in November 2022, I have been overwhelmed by the level of engagement in North Sydney. The elected Council, community and our staff are all incredibly proud of the local area, and passionate about the future. It is this energy that will see us rise to opportunities, thriving despite the challenges thrown our way. There will always be differing views within a community, but by working together and engaging constructively, we will always be stronger.

The focus of this year has been one of review and renewal, at the same time maintaining the high quality of services the community has come to expect. In accepting a leadership role, it is always prudent to start by reviewing the underlying foundational strength of the organisation, to determine what's working well and where you can make a difference.

Structures, systems, technology, skills, qualities and financial capacity are all important in fostering a high performing high-rewarding culture which in turn delivers the best value in service delivery and infrastructure provision to our community.

In January, we embarked on this process of review to identify opportunities to better support our workforce in delivering services. This review resulted in a change in the structure of our Executive Leadership Team, reducing the number of directorates from six to three.

Our recruitment efforts were a success, with a strong field of candidates leading to the appointment of Marcelo Occhiuzzi as Director Community, Planning and Environment, Luke Harvey as Director of Corporate Support and Gary Parsons as Director of Open Space and Infrastructure. Joining the new Executive team is Council's new General Counsel, Christina Wu, and Executive Manager Organisational Performance, Emma FitzRoy. I would describe the new team as authentic, diverse,

community focused, and committed to strong leadership and best practice in service delivery.

The new executive team is very fortunate to have been welcomed by a workforce of people with a strong sense of purpose, agility, expertise in their field. As you read through the Annual Report, you will see the many achievements of Council which would not have been possible without the brilliance of our staff.

The new playground delivered by our projects team in St Leonards Park, the efforts of our planning team in responding to development pressure, the internationally acclaimed condition of North Sydney Oval, the numerous events held to bring our community together, the activities at Stanton Library, the beautifully maintained bushland, parks and gardens, the strong support of our volunteers, the initiatives to support accessibility and inclusion - the list goes on.

I would like to take this opportunity to thank all staff for their energy, passion, and collaboration throughout the year. In a world of increasing technology, people are what makes the difference.

Finally, I would like to finish by recognising Rob Emerson who acted in the role of General Manager prior to my arrival. Rob's tenure in this role spanned nearly half the year and was significant in delivering many of the outcomes within this report. His kind support and introduction on my arrival was much appreciated and ensured a smooth transition. Rob retired this year after more than 40 years of incredible contribution to North Sydney and we wish him well for the future.

Therese Manns, General Manager

OUR ELECTED REPRESENTATIVES

North Sydney Council is governed by our elected Mayor and nine Councillors covering two electoral Wards. Our current Councillors were elected in December 2021.

Councillors meet fortnightly to represent you and are responsible for providing leadership, monitoring the performance of Council, overseeing the allocation of the Council's resources, and determining the policies of Council. Councillors also appoint the General Manager.

ST LEONARDS WARD



Mayor
Cr Zoë Baker



Cr William Bourke



Cr John Lepouris



Deputy Mayor
Cr Godfrey Santer



Cr James Spenceley

CAMMERAYGAL WARD



Cr MaryAnn Beregi



Cr Jilly Gibson



Cr Georgia Lamb



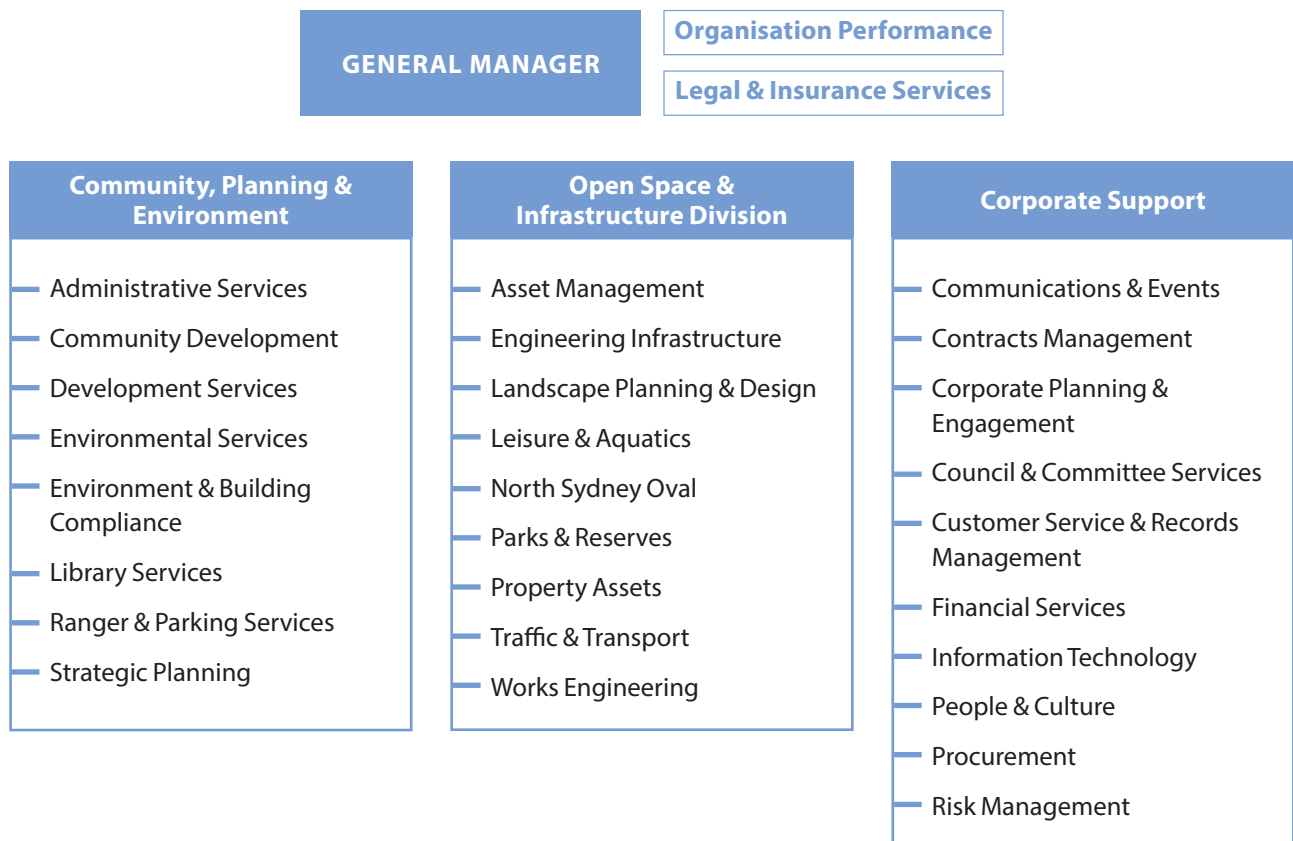
Cr Ian Mutton



Cr Shannon Welch

ORGANISATIONAL CHART

On 13 March 2023, the Council voted to change its structure, moving from six senior staff (Directors) to three. These senior staff look after Community Planning and Environment, Open Space and Infrastructure and Corporate Support. The General Manager has her own office and oversees Organisational Performance and Legal and Insurance Services.





OUR COMMUNITY VISION

North Sydney is a welcoming, connected, and resourceful community which acknowledges its past, enjoys the present and plans for our future.

We respect our beautiful harbourside locale, its unique villages and much valued bushland and open spaces. We lead the way in sustainability.

OUR GUIDING PRINCIPLES

The guiding principles underpin all five Strategic Directions:

Sustainability

We are stewards of the natural environment. We strive to decrease the consumption of resources and the generation of waste. We are responsible for our built environment and its impact on the natural environment. We minimise our impact on the environment, locally and globally.

We ensure social sustainability through human rights, living conditions, health, safety, wellbeing, diversity, equity, work-life balance, empowerment, community engagement and philanthropy.

We are financially sustainable now and into the future. We support and nurture North Sydney's long-term economic sustainability. We promote the use of renewable energy and clean technologies, protecting the environment, and managing the harmful impacts of climate change.

Sustainability is all-encompassing. Our Community Strategic Plan addresses the quadruple bottom line (QBL) - civic leadership, social, environmental and economic issues - in an integrated manner.

Inclusivity

We understand that everyone is unique. We recognise our individual differences. We support all ages, abilities, and backgrounds.

We embrace diversity in race, ethnicity, gender, sexual orientation, socio-economic status, age, and beliefs. We welcome different cultural, religious and language groups.

We have a strong sense of community, with unique places and villages for people to live, work and visit.

Our Community Strategic Plan is based on the social justice principles of equity, access, participation and rights.

Integrity

We act with integrity in all we do. Integrity is not just a corporate responsibility, but a personal one as well. It is about choice - choosing to be honest with a commitment to strong moral and ethical principles and values.

The community rightly expects that services will be delivered professionally and with integrity. Resources are managed in a responsible, efficient, and accountable manner in accordance with best value principles.

We respect others, make every effort to understand each other, take responsibility for our actions and decisions, and work together to build mutual trust.

We lead by example. We are transparent in our actions, through our long-standing commitment to 'open government'. We exercise open communication. We listen to the community, actively engaging with them and using these insights to inform our decision making.

Council's Organisational Sustainability Policy recognises that all its decisions and actions have an impact on the quality of life of present and future generations.

OUR PLACE

Sources for pages 13-17:
 Australian Bureau of Statistics (ABS)
 Estimated Resident Population (ERP)
 and National Institute of Economic and
 Industry Research (NIEIR) ©2023. Compiled
 and presented in economy.id by .id (informed
 decisions). NIEIR-ID is adjusted each year, using
 updated estimates. Each release may change
 previous years' figures. For the latest statistics and
 further information view:
www.profile.id.com.au/north-sydney

We are lucky to live and work in a beautiful harbourside location, with pockets of green space, village centres, public transport, education, and community centres.

With a land area 10.49 square km, it is 3 kms over the bridge to Sydney City CBD and North Sydney also has its own CBD, making it a convenient place to work.



CAMMERAY



CREMORNE



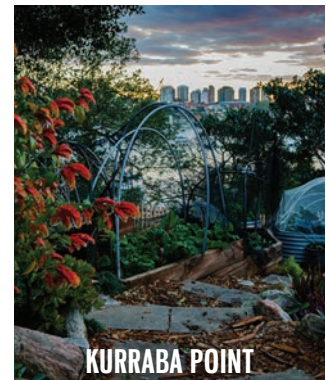
CREMORNE POINT



CROWS NEST



KIRRIBILLI



KURRABA POINT



LAVENDER BAY



MCMAHONS POINT



MILSONS POINT



NEUTRAL BAY



NORTH SYDNEY



ST LEONARDS



WAVERTON

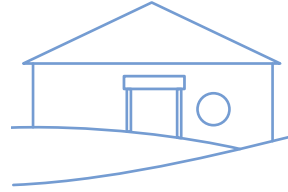


WOLLSTONECRAFT

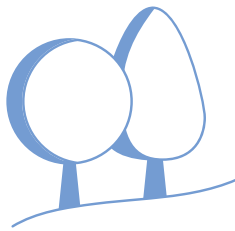


Schools

11 primary schools
10 secondary schools
2 tertiary institutions



8
Community
Centres



32
Parks

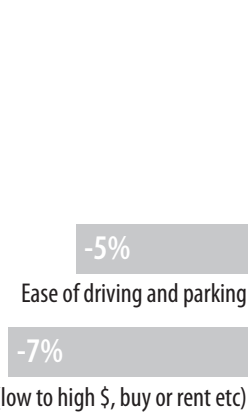
Land
Area
10.49km²



35
Playgrounds

North Sydney LGA's Liveability

Our underperformers



Our best performers



Range of housing prices and tenures (low to high \$, buy or rent etc)

© 2023 Place Score
2023 Australian Liveability Census

National Benchmark

Housing



	OWNED	MORTGAGED	RENTED
North Sydney LGA	10.2%	89.3%	50.4%
NSROC	46%	53.4%	32.9%
Greater Sydney	53.4%	45.9%	34.7%

OUR PEOPLE



North Sydney LGA Population 69,341 (ABS ERP 2022) an increase of 14 (0.02%) from the previous year while Greater Sydney increased 1.37%

Population Density
6,608
(ABS ERP 2022)

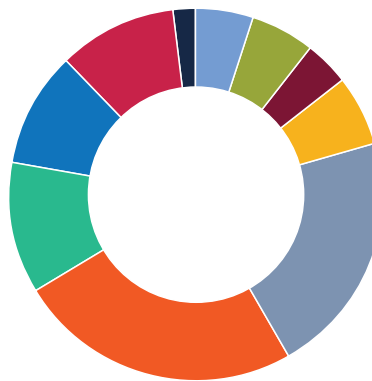
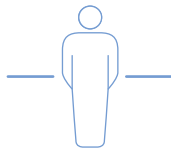
Population Forecast (ABS ERP 2023)

2023	72,024
2036	78,973

Increase of 9.65%

Age Range

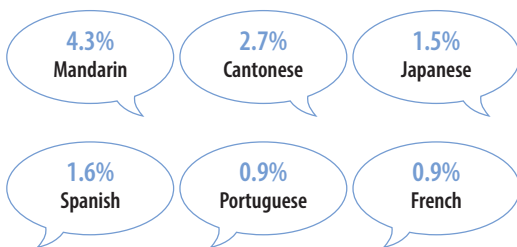
Median age
38
(ABS 2021)



Age Group %

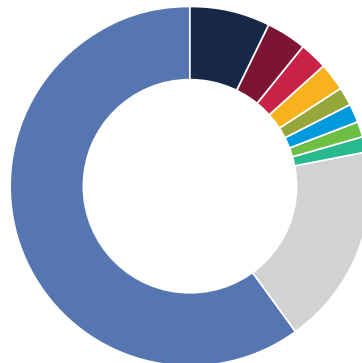
0-4	5.0%
5-11	5.6%
12-17	3.9%
18-24	6.1%
25-34	21.3%
35-49	24.5%
50-59	11.6%
60-69	10.0%
70-84	10.2%
85+	1.8%

Languages Spoken other than English



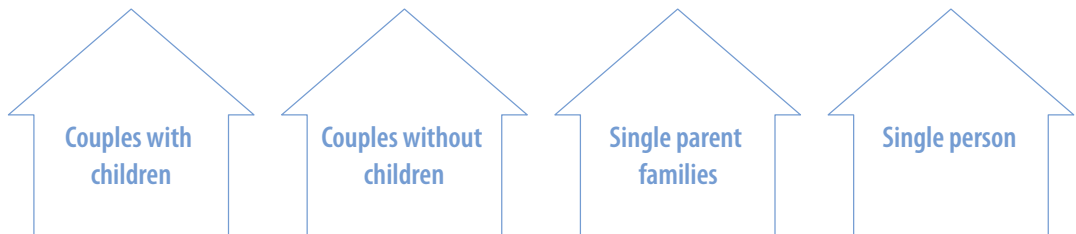
26% of residents are from countries where English is not their first language

Country of Origin
40% of residents were born overseas



United Kingdom	7.3%
China	3.7%
New Zealand	2.6%
India	2.3%
South Africa	1.8%
Hong Kong	1.6%
United States of America	1.5%
Japan	1.3%
Other Countries	17.9%
Australia	60%

Family Structure



North Sydney LGA	18%	28.9%	6.1%	37.0%
NSROC	35.6%	25.4%	8.2%	23.8%
Greater Sydney	34.4%	23.3%	10.5%	22.2%

OUR WORKERS



Gross Regional Product (GRP)

(NIEIR 2022)

\$20.75billion

97,291 **Local Jobs**

(NIEIR 2022)

15,355 **Local Businesses**

(NIEIR 2022)

Median Household Income \$



North Sydney LGA 2,526

NSROC 2,459

Greater Sydney 2,099

Volunteering (ABS 2021)

16.8%



of the North Sydney LGA population engage in some form of voluntary work

Top 5 Industries (NIEIR 2023)

33.4%

Professional, Scientific and Technical Services

11.8%

Information, Media and Telecommunications

10.3%

Financial and Insurance Services

6.5%

Construction

6%

Health Care and Social Assistance

Working Population

(ABS 2021)

80,652

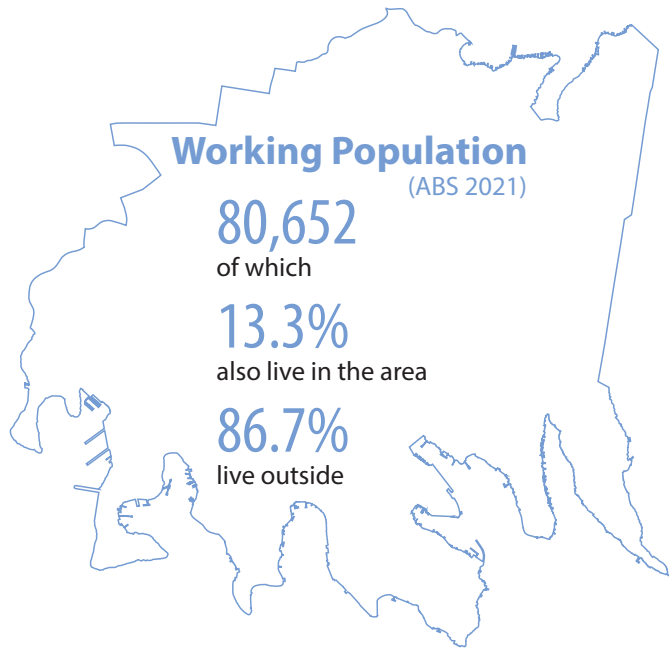
of which

13.3%

also live in the area

86.7%

live outside



Transport to Work



North Sydney LGA	17.4%	6.1%	5.4%	60.9%
NSROC	27%	5.4%	3%	52%
Greater Sydney	36.9%	5.6%	2.7%	38.9%



OUR COMMUNITY CELEBRATES

2022 GARDEN COMPETITION

Council celebrated our wonderful local gardeners with the annual awards evening at the North Sydney Oval Function Centre on 11 October 2022. The participants saw their gardens showcased on the big screen and Gardening Australia star Costa Georgiadis co-hosted the evening with Mayor Zoë Baker. With over 61 entries across 12 categories, it was a hard job for judge Pat Houlcroft to select the winners.



2023 NORTH SYDNEY COMMUNITY AWARDS

North Sydney Community Awards recognised the great contribution our volunteers make with a new list of categories. The judging panel consists of North Sydney Council's Mayor, and the Community Awards Committee. The Awards given this year were:

COMMUNITY BUILDER AWARD	ECO WARRIOR AWARD	NEXT GENERATION AWARD
<p>Janice Hui and Linda Bisnette</p> <p>Reach Your Potential Migrant Employability Skills program</p>	<p>Anne Pickles and Ruth Mitchell</p> <p>Wildlife Watch</p>	<p>Patrick Boland</p> <p>Bushcare</p> <p>Imogen Wills, Lauren Moloney and Olivia Menzies</p> <p>Loretto Kirribilli</p>

"It is incredibly important to recognise what local citizens and groups are doing within our community to make it a better place for all. The North Sydney Community Awards acknowledge their outstanding contributions and serve as inspiration to others."

Mayor Zoë Baker

LIVING LEGEND AWARD

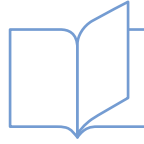
Living legends are volunteers who have contributed 20 or more years of service to the community. All winners for 2023 play an important role in the Bushcare program.



COMMUNICATIONS AND ENGAGEMENT



1.2M webpage visitors
with **1.6M** views



4 editions of North Sydney News
delivered to households and businesses



590
social media posts



190 flyers on
60 noticeboards



1.5M impressions
across social media channels



3,414 total submissions from
62 engagements



32
media releases



22 videos
Our Western Harbour Tunnel
campaign included 5 videos with
over **65k** total impressions



200 e-newsletters sent
Majority of open rates are double the
industry average and click through
rates are triple

Council regularly communicates with the community through our community newsletter North Sydney News distributed to all households, various e-newsletter subscriptions, social media and Council's website.

In February 2023, we launched our new accessible website, moving to a search and top task structure to make it easier to find the information you need.

Council conducted numerous engagements in 2022/23, providing stakeholders with the opportunity to provide input into a broad range of projects, services, and policies. Methods of engagement varied by project, depending on

the decision type/level of impact in accordance with Council's *Community Engagement Protocol*. Community engagement is integral to Council's project and service delivery. We engage with our stakeholders in three primary ways:

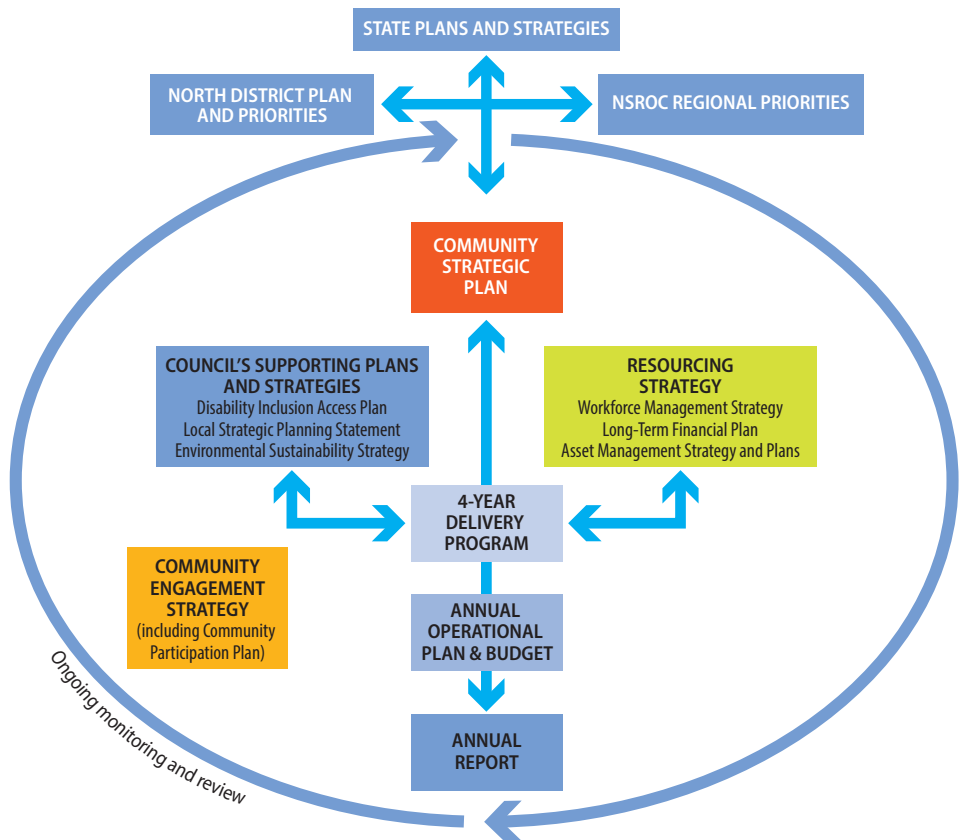
- responding to specific requests for information and services
- participating in multi-stakeholder relationships
- conducting project-specific community engagement activities

Part A COMMUNITY REPORT



OUR PLANS AND REPORTING

While this report documents the activity undertaken between July 2022 and June 2023, it is framed by the overall vision of our *Community Strategic Plan 2022-2032* as defined by you, the community, and the actions identified in the *Delivery Program 2022-2026* and annual *Operational Plan & Budget*.



The *Resourcing Strategy* consists of three interrelated, and interdependent, medium to long term strategies:

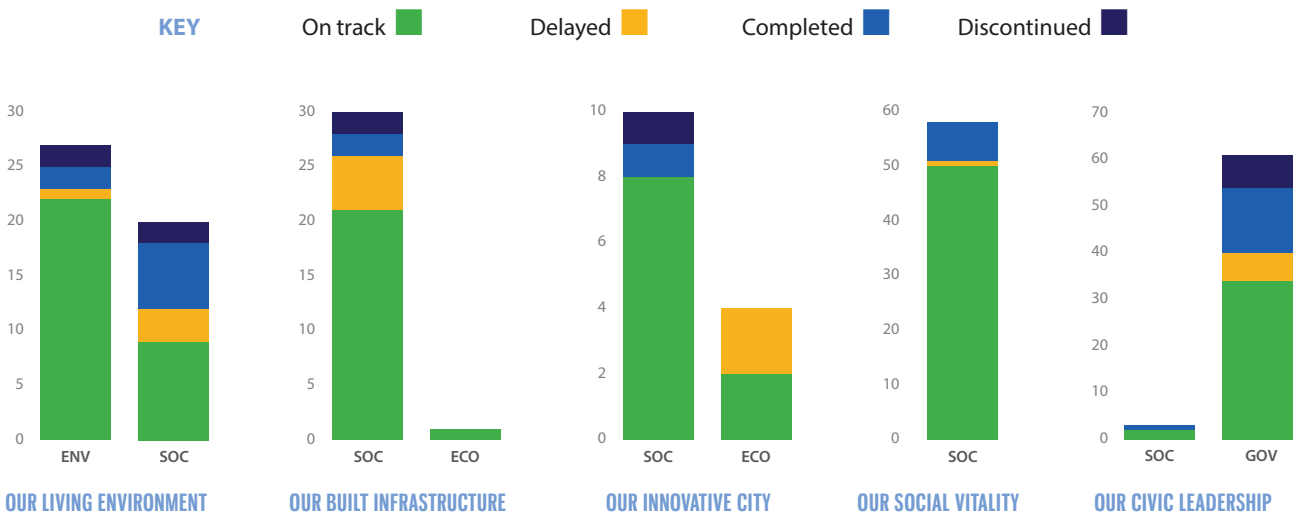
- 10-year *Long Term Financial Plan*
- 10-year *Asset Management Strategy*
- 4-year *Workforce Plan*

All government organisations, especially local councils, are faced with meeting the challenge of rising community expectations. The North Sydney community expects Council to be an efficient, effective, and transparent organisation; one that is ethically committed to its employees and its community and to deliver a high level of discretionary services. Council is faced with the challenge of doing more with less in terms of financial resources and needs to ensure that the functions performed by Council are aligned with quality of life and sense of community of current and future generations.

OUR STRATEGIC DIRECTIONS

Our performance is measured against the strategic directions, outcomes, and strategies of the *Community Strategic Plan 2022-2032*. We assess how our activities to date outlined in the annual *Operational Plan & Budget*, have progressed towards our community's vision to ensure we are on track.

The Quadruple Bottom Line (QBL) shows how Council has considered the areas of Governance (GOV), Social (SOC), Economic (ECO) and Environmental (ENV) sustainability within our projects and actions, and the progress we have made in the last year.





Direction 1 OUR LIVING ENVIRONMENT

Climate change is recognised as a threat to the future of our community, requiring action by all levels of government. Our community minimises waste, maximises use of renewable energy and increases tree canopy to mitigate the impact.

Our natural environment supports biodiversity, through our bushland reserves, wildlife corridors and innovative foreshore management. Recreational facilities including parks, sporting fields and playgrounds support an active lifestyle for residents and visitors.



Direction 2 OUR BUILT INFRASTRUCTURE

North Sydney's public spaces and village centres promote their unique character and provide vibrant and safe places for the community to gather and connect. Our built infrastructure and community assets follow sustainable design principles and meet the needs of our growing population.

Our community prioritises walking, cycling and public transport, and people of all ages are comfortable riding in the area. Vehicle transport is supported by an effective and integrated transport and parking system.



Direction 3 OUR INNOVATIVE CITY

Global investment and businesses are drawn to North Sydney because it is a centre of innovation, entrepreneurship, and tourism. North Sydney CBD and St Leonards are important parts of the Eastern Economic Corridor. The character of our local centres is enhanced to maximise vitality and tourism, balanced with maintaining residential amenity.

Land use planning and contemporary planning controls ensure the protection of historic buildings and places, and that new development respects North Sydney's distinct identity, heritage character and natural environment. Housing is accessible and affordable for all individuals and families.



Direction 4 OUR SOCIAL VITALITY

Our community enjoys a healthy and active lifestyle, improved accessibility, wellbeing and safety, and a life free from violence and crime. North Sydney is known for its vibrancy and cultural diversity, with markets, festivals, art and culture, and events that connect the community. Residents have access to the best health care and support services. Education opportunities are many and varied.

Service providers, including Stanton Library deliver facilities that meet the community's changing cultural and educational needs. Local heritage and our First Nations history and culture is preserved, respected, and celebrated.



Direction 5 OUR CIVIC LEADERSHIP

Our community has confidence in North Sydney's strategic direction and trusts Council, along with partner organisations, to lead with integrity and demonstrate good governance. Council provides what the community needs now and plans for the needs of future generations. The community is actively engaged in the future direction of North Sydney in accordance with our long-standing commitment to "open government."

Council demonstrates transparency and leadership in its decision making, is accountable to the community, and respectful in its interactions. Council is the employer of first choice, attracting and retaining highly motivated and skilled employees, committed to providing the community with quality services.

DIRECTION 1 OUR LIVING ENVIRONMENT





1.1

PROTECTED, ENHANCED AND BIODIVERSE NATURAL ENVIRONMENT

Conservation and Wildlife Programs

Council helped around 10 participants per month to make their garden into a home for wildlife under the Native Havens Garden Program. This creates a green web of native gardens to help reconnect our bushland reserves, making it easier for wildlife to move between areas and benefiting plant pollination. There were 3,429 Wildlife Watch sightings in 2022/23 and we supported 29 new Streets Alive gardens.

