

10.3. Proposed special rate variation for long term financial sustainability

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ATTACHMENTS	<ol style="list-style-type: none">1. Community Engagement Outcomes Report [10.3.1 - 138 pages]2. Key Engagement Themes and Responses [10.3.2 - 19 pages]3. Long Term Financial Plan [10.3.3 - 57 pages]4. Organisational Improvement Plan [10.3.4 - 8 pages]5. Capacity to Pay Report [10.3.5 - 37 pages]6. Amended Delivery Program 2022-2026 [10.3.6 - 86 pages]7. All Submissions Verbatim [10.3.7 - 434 pages]
CSP LINK	<ol style="list-style-type: none">5. Our Civic Leadership5.2 Strong civic leadership and customer focussed services

PURPOSE:

For Council to:

1. Determine a financial strategy to address Council's financial position and ensure strength and sustainability for the future;
2. Consider its rating structure and strategy, including consideration of Special Rate Variation;
3. Consider the feedback from the community engagement on the proposal to make an application for a special rate variation and increase to minimum rates, and to adopt the revised 2025-2035 Long Term Financial Plan and Amended 2022-2026 Delivery Program.

EXECUTIVE SUMMARY:

- Council maintains its commitment to productivity savings and to reduce the burden on rates. Council has been on a continuous improvement journey over the past two years as outlined in the Organisational Improvement Plan. In addition, measures have been taken to maintain budgets in a highly inflationary environment. While these initiatives have assisted Council's financial sustainability to date, they are not of a scale that can ensure its long-term financial sustainability including service delivery and infrastructure responsibilities.
- In considering the Draft Financial Statements for the year ended 30 June 2024, Council's Audit, Risk, and Improvement Committee (consisting of three skills-based independent members) noted the need for 'a complete strategic overhaul of Council's finances is urgently required to ensure the ongoing viability of the Council'.
- Under the Local Government Act 1993, Council has responsibilities for financial management, strategic planning through the integrated planning and reporting framework and intergenerational equity.

- A report was presented to Council on 25 November 2024 that provided the background to Council's financial position, and a proposed strategy for its return to financial sustainability.
- On 25 November 2024, Council resolved to undertake community consultation between 27 November 2024 and 10 January 2025 on a revised Long-Term Financial Plan, Asset Management Strategy and addendum to its Delivery program, alongside four proposed options for a special variation to rates, changes to minimum rates, and a roll-up of special levies.
- Throughout the consultation period there was a high level of engagement, with all rate payers receiving a mailed physical information pack, over 16,000 views of related social media posts, articles in ABC Online, the Sydney Morning Herald and local newspapers, and receipt of over 1,000 submissions from the community.
- The dedicated YourSay webpage attracted 4,494 unique visitors, of which 792 (17.6%) completed the survey, an additional 245 submissions were received via email and 22 in person or by phone.
- In addition to open community consultation, a workshop was undertaken with a demographically selected group of residents to provide representative feedback towards Council's challenges and forward strategic position.
- Amendments have been made to the draft 2025-2035 Long-Term Financial Plan and Addendum to the 2022-26 Delivery Program to incorporate updated information and changes following community consultation.
- Based on the need to achieve financial sustainability, continue to deliver services and assets as expected by our community, and prepare for the high expected growth in our community, a revised Option 2A is proposed. This option reflects an increase of rates of 45% in 2025/26 and 29% in 2026/27, with an increase of the minimum residential rate to \$1,200 in 2025/26 and minimum business rate to \$1,400 in 2025/26. This also incorporates the current Infrastructure Levy, Environmental Levy, Crows Nest Mainstreet Levy, and Neutral Bay Mainstreet Levy into the ordinary rates.
- The cumulative impact of the proposed special rate variation revised Option 2A is 87.05% over two years.
- The outcome of the special rate variation will strengthen Council's financial position, provide funding for infrastructure renewal and reduce infrastructure backlogs. In addition, the plan will allow responsiveness to the challenges and opportunities outlined in Council's informing strategies through a series of strategic actions including new and upgraded infrastructure for the growing population.
- Based on feedback, to reduce the volume of the rates increase in year 1, spending on strategic priorities has been reduced in the short-term and to seek an additional \$10 million loan to fund the North Sydney Olympic Pool. It should be noted that like the

original options presented, infrastructure renewal funding has been limited to 80% in Years 1 and 2 excluding critical backlog in a bid to also reduce the initial rate increase.

- Should Council endorse an application for a special rate variation and an increase to minimum rates, an application including IPART's Special Variation Application Part A and Part B, Minimum Rates Application Part A and Part B, and all necessary documentation including revised Long Term Financial Plan, Addendum to the Delivery Program, and Asset Management Strategy will be required to be lodged with IPART for their consideration and independent assessment.