Bushcare

This year marked 30 years of Bushcare in North Sydney and our volunteers were celebrated at the 2023 Community Awards, through a commemorative exhibition at Stanton Library, video, and social media. Councillors, staff and Bushcare volunteers joined the annual tree planting weekend in Boorowa with our partners Boorowa Community Landcare Group. Residents received free native plants and advice on establishing fauna habitat at the 2022 Nursery Open Day. We also supported corporates and schools in their bushcare activities, while delivering 36 educational workshops and events.

Bushland Rehabilitation and Bushfire Risk Management

Wetter weather made weeds more difficult to manage and prevented hazard reduction burns being implemented. But the drying trend that began in 2023 has helped to reduce weed density allowing native plant cover to be increased in bushland reserves.

Coal Loader Education Partnerships, Events and Venue Hire

Over 100 people attended the quarterly Aboriginal Cultural Tours led by the Aboriginal Heritage Office. Council hosted 30 school excursions, from Year 3 primary to Year 12 HSC focusing on sustainability, science and technology, history, and indigenous culture. The Sustainability Learning Guide and interactive app enabled teachers to take self-guided excursions. We partnered with Macquarie University, University of New South Wales and the Cape Don and Prince's Trust on tertiary education projects and hosted around 100 events, from small to large scale, including Seasonal Feasts, Sunset Sessions, Wednesday Wellness and Artisan Markets, and over 30 third-party and corporate groups.

1,597
SEEDLINGS
PLANTED ON
NATIONAL
TREE DAY



1.2

ENVIRONMENTALLY SUSTAINABLE COMMUNITY

Waste Recovery

The Community Recycling Centre (CRC) recorded its highest collected materials weight of 562,968kg in 2022/23 and is now accepting up to 20kg of wearable textiles as part of a trial until April 2024. The multi-unit dwelling food scraps trial was completed in late 2022 with 411 apartments. The trial findings will help Council plan for the NSW Government-mandated food organics and green organics (FOGO) waste management regulations required by 2030.

Green Events and Workshops

Our events and workshops included the Compost Revolution Subsidy Program, home compost visits and the schools Green Canteen program, renewable energy transition, future proofing apartments, slow fashion, and electric vehicles. The Imperfect Low Waste Living and Harvest collective short courses had over 60 participants.

Tool Library Trial

Membership of the Sydney Library of Things increased in 2022/23, with over 289 members. There are at least 81 active members and up to 213 items able to be borrowed. The library is run by around 30 volunteers and the Coal Loader Centre for Sustainability provides the venue. With the trial period now over, there is enough demand in the community for the tool library program to continue.



Better Business Partnership (BBP)

The BBP joint program between North Sydney, Ku-ring-gai and Willoughby Councils supports businesses on their pathway to sustainability. There are currently 54 active

small business members with 8 businesses joining the program in 2022/23. Council undertook 33 sustainability assessments and action plans which involved buying renewable energy, improving waste management and measuring carbon footprints. BBP won the Highly Commended award for Supporting Local Enterprise at the 2023 Local Government Excellence awards.



City Switch

Aimed at office-based business, the City Switch program relaunched in September 2022, changing from a 'Green Office' focus to a 'Net Zero Pathway'. Council supported 26 North Sydney office-based business members to measure their Scope 1 and 2 carbon emissions baseline, and report on their progress.

Energy Use

All Council buildings and streetlights became 100% powered by renewable energy in January 2023, with the phase in of a renewable energy contract. Council has continued to reduce emissions by increasing building efficiency, and installing rooftop solar electricity generation on Council buildings.

Future Proofing Apartments

In 2022/23, 44 new strata buildings participated in the Future Proofing Apartments program. Upgrade intentions included rooftop solar electricity, LED lighting, basement carpark ventilation and converting hot water systems from gas to heat pumps.

Living Futures Festival Talks

The festival attracted 650 participants over seven events, each tackling various sustainability topics which were successfully delivered during event week 24 - 28 April 2023:¹

- The Future of Food at the Independent Theatre
- Youth Leading Youth at North Sydney Oval
- Towards Net Zero Business presented by CitySwitch at The Green Moustache
- NTH SYD Eco-Tainment at Brett Whiteley Place
- Energy Efficient Kitchens, BBP event at The North Spoon Cafe
- Sustainable Style at Stanton Library
- The Built Environment at the Coal Loader

¹ The Festival Finale that was due to take place on 30 April 2023 was postponed due to predicted severe weather conditions and is re-scheduled for 29 October 2023.



1.3

CLEAN AND GREEN PLACES

Street Tree and Urban Forest Strategies

North Sydney LGA's tree canopy cover has been heavily affected by several infrastructure projects, including the construction of the Western Harbour Tunnel and Warringah Freeway upgrade. Council is addressing this decline by planting and maintaining trees on roadsides and in parks, replacing sick trees and planting more on selected streets. Trees on private land have also been declining due to private development. Our Trees for Newborns program, starting July 2023 will aim to increase trees on private land by offering saplings to residents with newborns.



1.4

WELL UTILISED OPEN SPACE AND RECREATIONAL FACILITIES



Henry Lawson Ave Parkland

Completed works have improved site safety and appearance and enabled further investigations of the heritage of the site. The demolition of 1 Henry Lawson Avenue, which was purchased by the NSW Government and transferred to Council last year, will unite the two halves of Henry Lawson Reserve. This will complete the missing link in this much-loved section of North Sydney's harbour foreshore

Playground and Park Upgrades

The original play area of St Leonards Playground has tripled in size with a new playground with challenging features for older children and a rejuvenated junior play area. Fred Hutley children's playground has also had an upgrade, with plenty of seating for easy supervision and different activities for a range of ages and abilities. The new outdoor fitness hub in Brennan Park provides a mix of cardio and strength stations for all abilities and age

Quarantine Boat Depot

Council acquired the Quarantine Depot in January 2022, a unique site in the Waverton Peninsula Parklands. Work is continuing to ensure site access and condition issues are addressed while respecting the heritage setting. Connectivity with the adjacent NSW Government sites as part of the *Berrys Bay Master Plan* implementation, will further enhance the site's passive recreational and community use.



North Sydney Oval

Our commitment to being the home of women's sport continued with the first AFL Women's match between the Sydney Swans and the St Kilda Saints this year and women's international and domestic cricket fixtures, culminating in the Woman's Big Bash Series final. Full-capacity crowds returned for the Men's Big Bash, Rugby Union and Rugby League. The Oval continued to be a venue for school and community events, and film shoots

DIRECTION 2 OUR BUILT INFRASTRUCTURE



2.1

INFRASTRUCTURE AND ASSETS MEET DIVERSE COMMUNITY NEEDS

Asset Audits and Grant Funding

Detailed condition audits on retaining walls, fences, marine structures, and seawalls have been completed. Sufficient lighting condition data has been collected for valuation purposes. Council received grant funding for roads under the Regional and Local Roads Repair Program.

Flood and Emergency Risk Management

The *Floodplain Risk Management Study and Plan* was adopted by Council in November 2022, together with an interim *Floodplain Management Policy*. The *Mosman/North Sydney Emergency Management Plan* was endorsed in August 2022 by the Regional Emergency Management Committee.

Seawalls

Stabilisation of the seawall at Milsons Point took place in March/April 2023 involving over 200 tonnes of grout to fill in existing voids and sink holes. Council collaborated with Sydney Living Seawalls, Sydney Institute of Marine Science, Reef Design Lab and Sydney by Kayak on the Living Seawalls project launched at Lavender Bay in May 2023. The new boulders mimic the natural rockpools once present along the Lavender Bay shoreline.



2.2

VIBRANT PUBLIC DOMAINS AND VILLAGES

Street Play

Following a successful trial in 2020, Council resolved in November 2022 to introduce a Street Play Program in 2023. A high number of expressions of interest were received from streets wanting to hold Street Play events. Seven streets were selected to host events, with one event proceeding in April 2023. Unfortunately, the remaining events were postponed due to inclement weather.



Public Domain Masterplans

Designs for the Willoughby Road Streetscape Upgrade Stage 2 and Kirribilli Village were endorsed by Council. The East Crescent Street shared-space trial as part of the *Blues Point Road Masterplan* has been extended following construction completed in March 2023.

Public Lighting

Completed projects included bus shelter lighting upgrades and lighting upgrades in Hume Lane, Willoughby Lane, Dean Lane, Zig Zag Lane, William Street, Cairo Street stairs, Meadow Lane stairs, Anderson Park, and Atchison Lane.



2.3

PRIORITISE SUSTAINABLE AND ACTIVE TRANSPORT

Road Safety

Council's *Road Safety Action Plan* was completed with a total of 9 main projects including safety around schools, child car seat checking vouchers, road rule reminders, pedestrian safety, older driver seminar, jacaranda pedestrian safety, active transport, the heavy vehicle project and the road safety calendar.

Active and Sustainable Transport Education

Council funded 8 'check-in and tune-up' services at the Northside Produce Market with 130 bikes serviced. Additionally there were 4 bike skills maintenance courses with 40 participants. The *Safety Around Schools Program* helps implement active travel plans to educate the school communities encouraging behaviour change in safe walking and cycling, and parents parking further away and walking part of the way to school.

Integrated Cycling Strategy

The design for West Street Stage 1 was consulted on in late 2022 and construction of this section was finished and opened in June 2023. The design received 90% support from the community and is the first 150 metres of the West Street Cycleway route. Designs have been progressing for West Street Stage 2, and the community will be consulted in 2023/24.



2.4

EFFICIENT TRAFFIC AND TRANSPORT MOBILITY



Car Share

Car sharing helps reduce the number of privately owned vehicles across the North Sydney LGA, reducing pressure on on-street parking and traffic congestion, as well as providing an affordable transport option for community members who don't own a car.

Council's *Car Share Policy* was updated in 2022/23 to encourage more car share providers in the community. A dedicated car space is provided to car share providers which can be booked for a period by members. The applications process was streamlined with an online standardised form and increased transparency. All applications for car share spaces are assessed by Council, publicly notified, and reviewed by the North Sydney Traffic Committee.

Parking

Draft amendments to the *North Sydney Development Control Plan 2013* (NSDCP 2013) were proposed to reduce the rate of off-street parking for new high density residential developments in areas with good access to public transport. The plan was exhibited late 2022 with 300 public submissions. In April 2023 Council resolved to adopt the amendments which came into effect on 4 May 2023.

150
CAR SHARE
SPACES





DAMN FINE

the
NORTH SPOON

the
NORTH SPOON



DIRECTION 3 OUR INNOVATIVE CITY





3.1

OUR COMMERCIAL CENTRES ARE PROSPEROUS AND VIBRANT

NTH SYD

The NTH SYD events were well attended, with particularly strong support for lunch clubs, the Christmas market and themed activities such as Japanese Culture Day and Star Wars Day. Council partnered with Greenwood to deliver Snow Festival and Spring Into You and new partnerships were formed with Nine Media, Green Moustache and other businesses to deliver new events. The upgrade of the CBD public domain continued, with work completed in Wheeler Lane, and Berry, William and Mount Streets.



21 NTH SYD EVENTS

Visitor Economy

Preparation of a dedicated tourism website for North Sydney is underway.

Business eNews

This free publication is issued monthly by Council, linking local businesses with opportunities for networking, grants and rebates. Council supports sustainability initiatives such as the Better Business Partnership (BBP), training, events and activities, streetscape committee meetings, and current project engagements. Currently there are over 900 subscribers.



3.2

DISTINCTIVE SENSE OF PLACE AND DESIGN EXCELLENCE

Ongoing Liaison

The recent change in NSW Government has seen an increase in announcements of planning reforms which may continue. The largest change was the abolition of the Greater Cities Commission and its absorption into the Department of Planning and Environment. Regular liaison with TfNSW infrastructure projects such as the Sydney Metro, and Warringah Freeway upgrade is ongoing.

Neutral Bay Town Centre Planning Study

Preliminary engagement commenced in early 2023 for the *Neutral Bay Town Centre Planning Study* (following the rescinding of the *Military Road Corridor Planning Study*). Council also established the Neutral Bay Alive Community Consultation Group to inform the Study.

Planning Instruments and Proposals

Prohibition of residential flat buildings (RFBs) in medium-density residential zones was adopted and gazetted. Amendments to Local Environment Plan (LEP) relating to heritage matters at Holt Avenue, Parraween Street and Allister Street, Cremorne took place. There has been a decline in the lodgement of Planning Proposals compared with the previous two years. Continued strong developer interest remains.

Design Excellence Panel

The Design Excellence Panel conducted 11 meetings and considered 29 applications in 2022/23. In April 2023, Council considered a revised *Design Excellence Panel Policy* and Charter to enable a building sustainability expert to be recruited to provide sustainable design advice as part of the panel of experts. This proposal was endorsed to go on public exhibition on 26 June 2023.





A woman is seated in a red armchair, working on a laptop. She is wearing a light-colored, patterned shirt and a tan skirt. A bag is on the floor next to her.

A person is seated in a red armchair, looking at a book or document. They are wearing a blue top.

Audiobook MP3



A person is visible in the background, standing near a bookshelf.

A person is visible in the background, standing near a bookshelf.

A person is visible in the background, looking at a bookshelf.

White bookshelves filled with books, including a section of audiobooks.

DIRECTION 4 OUR SOCIAL VITALITY



4.1

NORTH SYDNEY IS CONNECTED, INCLUSIVE, HEALTHY AND SAFE

Disability Inclusion Action Plan (DIAP)

Council's DIAP was revised following extensive stakeholder consultation and was adopted by the Council in October 2022. The launch was held on the International Day of People with Disability with two events at the Coal Loader Centre for Sustainability. The DIAP is available from Council's website as both full and easy read versions. Inclusive customer experience training was delivered to our customer facing teams.



Family Day Care

Our service received a rating of Meeting National Quality Standards (NQS) in 2023 and was operating near full capacity, with 105 families and 18 educators and 3 additional educators commencing in June 2023. Family Day Care remains a popular and affordable choice for childcare, fostering community connections in a safe and inclusive environment.

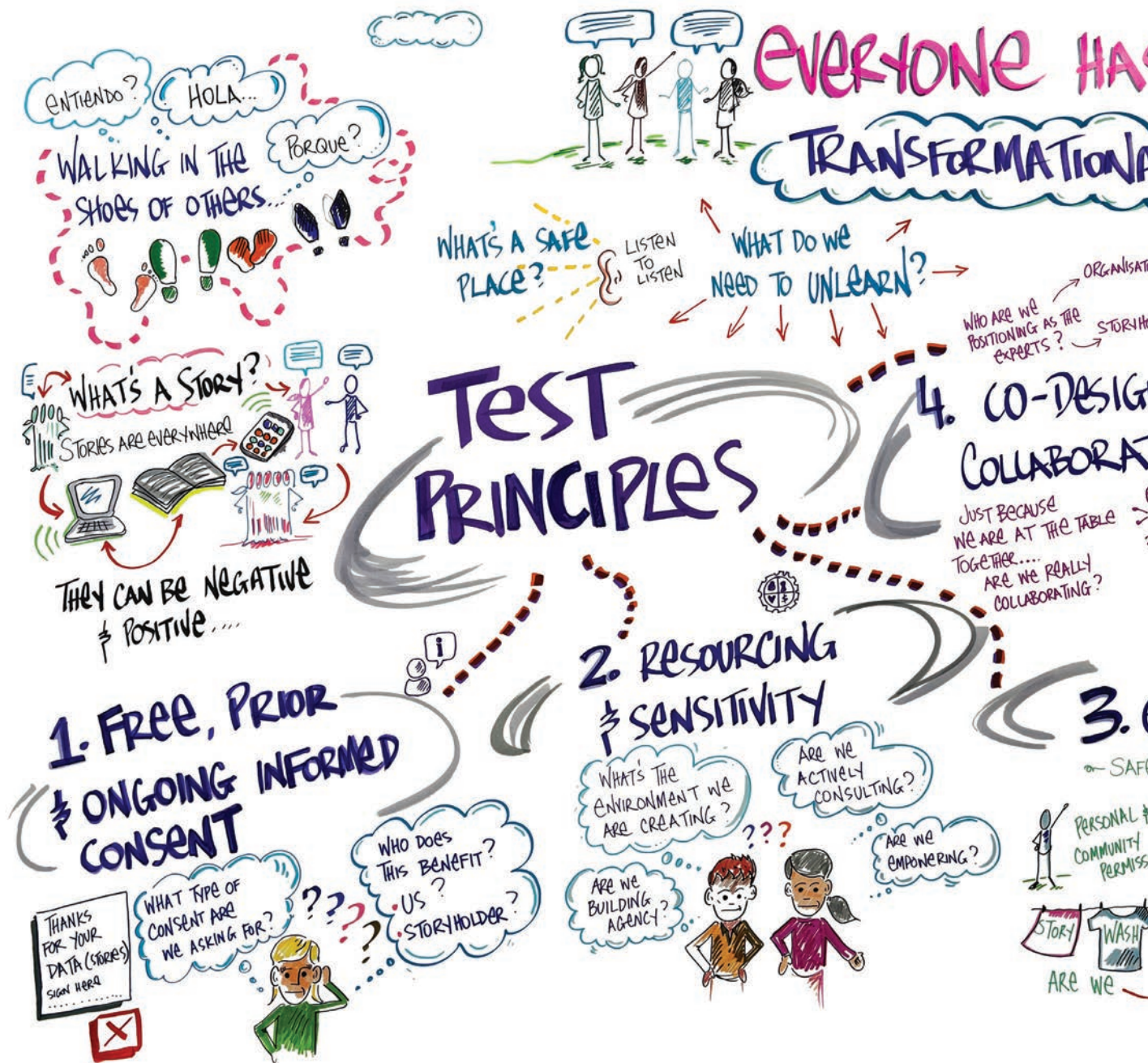
Community Centres

Council owns the facilities for centres which are independently operated. Support is provided to the North Sydney Community Centre, The Kirribilli Centre and the Lions Club to deliver markets to our community. A review of local community centres was undertaken in early 2023 which guides future planning and funding recommendations for the centres. Council also reviewed its Joint Plans of Management with the community centres.

Multicultural Activities and Support

Council continued to participate in the Lower North Shore Multicultural Network. Everybody has a Story visual storytelling workshop was held as part of Harmony Day to counter racism and discrimination. 'We Stand with Ukraine' panel discussion was organised in November 2022 with the Ukrainian Council of NSW and others. Stanton Library

and Sydney Multicultural Community Services partnered to run a weekly English conversation class. The Council website and online Community Directory can now be translated into 57 languages. Information on the Translating and Interpreting Service (TIS) is available on community brochures.



Domestic Violence

Council continued to participate in the Lower North Shore Domestic Violence Network, assisting with funding applications to develop new training and education workshops. The *Crows Nest Safe Village Project* included a training video and resources to educate businesses and

services about domestic violence. Council also participated in the Primary Prevention Roundtable with Domestic Violence NSW, to scope and review primary prevention projects.



Youth Services

The 2022 Victor Chang Science Student Awards acknowledged the achievement of students in science. We partnered with numerous services to provide mental health and wellbeing programs including Need a Lift? and Aunty Time. The Planet X Youth Centre in St Leonards Park received a refresh with new furniture, painting, and flooring. Council held "Colour Fest" (colour run) in St Leonards Park in April 2023 as part of Youth Week celebrations. The *Draft Youth Strategic Plan 2023-2027* was endorsed by Council for public exhibition on 26 June. Council provided two guest speakers each month for Lower North Shore Youth Interagency meetings.



Homelessness and Affordable Housing

Planning and delivery of affordable housing came into greater focus this year and remains a challenging policy area. Council approved a development partnership with Link Wentworth to deliver 12 new community housing units in Miller Street, Cammeray. On average, 12 people were sleeping rough each month in North Sydney. Council provided over 90 hours of outreach and direct support to people experiencing homelessness. Council is an active member of the Northern Sydney Case Coordination Group which meets bi-monthly. Consultation was undertaken in early 2023 to inform the development of Council's new *Homelessness Strategy*.



Older People

The 2023 North Sydney Seniors Festival was delivered with 14 partners and 21 events over 12 days in February. Highlights included Elvis in Hawaii, Kirribilli Garden Luncheon and Coffee with a Cop. Seniors e-News was distributed quarterly to 553 subscribers. The North Sydney Abuse Prevention Collaborative was established in partnership with the Aged and Disability Commission. End of Life workshops were held in partnership with the local community centres.

4.2

A CENTRE FOR CREATIVITY AND LEARNING

Arts and Culture

Preparation of Council's new *Arts & Culture Strategy* began. The studio programs expanded to incorporate space in the new Ridge Street Window Gallery which opened in May 2023, and the Inside/Outside Sculpture Plinth was relaunched. The Creating Wellbeing workshop series continued. The *Public Art Masterplan* was adopted in February 2023 providing a long-term vision to guide the development of public art across the LGA.

Cultural Celebrations

We celebrated and acknowledged cultural diversity events throughout the year including Diwali, Lunar New Year and NAIDOC Week. Stanton Library activities included the distribution of themed book and activity packs and, themed story times events, including an online English/Mandarin bilingual story time with local author Lisa Chen, which was viewed over 1,000 times.



Literacy Skills and Accessibility

Tech 1:1 help sessions continued to be in high demand, with older community members participating in over 60 individual sessions to build skills in using mobile devices and apps. Community members received assistance accessing services through MyGov using eResources and navigating the Stanton Library app. The Bus to Books program increased accessibility to less mobile community members. Partnerships were formed with the Mater Hospital, Neutral Bay Community Centre and the Kirribilli Neighbourhood Centre. Evening and weekend groups and programs were trialled to provide options for community members unable to visit during weekdays. Membership requirements were streamlined to make joining the Library more accessible.



Literary and Writing Engagement

Writers @ Stanton delivered 28 author talks to over 1,000 attendees from a diverse range of authors such as Clive Hamilton, Holly Ringland, Richard Fidler, Hugh Mackay, and Alan Finkel.



In addition to Storytime and Rhyme time sessions, Council hosted numerous special events at Stanton Library including Children's Book Week, the Summer Reading Club and National Simultaneous Storytime. We received 200 entries for the 2022 Children's Book Week bookmark design competition, with 10 winners from five age categories. The Winter Writer's Festival was held in August 2022 in partnership with local publishing house Pantera



Press with 120 participants across the five writing workshops.

Community Book Clubs were supported with updated Book Club Kits, and a new online club 'Book Hive' was launched in response to community demand.

Students (young people and children) and families utilised the library spaces for study and recreation after school, weekdays and during school holidays. The Nan Manefield Young Writers Award received more than 500 entries, with over 100 people attending the presentation evening. Schools' packages and support programs were developed to further engage and support the local schools and students.



Stanton Library Masterplan

Implementation of the plan progressed with new furniture for reading, recreation and study as well as meeting rooms, with improved power supply to meet the high student demand. The AV equipment in the Library's Conference Room was upgraded with a new screen, speakers, and wireless connectivity to improve the functionality and desirability for hirers.



4.3

NORTH SYDNEY'S HISTORY IS PRESERVED AND RECOGNISED



History and Heritage Programs

Public programs were delivered as part of Family History Month, History Week, the Australian Heritage Festival, and the North Sydney Seniors Festival including a 'fairy collage' creative workshop at May Gibbs Nutcote and a tour of Council's archives. Staff curated 9 exhibitions within the North Sydney Heritage Centre and around Stanton Library and led 8 specialist workshops with 68 participants. Each month, North Shore Living published an illustrated article, written by Council's Historical Services staff, on different topics of local heritage interest.

Local History Research and Enquiry Service

Reference and specialist research services are provided via the Heritage Centre. Enquiries ranged from compiling house histories, supplying digital images, providing access to archival material, and building and subdivision plans. Digitisation of the collection is ongoing, including building plans as they are requested, original photographs, and oral histories. Council's Historian recorded 4 new oral histories in celebration of the 50th anniversary of the North Sydney Community Precinct System.

Local Museums

Conservation Management Plans were prepared and adopted in early 2023 for the Don Bank Museum and May Gibbs Nutcote, addressing the maintenance and management of these historic properties. The museums, including Sexton's Cottage, are open to the public with the assistance of valued volunteers.

Historical Signs and Plaques

An artist has been commissioned to prepare long-term local shopkeeper Jim Saad's memorial in collaboration with family members, to be installed near Milson's Point Station in 2023/24. Memorial plaques were installed in recognition of several locals including resident Sid French, former Mayor John Woodward, and former Councillor Paul Oglesby. Council sought feedback on a policy and procedure regarding the application of memorial plaques within public open space.

DIRECTION 5 OUR CIVIC LEADERSHIP



SUN
SET

SERIES

NTH
SUN





5.1 LEAD NORTH SYDNEY'S STRATEGIC DIRECTION

Integrated Planning

The *North Sydney Community Strategic Plan 2022-2032* and four-year *Delivery Program 2022-2026* came into effect from 1 July 2022. Progress against Year 1 was reported quarterly to the Council. The draft *Operational Plan & Budget 2023/24* (Year 2) was endorsed on 26 April, and publicly exhibited for 42 days from 27 April to 7 June 2023. The final plans were adopted 26 June 2023.

90%
OF PROJECTS
ON TRACK OR
COMPLETED

NSROC Collaboration

Council collaborated with NSROC on several submissions throughout the year, including infrastructure contributions reform and the review of the Domestic Waste Management Charge and the review of the Rate Peg Methodology.

Advocacy

Council continued discussions with the NSW Government for enhanced public benefits as offsets to the WHT/WFU construction impacts and loss of public open space and trees. Council also advocated regarding TfNSW's plans for a bike ramp at the northern end of the Sydney Harbour Bridge Cycleway.



5.2

STRONG CIVIC LEADERSHIP AND CUSTOMER FOCUSED SERVICES

New structure

Our new organisational structure was adopted on 13 March 2023.

Council Chambers Upgrade

The AV equipment in the Council Chambers was upgraded to provide a better experience for Councillors and the public gallery in Council meetings, and improved web castings.

Resilient Sydney

Staff participated in Resilient Sydney Network Meetings throughout the year. Attendance was spread across staff from different Divisions depending on the agenda topics.

Delegations

Delegations of Authority for the Mayor and General Manager were reviewed and adopted prior to 31 December 2022. Staff delegations are being reviewed following the implementation of the organisational restructure.



5.3

COMMUNITY IS ENGAGED IN WHAT COUNCIL DOES

External Communications

Followers on all Council's social media platforms increased. Opening rates of Council's various e-newsletters remain double the government average in Australia. Highlights included 22 videos promoting Council projects and services, and the addition of digital bus shelter and billboard advertising to our promotional channels.

Precinct Committees

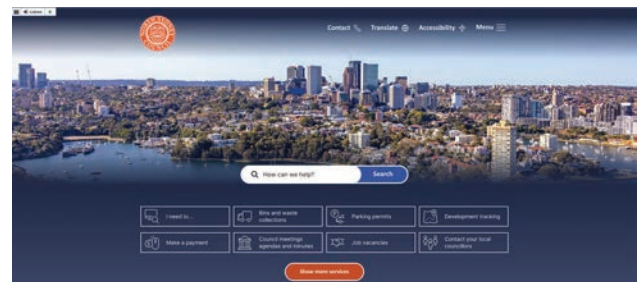
2022/23 marked the 50th anniversary of North Sydney Precincts. A celebration event was held on 21 May 2023. For the first time since the 1990s there has been changes to Precinct area boundaries following the merger of several Precinct areas. The recommendations of a review of the Precinct System to ensure it remains fit for purpose was adopted by Council in June 2022, and implementation is underway.

Events

There was strong attendance at all Council-led events. Highlights included the Sunset Series in Waverton Park, Twilight Food Fair, Symphony in St Leonards Park and 6 Village Vibe events; 38 third-party events were also supported.

New Website

Our new website launched in February 2023 to positive feedback regarding its design and enhanced searchability.



5.4

COUNCIL SERVICES ARE EFFICIENT AND EASY TO ACCESS

Records Management

Implementation of a new Applications Tracking system to integrate with Council's existing property and rates system is in progress. The storage of digital records is being reviewed to make sure it meets legislative requirements.

Information Communication and Technology Strategy

The Strategy's implementation is in progress and aims to deliver integration between Council's Applications Tracking system and the NSW ePlanning portal; an online customer relationship solution to provide a personalised service with streamlined customer to officer workflow; and improved record keeping and asset management.

Work Health & Safety

Over the past 12 months, Council's WHS maturity has moved to a 'calculative business' having systems in place to manage all known hazards. Ongoing due diligence and

duty of care initiatives comprised training, WHS reporting, and site inspections demonstrate our commitment to continued improvement. Workers compensation claims for the year were 21, compared to 15 the previous period. Lost time days were 76 days in comparison to previous period of 84 days, with an average of 10 days lost time per claim.

Child Safe Compliance

Council is a Child Safe organisation. The key achievements of our internal Child Safe Committee were increasing awareness through posters and letters to local schools and sport and recreation clubs and presentations to staff, updating staff and corporate policies through the lens of children and young people, and training for all positions requiring a Working with Children Check.



Look out for me

Child safety is everybody's business



CHILD SAFETY REPORTING PROCESS

North Sydney Council believes that all children have the right to be heard, and is committed to the journey of becoming a child safe organisation following the 10 child safe principles.



- 1 WHO CAN REPORT?

MEMBER OF THE PUBLIC

CHILD

PARENT
- 2 WHAT TO REPORT?

Any child safety concerns including:

 - disclosure of harm (ex abuse, neglect or ill-treatment)
 - allegation, suspicion or observation
 - environmental safety issues
- 3 HOW?

Verbal report, letter or email
- 4 WHO TO?

Notify the Dept of Communities and Justice (DCJ) - Child Protection by calling the Child Protection Helpline on 132 111 and follow any advice given
- 5 WHAT HAPPENS NEXT?

When the Department of Communities and Justice (DCJ) receives the report they are required by law to make an assessment and determine whether the child or young person is actually at risk of significant harm.

The information provided in a report will inform what further action is needed.
- 6 OUTCOME

- investigation outcome decided
 - reporter notified of outcome of investigation

For further information go to: www.northsydney.nsw.gov.au/childsafety



SERVICE REVIEWS

To encourage continuous improvement across the Council's operations, the Delivery Program must identify areas of service that the Council will review during its term, and how we will engage with the community and other stakeholders to determine service level expectations and appropriate measures.

In accordance with this new statutory requirement, the following tables detail how the Council progressed in the delivery of the service reviews it committed to undertake in 2022/23, and the results/status of those reviews.

Our 2022/23 *Operational Plan* included the following service reviews to be undertaken in the past financial year:

KEY

Completed ● In Progress ● Delayed ●

Focus Area	Review Status	Implementation of Recommendations
Community centres	●	●
Cyber security	●	●
Enterprise risk management	●	n/a
Heritage controls	●	n/a
Human resources	●	●
Legal services	●	●

Recommendations arising from service reviews undertaken in the prior year/s were also implemented during 2022/23:

Focus Area	Implementation Status
Children services	●
Records management	●

Council is required to have a formalised service review program in place following the 2024 local government elections. This framework will commence with the next IP&R (Independent Planning and Reporting) cycle.

Council periodically undertakes a customer satisfaction survey to benchmark satisfaction with our services and facilities. We use the findings to inform the planning and improvement of our programs, policies and services. A consultant has been engaged to undertake the next survey in early 2023/24.

INTERNAL AUDITS

The below table reports progress against the adopted 2022/23 *Operational Plan* and reflects the changes to the *Internal Audit Plan* that occurred throughout the financial year. The plan was originally reported to the Audit, Risk and Improvement Committee meeting of 7 October 2022 and included Fraud and Corruption, Rates and Billing, Corporate Planning (IP&R), Plant and Fleet and Leisure Facilities. In February 2023 the plan was adjusted to include a Project Management audit. The plan was subsequently adjusted in April 2023 to cancel/discontinue the Corporate Planning and Leisure Facilities audits and defer the Plant and Fleet audit to 2023/24.

Focus Area	Review Status	Implementation Status
Fraud and corruption prevention	●	●
Human resources including payroll	●	●
Project management	●	n/a
Rates and billing	●	●

Recommendations arising from audits undertaken in the prior year/s were also implemented during 2022/23:

Focus Area	Implementation Status
Contacts management	●
Development assessment	●
Food inspections	●



THE YEAR AHEAD



Our 2023/24 *Operational Plan* incorporates an eclectic mix of projects to support the North Sydney community and improvements to our operations:

- Council is proposing to spend \$79.4m on capital works projects, of which \$43.5m will go to completing the North Sydney Olympic Pool redevelopment. Council is proposing to defer \$11.8m in capital works projects to help pay for the expected \$25m cost overrun on the Pool project.
- the deferred projects include reconfiguration of Primrose Park playing fields, Cremorne Plaza and Langley Place public domain upgrades, refurbishment of the Berry Island amenities block and lighting upgrades in village centres.
- two village centres will be upgraded. The popular Willoughby Road dining strip in Crows Nest will be given a fresh new look and a permanent plaza will be constructed in Burton St, Kirribilli to replace the successful pop-up trial.
- some essential infrastructure work is planned at the Quarantine Boat Depot in Waverton so this beautiful harbourside site can be opened to the public. We are organising some activations for the two historic cottages while we plan for and consult on their longer-term use.
- Council has set many other ambitious goals for the coming year including expanding our tree canopy, to mitigate the recent losses, and pursuing our goal to be 100% carbon neutral before 2030.
- we are preparing unit business plans and realigning our organisation to meet the challenges of the future.



Part B

STATUTORY INFORMATION

This section of the report includes our annual statutory reporting obligations under the Local Government Act Integrated Planning and Reporting Guidelines.

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CAPITAL WORKS

Council is required to report on capital infrastructure works undertaken in the financial year. For 2022/23, this includes, per the OLG Expenditure Guidelines, projects that require a capital expenditure review as the cost is more than 10% of the Council's annual ordinary rate revenue or \$1 million, whichever is the greater (GST

exclusive), and it is best practice to report on significant capital works projects.

The following table details the expenditure for Council's major capital projects undertaken in 2022/23.

Completed ● In Progress ●

Major Project	Expenditure as of 30 June 2022 (\$)	Capital Expenditure 2022/23 (\$)	Total as of 30 June 2023 (\$)	Status
North Sydney Olympic Pool	22,979,764	18,435,316	41,415,081	●
Hume Street Park Stage 1	4,594,684	265,101	4,859,785 ²	●
Primrose Park Tennis Courts	2,161,607	141,634	2,303,241	●

² Figure is for construction cost only. Does not include land.

North Sydney Olympic Pool

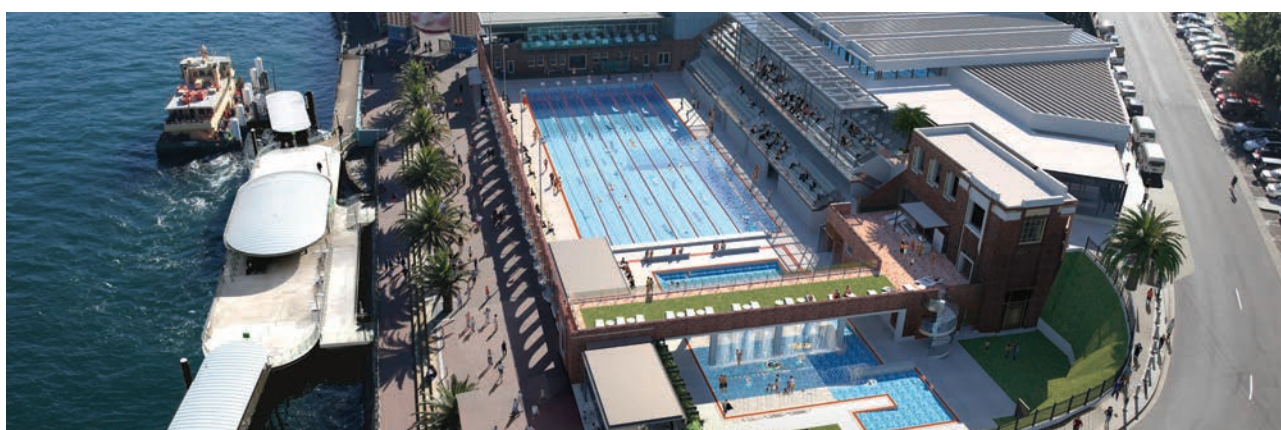
The 50m outdoor pool opened in April 1936 and hosted the swimming and diving events for the 1938 Empire Games. Council is redeveloping this much-loved community asset to ensure it is fit for our community now and into the future.

The redevelopment of North Sydney Olympic Pool is on track to be finished by mid-2024. Construction is well underway as is the business plan to guide operations. We have started recruiting staff to coordinate the aquatic operations and gym services. The new state-of-the-art fitness and leisure centre will significantly improve and expand the aquatic and recreational facilities available. The redevelopment includes:

- existing 50m and 25m pools will be upgraded and art deco features will be maintained, including the harbourside wall, sundeck and heritage stair tower
- exciting kids waterplay area with a splash pad and water spray feature

- new warm water pool suitable for gentle exercise and other programs
- expanded gym with harbour views, separate spin and exercise rooms
- larger creche with private indoor and outdoor spaces
- ramp access to pools and accessible change rooms
- new 970-person grandstand with permanent shade for sun-safe swimming carnivals future.

The project is partially funded by \$10 million from the Commonwealth Government under its Female Facilities and Water Safety Program, and \$5 million has been committed by the NSW Government under its Greater Sydney Sports Facilities Fund. Of the latter, to date \$3.5 million has been received with the balance payable on the achievement of project milestones.



Hume Street Park - Stage 1



Council has spent a total \$4.9 million on construction of the Hume Street Park expansion project as of 30 June 2023. This included a \$3.5 million grant from the NSW Government Precinct Support Scheme towards Stage 1.

The first stage of the project, opened in September 2022, adds more than 1,200 square metres of new open space in Crows Nest. It includes a new pedestrian link from Willoughby Road and a spacious green park with beautiful landscaped gardens, state of the art lighting and well placed seating for residents and workers to enjoy lunch or coffee while being immersed by the outdoors. When the new Metro opens in 2024, thousands of people are expected to use the new pedestrian link during peak hour to walk between the station and the village.

The distinctive curved brick parapet and façade above the awning relating to the former 'Penfolds' building at 90-92 Willoughby Road was retained and integrated as part of the entry to Hume Park from Willoughby Road. The former 20th Century shop represented an important phase in the development of the Crows Nest area, as do other retail premises in the vicinity from the period. The original fanlight glazing panels have been retained for interpretation purposes.



"I am especially proud of this project, for it represents many of the values that prompted me to stand for local government. It contributes to a more sustainable and greener future, it invests in the health and wellbeing of the community, and it has been delivered in consultation with our community in a well-planned and transparent way."

Mayor Zoë Baker

Primrose Park Tennis Courts

The original tennis courts were constructed in 1985/86 on reclaimed landfill at the former sewerage treatment works site. Resurfacing the courts with a topping slab was a temporary fix, rather a new suspended slab with piles inserted into the bedrock needed to be built to ensure the facility would be fit for future generations to enjoy.

In 2021, Council received \$2.18 million in Federal Government funding through the Local Road and Community Infrastructure Program, additionally the Council contributed \$128,540 towards the project.



Following public consultation in mid-2021, the project was constructed in 2021/22 and re-opened to the public in August 2022.

The new facilities include four new tennis courts with synthetic grass and line markings, new court lighting, a new 'hit-up' practice wall, and new equipment including nets, fencing and seating. There are also new change facilities, a new communal BBQ area, and a small children's playground.



COMMUNITY

Child Safety

The Children's Guardian Amendment (Child Safe Scheme) Bill 2021 is an amendment to the *Children's Guardian Act 2019* requiring Child Safe Standards as the primary framework that guides child-safe practice in organisations. From 1 February 2022 child-related organisations are required to implement the Child Safe Standards, along with local councils, religious organisations and sport and recreation organisations that provide services to children.

In 2022/2023 Council met its obligation to be compliant as a Child Safe organisation.

A children and young people lens was applied to all Council policies to ensure our operations aligned with the standards of child safety. The creation of internal and external posters bearing the resounding slogan "Child Safety is everybody's business" underscores the collective responsibility we share in safeguarding children. Additionally, the introduction of the "Child Safety Reporting Process" poster exemplifies our dedication to transparency and accountability.

Council's commitment doesn't stop at policies and posters – it extends to a comprehensive training framework. We ensured that staff in positions requiring a Working with Children Check received the necessary training. By equipping our team with the tools and knowledge they need, we're building a safety net that protects our community's youngest members.

In the spirit of collaboration and outreach, we've engaged with local schools and sport and recreation clubs through correspondence and presented to Council's Sport and Recreation Committee and Councillors, extending our knowledge-sharing to empower others in the pursuit of child safety excellence.

Carers Recognition

Under the Carers Recognition Act 2010 (CR Act), s8(2), Council is required to report on ways Carers are supported in our community.

Community Centres provide the services to support carers and those being cared for in our community. Crows Nest Centre delivers in-home and centre-based services to

support older people and their carers, including social activities and meals. Information sessions on services and benefits for carers are delivered through the Centres and Stanton Library. Home Library Service deliveries are provided to carers who are unable to attend the library in person. Council provides information and advice to carers and people requiring assistance.

Disability Inclusion Action Plan (DIAP)

Council's second iteration of the DIAP 2022-2026 under the Disability Inclusion Act 2014 s13(1) was endorsed in October 2022.

The DIAP was officially launched with two events to coincide with International Day of People with Disability (3 December). The new DIAP builds continues to progress access and inclusion internally and through the North Sydney community. During 2022/23, we achieved the following outcomes:

- immersive website testing of new website included people with disability
- Read Aloud function embedded in Council's website
- North Sydney DIAP 2022-2026 produced in an Easy Read version. Both versions available on Council's website
- closed captioning available at Council meetings
- Site Improve used to monitor web accessibility and identify access barriers to ensure compliance with WCAG 2.0 AA level

Liveable Communities

- access audit of Stanton library undertaken to identify existing barriers and recommendations to improve access across the facility
- upgraded signage and wayfinding at Neutral Bay Community Centre
- establishment of online groups through Stanton library for people who are unable to access in-person services

Employment

- Council's Workplace Adjustment Policy independently reviewed
- Council's first Disability Employee Network group established
- Lost Bird Found workshops held with staff in the lead up to Mental Health Month
- access to the Employee Assistance Program continued for all Council staff

Systems and Processes

- procurement of web developer strongly considered accessibility throughout process.
- website is ranked third in web accessibility across all local governments in Australia



Attitudes and Behaviours

- International Day of People with Disability and the launch of Council's DIAP celebrated with two events in December. Internal launch event included Q&A session with disability advocates, Paul Nunnari and Naomi Deck. Public launch held in conjunction with the Coal Loader Twilight Market and included partners from One Voice Inclusive Choir, Studio A, Early Ed and Guide Dogs NSW/ACT
- inclusive Customer Experience training delivered to 40 staff in customer-facing roles by the Australian Network on Disability
- Lost Bird Found Mental Health project delivered in partnership with 15 partners to reduce the stigma and encourage conversations about mental health
- Creating Wellbeing program held monthly at North Sydney Community Centre



Grants and Subsidies Program

Under clause 217(1)(a5) of Local Government (General) Regulation 2021, Council is required to state the total amount granted to financially assist others under s356 of the LG Act 1993.

The purpose of Councils Grants and Subsidies program is to provide the community with an equitable investment of resources and funds to strengthen the community and address social needs. Council distributed funds totaling \$1,036,013 in 2022/23

Community Centres and Cultural Facilities

Council provides buildings and spaces to not-for-profits who provide much needed services to the community, particularly in areas where council doesn't provide direct service including linen service; Meals on Wheels; shopping support, meal preparation, assistance attending medical appointments for older people; adult education courses, workshops and community choir; support for people who are homeless; respite; markets; health and wellbeing classes (yoga, exercise classes for older people, Pilates, walking groups); language classes; markets; museums.

Community Centres and Cultural Facilities	
	Amount (\$)
Crows Nest Community Centre	418,750
Kirribilli Neighbourhood Centre	64,000
May Gibbs Nutcote Museum	38,800
Neutral Bay Community Centre	50,000
North Sydney Community Centre	67,500
North Sydney Men's Shed	3,022
North Sydney Childrens Services	28,088
Total	670,160

Small Grants and Donations Program

Each year Council invites community organisations to apply for a grant to assist in the provision of services for the North Sydney community. Council's objectives in helping to fund selected projects and services are to help organisations meet high priority needs within the local government area, and provide financial contributions in recognition of the value of selected services to the community. Council's contribution is not intended to be the sole source of funding for any project or service.

Small Grants and Donations Program	
	Amount (\$)
North Sydney Community Services (not in Council buildings)	107,778
New and innovative small grants	19,620
Food grant	11,000
Total	138,398

Other Grants and Subsidies	
	Amount (\$)
Pensioner Christmas Bonus	11,220
Parking subsidy	154,789
Other small payments	61,447
Total	227,456

COMPLIANCE

Companion Animal Management

North Sydney Council Rangers work with the community to protect residents, their pets and the natural environment by the application and management of companion animal legislation *Reg cl217(1)(f)*.

During 2022 /2023, Council received 56 reports of alleged dog attack incidents. All attacks were reported to the Office of Local Government as required.

Council Rangers impounded eight cats and four dogs:

- all dogs were reclaimed or adopted
- seven cats were reclaimed or adopted
- one cat was euthanised due to illness

Council has a “no euthanasia” policy with our companion animal pound contractor except for animals with untreatable diseases or anti-social behaviours (including feral) that cannot be retrained or rehomed.

Council provides a substantial number of off-lead areas for dogs to exercise and socialise. All Council parks and public reserves are declared off-leash except for the following:

- all bushland areas including Balls Head Reserve and Berry Island
- all playing fields when organised sporting events are in progress
- St Leonards Ovals Number 1 and 2 (known as North Sydney Oval and Bon Andrews Oval)
- Cremorne Reserve; Clark Park
- Ancrum Street Park
- Coal Loader

In 2022/23 Council received \$64,754.91 in companion animal registration funds and spent \$116,500 on companion animal management and education programs.



Swimming Pool Inspections

In line with the *Swimming Pools Act 1992 (SP Act)*, s 22F(2) *Swimming Pools Regulation 2018 (SP Reg)* cl 23, Council is required to list swimming pool inspections. Accordingly in 2022/23 there were:

- no tourist and visitor accommodation inspections
- 44 inspections of premises with more than two dwellings
- 48 certificates of compliance issued under s22D (SP Act) 47
- 11 certificates of non-compliance issued under cl21 (SP Reg)



DEVELOPMENT

Planning Agreements

Planning Agreements are legal documents created under the *EPA Act 1979 - EP&AA s7.5(5)* between developers and government agencies (including councils) for the provision of funds or works by the developer for infrastructure, services, or other public amenities.

These agreements are typically negotiated at the time of rezoning or during the assessment of a development application to fund or deliver local infrastructure not included in traditional local infrastructure contribution plans (s.7.11 and s.7.12 contributions plans).

Council entered into the following planning agreements during 2022/23:

Parties	North Sydney Council and 45 McLaren Pty Limited and Proprietors Strata Plan 14598
Date of Execution	22 June 2023
Land to which the VPA relates	45 McLaren Street, North Sydney
Description	Facilitates the delivery of several public benefits to the value of approximately \$5.8 million, including a monetary contribution towards public infrastructure identified in the Ward Street Precinct Masterplan, streetscape upgrades adjacent to the site, expansion of an existing public through-site link across the southern portion of the site, and dedication to Council of one x two-bedroom affordable housing unit.

The following planning agreements were entered into prior to the 2022/23, but have not yet been delivered:

Parties	North Sydney Council & Anson City Developments 1 (Australia) Pty Ltd
Date of Execution	25 June 2018
Land to which the VPA relates	617-621 Pacific Highway, St Leonards
Description	Facilitates the dedication to Council, two entire fitted out floors within the podium of a future development on the site for the purposes of an arts centre with an approximate value of \$16.5 million.
Parties	North Sydney Council & Rozene Pty Ltd & Rosemate Pty Ltd
Date of Execution	26 July 2019
Land to which the VPA relates	575-583 Pacific Highway, St Leonards
Description	Facilitates a monetary contribution of \$4,095,803 for the purpose of contributing to new open space within the Precinct, a setback of 3m from the Pacific Highway frontage, except where significant features of the Marco building already exist, a restriction on building height to RL 102.3 along the southern boundary, shared with 567-573 Pacific Highway, and a restriction on building height to RL 116.5 along the north-western boundary.
Parties	North Sydney Council and TWT Property Group P/L & Tildoan Pty Ltd
Date of Execution	17 September 2020
Land to which the VPA relates	23-35 Atchison Street, St Leonards
Description	Facilitates a monetary contribution of \$2.8m for the purposes of contributing to new open space within the precinct, a 5m wide land dedication to Oxley St as well as embellishment works and provision of a 6m wide publicly accessible through-site link to improve pedestrian connectivity in the area.
Parties	North Sydney Council and CN Land Pty Limited
Date of Execution	11 August 2021
Land to which the VPA relates	27-57 Falcon Street, Crows Nest
Description	Facilitates a monetary contribution of \$800,000 for the purposes of contributing towards the upgrade of Hume Street Park or public open space within the North Sydney Local Government area (LGA), the dedication of land to Council for pedestrian pathways, and embellishment of that land.

Parties	North Sydney Council and Epic Leisure Pty Ltd
Date of Execution	27 January 2022
Land to which the VPA relates	50-56 Atchison St, St Leonards
Description	Facilitates a monetary contribution of \$1.4m for the upgrade of Hume Street Park or public open space within the suburbs of St Leonards or Crows Nest within the North Sydney LGA. Provision of a 5.5m wide publicly accessible pedestrian through-site link from Atchison Street to Atchison Lane. Provision of a 3m building setback from Atchison Street.
Parties	North Sydney Council and Cbus Property R3 Pty Ltd and Eswood Home Units Pty Ltd
Date of Execution	30 May 2022
Land to which the VPA relates	173-179 Walker St & 11-17 Hampden Street, North Sydney
Description	Facilitates the construction and dedication to Council 5% of the total number of new dwellings (rounded down if not a whole number) constructed on the land post the instrument change for the purposes of affordable housing and a monetary contribution of \$15,100 per additional dwelling constructed on the land, excluding any dwelling dedicated for affordable housing, post instrument change for the purposes of community infrastructure.

Interim Heritage Orders (IHOs)

IHOs are issued under the Heritage Act 1977 s25, and provide temporary protection to a building or place under threat of demolition, to enable a detailed heritage assessment to be completed.

The heritage assessment determines if the property meets the requirements for listing as an item of heritage significance under Council's *Local Environmental Plan* (LEP) or whether it should be included in the State Heritage Register. The following IHOs were issued by Council in 2022/23:

IHO (Interim Heritage Orders) No.	Address	Suburb	Council Imposition Date	Gazettal Notice Date	Gazettal Notice No.
3/22	50, 52, 54, 56, 70, 72, 78 and 80 Parraween St	Cremorne	9/11/22	11/11/22	531
4/22	82, 84, 86 and 88 Parraween St	Cremorne	16/11/22	17/11/22	534
1/23	53 and 55 Yeo St	Cremorne	22/2/23	24/2/23	94

ENVIRONMENT

Recovery and Threat Abatement Plans

Under the *Fisheries Management Act 1994*, s220ZT (2), Council is required to report on actions taken to implement those measures as to the state of the environment.

No Recovery and Threat Abatement Plans were implemented during 2022/23.

Environmental Upgrade Agreements (EUAs)

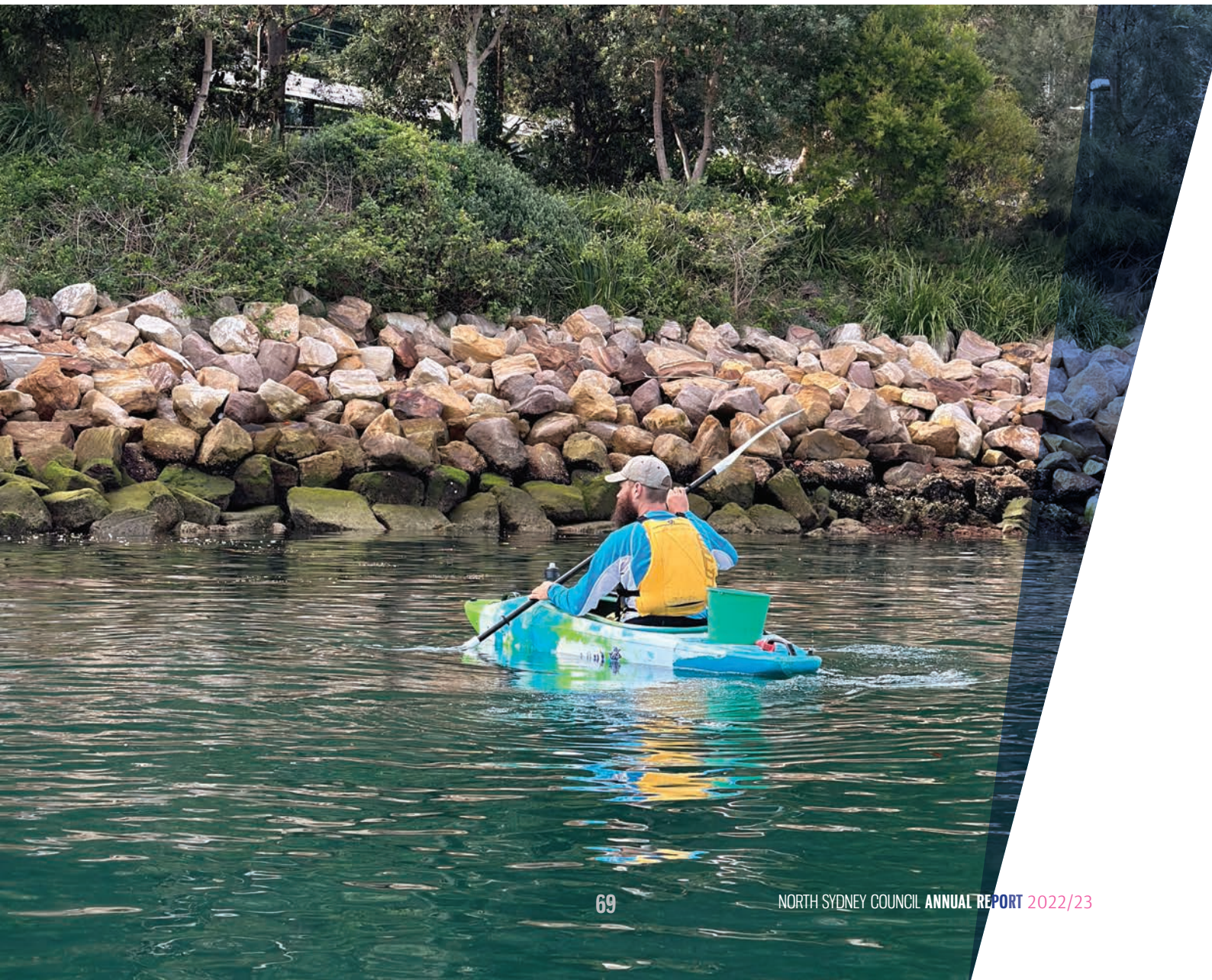
Council is required to report EUAs under the *EUAs Act s54P(1)*.

Council has an EUA Policy, however no EUAs were entered into during 2022/23.

Coastal Protection Services

Under *Reg cl 217(1)(e)* Council is required to give a statement detailing the coastal protection services provided.

No coastal protection services were levied in 2022/23, however Council actively participated in the Sydney Coastal Councils Group to progress sustainable management of our urban coastline and estuarine environments through collaboration with eight other councils.



GOVERNANCE

Councillor Attendance

Under the *LG Act s323*, Council is required to report Councillor attendance.

Councillor Meeting Attendance

Councillor attendance at Council Meetings for the period 1 July 2022 to 30 June 2023.

Meeting	Ordinary Council Meetings	Extraordinary Council Meetings
No. held	19	5
Mayor, Cr Zoë Baker	19	5
Cr MaryAnn Beregi	18	4
Cr William Bourke	19	5
Cr Alanya Drummond (to Feb 2023)	9	1
Cr Jilly Gibson	19	5
Cr Georgia Lamb	17	4
Cr John Lepouris (from Feb 2023)	8	1
Cr Ian Mutton	16	5
Cr Godfrey Santer	18	5
Cr James Spenceley	17	4
Cr Shannon Welch	19	5

Councillor Briefing Attendance

Councillor attendance at Briefings and Committee Meetings for the period 1 July 2022 to 30 June 2023.