RECOMMENDATION:

1. THAT Council:

1. receive and note the contents of the Special Rate Variation Community Feedback Report, which outlines the feedback received from the community consultation on the proposed Special Rate Variation (SRV), increase of minimum rates and changes to special levies.
2. note the NSW Parliament's Standing Committee on State Development 'Inquiry into the ability of local government to fund infrastructure and services 2024' recommended changes to the local government rating system which would assist councils in addressing some of the cost pressures faced in delivering community services and infrastructure.
3. adopt a new rating structure to commence from 1 July 2025, which incorporates the current Infrastructure Levy, Environmental Levy, Crows Nest Mainstreet Levy, and Neutral Bay Mainstreet Levy into the ordinary rates.
4. note that the special variation to rates to IPART is consistent with Council's responsibilities under the Local Government Act 1993.
5. adopt Revised Option 2A of the Addendum to the 2022-2026 Delivery Program included within Attachment 6.
6. adopt the revised 2025-35 Long-Term Financial Plan (LTFP) and proceed with Revised Option 2A as a strategy to improve Council's financial strength and sustainability.
7. make an application to the Independent Pricing and Regulatory Tribunal (IPART) for a permanent Special Rate Variation (SRV), under Section 508A of the Local Government Act 1993 commencing on 1 July 2025. The SRV would permanently increase total ordinary rates over 2 years and remain in perpetuity, as follows:
 - a) a 45% increase for the 2025-26 financial year (inclusive of the 4% rate peg determined by IPART for the year).
 - b) a 29% increase for the 2026-27 financial year (inclusive of the forecast rate peg of 3.0% for that year)
 - c) the removal of the current Infrastructure, Environmental and Main Street levies, and the income incorporated into the ordinary rate.
8. make an application to the Independent Pricing and Regulatory Tribunal to set its minimum rates in accordance with Section 548(3) of the Local Government Act 1993, for residential rates, as follows:
 - a) \$1,200 for the 2025-26 financial year, and
 - b) \$1,548 for the 2026-27 financial year. The minimum rate will change by the rate peg from 2027/28.

9. make an application to the Independent Pricing and Regulatory Tribunal to set its minimum rates in accordance with Section 548(3) of the Local Government Act 1993, for business rates, as follows:
 - a) \$1,400 for the 2025-26 financial year, and
 - b) \$1,806 for the 2026-27 financial year. The minimum rate will change by the rate peg from 2027/28.
10. approve the pursuit of opportunities to generate revenue through advertising as appropriate.
11. approve a loan of \$10 million for a term of 10 years to fund the North Sydney Olympic Pool project.

Introduction

In November 2024, the NSW Government released its report 'Ability of local governments to fund infrastructure and services' which made 17 recommendations to improve financial sustainability within the sector. The report acknowledged that '*local Councils face significant revenue raising and cost pressures to adequately meet the needs of their communities*'. Further, the evidence showed that the financial challenges Councils are experiencing cannot be overcome through fiscal discipline alone and are threatening the long-term sustainability of the sector.

The North Sydney Olympic Pool project has created an urgency for North Sydney Council to review its financial position. However, like many Councils, other financial factors such as legislated income streams, financial impacts associated with COVID, inflationary pressures on costs, skills shortages, government cost shifting, as well as increased community expectation, have created further pressure on Council's financial sustainability.

Throughout the consultation period, there have been many comparisons made between local government finances and strategy to private business. The fundamental challenge with this comparison is the difference between private value and public value, noting that private value provided through goods and services are a direct benefit chosen by private individuals for their individual consumption.

The purpose of local government is to provide a collective benefit across a community, that includes ratepayers, residents, local workers, businesses, other levels of government, and other stakeholders. To add to the complexity, it is not just the current community, but the next generation, and the one after that. There is no ability for each resident to choose what service or services they need or would like, and no market to determine what the best price for a service may be. The frustration felt by ratepayers in relation to special rate variation processes is therefore understandable.

Public value extends beyond financial outcomes, encompassing social, environmental, and cultural considerations. Increasing public value can lead to individual benefits such as improved quality of life, improved land values, and through its contribution to the broader sense of community.

'Public goods' provided by local government are jointly consumed and non-excludable. They are available to all and contributed towards by all who own rateable land within the local area, whether they take advantage of these 'public goods' or not. The contribution comes in the form of a rate based on unimproved land value, not on an individual transaction. As the number of transactions or individual use of services increases, revenue does not increase.

The nature of setting pricing for public goods is therefore a challenging one. What one person values, another may not. One person's goals and aspirations for the community are likely to be different to the next. This complexity underscores the importance of the role of democratically elected Councillors and the difficulty of the decisions that must be made. Councillors act as conduits for diverse community voices, encouraging decisions that reflect community priorities and are in the best interest of the collective population of a Council area.

Decisions often require trade-offs, as resources are finite, and community expectations can vary.

Of course, in delivering public value, it is also critical that organisational systems, structures, processes, and capabilities are both efficient and effective.

Over the past two years, considerable efforts have been made towards organisational change, improvement, and performance. This includes the introduction of an organisational performance function at no additional cost to ratepayers, following the redirection of funds as part of an organisational restructure. This function has been created to review Council processes, services, and planning, to ensure that Council spending is effective.

Supported by the broader workforce, the current Executive Leadership Team is committed to continued organisational review and improvement with a view to best practice local government administration and management. The required change will take some years to work through and will require support from both the elected Council and the community.

Initiatives introduced over the past two years have included:

- organisational restructure, with a focus on senior staff and management levels. In 2023, the senior staffing structure (Tier 1 and 2) was reduced from a seven to four. Further streamlining has also occurred at Tier three level management. In comparison to other Councils, this leadership structure is lean, based upon the number of discreet services provided.
- a new Executive Leadership Team, appointed under a new Charter.
- Chief Financial Officer Position created and appointed (at no additional cost to ratepayers, following the redirection of funds as part of an organisational restructure).
- community consultation and research undertaken to develop clear direction for the future.
- strategy development and integration.
- the introduction of a process improvement framework and commencement of process mapping to identify areas for improvement.
- the introduction of a service review framework to identify improvement and/or changes to service levels.
- the introduction of a performance and development framework to align workforce efforts towards organisational improvement goals.
- a systems review, with recommended replacement.
- A new Audit, Risk, and Improvement Committee Charter and the recruitment of skills-based independent members with expertise in governance, finance, infrastructure management, risk management, and information technology, providing robust oversight as we progress the organisational improvement priority.

Each of these initiatives has either contributed savings or reduced financial risks and will continue to evolve and advance North Sydney's performance over the coming years.

In the absence of long-term planning, decisions generally become reactive and rarely result in increased public value. A strategic approach has therefore been taken to ensure balanced decision-making and reduce the risk of reactive decision making.

The Integrated Planning and Reporting Framework requiring Councils to develop ten-year community plans and supporting resourcing strategies has underpinned the development of the Special Rate Variation recommendation presented to Council.

Over the past year, independent research and engagement has been undertaken into key areas of Council's responsibility to develop desired outcomes and objectives for the next ten years. The broader community was engaged through this process through a series of workshops, panel sessions, surveys, and pop-ups. Through the combined research and engagement, eight ten-year informing strategies have been developed.

Actions within the strategies were reviewed to determine potential funding sources, with a minimum of \$60 million in grant funding and \$33 million in developer contributions forecast to contribute towards the projects prior to considering rating increases.

Following community consultation on options for a Special Rate Variation proposal, a revised Option 2a is being recommended. This report outlines the rationale for this recommendation for Council's consideration.

Background

The background provides context in relation to the following:

1. Councils' resolution of 25 November 2024
2. Financial challenges in Local Government
3. North Sydney Council's financial position
4. Financial objectives
5. The proposed special rate variation options included in the community consultation
6. What the special rate variation does not include
7. Consultation

At the Ordinary Meeting of 25 November 2024, Council resolved:

- 1. THAT Council undertake community consultation on the proposed Special Rate Variation (SRV) options, as detailed in the report and attachments, from 27 November 2024 to 10 January 2025.*
- 2. THAT Council place the updated draft updated 2022-26 Delivery Program, revised Long Term Financial Plan (LTFP) and revised Asset Management Strategy (attached to the report) on public exhibition from 27 November 2024 to 10 January 2025.*
- 3. THAT the Chief Executive Officer be authorised to make minor administrative changes to the strategic planning documents if required.*
- 4. THAT Council receive a report on the outcomes and feedback from the community engagement on the proposed SRV and the exhibition of the updated draft Delivery Program and LTFP at the ordinary meeting of Council scheduled for 10 February 2025.*

The outcomes and feedback from the community engagement and exhibition process are outlined in this report, as well as recommendations to proceed with submitting a special rate variation and minimum rate application to the Independent Pricing and Regulatory Tribunal.

Financial challenges in Local Government

Since 2016/17, 57 out of 128 NSW Councils have received approval from IPART for special rate variations ranging from 2.5% to 94.9%. This process has been established in acknowledgement that the industry-based rate peg may not be sufficient to support the unique financial pressures of each Council, and an individual assessment may be required.