Date	Subject	Mayor, Cr Zoë Baker	Cr MaryAnn Beregi	Cr William Bourke	Cr Alanya Drummond	Cr Jilly Gibson	Cr Georgia Lamb	Cr Ian Mutton	Cr Godfrey Santer	Cr James Spenceley	Cr Shannon Welch
18/07/2022	Chambers AV Project	●	●			●		●	●	●	●
18/07/2022	Councillor Expenses and Facilities Policy	●	●			●		●	●	●	
18/07/2022	Aboriginal Heritage Office	●	●			●		●	●	●	
18/07/2022	Funding Opportunities for Community Centres	●	●			●		●	●	●	●
1/08/2022	Pre-Meeting Briefing	●	●	●	●	●	●			●	●
1/08/2022	Presentation by NSROC	●	●	●	●	●	●			●	●
1/08/2022	North Sydney Olympic Pool	●	●	●	●	●	●			●	●

Date	Subject	Mayor, Cr Zoë Baker	Cr MaryAnn Beregi	Cr William Bourke	Cr Alanya Drummond	Cr Jilly Gibson	Cr Georgia Lamb	Cr Ian Mutton	Cr Godfrey Santer	Cr James Spenceley	Cr Shannon Welch
15/08/2022	Pre-Council Meeting briefing for 22 August	●	●	●			●		●	●	●
15/08/2022	Heritage Briefing	●	●	●			●		●	●	●
15/08/2022	Planning Overview - Planning Proposals	●	●	●			●		●		●
5/09/2022	Pre-Council Meeting briefing for 12 September	●		●		●	●	●	●	●	●
5/09/2022	Library and Historical Services Strategy	●		●		●	●	●	●	●	●
5/09/2022	TfNSW - Berrys Bay	●		●		●	●	●	●	●	●
5/09/2022	Recreational Needs	●		●		●	●	●	●	●	●
5/09/2022	Car Parking Strategy	●		●		●	●	●	●	●	●
20/09/2022	Pre-Council Meeting briefing for 26 September	●		●					●		●
20/09/2022	NSOP Funding	●		●	●				●		●
20/09/2022	E-Scooter trial - North Sydney	●		●	●				●		●
20/09/2022	West Street Cycle Way	●		●					●		●
20/09/2022	Burton Street Plaza and Bligh Street Shared zone	●		●					●		●
4/10/2022	Informal Q & A with ELT	●	●	●		●		●	●	●	
4/10/2022	Pre-Council Meeting briefing for 26 September	●	●	●		●	●	●	●	●	
4/10/2022	Floodplain Risk Management Study and Plan	●	●	●		●	●		●	●	
4/10/2022	Willoughby Rd Public Domain Concept Plan	●	●	●	●	●	●		●	●	
4/10/2022	St Leonards Crows Nest draft DCP	●	●	●		●	●		●	●	
4/10/2022	CBD Setbacks	●	●	●		●	●		●	●	
17/10/2022	Audit, Risk and Improvement Committee Briefing	●	●			●	●	●	●		●
17/10/2022	North Sydney Olympic Pool - contract variations	●	●		●	●	●	●	●		●
7/11/2022	Informal Q & A with ELT	●		●					●		●

Date	Subject	Mayor, Cr Zoë Baker	Cr MaryAnn Beregi	Cr William Bourke	Cr Alanya Drummond	Cr Jilly Gibson	Cr Georgia Lamb	Cr Ian Mutton	Cr Godfrey Santer	Cr James Spenceley	Cr Shannon Welch
7/11/2022	Pre-Council Meeting briefing for 14 November	●	●	●			●		●		●
7/11/2022	North Sydney Olympic Pool - Operational Model	●	●	●		●	●	●	●		●
7/11/2022	3 Planning Proposals	●	●	●		●	●	●	●		●
7/11/2022	Military Road Corridor	●	●	●		●	●	●	●		●
21/11/2022	Pre-Council Meeting briefing for 21 November	●	●	●			●		●	●	●
22/11/2022	Grosvenor Lane	●	●	●				●	●	●	●
22/11/2022	Cr Briefing NSC Vs TfNSW Compensation Claim for the Warringah Freeway Upgrade Project	●	●	●				●	●	●	●
5/12/2022	Informal Q & A with ELT	●				●			●		●
5/12/2022	Pre-Council Meeting briefing for 12 December	●	●				●	●	●		●
5/12/2022	North Sydney Olympic Pool	●	●				●	●	●	●	●
5/12/2022	Cremorne Plaza, Langley Place and Cremorne Gateways – Design Concepts and Engagement Strategy	●	●			●	●	●		●	●
5/12/2022	Ex-Waverton Bowling Club site	●	●			●	●	●		●	●
19/12/2022	TfNSW Miller Street Project	●	●		●	●		●			●
19/12/2022	North Sydney Olympic Pool - independent review	●	●		●	●		●			●
16/01/2023	Confidential Briefing (Structure)	●		●			●	●	●	●	●
23/01/2023	Pre-meeting briefing for 30 January	●	●	●	●	●	●		●		
23/01/2023	NSOP - Actions from Internal Review (PWC)	●	●	●	●	●	●		●		
23/01/2023	Planning for Coles development - Neutral Bay	●	●	●	●	●	●		●		

From this point Cr Drummond is replaced with Cr John Lepouris		Mayor, Cr Zoë Baker	Cr MaryAnn Beregi	Cr William Bourke	Cr John Lepouris	Cr Jilly Gibson	Cr Georgia Lamb	Cr Ian Mutton	Cr Godfrey Santer	Cr James Spenceley	Cr Shannon Welch
6/02/2023	Informal Q & A with ELT	●	●	●		●	●	●	●	●	●
6/02/2023	Pre-meeting briefing for 13 Feb	●	●	●	●		●	●	●		●
6/02/2023	Complaints Handling Compliance	●	●	●	●		●	●	●		●
20/02/2023	Kiersten Fishburn, Deputy Secretary Cities and Active Transport	●	●	●	●	●	●				●
28/02/2023	Bradfield Park legal advice	●	●	●		●	●	●	●	●	●
6/03/2023	Carparking draft DCP amendments	●	●	●	●	●	●		●		●
6/03/2023	Berrys Bay	●	●	●	●	●	●		●		●
20/03/2023	Fees and Charges/Capital Works	●	●	●	●		●				●
11/04/2023	Section 34 Process and Resolution of Council	●	●	●		●	●	●			●
11/04/2023	Operational Plan and Budget Preparation	●	●	●	●	●	●		●		●
17/04/2023	Site Inspection - Milson Park kayak storage	●	●	●	●	●			●		
1/05/2023	Code of Conduct training	●	●	●	●	●	●	●	●		●
1/05/2023	TfNSW - Miller Place	●	●	●	●	●	●	●	●		●
1/05/2023	Senior staff appointments	●	●	●	●	●	●	●	●		●
15/05/2023	North Sydney Olympic Pool	●	●	●	●	●	●	●	●		●
15/05/2023	41 McLaren St, North Sydney - SSD Independent School	●	●	●	●	●	●	●	●		●
15/05/2023	Neutral Bay Alive Charter	●	●	●	●	●	●	●	●		●
19/06/2023	North Sydney Olympic Pool	●	●	●	●	●	●	●	●		●
19/06/2023	Lime e-bike share scheme proposal	●	●	●	●	●	●	●	●		●
19/06/2023	Young and Grosvenor Street Intersection - Cycling and Walking Upgrades	●	●	●	●	●	●	●	●		●
19/06/2023	TfNSW - Active Transport Network Review - Public Consultation	●	●	●	●	●	●	●	●		●

COUNCILLOR TRAINING

Participation of Councillors and the Mayor in ongoing professional development is outlined below in accordance with the *LG Act s232, Reg cl 186*.

Induction Sessions

Cr Lepouris was inducted in February 2023.

Conferences and Seminars

Title	Councillor/s who participated
Local Government NSW (LGNSW) Annual Conference	Crs Baker, Beregi, Bourke, Lamb, Santer, Welch
ALGWA National Conference - Victoria	Crs Lamb & Welch
ALGWA NSW Meeting	Cr Lamb
ALGA 2023 National General Assembly	Crs Baker, Beregi, Bourke, Gibson, Lamb, Santer, Lepouris, Welch
Local Government Show 2022 - Smart Communities Summit	Cr Lamb
Synthetic Sports Surfaces Seminar	Cr Beregi
Towards Net Zero Emissions: Power Purchase Agreements	Cr Lamb
2023 NSW/ACT Young Achiever Awards Gala Dinner	Cr Lamb

Training

Title	Councillor/s who participated
Privacy Training	Cr Welch
Managing Media for Councillors	Cr Welch
Chairing Effective Meetings	Cr Welch
Professional Ethics, Navigating the grey zone as a Councillor	Cr Beregi
Audit Risk and Improvement Committees	Cr Santer
Chairing Effective Meetings	Cr Santer
Time management	Cr Santer
Taxation Considerations for Councillors	Cr Bourke
Planning for Councillors	Cr Bourke
Media coaching sessions	Cr Baker
Mock Council Meeting	Crs Baker, Bourke, Lamb, Santer, Welch
Executive Certificate for Elected Members Planning for Councillors Understanding LG Finances for Councillors	Cr Lepouris
Code of Conduct	Crs Baker, Beregi, Bourke, Gibson, Lamb, Lepouris, Mutton, Santer, Welch

Councillor Expenses

Under *Reg cl 217(1)(a)* Council is required to report the total cost during the year of expenses and provision of facilities to Councillors in relation to their civic functions.

Allowances and Fees	Amount (\$)
Mayoral allowance	77,311
Councillors	279,961
Other Expenses	97,311
Total	454,584

Councillors Expenses	Amount (\$)
Conferences and Seminars	60,491
Mobile Phone and equipment	22,716
Sundries	5,432
Childcare	150
Sustenance	7,469
Travelling	1,053
Total	97,311

Overseas Visits

Under *Reg cl 217(1)(a)*, Council is required to report overseas visits by councillors, council staff or other persons representing council (including visits sponsored by other organisations).

There were no overseas visits in 2022/23.

HUMAN RESOURCES

EEO Management Plan

North Sydney Council's *Equal Employment Opportunity (EEO) Management Plan 2021-25* has been prepared in accordance with the requirements of the *LG Act 1993 Reg cl 217(1) (a9)* and refers to Council's *Disability Inclusion Action Plan (DIAP)*.

Council aims to provide a work environment that fosters fairness, equity, respect for social and cultural diversity, and is free from unlawful discrimination, harassment and vilification as determined by the legislation. The concept of equity and fairness encompasses all facets of employment, such as applying for a position, promotion or transfer, access to training and development, and equity in the provision of benefits to staff throughout their employment.

The *EEO Management Plan* has performance indicators to show how Council is performing against each of its five objectives:

- communication and awareness
- policy, practices, evaluation, and reporting
- recruitment, appointment, promotion, and transfer process
- learning and development
- improved access for members of EEO target groups

Progress against implementation of the EEO Management Plan is detailed below:

KEY

Completed ● In Progress ● Delayed ●

Strategy/Action	Performance Indicators	Target Date	Status
Objective 1 - Communication & Awareness			
Communicate the EEO Management Plan to all employees	EEO Management Plan is available on the Intranet and hard copies distributed as required	Mar 2021	●
Promote Council as an EEO employer	EEO statements are included in all job advertisement and EEO information is available on the website	Mar 2021	●
Overview of EEO Management Plan is included in all inductions	Workplace equity and diversity rights and obligations and EEO Management Plan objectives are included in all inductions	Apr 2021	●
Conduct training for all managers and supervisory staff on EEO principles and their extra responsibilities as managers and supervisors in relation to the appropriate legislation	All managers and supervisory staff complete training every two years	Jun 2022	●
Conduct training for all non-supervisory staff on EEO principles and their responsibilities under the relevant legislation	Managers updated when changes occur to legislation	As required	●
	All non-supervisory staff are trained annually via e learning	Jun 2021	●
Trained EEO Harassment Contact Officers; list kept up to date	Contact details on intranet/noticeboards Refresher training run biennially	Jun 2022	●

Strategy/Action	Performance Indicators	Target Date	Status
Actively promote inclusion and diversity through events and/or speakers	Include a guest speaker in the wellbeing program Organise a Taste of Harmony event for Harmony Day in March each year	Mar 2023	●
Develop a Hiring Manager guide for employing people with a disability (DIAP 2.5)	Guide developed including information on access to workplace adjustment services	Jun 2021	●
Objective 2 - Policy, Practices, Evaluation & Reporting			
Collect EEO statistics of employees to enable comparison with LGA statistics and reporting to ELT	Completion of EEO survey by new starters	Ongoing	●
	Data included in EEO Annual Report	June 2022	●
Invite comment and input during the development of EEO Management Plan from employees	Feedback from staff and JCC	Feb 2021	●
Monitor exit interviews to ensure there are no negative EEO issues impacting on staff	Number of issues identified, and correctional steps taken to remedy situations	Ongoing	●
Regularly review Human Resource policies and procedures to ensure they are non-discriminatory, are supportive to all employment groups equally and promote a friendly work atmosphere that is free from bullying and harassment. (DIAP 2.4)	Policies and procedures are regularly reviewed	Ongoing	●
	Staff involved in substantiated incidents provided counselling or disciplinary action undertaken	As required	●
Job evaluation and performance appraisal policies, procedure and practices ensure employees are paid fairly and equitably	Feedback from Employee Survey	Jun 2022	●
	Salary survey indicating comparative salaries for positions	Ongoing	●
	Substantiated raised addressed	As required	●
Annually report on EEO progress	EEO progress report included in Council's Annual Report	Jun 2021	●
Objective 3 - Recruitment, Appointment, Promotion & Transfer process			
Promote job vacancies through mediums to reach a range of diverse candidates (DIAP 2.2)	Record mediums against each role in SCOUT	Ongoing	●
	Data included in DIAP action plan reporting	2022	●
Ensure that EEO principles are included in Recruitment and Selection skills training for panel convenors and members.	EEO principles are included in the Recruitment & Selection Skills training course	Ongoing	●
Ensure interviews for managers and supervisors include questions relating to EEO responsibilities	EEO questions are included in interview questions for supervisory/management positions	Ongoing	●
	Applicants not appointed to supervisory positions unless they demonstrate knowledge and/or understanding of EEO principles or complete training within 6 months of commencement	Ongoing	●

Strategy/Action	Performance Indicators	Target Date	Status
Ensure the recruitment and selection process is regularly reviewed	Regular review and updating of process and policy	Ongoing	●
	Monitoring shortlisting and appointments to ensure that EEO principles are applied	Ongoing	●
Monitor appointments, promotions, and transfers to ensure the process is non-discriminatory	Number of substantiated complaints re non-compliance with EEO principles for appointments, promotions, and transfers	Ongoing	●
	Position descriptions clearly reflect the qualifications, skills, and experience required for the job and do not include artificial barriers to recruitment of people in the EEO target group	Ongoing	●
	Proportion of appointments from EEO target groups is monitored and reported via EEO Annual Report	Jun 2023	●
Ensure that when opportunities to act in higher positions are available that they are assigned in accordance with EEO principles	Number of substantiated complaints re non-compliance via the EEO Annual report	Jun 2023	●
	Number of acting opportunities provided to EEO target groups via the EEO Annual report	Jun 2023	●
Objective 4 - Learning & Development			
Promote coaching and mentoring programs to support EEO target groups	Programs are identified and implemented	Jun 2022	●
EEO target groups have equitable opportunities for skill development and career progression	Training plans developed for staff as part of PPA setting	Jun 2023	●
	A process is developed to identify and remove barriers to career progression	Jun 2023	●
Examine all training courses and materials to ensure they are consistent with EEO principles	Assessment of all content	Ongoing	●
	Review employee training evaluations	Ongoing	●
Offer 'Job Application Skills' training - writing applications and interviews	Courses offered annually	Jun 2023	●
	Feedback from interview panels	Ongoing	●
Women's Leadership Program - developing emerging/new leaders	How many women involved	Jul 2023	●
	Feedback from employees	Ongoing	●
Career Transitioning for Matured Aged Workers	Staff take up	Feb 2023	●
	Feedback from employees	Ongoing	●

Strategy/Action	Performance Indicators	Target Date	Status
Objective 5 - Improved access for members of EEO Target Groups			
Provide opportunities for unpaid work experience placements to enhance employment opportunities (DIAP 2.7)	Number of work experience placements from disadvantaged groups	Feb 2023	●
As positions become available, ascertain if they are suitable for redesign for part-time employment, to suit employees who require increased workplace flexibility. (DIAP 2.3)	Number of positions that are redesigned for part-time employment. Each position to be assessed as it becomes vacant	Ongoing	●
Conduct awareness-raising sessions for managers and supervisors regarding EEO target groups (DIAP 4.7)	Number of sessions conducted	Mar 2022	●
	Number of eligible staff attending sessions	Ongoing	●
	Feedback regarding training	Ongoing	●
Using information gained in awareness-raising sessions, develop strategies to attract members of target groups to Council.	Changes in statistics relating to target groups employed in Council	Dec 2023	●
Identify and implement a program for matured aged workers who wish to transition to retirement	Program identified and implemented	Feb 2022	●
Provision of an Employee Assistance Program. (DIAP 4.12 & 4.13)	Utilisation of the program - half yearly reporting	2023	●
Review and monitor accessibility to Council facilities and make recommendations to address barriers or obstacles - wheelchair access, hearing loops	Use Job Access to gain funding if necessary	Ongoing	●

Paid Work Statement

Under *Reg cl 217 (1)(d)* Council is required to state the number of persons who performed paid work for Council on Wednesday 23 November 2022.

Type of Employment	No.
Persons employed on a permanent full-time, permanent part-time or casual basis or under fixed term contract	342
Persons employed as senior staff members	7
Estimated number of agency staff engaged and paid through third party	13
Persons supplied under contract or other arrangement with the person's employer as an apprentice or trainee	3

Senior Management Remuneration

Under *Reg cl 217 (1)(b) (i), (ii), (iii), (iv), (v)* Council is required to state the total remuneration of salary, including superannuation and non-cash benefits paid to senior staff.

Excluding superannuation and non-cash benefits

Remuneration	Amount (\$)
Senior Staff	1,497,746
General Manager	440,883
Total	1,938,628

Including superannuation and non-cash benefits

Remuneration	Amount (\$)
Senior Staff	3,195,827
General Manager	690,911
Total	3,886,738

INFORMATION ACCESS AND DISCLOSURE

Government Information Public Access (GIPA)

The *GIPA Act s125(1)* requires Council to report in detail on the handling of access applications.

The statement below is in accordance with the GIPA reporting requirements. Commentary on applications for information under GIPA can be found below.

Review of proactive release program

Council's program for the proactive release of information involves:

- ongoing review of document registration standards in relation to online publishing of Development Applications (DAs) associated documentation in the Applications Tracking section of Council's website
- ongoing review of document registration standards in relation to onsite public access perusal appointments
- review of Council's *Access to Information Policy, Publication Guide, Public Registers, Privacy Management Plan, internal eLearning GIPA module, and Staff Reference Guide for Personal & Private information held by Council*

During 2022/23, Council reviewed this program by:

- updating the *Agency Information Guide*
- ongoing consultation with key Council stakeholders
- updating documentation to reflect staff realignment
- updating documentation and templates to reflect changes in business practices
- reviewing mandatory inhouse online training modules for GIPA awareness and Privacy principles
- providing ongoing consultation and training to existing and newly appointed Council staff in public access practices in accordance with reviews of document registration practices

- updating publication to online registers
- reviewing departmental processing practices

As a result of this review, we released the following information proactively:

- 660 responses to documented Informal Access to Information Applications
- increased categories of DA associated information on the Applications Tracking section of the Council website including continuing and streamlining the publication of submissions
- continued online publishing of information referenced in Council's *Agency Information Guide*
- continued Live Minutes of Council Meetings
- continued online streaming of Council Meetings
- online publishing of disclosure of interests

Number of access applications received

During 2022/23, Council received 350 formal access applications (including withdrawn applications but not invalid applications) and of these, the type of applicants was as follows:

- 170 from private sector businesses (full access granted)
- 7 from no-for-profit organisations or community groups (full access granted)
- 20 from members of the public via a legal representative (full access granted)
- 149 from other members of the public (full access granted), and 3 (part access granted)

The type of applications was as follows:

- 2 were personal information applications* of which 1 had full access granted
- 49 were access applications (other than personal information applications)
- 296 access applications were partly personal information (full access granted), and 3 (part access granted)

Number of refused access applications received

During 2022/23, Council refused no applications either wholly or in part, because the information requested was information referred to in Schedule 1 to the GIPA Act. One application was refused in whole, and one application was refused in part because the information referred to related to s14 of the GIPA Act.

TABLE A: Number of applications by type of applicant and outcome

(More than one decision can be made in respect to an access application. If so, a recording must be made in relation to each decision. This also applies to Table B.)

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm or deny whether information is held	Application withdrawn
Media	-	-	-	-	-	-	-	-
Members of Parliament	-	-	-	-	-	-	-	-
Private sector business	170	-	-	-	-	-	-	-
Not for profit organisations or community groups	7	-	-	-	-	-	-	-

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm or deny whether information is held	Application withdrawn
Members of the public (application by legal representative)	20	-	-	-	-	-	-	-
Members of the public (other)	149	3	-	-	-	-	1	-

TABLE B: Number of applications by type of applicant and outcome

NOTE: The total number of decisions in Table B should be the same as Table A.

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm or deny whether information is held	Application withdrawn
Personal information applications*	1	-	-	-	-	-	1	-
Access applications (other than personal information applications)	49	-	-	-	-	-	-	-
Access applications that are partly personal information applications and partly other	296	3	-	-	-	-	-	-

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

There were no invalid applications. The conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the GIPA Act consideration was not used.

TABLE C: Other public interest considerations against disclosure - Matters listed in table s14 of the Act

	Number of occasions when application not successful
Responsible and effective government	2
Law enforcement and security	2
Individual rights, judicial processes and natural justice	2
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	-
Secrecy provisions	-
Exempt documents under interstate Freedom of Information legislation	-

TABLE D: Timeliness

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	349
Decided after 35 days (by agreement with applicant)	1
Not decided within time (deemed refusal)	-

TABLE E: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total
Internal review	-	1	1
Review by Information Commissioner*	1	-	1
Internal review following recommendation under section 93 of Act	-	1	1
Review by ADT	-	-	-

Public Interest Disclosure (PIDs)

Council is required under the *PIDs Act 1994, Reg cl 217(1)(a5)* to collect and report on information about PIDs.

All Councillors and staff are encouraged to report what they believe to be unethical conduct within the organisation. Council has an *Internal Reporting - Public Interest Disclosures Policy* in place at www.northsydney.nsw.gov.au/policies

No PIDs were made to Council for the period 2022/23.

LEGAL

Under *Reg cl 217(1) (a3)* Council is required to provide a summary of the amounts incurred relating to legal proceedings including out of court settlements.

Legal Proceeding (LEC#)	Legal Proceeding (address/name)	Cost	Status (closed or pending)	Result
LEC 63136/21	6 John St, McMahons Point Stannards Marine Pty Ltd	\$110,633.16	Closed	Appeal Dismissed
LEC 245302/21	105-153 Miller St, North Sydney IOF Custodian Pty Ltd atf the 105 Miller Street North Sydney Trust	-\$1,145,716.32	Closed	Dismissed
LEC 9347/22	66 Shellcove Rd, Neutral Bay Anne McCusker	-\$1,500.40	Closed	Discontinued
LEC 33501/22	6 Billong Rd, Kurraba Point George Nusalim	\$0.00	Closed	Appeal upheld
LEC 36839/22	6 John St, McMahons Point Stannards Marine Pty Ltd	-\$18,346.90	Closed	Appeal upheld
LEC 78045/22	80 Cairo St, Cammeray Brigit Salter	-\$44,543.17	Closed	Appeal upheld
LEC 81791/22	115-119 Holt Ave, Cremorne Holt Avenue Cremorne Pty Ltd	-\$20,445.15	Closed	Appeal dismissed
LEC 81671/22	131-133 Holt Avenue, Cremorne Helm No 18 Pty Ltd	-\$55,548.80	Closed	Appeal upheld
LEC 89668/22	11A Hazelbank Rd, Wollstonecraft Kate Gamble	-\$16,778.06	Closed	Appeal upheld
LEC 111254/22	117 Union St, McMahons Point Mark Stefan Kachor	-\$3,865.90	Closed	Discontinued
LEC 115396/22	21 Christie St, Wollstonecraft BCMA Investments Pty Ltd	-\$7,612.48	Closed	Appeal upheld
LEC 132806/22	60 Kareela Rd, Cremorne Andrew Sutton, David Elliot, Hugh Elliot and Jams Elliot	-\$61,213.84	Closed	Appeal upheld
LEC 131164/22	131-133 Holt Avenue, Cremorne Helm No 18 Pty Ltd	-\$13,968.46	Closed	Appeal upheld
LEC 141240/22	6 Warung St, McMahons Point William Neilson	-\$10,508.95	Closed	Appeal upheld
LEC 157325/22	1 Warung St, McMahons Point Highbury Warung Pty Ltd	-\$31,349.98	Closed	Appeal upheld
LEC 161074/22	Cammeray Park Compulsory Acquisition Proceedings Transport for NSW (TfNSW)	-\$494,300.88	Pending	N/A
LEC 160129/22	271 Pacific Highway, North Sydney Jazar Investments Pty Ltd	-\$16,760.11	Closed	Appeal upheld
LEC 165233/22	96-98 Ben Boyd Rd, Neutral Bay AIDOP No 3 Pty Ltd ATF Aidop No 3 Unit Trust	-\$142,101.67	Closed	Appeal upheld
LEC 166567/22	8 Baden Rd, Kurraba Point Gail Pemberton	-\$33,090.66	Closed	Appeal upheld
LEC 173292/22	107 High Street, North Sydney 107 High Nth Sydney Pty Ltd	-\$55,419.76	Closed	Appeal upheld

Legal Proceeding (LEC#)	Legal Proceeding (address/name)	Cost	Status (closed or pending)	Result
LEC 173180/22	1 Eden St, North Sydney ID Fitouts Pty Ltd	-\$32,568.72	Closed	Appeal upheld
LEC 188395/22	15 Allister St, Cremorne The Owners - Strata Plan 19383, Michael Kerrigan, Nicole Roche and Cremorne JV Pty Ltd	-\$7,208.50	Closed	Discontinued
LEC 199712/22	107 Mount St, North Sydney Dynasty ABC Investment Holdings Pty Ltd	-\$107,884.38	Closed	Appeal upheld
LEC 213788/22	287 Military Road, Cremorne Captive Vision Pty Ltd	-\$32,185.44	Closed	Appeal upheld
LEC 214975/22	21 Christie St, Wollstonecraft BCMA Investments Pty Ltd	-\$7,644.56	Closed	Discontinued
LEC 219204/22	115-119 Holt Ave, Cremorne Holt Avenue Cremorne Pty Ltd	-\$18,569.30	Pending	N/A
LEC 225334/22	4-14 Merlin St and 1 McIntosh Ln, Neutral Bay Aplus Architectural Pty Ltd	-\$69,059.10	Pending	N/A
LEC 220363/22	7-11 Premier St, Neutral Bay AP Development No 2 Pty Limited	-\$23,302.07	Closed	Appeal upheld
LEC 237231/22	182 Kurraba Rd, Kurraba Point David Rahme	-\$26,593.18	Pending	Judgment Reserved
LEC 252804/22	173-179 Walker St, North Sydney CBUS Property Pty Ltd	-\$122,685.41	Pending	N/A
LEC 282437/22	89 Colin St, Cammeray Odette Gourley	-\$54,097.22	Closed	Appeal upheld
LEC 302126/22	1 Hayes St, Neutral Bay 7 Pty Ltd	-\$121,809.72	Closed	Appeal upheld
LEC 334267/22	88 Alexander St, Crows Nest Crows Nest Project Pty Ltd ATF Crows Nest Development Sub Trust	-\$33,283.58	Closed	Appeal upheld
LEC 346270/22	31 Wycombe Road, Kurraba Point Thomas Bateman & Fiona Bateman	-\$31,287.85	Closed	Appeal upheld
LEC 351880/22	52-56,70-72 and 80 Parraween St, Cremorne Skermanic Pty Ltd	-\$47,244.23	Pending	N/A
LEC 351906/22	82-88 Parraween St, Cremorne Skermanic Pty Ltd	-\$5,730.60	Pending	N/A
LEC 350239/22	5 Rodborough Avenue, Crows Nest Rodborough Development Pty Ltd	-\$36,592.55	Closed	Appeal upheld
LEC 361426/22	271 Pacific Highway, North Sydney Jazar Investments Pty Ltd	-\$10,362.14	Closed	Appeal upheld
LEC 375458/22	66 Rangers Road, Cremorne Howard Eakins	-\$8,831.38	Pending	N/A
LEC 378217/22	112-114 Wycombe Rd, Neutral Bay WINIM Developments Pty Limited	-\$10,999.01	Pending	N/A
LEC 385987/22	12 Toongarah Road, Waverton Scott Hay and Ernest Wong	-\$6,748.50	Closed	Discontinued
LEC 382408/22	8 Levick Street, Cremorne Katherine Morris and Jonathan Morris	-\$55,726.81	Pending	N/A

Legal Proceeding (LEC#)	Legal Proceeding (address/name)	Cost	Status (closed or pending)	Result
LEC 13132/23	275 Alfred Street, North Sydney Legge & Legge Architects Pty Limited	-\$13,479.29	Closed	Discontinued
LEC 39866/23	165 Military Rd - Neutral Bay Eastview (Australia) Pty Limited	-\$33,527.45	Pending	N/A
LEC 42493/23	66 Ernest Street, Crows Nest 66 Ernest St Developments Pty Limited ATF 66 Ernest Development Unit Trust	-\$14,230.24	Pending	N/A
LEC 50417/23	53-55 Yeo Street, Cremorne PP Neutral Bay Pty Ltd	-\$16,254.15	Pending	N/A
LEC 73980/23	124 Benelong Road, Cremorne Regal Benelong Pty Ltd	-\$15,063.95	Pending	N/A
LEC 96434/23	53-55 Yeo Street, Cremorne Timothy Cox and Yeo 55 Pty Lt	-\$25,612.20	Closed	Discontinued
LEC 108799/23	12-14 Waters Rd - Neutral Bay CE Waters Pty Ltd as trustee for CE Waters Development Trust	-\$6,890.40	Pending	N/A
LEC 112096/23	14 Armstrong Street, Cammeray Edward Warrant	-\$14,951.43	Pending	N/A
LEC 148634/23	12a Carabella St, Kirribilli WINIM Developments Pty Limited	-\$29,824.85	Pending	N/A
LEC 167010/23	75-77 Kirribilli Ave, Kirribilli The Trustee for Avenue 75 Trust	-\$33,373.23	Pending	N/A
LEC 169659/23	24 Premier St, Neutral Bay Thomas Kiel	-\$1,324.96	Pending	N/A
LEC 172487/23	36 Victoria St, McMahons Point Andrew Chick	-\$5,957.60	Pending	N/A
LEC 185876/23	290 Pacific Highway, Crows Nest PDS Engineering Division Pty Ltd	-\$4,615.93	Pending	N/A
LC 178899/22	Dog Matter Faye Westwood	-\$5,273.40	Pending	N/A
	Carter St, Cammeray Dynamic Projects (AUS) Pty Ltd	-\$1,052.70	Closed	Did not proceed
CAN: 3218578202	Lord St, North Sydney Chenwenyi Liang	-\$10,389.72	Closed	Withdrawn
LC 106191/20 and LC 106192/20	Dog and Traffic Matter Matthew Norbury Williams	-\$1,089.00	Closed	(1) Withdrawn (2) Successful conviction
LC 203990/22	Military Rd, Neutral Bay Boost Tel Pty Limited	-\$1,851.30	Closed	Withdrawn
	Hipwood St, North Sydney Adrian and Peggy Lim	-\$2,323.20	Pending	N/A
AP 319529/21 (against NCAT 80016/21)	NCAT Matter - Appeal against Privacy Complaint (NCAT 80016/21) EIG	-\$2,371.49	Closed	Appeal upheld

PARNERSHIPS AND DELEGATIONS

External Bodies

Under *Reg cl217(1) (a6)* Council is required to state any functions delegated to external bodies.

Council did not delegate functions to any external bodies during 2022/23.

Controlling Interest in Companies

Under *Reg cl271(1) (a7)* Council is required to state any functions delegated to external bodies.

Council holds a controlling interest in Nutcote Pty Ltd which is the trustee company for the Nutcote Trust.

Partnerships, Cooperatives and Joint Ventures

As required under *Reg cl 217(1) (a8)* all corporations, partnerships, trusts, joint ventures, syndicates, or other bodies (whether or no incorporated) in which the council participated during the year are listed below.

Program	Description
Aboriginal Heritage Office (AHO)	Partnership between Lane Cove, North Sydney, Ku-ring-gai, Northern Beaches, Strathfield, and Willoughby Councils, working to protect Aboriginal sites and promote Aboriginal history and heritage.
Better Business Partnership (BBP)	Partnership between North Sydney, Kuringai and Willoughby Councils to support businesses and organisations on the path to sustainability.
Bondi to Manly Walk Inc	Partnership with local Aboriginal Land Councils and six Local Government Councils to preserve and share information, and to encourage people to enjoy the walk.
Building Bridges to Boorowa	Partnership between Boorowa Community Landcare Group, Hill Tops Council and North Sydney Council, for annual tree-planting program with Councillors and Bushcare Volunteers in rural township of Boorowa.
Crows Nest Safe Village Project	Steering committee with representatives from the Lower North Shore Domestic Violence Network, interagencies, Councils and other organisations to empower the Crows Nest community to identify, respond and reduce all forms of domestic abuse through education and links to resources.
James Milson Village	Community project providing accommodation for approximately 250 aged people on the lower North Shore. The Village is operated by the North Sydney Retirement Trust, ("the Trust").
Link Wentworth Housing	Council owns community housing properties in partnership with Link Wentworth Housing to provide social and affordable housing.
Lower North Shore Child and Family Interagency	Multi-agency network involving all Councils on the Lower North Shore and a cross section of government and not-for-profit organisations, to enable information sharing, joint decision making, and a coordinated response to the needs of service providers, children, and their families.
Lower North Shore Domestic Violence Network (LNSDVN)	Network open to workers and practitioners in the fields of DV (Domestic Violence), family support, policy development, legal services, policing, health or similar. Providing a forum to discuss issues, exchange information and devise strategies to promote community awareness of DV in the region to reduce the incidence and impact of domestic violence in the area.
Lower North Shore Multicultural Network	Peak representative body comprised of multicultural not-for-profit organisations and government agencies representing the multicultural communities of Mosman, North Sydney, Willoughby, and Lane Cove, founded on the principles of multiculturalism and social justice to improve the health and wellbeing of the local multicultural community.

Program	Description
Lower North Shore Youth Interagency	Multi-agency network brings together youth service providers to network and collaborate to provide informed and coordinated service delivery to young people.
Metropolitan Public Libraries Association (NSW)	An organisation representing the concerns of NSW public libraries, sharing knowledge, and identifying bulk purchasing opportunities.
Mosman, North Sydney and Willoughby Bushfire Management Committee (MNSW BFMC (Bush Fire Management Committee))	Collaboration of Councils facilitated by NSW Fire and Rescue to manage bushfire risk.
Northern Sydney Regional Organisation of Councils (NSROC)	An organisation representing the concerns of local government from the Northern Sydney area comprised of eight councils from the NSROC member councils: Hornsby, Hunter's Hill, Ku-ring-gai, Lane Cove, Mosman, North Sydney, Ryde, and Willoughby.
Northern Sydney Homeless Case Coordination	Localised multi-agency response led by St George Community Housing (SGCH) with representatives from North Sydney Council, NSW Police, Health, and NGO's.
North Sydney Abuse Prevention Collaborative	Established in partnership with the Aged and Disability Commission (ADC) and co-chaired by Council and the Police, with representatives from health and the community sector, to raise awareness and address elder abuse in North Sydney
Northern Sydney Internal Audit Group	Council's internal audit function is provided under a shared service agreement. The shared service is hosted by Ku-ring-gai Council on behalf of North Sydney, Mosman, Lane Cove, Hunters Hill and Strathfield Councils.
NSW Maritime Course	Coal Loader partnership to host indigenous students in partnership with the Cape Don and Prince's Trust.
Partnership and Community Engagement (PACE)	The Coal Loader Centre hosted this program for third year Macquarie University science students.
Resilient Sydney	Coalition of Councils in the Greater Sydney area and facilitated by City of Sydney who meet regularly to discuss how to understand and manage resilience challenges.
Road Safety Program	Council and TfNSW jointly fund the position of a Road Safety Officer whose role includes public education regarding road safety issues.
Shorelink	Library management network linking the public library services of Lane Cove, Mosman, and North Sydney Councils.
Statewide Mutual Insurance Pool	Cooperative designed to provide access to affordable insurance.
Sydney Coastal Councils Group Inc	Group of nine Councils meeting quarterly, with an interest in the sustainability of the coastal and estuarine environments.
Sydney North Vertebrate Pest Committee (SNVPC)	Committee consisting of 11 local government and other agencies to discuss strategies for pest control, facilitated by Greater Sydney Local Land Services.
Sydney Weeds Network Inc	Not-for-profit association of organisations and Councils, to coordinate weed management in the Greater Sydney region.
TfNSW Interface Manager	Employed to interface dealings between TfNSW and Council on major transport planning and infrastructure. This role is fully funded by TfNSW.
TfNSW Public Projects Traffic Engineering Officer	Employed on an 18-month contract to represent Council in dealings between TfNSW and Council on major transport planning and infrastructure. This role is fully funded by TfNSW.
UNSW Design Studio Project	The Coal Loader Centre hosted for students of UNSW.
Volunteer Coordinators Network (VCN)	Facilitated by Greater Sydney Local Land Services, this group supports environmental volunteers' programs to share knowledge and experience.

PROCUREMENT

Contracts above \$150,000

Purchasing decisions are made in compliance with *Reg cl 217(1) (a2) (i), (ii), and s55 of the LG Act.*

Goods and services valued above \$250,000 over the life of the contract are subjected to a publicly advertised tender process and require approval by Council resolution. All successful and unsuccessful tenderers are notified in writing of the tender evaluation outcomes. For expenditure between \$50,001 and \$249,999, a minimum of three quotations is required. Providing the pricing is competitive, a supplier may be selected, and direct procurement may occur.

Contract No.	Contractor	Goods and Services Supplied	Amount (\$)
3-2022	Rees Electrical Pty Ltd	Anderson Park Sportsfield Lighting	152,450.00
6-2022	DCFM Australia Pty Ltd	Caretakers Cottage Refurbishment	192,795.00
9-2022	Downer PipeTech Pty Ltd	Stormwater Drainage Relining Works	542,955.00
10-2022	Whittaker Civil Pty Ltd	Willoughby Street GPT and Drainage Upgrade	927,496.02
4-2023	MKGS Constructions & Project Management	1 James Place Spec Fitout	212,617.19
1-2021(15)B	Ezy Pave Pty Ltd	Atchison Lane Upgrade Works Stage 2	354,166.00
1-2021(17)A	Shamrock Developments International Pty	Bent Street Safety Barrier Works stage 1, 2,3 & 5	382,005.00
1-2021(23)	Anzellotti Constructions Pty Ltd	Newland Street & Newlands Lane - Construction of	206,758.00
1-2021(32)	Planet Civil Pty Ltd	Footpath, Kerb & Guttering Capital Works	190,279.00
1-2021(33)	State Civil Pty Ltd	Footpath, Kerb & Gutter Capital Works -Neutral St	165,339.00
1-2021(34)	Ezy Pave Pty Ltd	Wheeler Lane & William Street Footpath Upgrade	566,399.00
1-2021(35)	Bedrule Pty Ltd	William & Blue Street, Lighting Upgrade	450,196.00
1-2021(36)	Shamrock Developments International Pty	Primrose Park Rock Face Stabilisation Works	274,976.00
1-2021(38)	Shamrock Developments International Pty	Murdoch St Safety Fence Barrier Works	239,587.80
1-2021(39)	Bedrule Pty Ltd	Cremorne Point Reserve Retaining Wall Works	262,375.00
1-2021(40)	Ezy Pave Pty Ltd	Meadow Lane Stairs	357,713.00
1-2021(41)	Ezy Pave Pty Ltd	East Crescent Street, Shared Space Project	309,006.50
1-2021(42)	Civotek Pty Ltd	Newlands Lane Kerb & Gutter & Drainage Works	198,870.08
1-2021(43)	Ezy Pave Pty Ltd	Cairo & Carter K&G & Drainage	432,302.00
1-2021(44)	Shamrock Developments International Pty	Sawmillers Reserve Landslide Stabilisation	184,167.00
1-2021(45)	Ezy Pave Pty Ltd	Matora Lane Upgrade	540,646.95
1-2021(46)	Ezy Pave Pty Ltd	West Street Cycleway Construction	536,329.24
1-2021(47)	Ezy Pave Pty Ltd	Wycombe Road Streetscape Upgrade	255,489.54
1-2021(50)	Bedrule Pty Ltd	Hunts Lookout Footbridge Replacement	177,400.00
13-2022	Shamrock Developments International Pty	Blue's Point Reserve - Seawall	165,395.00
14-2022A	Shamrock Developments International Pty	Seawall Restoration Works	909,249.00

Contract No.	Contractor	Goods and Services Supplied	Amount (\$)
14-2022B	Shamrock Developments International Pty	Seawall Restoration Works	1,606,794.00
21-2022	The P A People	Audio Visual Services works for North Sydney	156,301.20
23-2020(1)	Sparke Helmore Lawyers	DA (Development Application) 197/22 - 173-179 Walker St - CBUS Property Pty	350,000.00
23-2022	Technology One Ltd	SaaS Upgrade	430,080.02
24-2022	HWL Ebsworth Lawyers	IOF Custodians v NSC (Legal) - Class 2	1,298,978.64
25-2022	GJ's Landscapes Pty Ltd	Prior Ave Playground Upgrade	201,268.00
28-2022	Vermeer Equipment Holdings Pty Ltd	Supply One Vacuum Excavator Body	155,500.00
28-2022(1)	RDO Equipment Pty Ltd	Supply One Vacuum Excavator Body	166,212.02
29-2022	Civica Pty Ltd	Authority ERP System	439,576.76
4-2021(1)	Australian Bushland Construction	Gore Cove Track Upgrade	178,915.00
LGP1208-4(1)	Umbaco Landscape Architects Pty Ltd	Design Consultancy Services for the upgrade of	175,000.00
LGP419-2019(1)	Toro Australia Group Sales Pty Ltd	Toro 9060 Outcross two seated Multipurpose Vehicle	151,467.73
LGP808-4-2023C	Hays Accountancy Personnel	Human Resource (HR) Permanent & Temporary	236,360.80
NSROC-2022(2)	Stateline Asphalt Pty Ltd	Miller St Pavement Restoration Works'	367,912.00
NSWSCM0256(1)A	Raguz Building Services	Depot Office Renovations	331,639.00
PA2406-0713-1	Canon Australia Pty Ltd	Supply and Maintain Multi-Functional Devices (MFD)	364,413.19
Total			\$15,797,380.68

Modern Slavery Statement

This Statement is provided in accordance with *LG Act s428 (4)* and outlines Council's commitment to combatting modern slavery and the measures implemented during this reporting period to reduce the risk of procurement activities resulting in or contributing to human rights violations.

Organisational Structure and Supply Chain

North Sydney LGA is 10 km² radius located in the lower north shore of Sydney and has a decentralised procurement structure. The overall procurement spending in 2022/23 was an estimate of \$91,000,000.00. We recognise the importance of taking steps to ensure that goods and services procured by and for our Council are not the product of modern slavery.

Council's supply chain includes small and mid-size businesses (SMB), small and mid-size enterprises (SME,) and large enterprises. The highest categories of spending include construction, waste, insurance, parking services and labour hire.

Policy

Council adopted a *Statement of Business Ethics Policy* outlining its commitment to preventing and addressing modern slavery in all its procurement activities, available at www.northsydney.nsw.gov.au/policies

RATES AND LEVIES

Developer Contributions and Levies

Under *EPA Reg cl 218A(1)* Council is required to report on how development contributions and levies have been used or expended under each contribution plan during the year.

Council received a total of \$14,859,233 contributions and levies during the year. These amounts are transferred to reserve and may only be released to spend on projects identified in the contribution plans. The following table details spending funded from those reserves during the year. No amounts were temporarily borrowed from money to be expended for another purpose. There were no other value of land and material benefits other than money or land.

KEY

Completed ● In Progress ●

CSP Link	Project/Program	Public amenity/service area	Amount (\$)	Proportion funded	Status
4.1.1	Family Day Care Playground Equipment	Community facilities	41,885	100%	●
4.2.3	Library Furniture & Fittings Upgrade	Community facilities	10,000	41%	●
4.2.3	Library Special Collection	Community facilities	11,858	100%	●
2.1.1	North Sydney Olympic Pool	Open Space and recreation	2,699,929	15%	●
2.4.1	Traffic Improvements	Active transport	232,672	35%	●
1.4.1	Hume Street Park - Stage 1	Open Space and recreation	265,101	100%	●
1.4.1	1 Henry Lawson Avenue Park	Open Space and recreation	50,099	100%	●
1.4.1	St Leonards Park Masterplan - Stage 3	Open Space and recreation	121,549	47%	●
1.3.1	Street tree planting program	Open Space and recreation	104,686	100%	●
1.1.2	Streets Alive Program	Open Space and recreation	209,560	100%	●
		Total	3,747,339		

Activities Funded by the Special Rate Variation (SRV)

In accordance with the *Special Rate Variation Guidelines*, the Council is required to report on activities funded via a special rate variation including requirements set out in the Instrument of Approval, projects and outcomes achieved.

IPART partially approved a SRV and minimum rate increase in May 2019, meaning that for the three-year period 1 July 2019 to 30 June 2022, the Council could increase both residential and business rates by 7% per annum, inclusive of the rate peg. These were permanent increase and are therefore included in Council's General Permissible Income on an ongoing basis. As the nominated projects are completed the funds become available to fund Council's regular program of asset renewals.

The additional revenue enabled us to maintain our existing service levels (including verge mowing, graffiti removal and the Precinct System) plus generated a total of \$11.9 million in additional funds over the three years, including an additional \$7.3m to address condition 5 (very poor) assets and the remaining funds enabled the Council to undertake the following additional capital works projects:

Program	2019/20	2020/21	2021/22
Asset Renewals - Additional			
Drainage	●	●	●
Gross Pollutant Traps		●	●
Footpaths	●		●
Marine Structures	●	●	
Retaining Walls	●	●	●
Roads			●
Seawalls	●	●	●
Capital Works projects			
St Leonards Park Landscape Masterplan implementation			●
Neutral Bay & Cremorne village upgrades	●	●	●
Kirribilli & McMahons Point village upgrades			●
Sirius Street Reserve playground upgrade	●		
Grasmere Children's Park playground upgrade			●
Primrose Park walking track upgrade		●	
Gore Cove to Smoothey Park walking track upgrade			●

Whilst the SRV expired on 30 June 2022, not all funds raised were expended. The remaining funds were for the implementation of the St Leonards Park Masterplan, public domain upgrades in the commercial village areas Neutral Bay, Cremorne, Kirribilli and McMahons Point as well as a playground upgrade. The playground upgraded was Fred Hutley Reserve as Grasmere Children's Park playground was upgraded via grant funding.

In 2022/23 the SRV funds were spent as follows:

Project	SRV Budget (\$)	SRV Actuals (\$)
St Leonards Park Landscape Masterplan implementation	297,640	227,028
Neutral Bay & Cremorne village upgrades	686,537	189,080
Kirribilli & McMahons Point village upgrades	234,736	137,428
Fred Hutley Reserve playground upgrade	282,443	282,443
Primrose Park walking track upgrade	13,704	0
Gore Cove to Smoothey Park walking track upgrade	70,712	70,712
TOTAL	1,585,772	906,691

As at 30 June 2023, a balance of \$679,081 remains. This is due to the flow-on impacts from 2021/22 of rain delays, lockdown delays, the time taken to prepare designs for projects in the Neutral Bay and Cremorne Public Domain Masterplan, material supply problems, and the withdrawal of the initial contractor for the playground upgrade. These funds are restricted and will be used to fund the continued progress and finalisation of the nominated projects in 2023/24.

Activities Funded by the Special Levies

The following programs were originally time limited levies that were incorporated in Council's general rates from 1 July 2013, following IPART approval.

Revenue is individually listed on rates notices. The Environmental and Infrastructure Levies are applicable to all rateable properties within the North Sydney LGA. The Mainstreet Levies are applicable to business ratepayers only within designated geographical areas, as outlined in Council's annual *Revenue Policy*. Note: the income and expenditure figures may not balance due to transfer to and from reserves, regardless the funds are restricted for use as stated below.

Levy	Purpose	Income & Expenditure
Infrastructure	Increases available funding for infrastructure maintenance.	Consists of a base amount (50%) and an ad valorem amount (at value). In 2022/23 the levy raised \$2,256,000 and was applied to road pavement renewals (\$831,000) and Kerb & Gutter Renewals (\$1,400,000)
Environment	Increases available funding for environmental projects, including implementation of Council's <i>Environmental Sustainability Strategy</i> .	Consists of a base amount (50%) and an ad valorem amount (at value). In 2022/23 the levy raised \$2,532,000 and was applied to bushland projects (\$1,132,000), greenhouse action (\$844,000) and waste management action plan (\$107,000) and maintenance of gross pollutant traps (\$185,000).
Crows Nest Mainstreet	Funds streetscape improvement works within the Crows Nest business area.	Consists of a base amount (30%) and an ad valorem amount (at value). In 2022/23 the levy raised \$298,000 and was applied to the Crows Nest Street Fair (\$73,000). The balance is held in reserve to fund streetscape works in 2023/24.
Neutral Bay Mainstreet	Funds streetscape improvement works within the Neutral Bay business area.	Consists of a base amount (30%) and an ad valorem amount (at value). In 2022/23 the levy raised \$200,000 and was applied to funding the Neutral Bay Chamber of Commerce (\$18,000) and streetscape works (\$182,000).

Rates and Charges

Council is required to report on rates and charges written off during the year under *LG (General) Reg 2021, cl 132*.

No rates and charges were written off during the 2022/23 financial year.

Stormwater Management

Council levied an annual Stormwater Management Service Charge (SWMC) under *Reg cl217(1)(e)* since July 2013.

In 2022/23 the SWMC funds were used on relining in the below locations:

- Alfred Street North, Neutral Bay
- Arthur Street, Lavender Bay
- Bells Avenue, Cammeray
- Benelong Road, Cremorne
- Blues Point Road, McMahons Point
- Bogota Avenue, Cremorne Point
- Byrnes Lane, Neutral Bay
- Cable Street, Wollstonecraft
- Glenferrie Avenue, Cremorne Point
- Gundamaine Avenue, Kurraba Point
- Kareela Road, Cremorne Point
- King George Street, Lavender Bay
- Larkin Street, Waverton
- Levick Street, Cremorne
- Luna Park Site, Milsons Point
- Macpherson Street, Cremorne
- McLaren Street, North Sydney
- Milray Avenue, Wollstonecraft
- Milson Road, Cremorne Point
- Mitchell Street, St Leonards
- Murdoch Street, Cremorne
- Queens Avenue, McMahons Point
- Reynolds Street, Cremorne
- Yeo Street, Neutral Bay

Part C

FINANCIAL REPORTING





FINANCIAL RESULTS OVERVIEW

In 2022/23:

- Council's draft statements show a net operating surplus after grants and contributions for capital purposes of \$24.5 million
- the result excluding capital grants and contributions is a deficit of \$2.3 million - this was heavily impacted by a non-cash decrease of \$2.7 million in the value of Council's investment property portfolio
- the statements report a positive Operating Performance Ratio indicating that it successfully contained expenses within its income for the year
- capital expenditure including plant replacement was \$52.5 million
- total assets increased by 5% to \$1.8 billion
- total liabilities increased by 2% to \$89.8 million
- community equity increased by 5% to \$1.7 billion

KEY FINANCIAL INDICATORS

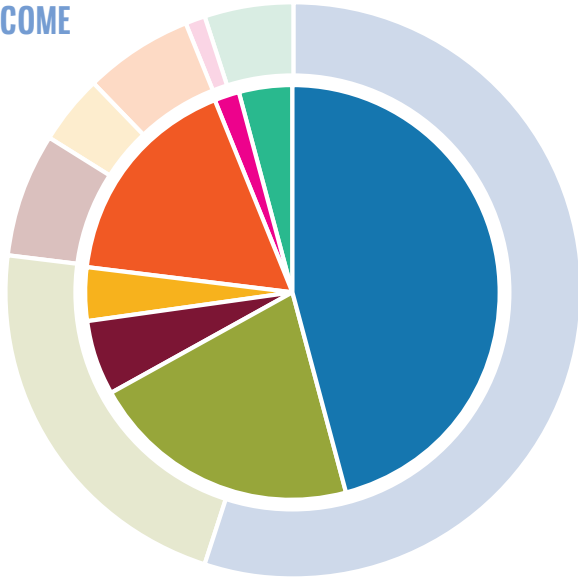
Council's financial position at 30 June 2023 was sound. The financial statements show that certain expenses (such as depreciation) have increased in recent years. The ongoing reliability of certain income streams (such as parking related income) has come into question due to changes in policy, technology and society. In the coming years Council will need to pay close attention to its revenue strategies to maintain its long-term financial sustainability and deliver the outcomes of the North Sydney Community Strategic Plan.

	Benchmark	2021/22	2022/23
Financial Performance Indicators			
Operating performance ratio	> 0%	1.33%	3.32%
Own source operating revenue ratio	>60%	78.90%	80.51%
Unrestricted current ratio	> 1.5x	2.72x	2.71x
Debt service cover ratio	> 2x	8.11x	17.38x
Rates and annual charges outstanding percentage	< 5%	2.77%	2.94%
Cash expense cover ratio	> 3 mths	14.28 mths	15.39 mths
Infrastructure management performance ratios			
Debt service cover ratio	> 100.00%	86.79%	150.63%
Infrastructure backlog ratio	< 2.00%	3.10%	3.65%
Asset maintenance ratio	> 100.00%	108.32%	88.69%
Cost to bring assets to agreed service level	n/a	2.19%	2.60%

FINANCIAL SUMMARY

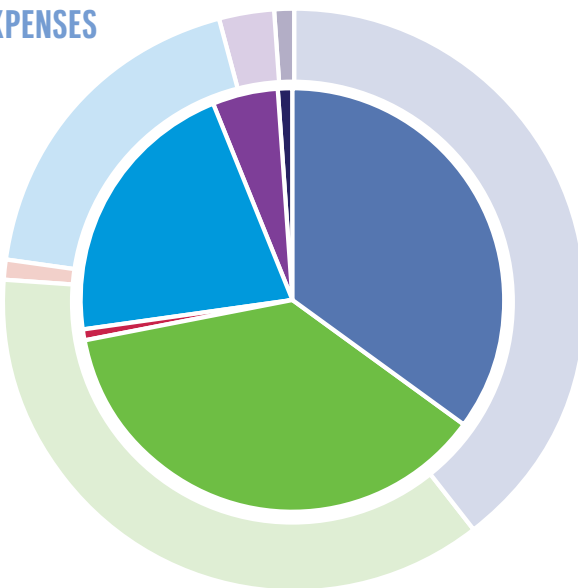
The information below shows the breakdown of projected and actual income and expenditure for 2022/23.

INCOME



Income from continuing operations	Projected (\$'000)	Actual (\$'000)
Rates and annual charges	72,409	72,253
User fees and charges	29,592	33,443
Other revenue	9,087	9,649
Grants and contributions provided for operating purposes	5,457	6,535
Grants and contributions provided for capital purposes	8,024	26,753
Interest and investment income	1,384	3,690
Other income	5,881	5,421
Total income	131,834	157,744

EXPENSES



Expenses from continuing operations	Projected (\$'000)	Actual (\$'000)
Employee benefits and on-costs	49,083	47,068
Materials and services	45,250	49,555
Borrowing costs	1,533	1,583
Depreciation and amortisation	23,937	27,184
Other expenses	3,475	6,628
Net from the disposal of assets	547	1,253
Total expenses	123,825	133,271



North Sydney Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2023

*Shaping a progressive, diverse and vibrant North Sydney
community.*



North Sydney Council

General Purpose Financial Statements

for the year ended 30 June 2023

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Overview

North Sydney Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

200 Miller Street
North Sydney NSW 2060

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

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

North Sydney Council

General Purpose Financial Statements

for the year ended 30 June 2023

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

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993* (NSW) (as amended) and the regulations made thereunder;
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board; and
- the Local Government Code of Accounting Practice and Financial Reporting.

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

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

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

Signed in accordance with a resolution of Council made on 23 October 2023.



Zoë Baker
Mayor
23 October 2023



William Bourke
Councillor
23 October 2023



Therese Manns
General Manager
23 October 2023



Christian Menday
Responsible Accounting Officer
23 October 2023

North Sydney Council

Income Statement

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Restated Actual 2022
Income from continuing operations				
72,409	Rates and annual charges	B2-1	72,253	71,112
29,592	User charges and fees	B2-2	33,443	26,923
9,087	Other revenues	B2-3	9,649	7,202
5,457	Grants and contributions provided for operating purposes	B2-4	6,535	6,398
8,024	Grants and contributions provided for capital purposes	B2-4	26,753	20,678
1,384	Interest and investment income		3,690	1,368
5,881	Other income	B2-6	5,421	8,032
131,834	Total income from continuing operations		157,744	141,713
Expenses from continuing operations				
49,083	Employee benefits and on-costs	B3-1	47,068	42,371
45,250	Materials and services	B3-2	49,555	43,811
1,533	Borrowing costs		1,583	559
23,937	Depreciation, amortisation and impairment of non-financial assets	B3-4	27,184	29,241
3,475	Other expenses	B3-5	6,628	2,709
547	Net loss from the disposal of assets		1,253	533
123,825	Total expenses from continuing operations		133,271	119,224
8,009	Operating result from continuing operations		24,473	22,489
8,009	Net operating result for the year attributable to Council		24,473	22,489
(15)	Net operating result for the year before grants and contributions provided for capital purposes		(2,280)	1,811

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

North Sydney Council

Statement of Comprehensive Income

for the year ended 30 June 2023

\$ '000	Notes	2023	Restated 2022
Net operating result for the year – from Income Statement		24,473	22,489
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-5	56,493	195,722
Total items which will not be reclassified subsequently to the operating result		56,493	195,722
Total other comprehensive income for the year		56,493	195,722
Total comprehensive income for the year attributable to Council		80,966	218,211

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

North Sydney Council

Statement of Financial Position

as at 30 June 2023

\$ '000	Notes	2023	Restated 2022	Restated 1 July 2021
ASSETS				
Current assets				
Cash and cash equivalents	C1-1	24,150	54,571	25,184
Investments	C1-2	122,897	88,892	85,995
Receivables	C1-4	10,774	9,030	10,182
Inventories		69	40	37
Other		577	569	954
Total current assets		158,467	153,102	122,352
Non-current assets				
Receivables	C1-4	421	505	392
Infrastructure, property, plant and equipment (IPPE)	C1-5	1,535,112	1,456,015	1,246,670
Investment property	C1-6	56,047	57,687	54,786
Right of use assets	C2-1	1,576	1,839	2,102
Investments accounted for using the equity method		35	32	28
Total non-current assets		1,593,191	1,516,078	1,303,978
Total assets		1,751,658	1,669,180	1,426,330
LIABILITIES				
Current liabilities				
Payables	C3-1	26,802	25,705	24,527
Contract liabilities	C3-2	11,680	8,850	13,897
Lease liabilities	C2-1	303	303	303
Borrowings	C3-3	2,005	1,927	881
Employee benefit provisions	C3-4	13,967	14,223	15,560
Total current liabilities		54,757	51,008	55,168
Non-current liabilities				
Lease liabilities	C2-1	1,367	1,617	1,860
Borrowings	C3-3	33,441	35,446	6,373
Employee benefit provisions	C3-4	236	218	249
Total non-current liabilities		35,044	37,281	8,482
Total liabilities		89,801	88,289	63,650
Net assets		1,661,857	1,580,891	1,362,680
EQUITY				
Accumulated surplus		963,263	938,790	916,301
IPPE revaluation reserve	C4-1	698,594	642,101	446,379
Council equity interest		1,661,857	1,580,891	1,362,680
Total equity		1,661,857	1,580,891	1,362,680

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

North Sydney Council

Statement of Changes in Equity

for the year ended 30 June 2023

	2023		2022	
	Accumulated surplus	IPPE revaluation reserve	Accumulated surplus	IPPE revaluation reserve
			Restated	Restated
Opening balance at 1 July	938,790	642,101	827,825	446,379
Correction of prior period errors	-	-	88,476	-
Restated opening balance 1 July	938,790	642,101	916,301	446,379
Net operating result for the year	24,473	-	23,470	-
Correction of prior period errors	-	-	(981)	-
Restated net operating result for the period	24,473	-	22,489	-
Other comprehensive income				
Gain (loss) on revaluation of infrastructure, property, plant and equipment	-	56,493	-	183,930
Correction of prior period errors	-	-	-	11,792
Other comprehensive income	-	56,493	-	195,722
Total comprehensive income	24,473	56,493	22,489	195,722
Closing balance at 30 June	963,263	698,594	938,790	642,101

Notes

F4-1

F4-1

C1-5

F4-1

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

North Sydney Council

Statement of Cash Flows

for the year ended 30 June 2023

Original unaudited budget 2023	\$ '000	Notes	Actual 2023	Actual 2022
Cash flows from operating activities				
Receipts:				
72,418	Rates and annual charges		72,299	70,617
29,687	User charges and fees		35,411	27,439
1,696	Interest received		3,103	1,463
12,528	Grants and contributions		32,933	24,291
3,600	Bonds, deposits and retentions received		2,491	2,393
14,973	Other		20,387	19,640
Payments:				
(48,550)	Payments to employees		(45,939)	(43,679)
(46,171)	Payments for materials and services		(52,353)	(48,810)
(1,543)	Borrowing costs		(1,599)	(338)
(3,600)	Bonds, deposits and retentions refunded		(2,095)	(2,485)
(3,770)	Other		(9,606)	(6,317)
31,268	Net cash flows from operating activities	G1-1	55,032	44,214
Cash flows from investing activities				
Receipts:				
38,229	Sale of investments		–	3,250
–	Redemption of term deposits		98,500	40,000
–	Proceeds from sale of IPPE		899	1,043
Payments:				
–	Purchase of investments		–	(2,962)
–	Acquisition of term deposits		(132,500)	(43,250)
–	Purchase of investment property		(1,033)	(132)
(71,220)	Payments for IPPE		(49,142)	(42,652)
(32,991)	Net cash flows from investing activities		(83,276)	(44,703)
Cash flows from financing activities				
Receipts:				
–	Proceeds from borrowings		–	31,000
Payments:				
(1,927)	Repayment of borrowings		(1,927)	(881)
(303)	Principal component of lease payments		(250)	(243)
(2,230)	Net cash flows from financing activities		(2,177)	29,876
(3,953)	Net change in cash and cash equivalents		(30,421)	29,387
5,183	Cash and cash equivalents at beginning of year		54,571	25,184
1,230	Cash and cash equivalents at end of year	C1-1	24,150	54,571
60,248	plus: Investments on hand at end of year	C1-2	122,897	88,892
61,478	Total cash, cash equivalents and investments		147,047	143,463

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

North Sydney Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 23 October 2023. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

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

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

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

Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment - refer Note C1-5
- (ii) estimated fair values of investment property – refer Note C1-6
- (iii) employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

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

Monies and other assets received by Council

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

Goods and Services Tax (GST)

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

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

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

A1-1 Basis of preparation (continued)

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (i.e. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2023 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements, it is considered unlikely that any of these standards will have a material impact on Council's future financial performance, financial position or cash flows.

B Financial Performance

B1 Functions or activities

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

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
						Restated				Restated
\$ '000										
Functions or activities										
Our Living Environment	28,921	23,881	12,788	35,103	16,133	(11,222)	7,022	3,173	473,570	381,954
Our Built Infrastructure	42,649	44,273	48,703	31,466	(6,054)	12,807	18,970	20,303	644,973	655,713
Our Future Planning	24,382	14,264	36,335	14,615	(11,953)	(351)	214	194	224,066	233,789
Our Social Vitality	1,442	1,584	8,952	10,350	(7,510)	(8,766)	2,570	1,253	210,717	202,304
Our Civic Leadership	60,350	57,711	26,494	27,690	33,856	30,021	4,512	2,153	198,332	195,420
Total functions and activities	157,744	141,713	133,272	119,224	24,472	22,489	33,288	27,076	1,751,658	1,669,180

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

Our Living Environment

Encompasses but is not limited to bushland management, environmental sustainability, recreational facilities, tree preservation and community gardens.

Our Built Infrastructure

Encompasses but is not limited to asset management, land use planning, development and design, heritage preservation, streetscapes, compliance and traffic and transport planning.

Our Future Planning

Encompasses but is not limited to economic development, tourism and our commercial centres and shopping villages.

Our Social Vitality

Encompasses but is not limited to community services, arts and culture, access and safety, housing, health and wellbeing, recreational planning and volunteering.

Our Civic Leadership

Encompasses but is not limited to governance (i.e. how Council is managed).

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2023	2022
Ordinary rates		
Residential	30,889	30,462
Business	19,736	19,286
Less: pensioner rebates (mandatory)	(139)	(144)
Less: pensioner rebates (Council policy)	(113)	(118)
Rates levied to ratepayers	50,373	49,486
Pensioner rate subsidies received	139	144
Total ordinary rates	50,512	49,630
Special rates		
Infrastructure levy	2,257	2,213
Environmental levy	2,533	2,484
Main street levies	498	492
Rates levied to ratepayers	5,288	5,189
Total special rates	5,288	5,189
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	15,856	15,693
Stormwater management services	576	577
Section 611 charges	52	56
Less: pensioner rebates (mandatory)	(39)	(41)
Less: pensioner rebates (Council policy)	(32)	(33)
Annual charges levied	16,413	16,252
Pensioner annual charges subsidies received:		
– Domestic waste management	40	41
Total annual charges	16,453	16,293
Total rates and annual charges	72,253	71,112

Council has used 2022 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government. Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

B2-2 User charges and fees

\$ '000	2023	2022
Specific user charges (per s502 - specific 'actual use' charges)		
Domestic waste management services (additional)	1,180	1,195
Total specific user charges	1,180	1,195
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s608)		
Planning and building regulation	4,204	3,571
Regulatory / statutory fees	6,896	6,108
Section 10.7 certificates (EP&A Act)	284	330
Section 603 certificates	176	212
Total fees and charges – statutory/regulatory	11,560	10,221
(ii) Fees and charges – other (incl. general user charges (per s608))		
Community centres / facilities	94	56
Domestic waste management – other	46	48
Family day care	212	234
Library	89	46
On street parking	9,601	7,032
Off street parking	6,993	4,439
Ovals	1,416	688
Planning and building regulation (non-statutory)	480	1,832
Public events	108	46
Reinstatements	1,439	898
Other	225	188
Total fees and charges – other	20,703	15,507
Total other user charges and fees	32,263	25,728
Total user charges and fees	33,443	26,923
Timing of revenue recognition for user charges and fees		
User charges and fees recognised over time (1)	8,503	5,183
User charges and fees recognised at a point in time (2)	24,940	21,740
Total user charges and fees	33,443	26,923

Accounting policy

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 14 days of the provision of the service or in some cases such as parking meter fees, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as permanent reserved parking spaces in parking stations, the fee is recognised on a straight-line basis over the expected life of the reservation.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

\$ '000	Timing	2023	2022
Advertising on Council infrastructure	1	750	832
Community housing accumulated surplus (from Link Housing)	2	275	120
Fines – parking	2	7,655	5,183
Fines – environmental and compliance	2	60	153
Credit card payment surcharge	2	99	104
Legal fees recovered	2	319	166
New Years Eve event revenue	2	77	33
Other	2	414	611
Total other revenue		9,649	7,202

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	750	832
Other revenue recognised at a point in time (2)	8,899	6,370
Total other revenue	9,649	7,202

Accounting policy for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
General purpose grants and non-developer contributions (untied)				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	401	849	–	–
Financial assistance – local roads component	142	266	–	–
Payment in advance - future year allocation				
Financial assistance – general component	1,821	1,304	–	–
Financial assistance – local roads component	590	409	–	–
Amount recognised as income during current year	2,954	2,828	–	–
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Community Care	643	757	–	–
Environment Programs	638	469	25	6
Recreation and culture	216	445	5,011	16,041
Town Planning	441	311	–	–
Roads to Recovery	305	305	–	–
Transport for NSW contributions (regional roads, block grant)	712	703	–	–
Other roads and transport	458	406	2,411	2,863
Other	74	174	–	–
- Footpaths	94	–	–	–
Public domain improvements	–	–	387	–
Total special purpose grants and non-developer contributions – cash	3,581	3,570	7,834	18,910
Non-cash contributions				
Recreation and culture	–	–	4,060	–
Total other contributions – non-cash	–	–	4,060	–
Total special purpose grants and non-developer contributions (tied)	3,581	3,570	11,894	18,910
Total grants and non-developer contributions	6,535	6,398	11,894	18,910
Comprising:				
– Commonwealth funding	3,859	992	3,008	10,444
– State funding	2,091	4,822	8,444	8,362
– Other funding	585	584	442	104
	6,535	6,398	11,894	18,910

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	F5					
Cash contributions						
S 7.11 – contributions towards amenities/services		2	–	–	14,859	1,768
Total developer contributions – cash			–	–	14,859	1,768
Total developer contributions			–	–	14,859	1,768
Total contributions			–	–	14,859	1,768
Total grants and contributions			6,535	6,398	26,753	20,678
Timing of revenue recognition for grants and contributions						
Grants and contributions recognised over time (1)			1,484	–	–	–
Grants and contributions recognised at a point in time (2)			5,051	6,398	26,753	20,678
Total grants and contributions			6,535	6,398	26,753	20,678

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2023	Operating 2022	Capital 2023	Capital 2022
Unspent grants and contributions				
Unspent funds at 1 July	626	312	5,621	10,214
Add: Funds received and not recognised as revenue in the current year	274	462	4,373	1,535
Less: Funds received in prior year but revenue recognised and funds spent in current year	(493)	(148)	(2,431)	(6,128)
Unspent funds at 30 June	407	626	7,563	5,621

The majority of unspent grant funding at 30 June 2023 was received for the following project which have not been completed

Contributions

Unspent funds at 1 July	120	171	31,805	32,333
Add: contributions received and not recognised as revenue in the current year	144	120	17,173	1,854
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	(120)	(171)	(3,584)	(2,382)
Unspent contributions at 30 June	144	120	45,394	31,805

As at 30 June 2023, Council held \$45.4 million of unspent developer contributions levied under S7.11 or S7.4 of the Environmental Planning & Assessment Act, 1979. These funds will be utilised in future years to assist in the cost of providing local public infrastructure and facilities required as a consequence of development.

B2-4 Grants and contributions (continued)

Accounting policy

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include funds received from the NSW Department of Planning, Industry & Environment to implement the Faster Regionally Significant Development Applications Pilot Program, Transport for NSW to deliver projects aimed at the promotion of road safety and Sydney Metro/Transport for NSW to fund two additional staff to undertake strategic and support functions arising from the Sydney Metro project. Payment terms vary depending on the terms of the grant. Cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community services throughout the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

B2-5 Interest and investment income

\$ '000	2023	2022
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	116	113
– Cash and investments	2,927	1,173
– Developer contributions	647	82
Total interest and investment income	3,690	1,368

B2-5 Interest and investment income (continued)

Accounting policy

Interest income is recognised using the effective interest rate at the date that interest is earned.

Dividends are recognised as income in profit or loss when the shareholder's right to receive payment is established unless the dividend clearly represents a recovery of part of the cost of the investment.

B2-6 Other income

\$ '000	Notes	2023	2022
Fair value increment on investment properties			
Fair value increment on investment properties		–	2,769
Total fair value increment on investment properties	C1-6	–	2,769
Rental income			
Investment properties			
Lease income (excluding variable lease payments not dependent on an index or rate)		4,400	4,243
Total Investment properties		4,400	4,243
Other lease income			
Room/Facility Hire		732	713
Leaseback fees - council vehicles		281	303
Total other lease income		1,013	1,016
Total rental income	C2-2	5,413	5,259
Fair value increment on investments			
Fair value increment on investments through profit and loss		5	–
Total Fair value increment on investments		5	–
Net share of interests in joint ventures and associates using the equity method			
Joint ventures		3	4
Total net share of interests in joint ventures and associates using the equity method		3	4
Total other income		5,421	8,032

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2023	2022
Salaries and wages	36,336	33,448
Employee leave entitlements (ELE)	5,835	4,475
Superannuation – defined contribution plans	3,578	3,400
Superannuation – defined benefit plan	445	590
Workers' compensation insurance	1,086	821
Fringe benefit tax (FBT)	230	220
Gratuities	216	270
Other	158	91
Recruitment cost	208	108
Total employee costs	48,092	43,423
Less: capitalised costs	(1,024)	(1,052)
Total employee costs expensed	47,068	42,371
Number of 'full-time equivalent' employees (FTE) at year end	367	365

Accounting policy

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme. However, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 18 for more information.

B3-2 Materials and services

\$ '000	Notes	2023	2022
Audit Fees	E2-1	86	83
Consultancy		1,111	1,163
Contractor costs:			
– Agency staff		1,844	1,267
– Cash collection		230	246
– Cleaning of Council properties		349	384
– Computer hardware and software maintenance		1,741	1,716
– Mowing		965	907
– Infrastructure maintenance		4,409	3,881
– Parking meter maintenance		1,004	914
– Parks, gardens and tree maintenance		1,955	1,680
– Property maintenance and management		4,073	2,915
– Public events		774	873
– Waste and recycling collection		8,166	7,368
– Waste and recycling disposal		4,234	4,196
– Other contractor costs		2,417	2,458
Infringement notice contract costs (SEINS)		1,202	668
Raw materials and consumables		4,812	3,980
Service costs (previously other expenses):			
– Bank charges		526	437
– Councillor and Mayoral fees and associated expenses	E1-2	454	369
– Election expenses		7	483
– Electricity and heating		585	535
– Insurance		2,394	2,300
– Postage		320	304
– Staff training		300	284
– Staff travel expenses		222	263
– Street lighting		727	652
– Telephone and communications		342	399
– Other service costs		698	660
Legal expenses:			
– Legal expenses: planning and development		3,411	2,248
– Legal expenses: debt recovery		95	31
– Legal expenses: other		47	147
Total materials and services		49,555	43,811
Total materials and services		49,555	43,811

Accounting policy

Expenses are recorded on an accruals basis as the council receives the goods or services.

B3-3 Borrowing costs

\$ '000	2023	2022
(i) Interest bearing liability costs		
Interest on leases	53	60
Interest on loans	1,530	499
Total interest bearing liability costs	1,583	559
Total borrowing costs expensed	1,583	559

Accounting policy

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed as incurred.

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	2023	2022 Restated
Depreciation and amortisation		
Furniture and fittings	459	473
Office equipment	905	933
Land improvements (depreciable)	480	340
Plant and equipment	1,843	2,009
Infrastructure:		
– Buildings – specialised	3,417	2,777
– Buildings – non-specialised	916	786
– Footpaths	3,703	3,395
– Other structures	13	13
– Roads	6,578	6,116
– Stormwater drainage	2,236	1,981
– Swimming pools	75	75
– Other open space / recreational assets	1,496	1,369
– Other infrastructure	4,350	3,783
Right of use assets	263	263
Other assets:		
– Heritage collections	118	117
– Library books	332	342
Total depreciation and amortisation costs	27,184	24,772
Impairment / revaluation decrement of IPPE		
Land improvements (depreciable)	–	4,469
Total gross IPPE impairment / revaluation decrement costs	–	4,469
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT FOR IPP&E	27,184	29,241

Accounting policy

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-5 for IPPE assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

\$ '000	Notes	2023	2022
Impairment of receivables			
User charges and fees		103	78
Rental income		–	(256)
Total impairment of receivables	C1-4	103	(178)
Fair value decrement on investment properties			
Fair value decrement on investment properties		2,673	–
Total fair value decrement on investment properties	C1-6	2,673	–
Fair value decrement on investments			
Fair value decrement on investments through profit and loss		–	65
Total Fair value decrement on investments	C1-2	–	65
Other			
Contributions/levies to other levels of government			
– Department of planning levy		290	285
– Emergency services levy (includes FRNSW and SES levies)		1,832	1,081
– Land tax		1	–
– Parking Space Levy		626	472
Donations, contributions and assistance to other organisations		1,103	984
Total other		3,852	2,822
Total other expenses		6,628	2,709

Accounting policy

Other expenses are recorded on an accruals basis when Council has an obligation for the expenses.

Impairment expenses are recognised when identified.

B4 Performance against budget

B4-1 Material budget variations

Council's original budget was adopted by the Council on 27 June 2022 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2023 Budget	2023 Actual	----- 2023 Variance -----		
Revenues					
Rates and annual charges	72,409	72,253	(156)	0%	U
User charges and fees	29,592	33,443	3,851	13%	F
User fees and charges were higher than expected due to increased volumes in key income streams such as parking stations +\$2.6 million, development application fees +\$525 thousand and parking meter fees +\$413 thousand. Many user fees remain well below levels that occurred before Covid related changes. Parking meter fees in 18/19, for example, were \$10.5 million (adjusted for inflation and expressed in 22/23 dollars) while they are \$9.6 million in 2022/23.					
Other revenues	9,087	9,649	562	6%	F
Operating grants and contributions	5,457	6,535	1,078	20%	F
The Commonwealth Government continues to pay the Financial Assistance Grant in advance. Advanced payments of the 2023/24 Grant resulted in a \$767 thousand positive variance. Completion of project milestones resulted in the realisation of an additional \$196 thousand.					
Capital grants and contributions	8,024	26,753	18,729	233%	F
Developer Contributions exceeded Original Budget by \$13 million due in large part to large contribution associated with the commencement of building at 2-4 Blue Street/1-5 William Street. Land worth \$4.06 million was contributed for the park at 1 Henry Lawson Ave					
Interest and investment revenue	1,384	3,690	2,306	167%	F
Interest received was higher than expected because of higher than expected cash and investment balances and increases in interest rates not foreseen when the budget was prepared. Cash and investment balances remain high due to delays in capital works projects (including the North Sydney Olympic Pool redevelopment).					
Other income	5,881	5,421	(460)	(8)%	U
Expenses					
Employee benefits and on-costs	49,083	47,068	2,015	4%	F
Materials and services	45,250	49,555	(4,305)	(10)%	U
Legal fees were over original budget by \$2.0 million due to Council contesting large development related matters (including the successful MLC heritage matter). Contract employment was over budget by \$1.4 million as staff vacancies were back-filled. These partially offset Employee Benefits savings of \$2.0 million. Expenditure on domestic waste contractors by \$500 thousand over budget					
Borrowing costs	1,533	1,583	(50)	(3)%	U
Depreciation, amortisation and impairment of non-financial assets	23,937	27,184	(3,247)	(14)%	U
Construction cost inflation in recent years is contributing to higher asset values and hence depreciation.					

B4-1 Material budget variations (continued)

\$ '000	2023 Budget	2023 Actual	2023 ----- Variance -----	
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Other expenses	3,475	6,628	(3,153)	(91)%	U
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There was an unbudgeted decrement on revaluation of Investment Properties of \$2.7 million. The Emergency Services Levy was \$320 thousand more than expected.

Net losses from disposal of assets	547	1,253	(706)	(129)%	U
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The value of disposed as a result of renewed activity was higher than forecast including \$676 thousand more for infrastructure assets and \$285 thousand more for motor vehicle disposals (more new cars were delivered as delivery delays from previous years were addressed).

Statement of cash flows

Cash flows from operating activities	31,268	55,032	23,764	76%	F
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Capital Grants and Contributions were above budget by \$24.5 million.

Cash flows from investing activities	(32,991)	(83,276)	(50,285)	152%	U
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The most relevant variance contained in this item is that outflows from capital expenditure were \$18.0 million dollars less than budget (\$53.2 million v versus \$71.2 million).

The overall negative variance seen for this line is due to Council placing more term deposits than it redeemed.

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2023	2022
Cash assets		
Cash on hand and at bank	459	1,518
Cash equivalent assets		
– Deposits at call	12,691	33,053
– Short-term deposits	11,000	20,000
Total cash and cash equivalents	24,150	54,571

Accounting policy

For Statement of Cash Flow presentation purposes, cash and cash equivalents include: cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

C1-2 Financial investments

\$ '000	2023	2022
Financial assets at fair value through the profit and loss		
NCD's, FRN's (with maturities > 3 months)	11,647	11,642
Total	11,647	11,642
Debt securities at amortised cost		
Long term deposits	111,250	77,250
Total	111,250	77,250
Total financial investments	122,897	88,892
Total cash assets, cash equivalents and investments	147,047	143,463

Accounting policy

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

C1-2 Financial investments (continued)

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments of FRNs and NCDs in the Statement of Financial Position.

C1-3 Restricted and allocated cash, cash equivalents and investments

\$ '000	2023	2022
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	147,047	143,463
Less: Externally restricted cash, cash equivalents and investments	(82,977)	(81,297)
Cash, cash equivalents and investments not subject to external restrictions	64,070	62,166
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	7,970	6,247
External restrictions – included in liabilities	7,970	6,247
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	43,561	31,802
Infrastructure levy	126	–
Domestic waste management	11,098	10,081
Environment levy	1,731	1,546
Mainstreet levies	374	403
Stormwater management	–	2
Unspent borrowings - North Sydney Olympic Pool redevelopment	17,757	31,000
Waste and sustainability improvement funds	38	93
Other specific purpose contributions	322	123
External restrictions – other	75,007	75,050
Total external restrictions	82,977	81,297

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2023	2022
(b) Internal allocations		
Internal allocations		
At 30 June, Council has internally allocated funds to the following:		
Capital works	2,229	25,395
Community housing – capital purchases	963	963
Community housing – major maintenance	491	248
Deposits, retentions and bonds	13,019	12,623
Employees leave entitlement	7,093	7,220
I.T. hardware and software	856	643
Income producing projects	777	757
Insurance	–	80
Olympic Pool Redevelopment	27,162	3,004
Plant and vehicle replacement	2,712	2,393
Total internal allocations	55,302	53,326

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

C1-4 Receivables

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Rates and annual charges	1,541	286	1,607	378
Interest and extra charges	124	115	54	107
User charges and fees	1,346	–	2,012	–
Accrued revenues				
– Interest on investments	1,125	–	616	–
– Other income accruals	2,771	–	1,230	–
Government grants and subsidies	2,134	–	2,054	–
Net GST receivable	1,145	–	1,251	–
Outstanding infringements	1,328	–	882	–
Other debtors	13	20	12	20
Total	11,527	421	9,718	505
Less: provision for impairment				
User charges and fees	(753)	–	(688)	–
Total provision for impairment – receivables	(753)	–	(688)	–
Total net receivables	10,774	421	9,030	505

C1-4 Receivables (continued)

\$ '000	2023	2022
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 9)	688	873
+ new provisions recognised during the year	103	84
– amounts provided for but recovered during the year	(38)	(269)
Balance at the end of the year	753	688

Accounting policy

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 14 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held); or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Infrastructure, property, plant and equipment

By aggregated asset class ²	At 1 July 2022						Asset movements during the reporting period						At 30 June 2023	
	Gross carrying amount Restated	Accumulated depreciation and impairment Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	37,772	–	37,772	19,982	1,008	–	–	(8,520)	–	–	–	50,242	–	50,242
Plant and equipment	18,619	(12,977)	5,642	2,067	–	(374)	(1,843)	–	–	–	–	18,883	(13,391)	5,492
Office equipment	21,255	(19,278)	1,977	469	149	(1)	(905)	4	–	–	–	21,669	(19,976)	1,693
Furniture and fittings	8,983	(7,252)	1,731	66	–	–	(459)	–	–	–	–	9,048	(7,710)	1,338
Land:														
– Operational land	322,025	–	322,025	–	–	–	–	–	(18,495)	–	–	303,530	–	303,530
– Community land	124,792	–	124,792	–	4,060	–	–	–	(7,129)	–	–	121,723	–	121,723
– Crown land	61,878	–	61,878	–	–	–	–	–	(5,659)	–	–	56,219	–	56,219
Land improvements – depreciable	8,408	(3,949)	4,459	640	167	–	(480)	723	–	–	–	9,938	(4,429)	5,509
Infrastructure:														
– Buildings – non-specialised	35,086	(1,353)	33,733	–	17	–	(916)	–	(1,030)	–	–	33,889	(2,085)	31,804
– Buildings – specialised	242,671	(95,154)	147,517	1,830	85	–	(3,417)	400	(850)	750	–	242,011	(95,696)	146,315
– Other structures	1,146	(148)	998	–	–	–	(13)	–	–	–	–	1,147	(162)	985
– Roads	399,135	(120,889)	278,246	6,371	1,057	(1,135)	(6,578)	235	–	16,886	–	427,846	(132,764)	295,082
– Footpaths	135,535	(47,947)	87,588	3,581	478	(642)	(3,703)	938	–	4,908	–	146,752	(53,604)	93,148
– Stormwater drainage	233,297	(68,252)	165,045	3,513	150	–	(2,236)	456	–	13,488	–	256,600	(76,184)	180,416
– Swimming pools	7,547	(4,466)	3,081	–	–	–	(75)	–	–	–	–	7,548	(4,542)	3,006
– Other open space / recreational assets	31,007	(11,819)	19,188	1,302	317	–	(1,496)	3,488	–	2,078	–	39,406	(14,529)	24,877
– Other infrastructure	287,499	(136,244)	151,255	3,410	1,435	–	(4,350)	2,049	–	50,696	–	299,972	(95,477)	204,495
Other assets:														
– Heritage collections	13,797	(5,579)	8,218	8	11	–	(118)	227	–	–	–	14,043	(5,697)	8,346
– Library books	2,044	(1,174)	870	354	–	–	(332)	–	–	–	–	2,013	(1,121)	892
Total infrastructure, property, plant and equipment	1,992,496	(536,481)	1,456,015	43,593	8,934	(2,152)	(26,921)	–	(850)	(32,313)	88,806	2,062,479	(527,367)	1,535,112

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

(2) Council leases 21 residential properties under long term leases (terms from 25 to 53 years) to Link Wentworth for the provision of social and affordable housing. Council retains ownership of the properties at the end of the leases. The Net carrying amount of these properties as at 30 June 2023 included in the above amounts is, operational land \$40m and buildings non-specialised \$29.1m.

C1-5 Infrastructure, property, plant and equipment (continued)

By aggregated asset class ²	Asset movements during the reporting period													
	At 1 July 2021					At 30 June 2022								
\$ '000	Gross carrying amount restated	Accumulated depreciation restated	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Revaluation decrements (recognised in P/L)	WIP transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount restated	Accumulated depreciation restated	Net carrying amount
Capital work in progress	17,186	–	17,186	16,996	5,141	–	–	–	(1,551)	–	–	37,772	–	37,772
Plant and equipment	18,262	(12,336)	5,926	2,028	6	(309)	(2,009)	–	–	–	–	18,619	(12,977)	5,642
Office equipment	20,731	(18,350)	2,381	328	30	–	(933)	–	171	–	–	21,255	(19,278)	1,977
Furniture and fittings	8,872	(6,779)	2,093	111	–	–	(473)	–	–	–	–	8,983	(7,252)	1,731
Land:														
– Operational land	237,468	–	237,468	–	–	–	–	–	–	–	84,557	322,025	–	322,025
– Community land	110,324	–	110,324	–	2,070	–	–	–	234	–	12,164	124,792	–	124,792
– Crown land	55,847	–	55,847	–	–	–	–	–	–	–	6,031	61,878	–	61,878
Land improvements – depreciable	15,506	(3,783)	11,723	24	–	–	(340)	(4,469)	–	(2,479)	–	8,408	(3,949)	4,459
Infrastructure:														
– Buildings – non-specialised	30,474	(488)	29,986	46	–	–	(786)	–	–	–	4,487	35,086	(1,353)	33,733
– Buildings – specialised	209,468	(79,614)	129,854	450	188	–	(2,777)	–	16	–	19,786	242,671	(95,154)	147,517
– Other structures	1,146	(135)	1,011	–	–	–	(13)	–	–	–	–	1,146	(148)	998
– Roads	357,397	(104,978)	252,419	4,415	2,045	(848)	(6,116)	–	394	–	25,937	399,135	(120,889)	278,246
– Footpaths	123,241	(41,397)	81,844	2,478	84	(419)	(3,395)	–	97	–	6,899	135,535	(47,947)	87,588
– Stormwater drainage	204,553	(58,580)	145,973	2,252	48	–	(1,981)	–	177	–	18,576	233,297	(68,252)	165,045
– Swimming pools	7,547	(4,391)	3,156	–	–	–	(75)	–	–	–	–	7,547	(4,466)	3,081
– Other open space/recreational assets	27,610	(9,517)	18,093	393	324	–	(1,369)	–	231	–	1,516	31,007	(11,819)	19,188
– Other infrastructure	248,191	(116,023)	132,168	3,543	848	–	(3,783)	–	231	–	18,248	287,499	(136,244)	151,255
Other assets:														
– Heritage collections	13,775	(5,462)	8,313	9	13	–	(117)	–	–	–	–	13,797	(5,579)	8,218
– Library books	2,143	(1,238)	905	307	–	–	(342)	–	–	–	–	2,044	(1,174)	870
Total infrastructure, property, plant and equipment	1,709,741	(463,071)	1,246,670	33,380	10,797	(1,576)	(24,509)	(4,469)	–	(2,479)	198,201	1,992,496	(536,481)	1,456,015

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

(2) Net carrying amount as at 30 June 2022 includes service concession assets of, operational land \$38.1m and buildings non-specialised \$11m

C1-5 Infrastructure, property, plant and equipment (continued)

Accounting policy

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value. Council applies a brownfield approach to infrastructure revaluations.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Buildings	Years
Office equipment	3 to 10	Buildings	25 to 200
Computer equipment	3 to 8	Building components	
Furniture	5 to 10	Substructure	10 to 250
Vehicles	5	Superstructure	10 to 250
Other plant and equipment	5 to 10	Roof cladding	22 to 60
		Finishes	8 to 30
Transportation assets	Years	Fittings	10 to 30
Sealed roads: surface	18 to 40	Mechanical services	16 to 40
Sealed roads: structure	60 to 100	Other services	10 to 60
Sealed roads: formation	200		
Kerb and gutter	34 to 67	Other sport and recreation assets	Years
Footpaths	10 to 60	Playgrounds	15
Traffic facilities	70	Sports lighting	55
Street furniture	15 to 90	Park furniture	15 to 100
Bus shelters	50	Sport and fitness	5 to 55
		Swimming pools	20 to 200
Stormwater drainage assets	Years	Depreciable land improvements	Years
Drainage pipes	70 to 100	Depreciable land improvements	5 to 100
Drainage pits	80		
Culverts	70 to 100	Other	Years
Gross pollutant traps	40 to 50	Other Structures	25 to 50
		Library collection	5
Other infrastructure	Years	Heritage collection	10 to 100
Lighting	20 to 35		
Seawalls	80 to 120		
Marine structures	50 to 100		
Fences	35 to 80		
Retaining walls	90		

C1-5 Infrastructure, property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

C1-6 Investment properties

Owned investment property

\$ '000	2023	2022
At fair value		
Opening balance at 1 July	57,687	54,786
Capitalised subsequent expenditure	183	132
Net gain/(loss) from fair value adjustments	(2,673)	2,769
Transfers from/(to) owner-occupied property (Note C1-5)	850	–
Closing balance at 30 June	56,047	57,687

Accounting policy

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

C2 Leasing activities

C2-1 Council as a lessee

Council does not have any material lease contracts over land and buildings, machinery or IT equipment.

Waste and recycling collection contract

On 1 July 2019, Council entered into a seven (7) year contract with URM Environmental Services Pty Ltd to provide the waste and recycling collection service.

Embedded within the contract is the lease of eight (8) garbage collection trucks dedicated specifically to the service. Under the terms of the contract, Council has the right to obtain substantially all of the economic benefits from these vehicles for the duration of the contract. This results in a right of use asset for Council. Information relating to the right of use asset and associated balances and transactions is provided below.

Extension options

The waste and recycling collection contract contains an option to extend by a further three (3) years to provide a degree of flexibility and certainty to Council's operations. The extension is at Council's discretion.

At reporting date, Council assesses if it is reasonably certain that the extension option will be exercised. At 30 June 2023, it is considered reasonably certain that the option will be exercised and the information below has been prepared on that assumption.

(a) Right of use assets

\$ '000	Waste Disposal Contract	Total
2023		
Opening balance at 1 July	1,839	1,839
Depreciation charge	(263)	(263)
Balance at 30 June	1,576	1,576
2022		
Opening balance at 1 July	2,102	2,102
Depreciation charge	(263)	(263)
Balance at 30 June	1,839	1,839

(b) Lease liabilities

\$ '000	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Lease liabilities	303	1,367	303	1,617
Total lease liabilities	303	1,367	303	1,617

C2-1 Council as a lessee (continued)

(c) (i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
2023					
Cash flows	303	1,211	303	1,817	1,670
2022					
Cash flows	303	1,211	606	2,120	1,920

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

\$ '000	2023	2022
Interest on lease liabilities	53	60
Depreciation of right of use assets	263	263
	316	323

(e) Statement of Cash Flows

Total cash outflow for leases (principal and interest)	303	303
	303	303

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market for land which is used for:

- land beautification
- dinghy storage
- boat ramps and jetties

The leases are generally between 1 and 5 years and require payments of a maximum amount of \$5,000 per year. The use of the right to use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Accounting policy

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has estimated the standalone price of the right of use asset obtained from the waste collection contract. In making this estimate Council has maximised the use of observable information

At the lease commencement, Council recognises a right of use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right of use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right of use

C2-1 Council as a lessee (continued)

asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right of use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to commercial tenants and community groups as well as vehicles to Council employees. These leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer Note C1-9) and IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below.

\$ '000	2023	2022
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(i) Assets held as investment property

Investment property operating leases relate to properties leased to commercial tenants.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below.

Lease income (excluding variable lease payments not dependent on an index or rate)	4,400	4,243
Total income relating to operating leases for investment property assets	4,400	4,243

Operating lease expenses

Direct operating expenses that generated rental income	1,622	1,012
Total expenses relating to operating leases	1,622	1,012

(ii) Assets held as property, plant and equipment

PPE operating leases relate to vehicles leased to eligible employees and facilities leased to community groups.

Lease income (excluding variable lease payments not dependent on an index or rate)	1,013	1,016
Total income relating to operating leases for Council assets	1,013	1,016

C2-2 Council as a lessor (continued)

Reconciliation of IPPE assets leased out as operating leases

\$ '000	Plant & Equipment 2023	Plant & Equipment 2022
Opening balance as at 1 July	1,538	1,426
Additions renewals	928	943
Carrying value of disposals	(268)	(290)
Depreciation expense	(545)	(541)
Closing balance as at 30 June	1,653	1,538
\$ '000	2023	2022

(iii) Maturity analysis of contractual lease income

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	5,100	4,312
1–2 years	4,076	3,097
2–3 years	3,259	2,325
3–4 years	2,136	1,861
4–5 years	1,738	1,222
> 5 years	9,468	8,288
Total undiscounted lease payments to be received	25,777	21,105

Accounting policy

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income is recognised on a straight-line basis over the lease term.

During 2021/22 some of Council's rental property tenants were granted rent concessions related to Covid-19. Council has treated these concessions as a lease modification. Lease income from these leases, including the rent concessions related to Covid-19, will be recognised on a straight-line basis over the remaining term of the lease.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2023		2022	
	Current	Non-current	Current	Non-current
Prepaid rates	584	–	696	–
Goods and services	8,329	–	7,562	–
Accrued expenses:				
– Borrowings	254	–	270	–
– Salaries and wages	2,792	–	1,300	–
– Other expenditure accruals	913	–	2,751	–
Security bonds, deposits and retentions	13,019	–	12,623	–
Other	911	–	503	–
Total payables	26,802	–	25,705	–

Current payables not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	8,882	8,618
Total payables	8,882	8,618

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Council comprise trade payables, bank and other loans.

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2023 Current	2023 Non-current	2022 Current	2022 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets) ⁱ	(i)	7,562	-	5,621	-
Unexpended operating grants (received prior to performance obligation being satisfied) ⁱⁱ	(ii)	407	-	626	-
Unexpended capital contributions (to construct Council controlled assets)	(i)	1,833	-	3	-
Unexpended operating contributions (received prior to performance obligation being satisfied)	(ii)	144	-	120	-
Total grants received in advance		9,946	-	6,370	-
User fees and charges received in advance:					
DA Compliance Levy ⁱⁱⁱ	(iii)	662	-	662	-
Hoarding Permit fees	(iii)	10	-	649	-
Outdoor Dining fees	(iii)	62	-	197	-
Work Zone Permit fees	(iii)	749	-	748	-
Rental income - investment properties	(iii)	229	-	180	-
Rental income - other	(iii)	22	-	44	-
Total user fees and charges received in advance		1,734	-	2,480	-
Total contract liabilities		11,680	-	8,850	-

(i) Council has received grants from both the Commonwealth and State Governments to fund a number of infrastructure upgrade or renewal projects. The funds received are under an enforceable contract which require Council to construct identified assets which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants and contributions received prior to the revenue recognition criteria in AASB 15 being satisfied as the performance obligations are ongoing.

(iii) The contract liability relates to user charges and fees received in advance prior to the revenue recognition criteria in AASB 15 being satisfied as the performance obligations are ongoing.

C3-2 Contract Liabilities (continued)

Revenue recognised that was included in the contract liability balance at the beginning of the period

\$ '000	2023	2022
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	2,431	6,128
Operating grants (received prior to performance obligation being satisfied)	493	148
Operating contributions (received prior to performance obligation being satisfied)	120	171
User fees and charges received in advance:		
DA Compliance Levy	-	874
Hoarding Permit fees	534	534
Outdoor Dining fees	62	56
Swimming Centre fees	-	-
Work Zone Permit fees	591	968
Rental income - investment properties	229	171
Rental income - other	-	22
Other	-	-
Total revenue recognised that was included in the contract liability balance at the beginning of the period	4,460	9,072

Accounting policy

When consideration is received from a customer or fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

C3-3 Borrowings

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Loans – secured ^{1,2}	2,005	33,441	1,927	35,446
Total borrowings	2,005	33,441	1,927	35,446

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note D1-1.

(2) During the current and prior year there were no defaults or breaches of any of the loans.

(a) Changes in liabilities arising from financing activities

\$ '000	2022		Non-cash movements				2023
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	37,373	(1,927)	–	–	–	–	35,446
Lease liability (Note C2-1b)	1,920	(250)	–	–	–	–	1,670
Total liabilities from financing activities	39,293	(2,177)	–	–	–	–	37,116

\$ '000	2021		Non-cash movements				2022
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	7,254	30,119	–	–	–	–	37,373
Lease liability (Note C2-1b)	2,163	(243)	–	–	–	–	1,920
Total liabilities from financing activities	9,417	29,876	–	–	–	–	39,293

(b) Financing arrangements

\$ '000	2023	2022
Total facilities		
Bank overdraft facilities ¹	500	500
Credit cards/purchase cards	350	350
Total financing arrangements	850	850
Undrawn facilities		
– Bank overdraft facilities	500	500
– Credit cards/purchase cards	309	350
Total undrawn financing arrangements	809	850

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank subject to the notice period in accordance with the terms and conditions of the facility.

Accounting policy

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or

C3-3 Borrowings (continued)

transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or borrowing costs.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

C3-4 Employee benefit provisions

\$ '000	2023	2023	2022	2022
	Current	Non-current	Current	Non-current
Annual leave	4,097	–	4,420	–
Sick leave	6	–	34	–
Long service leave	7,374	236	6,773	218
Gratuities	2,379	–	2,945	–
Other leave – RDO's	111	–	51	–
Total employee benefit provisions	13,967	236	14,223	218

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2023	2022
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	10,150	9,479
	10,150	9,479

Accounting policy

Employee benefit provisions are presented as current liabilities in the Statement of Financial Position if Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur and therefore all annual leave and vested long service leave (or that which vests within 12 months) is presented as current.

Short-term obligations

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk. Financial risk management is carried out by Council's Finance team under policies approved by the Council.

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance team manages the cash and investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's Investment Order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Interest rate risk** – the risk that movements in interest rates could affect returns.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – interest rate and price risk

\$ '000	2023	2022
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,491	1,437
Impact of a 10% movement in price of investments		
– Equity / Income Statement	274	264

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

D1-1 Risks relating to financial instruments held (continued)

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required. There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

\$ '000	Not yet overdue	overdue rates and annual charges		Total
		< 5 years	≥ 5 years	
2023				
Gross carrying amount	1,113	647	67	1,827
2022				
Gross carrying amount	1,437	481	67	1,985

D1-1 Risks relating to financial instruments held (continued)

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2023						
Gross carrying amount	6,869	2,927	137	65	123	10,121
Expected loss rate (%)	0.00%	0.00%	26.23%	35.18%	38.59%	1.05%
ECL provision	–	–	36	23	47	106
2022						
Gross carrying amount	6,904	117	76	87	1,054	8,238
Expected loss rate (%)	0.00%	0.00%	45.86%	45.47%	58.13%	8.34%
ECL provision	–	–	35	40	613	688

(c) Liquidity risk ¹

Payables, lease liabilities and borrowings are subject to liquidity risk, i.e. the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk, i.e. the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. Both of Councils loans were negotiated at a fixed interest rate for their entire terms. The Finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2023							
Payables	0.05%	13,019	13,777	–	–	26,796	26,802
Borrowings	4.21%	–	3,461	12,959	19,026	35,446	35,446
Total financial liabilities		13,019	17,238	12,959	19,026	62,242	62,248
2022							
Payables	0.05%	12,623	11,095	–	–	23,718	25,705
Borrowings	4.20%	–	1,927	8,546	26,900	37,373	37,373
Total financial liabilities		12,623	13,022	8,546	26,900	61,091	63,078

(1) A separate maturity analysis of lease liabilities is at Note 14. Leases

D2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below shows the assigned level for each asset class held at fair value by North Sydney Council.

		Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
\$ '000	Notes	2023	2022	2023	2022 Restated	2023	2022 Restated
Recurring fair value measurements							
Financial assets							
Financial investments	C1-2						
At fair value through profit or loss		11,647	11,642	–	–	11,647	11,642
Total financial assets		11,647	11,642	–	–	11,647	11,642
Investment property							
Investment properties	C1-6	56,047	57,687	–	–	56,047	57,687
Total investment property		56,047	57,687	–	–	56,047	57,687
Infrastructure, property, plant and equipment							
Plant and equipment	C1-5	–	–	5,492	5,642	5,492	5,642
Office equipment		–	–	1,693	1,977	1,693	1,977
Furniture and fittings		–	–	1,338	1,731	1,338	1,731
Operational land		24,425	25,847	279,105	296,178	303,530	322,025
Community land		–	–	121,723	124,792	121,723	124,792
Crown land		–	–	56,219	61,878	56,219	61,878
Land improvements – depreciable		–	–	5,509	4,459	5,509	4,459
Buildings – non-specialised		1,286	990	30,518	32,743	31,804	33,733
Buildings – specialised		9,854	43	136,461	147,474	146,315	147,517
Other structures		–	–	985	998	985	998
Roads		–	–	295,082	278,246	295,082	278,246
Footpaths		–	–	93,148	87,588	93,148	87,588
Stormwater drainage		–	–	180,416	165,045	180,416	165,045
Swimming pools		–	–	3,006	3,081	3,006	3,081
Other open space/recreation assets		–	–	24,877	19,188	24,877	19,188
Other infrastructure assets		–	–	204,495	151,255	204,495	151,255
Heritage collections		–	–	8,346	8,218	8,346	8,218
Library books		–	–	892	870	892	870
Total infrastructure, property, plant and equipment		35,565	26,880	1,449,305	1,391,363	1,484,870	1,418,243

D2-1 Fair value measurement (continued)

Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (i.e. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Investment property

The market approach using Level 2 inputs was used to value Council's investment properties. The level 2 inputs used were quoted prices for similar assets in active markets and comparison of rate per square metre of floor area.

The 2022 revaluations were based on Independent Assessments made by Ms Elise Wallace of Australis Advisory Group Pty Ltd. There has been no change to the valuation process during the reporting period.

Infrastructure, property, plant and equipment (IPPE)

The following table summarises the quantitative information relating to significant unobservable inputs used in deriving the various Level 3 asset class fair values.

Class	Valuation Technique	Unobservable Inputs
Plant & Equipment, Office Equipment, Furniture & Fittings	Cost approach	Depreciated historic cost and useful life.
Operational Land	Market approach	Price per square metre from sales evidence available.
Community Land	Land values obtained from the NSW Valuer-General	Land value, land area and level of restriction.
Land Improvements - depreciable	Cost approach	Unit rates, useful life, remaining life and residual value.
Buildings - non-specialised	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, useful life and residual value.
Buildings - specialised	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, useful life and residual value.
Other Structures	Cost approach	Current replacement cost of modern equivalent asset, useful life, remaining life and residual value.
Roads	Cost approach	Unit rates, useful life, remaining life and residual value.
Footpaths	Cost approach	Unit rates, useful life, remaining life and residual value.
Stormwater Drainage	Cost approach	Unit rates, useful life, remaining life and residual value.
Swimming Pools	Cost approach	Current replacement cost of modern equivalent asset using componentisation, asset condition, useful life and residual value.
Open Space/Recreation Assets	Cost approach	Unit rates, useful life, remaining life and residual value.
Other Infrastructure Assets	Cost approach	Unit rates, useful life, remaining life and residual value.
Heritage Collections	Cost approach	Current replacement cost, useful life, remaining life and residual value.
Library Books	Cost approach	Depreciated historic cost and useful life.

D2-1 Fair value measurement (continued)

Reconciliation of Movements

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

	2023	2022 Restated
	\$'000	\$'000
Balance as at 1 July	1,391,363	1,125,753
Total gains or losses for the period		
Recognised in profit and loss - realised (refer to Note B3-4 and B4-1)	(28,430)	(30,219)
Recognised in other comprehensive income - revaluation surplus	57,616	178,683
Other Movements		
Purchases	40,041	23,545
Sales	(375)	(309)
Transfers into Level 3		93,910
Transfers out of Level 3	(10,910)	
Other movements		
Balances as at 30 June	1,449,305	1,391,363

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

D3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers, i.e. contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent to which they are not borne by members).

(a) Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund. The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member contributions

D3-1 Contingencies (continued)

* For 180 point members, employers were required to contribute 8% of salaries for the year ending 30 June 2023 (increasing to 8.5% in 2023/24 in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2022. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

(b) Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan.

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of employer contributions to the defined benefit section of the Fund and recognised as an expense for the year ending 30 June 2023 was \$300,596.58. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield FIAA as at 30 June 2022.

The amount of additional contributions included in the total employer contribution advised above is \$195,781.92 Council's expected contribution to the plan for the next annual reporting period is \$292,485.36.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2023 is: \$2,290.90 Million.

Employer reserves only *	\$millions	Asset Coverage
Assets	2,376.6	
Past Service Liabilities	2,380.7	99.8%
Vested Benefits	2,391.7	99.4%

* excluding other accumulation accounts and reserves in both assets and liabilities.

Council's share of the deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	6.0% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program. However, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation and once all of the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2023.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government. Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

D3-1 Contingencies (continued)

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services. Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland. As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels. At reporting date, it has not been possible to establish reliable estimates of the value of any potential liability (and subsequent land asset) from such potential acquisitions.

(iii) Legal Claims

Council is the planning authority for its area under the Environmental Planning and Assessment Act 1979. Pursuant to that Act, certain persons dissatisfied by a planning decision of the Council may appeal to the Land and Environment Court. It is the Court's normal practice in Class 1 proceedings that parties bear their own legal costs. In Class 4 proceedings, costs usually follow the event.

As at 30 June 2023, there were **twenty-two (22)** Land and Environment Court matters and no NSW Civil and Administrative Tribunal matters ongoing. All known costs have been recognised but the amount of further costs are unknown until the appeals are determined.

(iv) Claims for Contract Variations and Project Cost Increase Report for North Sydney Olympic Pool redevelopment

- Claims for Contract Variations for the North Sydney Olympic Pool Redevelopment

The project builder has submitted numerous and potentially material contract variation claims before and after the reporting date. Management has not accepted the large majority of these claims and they are subject to ongoing professional analysis and critique. No balance has been recorded for these pending claims.

- *Materials Cost Increase Reports* for the North Sydney Olympic Pool Redevelopment

Council has received *Materials Cost Increase Reports* before and after the reporting date from the project builder listing potential cost increases for the project. They relate to increases in the costs of input materials. Council continues to engage external experts to analyse and critique these reports and resolution is therefore pending. No balance has been recorded for these pending items.

E People and relationships

E1 Related party disclosures

E1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. The KMP for North Sydney Council are the Mayor, Councillors, General Manager, Director Corporate Services, Director City Strategy, Director Community and Library Services, Director Engineering and Property Services, Director Open Space and Environmental Services and Executive Manager Governance.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2023	2022
Compensation:		
Short-term benefits (salaries, Mayoral Allowance, Councillors fees)	2,171	2,431
Post-employment benefits (superannuation)	202	163
Other long-term benefits (increase in employee leave entitlements)	194	81
Termination Benefits	1,677	–
Total	4,244	2,675

E1-2 Councillor and Mayoral fees and associated expenses

The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

Mayoral fee	77	61
Councillors' fees	280	250
Other Councillors' expenses (including Mayor)	97	58
Total	454	369

E2 Other relationships

E2-1 Audit fees

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Auditors of the Council - NSW Auditor-General:

Audit and other assurance services

Audit and review of financial statements	86	83
Remuneration for audit and other assurance services	86	83
Total Auditor-General remuneration	86	83
Total audit fees	86	83

F Other matters

F1-1 Statement of Cash Flows information

(a) Reconciliation of net operating result to cash provided from operating activities

\$ '000	2023	2022
Net operating result from Income Statement	24,473	22,489
Add / (less) non-cash items:		
Depreciation and amortisation	27,184	24,772
(Gain) / loss on disposal of assets	1,253	533
Non-cash capital grants and contributions	(4,060)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as ‘at fair value’ or ‘held for trading’	(5)	65
– Investment property	2,673	(2,769)
– Revaluation decrements / impairments of IPP&E direct to P&L	–	4,469
Share of net (profits)/losses of associates/joint ventures using the equity method	(3)	(4)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(1,725)	1,224
Increase / (decrease) in provision for impairment of receivables	65	(185)
(Increase) / decrease of inventories	(29)	(3)
(Increase) / decrease of other current assets	(8)	385
Increase / (decrease) in payables	767	(1,344)
Increase / (decrease) in accrued interest payable	(16)	221
Increase / (decrease) in other accrued expenses payable	1,179	1,107
Increase / (decrease) in other liabilities	692	(331)
Increase / (decrease) in contract liabilities	2,830	(5,047)
Increase / (decrease) in employee benefit provision	(238)	(1,368)
Net cash flows from operating activities	55,032	44,214

(b) Non-cash investing and financing activities

Dedications	4,060	–
Total non-cash investing and financing activities	4,060	–

F2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2023	2022
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	445	1,086
Computer software	–	–
Infrastructure	3,688	6,926
Library books	27	24
Other structures	52	18
North Sydney Olympic Pool Redevelopment	10,506	31,906
Plant and equipment	1,713	1,414
Total commitments	16,431	41,374
These expenditures are payable as follows:		
Within the next year	16,431	41,374
Total payable	16,431	41,374
Sources for funding of capital commitments:		
General funds	27	23
Section 7.11 and 64 funds/reserves	323	815
Unexpended grants	478	2,833
Externally restricted reserves	519	32,732
Internally allocated reserves	15,084	4,971
Total sources of funding	16,431	41,374

Details of capital commitments

Council has committed to the redevelopment of the North Sydney Olympic Pool complex, Infrastructure Capital works in Neutral Bay and various Parks, purchase of Plant and Equipment .

F3-1 Events occurring after the reporting date

Events that occur between the end of the reporting period and the date when the financial statements are 'authorised for issue' have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable 'authorised for issue' date relating to these General Purpose Financial Statements. Accordingly, the 'authorised for issue' date is 26 October 2023.

Events that occur after the reporting period represent one of two types:

- **Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period)**

Council has no adjusting events to disclose

- **Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period)**

Claims for Contract Variations for the North Sydney Olympic Pool redevelopment

Potentially material contract variations have been received after the reporting date. The large majority of these claims are still under assessment. Management is unable to estimate the final impact of these claims until expert analysis and further discussions with the contractor is complete.

Materials Cost Increase Reports for the North Sydney Olympic Pool redevelopment

Council received a *Materials Cost Increase Report* from the construction contractor in August 2023, listing potential cost increases due to increasing input material costs. Discussions around this matter have persisted with revised reports issued after reporting date. Management continues to retain external experts for analysis and critique of these reports. Management is unable to finalise the assessment of these costs, or any potential financial impact, until this analysis and further discussion with the construction contractor are complete.

F4 Changes from prior year statements

F4-1 Correction of errors

During the year ended 30 June 2023 Council re-examined the accounting treatment applied to 30 residential properties owned or partly owned by Council for the provision of social and affordable housing. In prior reporting periods Council did not recognise these properties as assets on the basis that they were not controlled by Council and therefore, would not have met the recognition criteria for an asset under relevant Australian Accounting Standards.

As a result of this re-examination, Council has determined that 21 properties met the recognition criteria for a service concession asset under AASB 1059 Service Concession Arrangements: Grantors and the remaining 9 properties met the recognition criteria for property, plant, and equipment under AASB 116. In correcting this matter adjustments totalling \$77.4m have been made to Accumulated Surplus and IPPE.

During the year ended 30 June 2023 Council staff undertook an extensive revaluation of other infrastructure assets resulting in the capitalisation of approximately 10 kms of fences and 4 kms of retaining walls not previously recognised. In correcting this omission adjustments totalling \$11.1m have been made to Accumulated Surplus and IPPE.

The matters identified above have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2021) and taking the adjustment through to the accumulated surplus at that date. In aggregate the adjustments totalled \$88.5m.

Comparatives have been changed to reflect these adjustments. The impact on each line item is shown in the tables below.

F4-1 Correction of errors (continued)

Changes to the opening Statement of Financial Position at 1 July 2021

Statement of Financial Position

\$ '000	Original Balance 1 July, 2021	Impact Increase/ (decrease)	Restated Balance 1 July, 2021
Infrastructure, property, plant and equipment	1,158,194	88,476	1,246,670
Total assets	1,337,854	88,476	1,426,330
Total liabilities	63,650	–	63,650
Net assets	1,274,204	88,476	1,362,680
Accumulated surplus	827,825	88,476	916,301
Revaluation reserves	446,379	–	446,379
Total equity	1,274,204	88,476	1,362,680

Adjustments to the comparative figures for the year ended 30 June 2022

Statement of Financial Position

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Infrastructure, property, plant and equipment	1,356,728	99,287	1,456,015
Total assets	1,569,893	99,287	1,669,180
Total liabilities	88,289	–	88,289
Net assets	1,481,604	99,287	1,580,891
Accumulated surplus	851,295	87,495	938,790
Revaluation reserves	630,309	11,792	642,101
Total equity	1,481,604	99,287	1,580,891

Income Statement

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Total income from continuing operations	141,713	–	141,713
Depreciation, amortisation and impairment of non-financial assets	28,260	981	29,241
Total expenses from continuing operations	118,243	981	119,224
Net operating result for the year	23,470	(981)	22,489

F4-1 Correction of errors (continued)

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2022	Impact Increase/ (decrease)	Restated Balance 30 June, 2022
Net operating result for the year	23,470	(981)	22,489
Gain (loss) on revaluation of infrastructure, property, plant and equipment	183,930	11,792	195,722
Other comprehensive income	183,930	11,792	195,722
Total comprehensive income for the year	207,400	10,811	218,211

F5 Statement of developer contributions as at 30 June 2023

F5-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2022	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Active Transport Administration	66	431	-	-	5	(232)	-	270	-
Affordable Housing	826	206	-	-	16	-	-	1,048	-
Community facilities	3,446	-	-	-	52	-	-	3,498	-
Open Space and Recreation	1,929	1,726	-	-	53	(64)	-	3,644	-
Public Domain	6,143	3,733	-	-	97	(3,451)	-	6,522	-
	4,712	7,145	-	-	179	-	-	12,036	-
S7.11 contributions – under a plan	17,122	13,241	-	-	402	(3,747)	-	27,018	-
S7.12 levies – under a plan	894	1,618	-	-	38	-	-	2,550	-
Total S7.11 and S7.12 revenue under plans	18,016	14,859	-	-	440	(3,747)	-	29,568	-
S7.4 planning agreements	13,786	-	-	-	207	-	-	13,993	-
Total contributions	31,802	14,859	-	-	647	(3,747)	-	43,561	-

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

F5-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2022	Contributions received during the year		Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2023	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land						
NORTH SYDNEY PLAN 2004									
Affordable Housing	3,446	-	-	-	52	-	-	3,498	-
Total	3,446	-	-	-	52	-	-	3,498	-
NORTH SYDNEY PLAN 2020									
Active transport	66	431	-	-	5	(232)	-	270	-
Administration	826	206	-	-	16	-	-	1,048	-
Community facilities	1,929	1,726	-	-	53	(64)	-	3,644	-
Open space and recreation	6,143	3,733	-	-	97	(3,451)	-	6,522	-
Public Domain	4,712	7,145	-	-	179	-	-	12,036	-
Total	13,676	13,241	-	-	350	(3,747)	-	23,520	-

S7.12 Levies – under a plan

NORTH SYDNEY PLAN 2020									
Other	894	1,618	-	-	38	-	-	2,550	-
Total	894	1,618	-	-	38	-	-	2,550	-

F6 Statement of performance measures

F6-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2023	Indicator 2023	2022	Indicators 2021	2020	Benchmark
1. Operating performance ratio						
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	1,741	1.33%	3.32%	1.30%	(6.59)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	130,983					
2. Own source operating revenue ratio						
Total continuing operating revenue excluding all grants and contributions ¹	124,448	78.90%	80.51%	79.19%	89.80%	> 60.00%
Total continuing operating revenue	157,736					
3. Unrestricted current ratio						
Current assets less all external restrictions	75,490	2.72x	2.71x	2.82x	2.82x	> 1.50x
Current liabilities less specific purpose liabilities	27,755					
4. Debt service cover ratio						
Operating result before capital excluding interest and depreciation, amortisation and impairment ¹	30,508	8.11x	17.38x	19.32x	15.24x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	3,760					
5. Rates and annual charges outstanding percentage						
Rates and annual charges outstanding	2,066	2.77%	2.94%	2.78%	2.90%	< 5.00%
Rates and annual charges collectable	74,515					
6. Cash expense cover ratio						
Current year's cash and cash equivalents plus all term deposits	135,400	14.28 months	15.39 months	11.55 months	9.50 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	9,481					

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

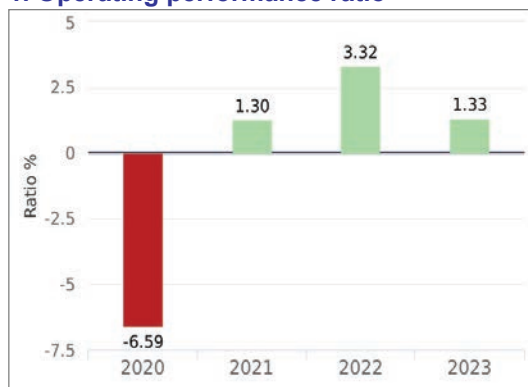
(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

End of the audited financial statements

G Additional Council disclosures (unaudited)

G1-1 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2022/23 result

2022/23 ratio 1.33%

While Council recorded an Operating Deficit before Capital Grants and Contributions it maintained a positive Operating Performance Ratio, indicating it successfully contained operating expenditure within revenue. This ratio excludes the non-cash expenses "Decrement to Investment Properties" and "Loss on Disposals of Assets".

Benchmark: — > 0.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2022/23 result

2022/23 ratio 78.90%

Council continues to comfortably exceed the benchmark. 78.90% of Council's operating revenue was derived from internal funding sources (as opposed to Grants and Contributions). Reliance on internal funding sources such as rates and user charges provides Council with fiscal flexibility.

Benchmark: — > 60.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2022/23 result

2022/23 ratio 2.72x

Council continues to comfortably exceed the benchmark. This is a reflection of Council's ongoing capacity to meet its obligations in the short term. On 30 June 2023, for every \$1.00 of current liabilities (funded from unrestricted or internally restricted cash), \$2.71 was available.

Benchmark: — > 1.50x

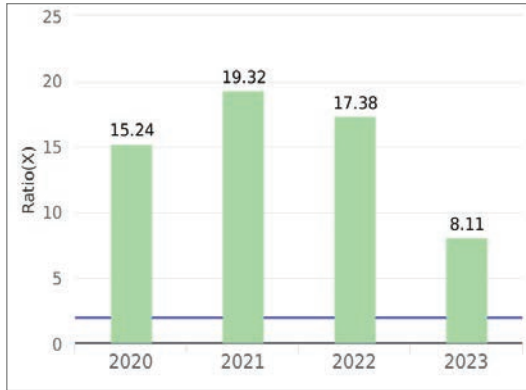
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

G1-1 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2022/23 result

2022/23 ratio 8.11x

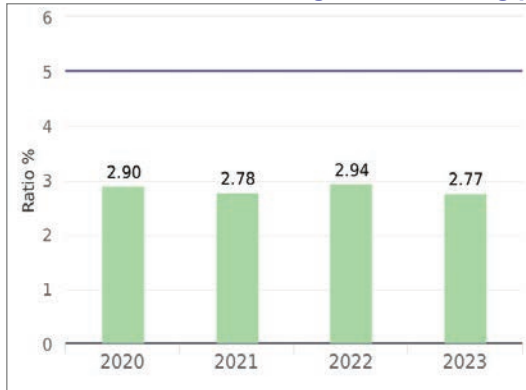
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2022/23 result

2022/23 ratio 2.77%

This ratio comfortably achieves the benchmark. This is a reflection of the ongoing effectiveness of Council's recovery efforts.

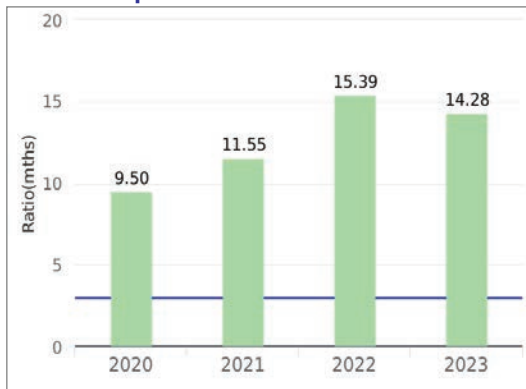
Benchmark: — < 5.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2022/23 result

2022/23 ratio 14.28 months

Council continues to comfortably exceed the benchmark. At 30 June 2023, in the absence of any additional cash flows, Council has sufficient cash and term deposits which, if redeemed, would continue paying its immediate expenses for 15.39 months.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

North Sydney Council

To the Councillors of North Sydney Council

Opinion

I have audited the accompanying financial statements of North Sydney Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2023, the Statement of Financial Position as at 30 June 2023, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B4-1 'Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Karen Taylor
Delegate of the Auditor-General for New South Wales

26 October 2023
SYDNEY



Cr Zoë Baker
Mayor
North Sydney Council
PO Box 12
NORTH SYDNEY NSW 2059

Contact: Karen Taylor
Phone no: 02 9275 7311
Our ref: R0081658580946731

26 October 2023

Dear Mayor

Report on the Conduct of the Audit for the year ended 30 June 2023 North Sydney Council

I have audited the general-purpose financial statements (GPFS) of the North Sydney Council (the Council) for the year ended 30 June 2023 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2023 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2023 \$m	2022* \$m	Variance %
Rates and annual charges revenue	72.2	71.1	↑ 1.5
Grants and contributions revenue	33.3	27.1	↑ 22.9
Operating result from continuing operations	24.5	22.5	↑ 8.9
Net operating result before capital grants and contributions	(2.3)	1.8	↓ 2.3

* The 2022 comparatives have been restated to correct a prior period error as disclosed in Note F4-1 of the financial statements.

Rates and annual charges revenue (\$72.2 million) increased by \$1.1 million (1.5 per cent) in 2022–23 due to the rate peg.

Grants and contributions revenue (\$33.3 million) increased by \$6.2 million (22.9 per cent) in 2022–23. This was mainly due to one-off in-kind grant of land of \$4 million and commencement of large project at 2-4 Blue Street triggering a local infrastructure contribution payment. The prior year included grant income of \$9.8 million for the North Sydney Olympic Pool upgrade.

The Council's operating result from continuing operations (\$24.5 million including depreciation and amortisation expense of \$27.1 million) was \$2.0 million higher than the 2021–22 result.

The net operating result before capital grants and contributions (\$2.3 million) was \$4.1 million lower than the 2021–22 result.

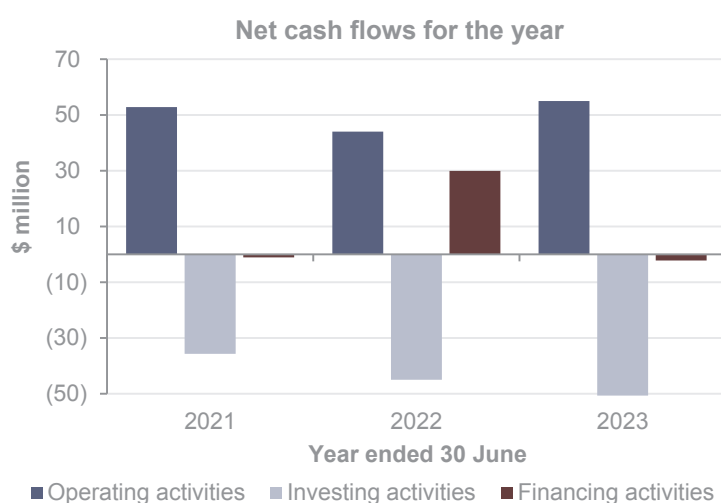
STATEMENT OF CASH FLOWS

Council's cash decreased from \$54.6 million at 30 June 2022 to \$24.1 million at 30 June 2023. However, cash, cash equivalents and investments increased by \$3.6 million over the same period.

Net cash flows from operating activities increased from \$44.2 million in the prior year 2021–22 to \$55.0 million in the current year, because of higher receipts from rates and annual charges, user charges and fees, grants and contributions.

Net cash flows from investing activities decreased from (\$44.7) million in the prior year 2021–22 to (\$83.3) million in the current year. The movement in the current year was mainly attributable to purchases of IPPE assets and acquisition of term deposits.

Net cash flows from financing activities have decreased significantly from \$29.9 million in the prior year 2021–22 to (\$2.1) million as prior year included proceeds from borrowings of \$31 million.



FINANCIAL POSITION

Cash and investments

Cash and investments	2023	2022	Commentary
	\$m	\$m	
Total cash, cash equivalents and investments	147.0	143.5	External restrictions primarily include unspent borrowings of \$17.7 million for the North Sydney Olympic Pool redevelopment, developer contributions of \$43.5 million and domestic waste management charges of \$11.1 million and specific purpose unexpended grants of \$7.9 million.
Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	83.0	81.3	Internal restrictions relate to Council policy or decisions for forward plans including the capital works program.
• Internal allocations	55.3	53.3	

Debt

At 30 June 2023, Council had:

- \$35.4 million in secured loans (\$37.3 million in 2021–22)
- \$0.5 million in approved overdraft facility with nil drawn down
- \$0.35 million in credit card facility with \$0.04 million used.

PERFORMANCE

Performance measures

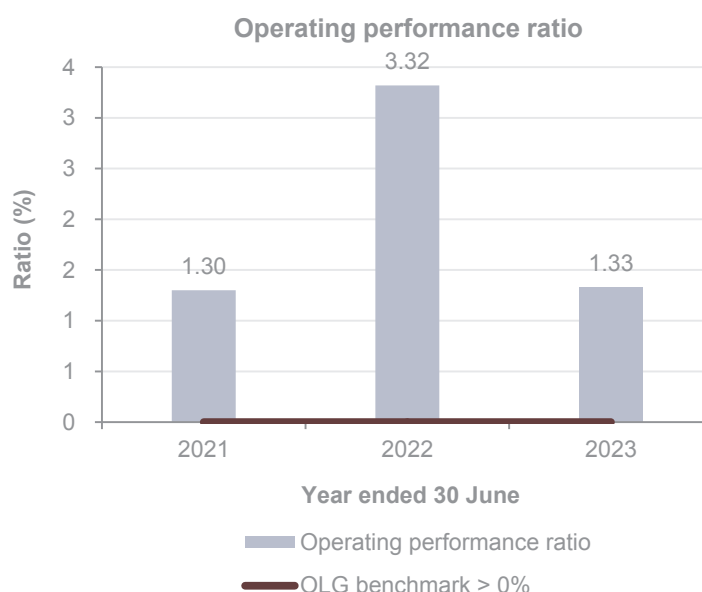
The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning and Environment.

Operating performance ratio

Council continues to exceed the benchmark in the current reporting period.

The 2022 ratio was restated to correct a prior period error.

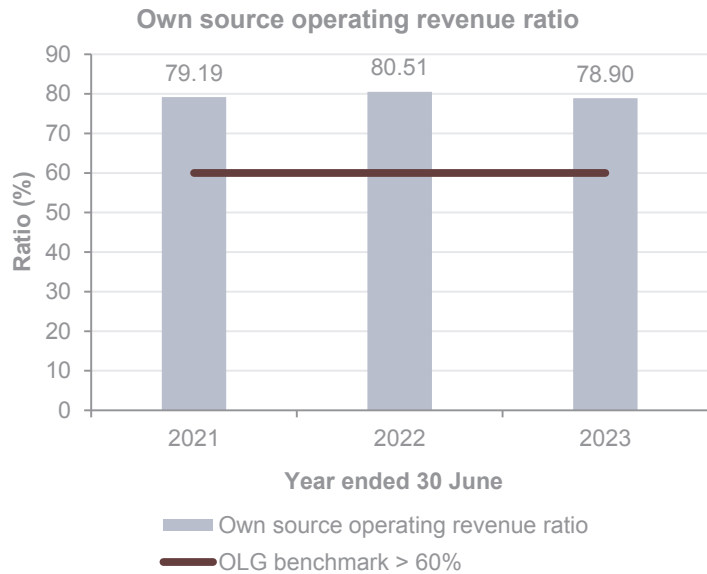
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



Own source operating revenue ratio

Council continues to exceed the benchmark in the current reporting period.

The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



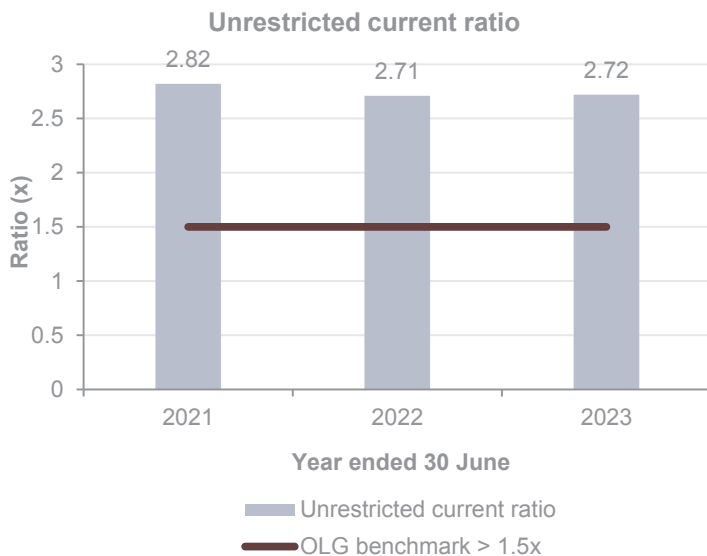
Unrestricted current ratio

Council continues to exceed the benchmark in the current reporting period.

This ratio indicates that Council currently has \$2.72 of unrestricted current assets available to service every \$1.00 of its unrestricted current liabilities.

The 2021 and 2022 ratios were restated to correct a prior period error.

The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.

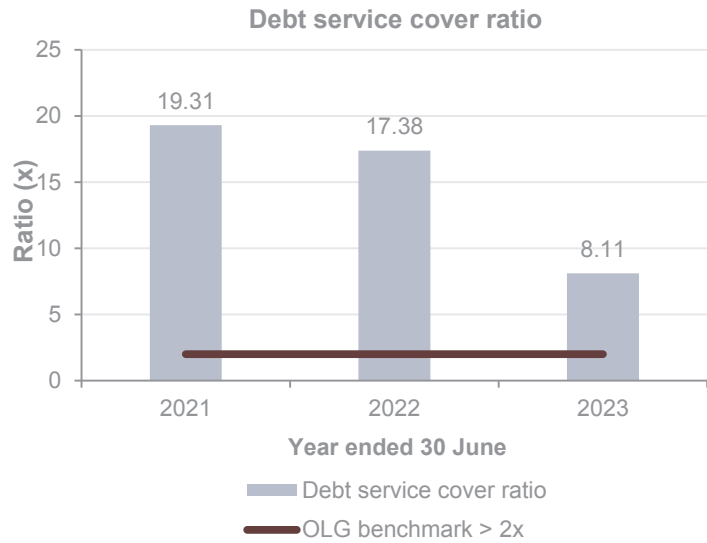


Debt service cover ratio

Council continues to exceed the benchmark in the current reporting period.

Council's debt service cover ratio has decreased as borrowings have increased.

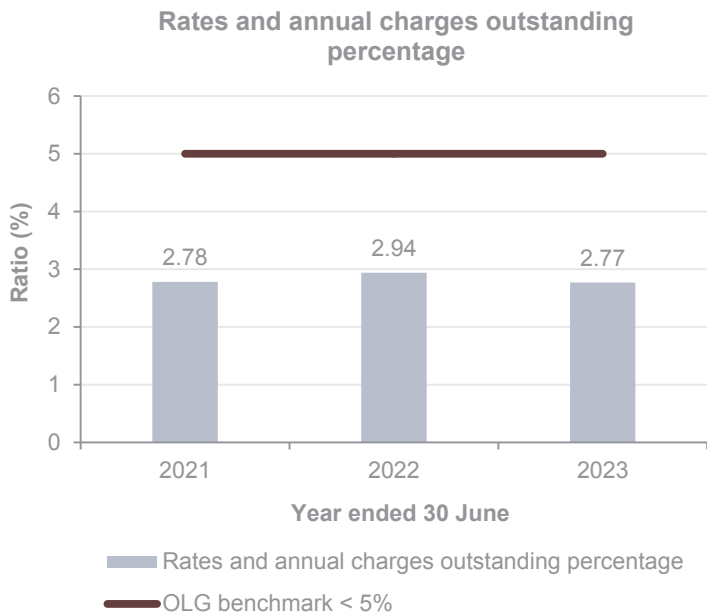
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding percentage

Council continues to meet the benchmark in the current reporting period.

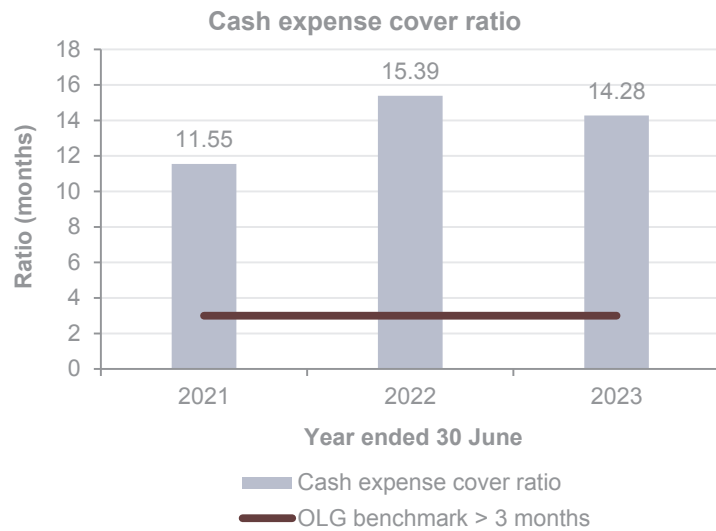
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 5 per cent for metropolitan councils.



Cash expense cover ratio

Council continues to exceed the benchmark in the current reporting period.

This liquidity ratio indicates the number of months the council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.



Infrastructure, property, plant and equipment renewals

Council renewed \$43.6 million of infrastructure, property, plant and equipment during the 2022–23 financial year. Asset renewals in 2022–23 were carried out in accordance with Council’s capital works program and primarily related to the North Sydney Olympic Pool project as well as roads, footpath and other infrastructure assets.

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial statements.

Council's:

- accounting records were maintained in a manner and form that facilitated the preparation and the effective audit of the GPFS
- staff provided all accounting records and information relevant to the audit.

A handwritten signature in blue ink that reads "Karen Taylor". The signature is written in a cursive style.

Karen Taylor
Delegate of the Auditor-General for New South Wales

North Sydney Council

SPECIAL SCHEDULES
for the year ended 30 June 2023

*Shaping a progressive, diverse and vibrant North Sydney
community.*



North Sydney Council

Special Schedules

for the year ended 30 June 2023

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North Sydney Council

Permissible income for general rates

\$ '000	Notes	Calculation 2022/23	Calculation 2023/24
Notional general income calculation ¹			
Last year notional general income yield	a	55,786	56,736
Plus or minus adjustments ²	b	(162)	(44)
Notional general income	c = a + b	55,624	56,692
Permissible income calculation			
Or rate peg percentage	e	2.00%	3.70%
Or plus rate peg amount	i = e x (c + g)	1,112	2,098
Sub-total	k = (c + g + h + i + j)	56,736	58,790
Plus (or minus) last year's carry forward total	l	27	27
Sub-total	n = (l + m)	27	27
Total permissible income	o = k + n	56,763	58,817
Less notional general income yield	p	56,736	58,815
Catch-up or (excess) result	q = o - p	27	2
Carry forward to next year ⁶	t = q + r + s	27	2

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

North Sydney Council

To the Councillors of North Sydney Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of North Sydney Council (the Council) for the year ending 30 June 2024.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2022–23 (LG Code) and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2023 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2023'.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Karen Taylor
Delegate of the Auditor-General for New South Wales

26 October 2023
SYDNEY

Report on infrastructure assets as at 30 June 2023

Asset Class	Asset Category	Estimated cost			2022/23 Actual maintenance \$ '000	Net carrying amount \$ '000	Gross replacement cost (GRC) \$ '000	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring to the standard \$ '000	Estimated cost to bring to the agreed level of service set by Council maintenance ^a \$ '000	2022/23 Required maintenance \$ '000				1	2	3	4	5
Buildings	Buildings	-	-	2,431	2,666	147,787	243,937	14.4%	38.0%	44.1%	3.5%	0.0%
	Service concession buildings	-	-	-	-	30,332	31,963	31.7%	58.2%	10.0%	0.1%	0.0%
	Sub-total	-	-	2,431	2,666	178,119	275,900	16.4%	40.3%	40.1%	3.1%	0.1%
Other structures	Other structures	-	-	-	-	985	1,147	44.1%	55.9%	0.0%	0.0%	0.0%
	Sub-total	-	-	-	-	985	1,147	44.1%	55.9%	0.0%	0.0%	0.0%
Roads	Sealed roads	800	800	1,153	1,399	215,177	306,000	36.6%	36.8%	21.5%	5.0%	0.1%
	Footpaths	519	519	1,960	2,106	93,148	146,752	35.0%	36.1%	22.9%	5.7%	0.3%
	Other road assets	574	574	121	135	79,905	121,846	25.9%	44.1%	25.8%	3.7%	0.5%
	Sub-total	1,893	1,893	3,234	3,640	388,230	574,598	33.9%	38.2%	22.8%	4.9%	0.2%
Stormwater drainage	Stormwater drainage	24,891	24,891	717	792	180,416	256,600	57.8%	28.8%	1.9%	1.7%	9.8%
	Sub-total	24,891	24,891	717	792	180,416	256,600	57.8%	28.8%	1.9%	1.7%	9.8%
Open space / recreational assets	Swimming pools	-	-	-	-	3,006	7,548	52.0%	27.4%	19.8%	0.8%	0.0%
	Other	82	82	1,049	894	24,877	39,406	46.2%	26.2%	25.3%	2.1%	0.2%
Sub-total	82	82	1,049	894	27,883	46,954	47.1%	26.4%	24.4%	1.9%	0.2%	
Other infrastructure assets	Other	5,039	5,039	1,447	1,625	204,495	299,972	8.4%	51.2%	36.7%	2.0%	1.7%
	Sub-total	5,039	5,039	1,447	1,625	204,495	299,972	8.4%	51.2%	36.7%	2.0%	1.7%
Total – all assets		31,905	31,905	8,878	9,617	980,128	1,455,171	30.0%	39.2%	25.3%	3.3%	2.2%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required

North Sydney Council

Report on infrastructure assets as at 30 June 2023 (continued)

5 **Very poor**

Urgent renewal/upgrading required

North Sydney Council

Report on infrastructure assets as at 30 June 2023

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2023	Indicator 2023	2022	Indicators 2021	2020	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals ¹	19,774					
Depreciation, amortisation and impairment	22,784	86.79%	150.63%	98.35%	93.60%	> 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard ²	31,905					
Net carrying amount of infrastructure assets	1,030,370	3.10%	3.65%	3.89%	4.01%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance	9,617					
Required asset maintenance	8,878	108.32%	88.69%	102.57%	97.95%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council	31,905	2.19%	2.60%	2.58%	2.60%	
Gross replacement cost	1,455,171					

(*) All asset performance indicators are calculated using classes identified in the previous table.

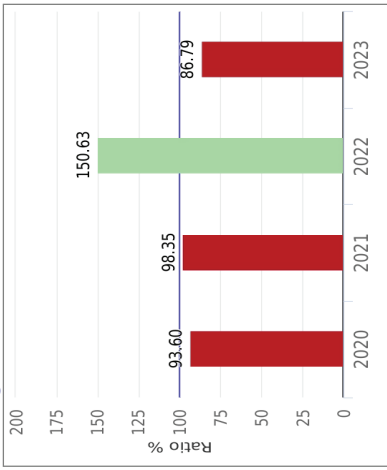
(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

(2) As there is no standard industry practice for identifying the estimated cost to bring assets to a satisfactory standard, Council has elected to use the estimated cost of fully renewing infrastructure assets assessed to be in category 5 (very poor condition) as the estimated cost to bring assets to a satisfactory standard.

North Sydney Council

Report on infrastructure assets as at 30 June 2023

Buildings and infrastructure renewals ratio



Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

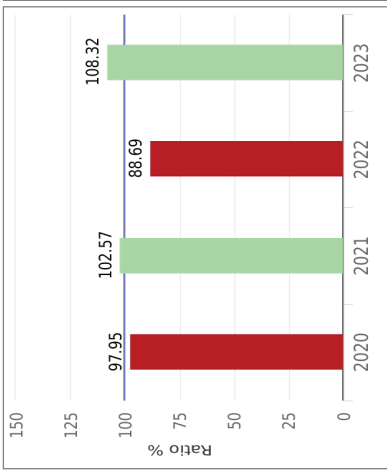
22/23 ratio 86.79%

The benchmark was not achieved in the financial year. The three-year average, however, is 112.92%. This indicates Council is renewing its infrastructure assets at an appropriate and sustainable rate. The benchmark will be comfortably exceeded in 2023/24 as payments for the completion of the Olympic Pool are made.

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

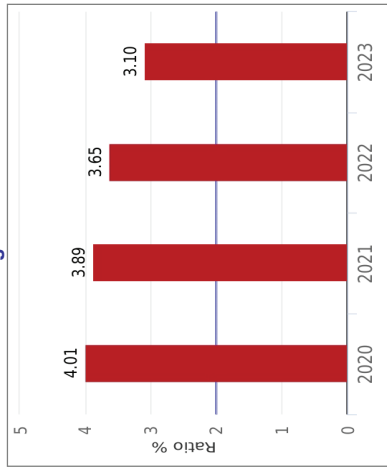
22/23 ratio 108.32%

In 2021/22 the benchmark was not achieved due to persistent wet weather delaying maintenance work. Maintenance efforts exceeded benchmark in 2022/23.

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



Benchmark: — < 2.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

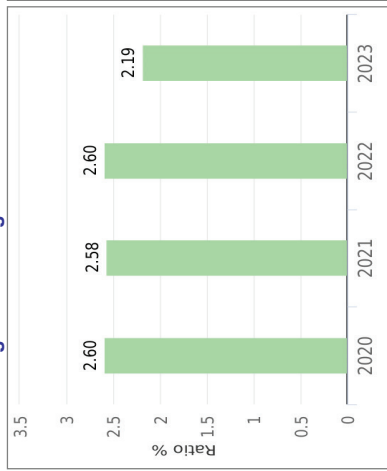
22/23 ratio 3.10%

While the benchmark was not met, Councils renewal efforts continue to reduce the backlog.

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

22/23 ratio 2.19%

Council's renewal efforts continue to reduce assets not meeting agreed service levels.





TRANSLATION SERVICE

If you do not understand this information, please ring the Translating and Interpreting Service (TIS) on 13 14 50, and ask for an interpreter in your language to contact North Sydney Council on (02) 9936 8100. This is a free service.

CHINESE

如果您不明白本信息的内容，请致电翻译与传译服务(TIS) 13 14 50，然后请会说您母语的传译员接通North Sydney市议会电话(02) 9936 8100。这是一项免费服务。

HINDI

यदि आप इस जानकारी को नहीं समझ पा रहे हैं, तो कृपया 13 14 50 पर अनुवाद और दुभाषिया सेवा (Translating and Interpreting Service (TIS)) को फोन करें, और नॉर्थ सिडनी काउंसिल से (02) 9936 8100 पर संपर्क करने के लिए अपनी भाषा के एक दुभाषिए के लिए अनुरोध करें। यह एक निःशुल्क सेवा है।

JAPANESE

この案内の内容を理解できない場合には、13 14 50 の翻訳通訳サービス (TIS)にかけて、あなたの母国語の通訳者に(02) 9936 8100のノースシドニーカウンシルにつながるように伝えてください。当サービスは無料です。

PORTUGUESE

Se você não entender estas informações, ligue para o Serviço de Tradução e Interpretação (TIS) em 13 14 50 e peça um intérprete em seu idioma para entrar em contato com o North Sydney Council em (02) 9936 8100. Este é um serviço gratuito.

SPANISH

Si no comprende esta información, llame al Servicio de Traducción e Interpretación (TIS), en el 13 14 50, y solicite un intérprete en su idioma para ponerse en contacto con el Concejo Municipal de North Sydney, en el (02 9936 8100). Este es un servicio gratuito

KOREAN

본 내용이 잘 이해되지 않는 경우에는 통번역 서비스(TIS) 13 14 50번에 전화해서 한국어 통역사에게 노스 시드니 카운슬 전화 (02) 9936 8100 번으로 연결을 요청하시기 바랍니다. 이 서비스는 무료입니다.



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