For the 2025/26 fiscal year, at least five other councils are considering a special variation to their rates. Additionally, other State agencies such as Sydney Water and the Valuer General have also applied to IPART for a fee increase.

Unfortunately, the extensive process and resourcing required by the Special Rate Variation process can often result in larger reactive increases to rates during SRV periods than would otherwise be the case if councils had greater control over rating price setting each year considering their unique requirements.

On 29 November 2024, the NSW Government released its report “Ability of local governments to fund infrastructure and services” which made seventeen recommendations in response to these findings, including that the NSW Government:

1. conduct a comprehensive review of the rate exemptions and concessions under the Local Government Act 1993;
2. redesign the local government rating system, including use of capital improved value rather than unimproved land value to set the variable component of rates;
3. seek to improve the special variation process, should it be retained to make it less resource and time-intensive for local councils, streamline processes and consider alternatives to special variations that allow councils to raise additional rates to maintain existing service levels.
4. conduct an audit of, and seek to update, the statutory fees and limits that apply to local government annual charges and user fees and charges to better reflect and account for increases in market costs and pressures including inflation.
5. Advocate to the Australian Government to increase the federal taxation revenue distributed via Federal Financial Assistance Grants from 0.5 per cent to 1 per cent.
6. Consider grant models that provide a more secure and sustainable source of funding to local councils to achieve more equitable distribution of grants funding and provide councils with greater discretion in relation to how funding is spent.
7. Implement changes to the developer contribution framework to better financially support local councils to fund the ongoing costs at the completion of new infrastructure and works deemed essential to support development.
8. Review the depreciation methodology that applies to depreciation rates.
9. Consider excluding depreciation from the calculation of the operating performance ratio.
10. identify opportunities to reduce cost shifting to local government.

The above recommendations are reflective of the current financial sustainability challenges that exist in Local Government. The Committee's report is with the NSW Government, with a response to these recommendations expected in the first half of 2025. A copy of the report can be found on the following link: [Ability of local governments to fund infrastructure and services](#).

North Sydney Council's financial position

Part 2 of the Long-Term Financial Plan outlines Council's current financial position, including:

1. \$5.5M in average forecast net operating deficits (before grants and contributions provided for capital purposes) over the ten-year period;
2. A decline in income from user charges and fees of approximately \$9.9M as compared with pre-COVID income levels due to increased work from home, reduced market rental returns, and challenges associated with advertising changes and approvals.
3. The cumulative impact of revenue reductions is estimated at \$47M and represents funding that would have been available for infrastructure renewal.
4. Non-restricted cash, cash equivalents, and investments present liquidity risks, with forecast balances for 2025/26 allowing working funds requirements alone and reducing to negative balances by 2029/30.
5. The unrestricted current ratio demonstrates Council's short-term liabilities are higher than short term assets.
6. Infrastructure renewal is below infrastructure consumption, leading to a reactive risk-based approach to renewal and increased infrastructure backlogs.
7. Existing infrastructure backlogs of \$146M is unable to be addressed.
8. There are no funds available funds to replace outdated systems and technology.
9. There are no funds for upgraded or new infrastructure or new strategic priorities as the community grows and changes.

It is the combination of the above financial indicators that has created the need for financial repair.

Throughout the consultation period, there has been much discussion, and a lack of understanding in relation to Council's reserve balances. It is important that councillors understand the difference between restricted and unrestricted reserves, along with the requirement for working funds to allow the operation of Council to function.

Restricted reserves include funding from revenues raised for a specific purpose but unspent as at the reporting date. This includes developer contributions, domestic waste management, unexpended grants, and other specific purpose contributions. These funds cannot be spent for any other purpose.

Unrestricted cash and reserves are generally used for three key purposes, including:

1. working funds to allow cashflow for the operation of Council;
2. cash provision for employee leave entitlements and deposits, retentions, and bonds; and
3. strategic infrastructure – new, upgrade or renewals. These reserves acknowledge the lumpy nature of infrastructure renewal. Funds are required to plan for new infrastructure and asset renewals may vary from year to year. These reserves are typically used to

ensure funding is available. Building infrastructure reserves provides increased opportunity for grant funding, which usually requires council contribution.

Further to the November 2024 Council report, an analysis of unrestricted cash and investments has been undertaken for the financial years 2010/11 to 2023/24. This review has found that historically, Council has held a low level of unrestricted reserve which carries with it a financial vulnerability that has now been experienced. The below chart outlines reserve levels over the period.

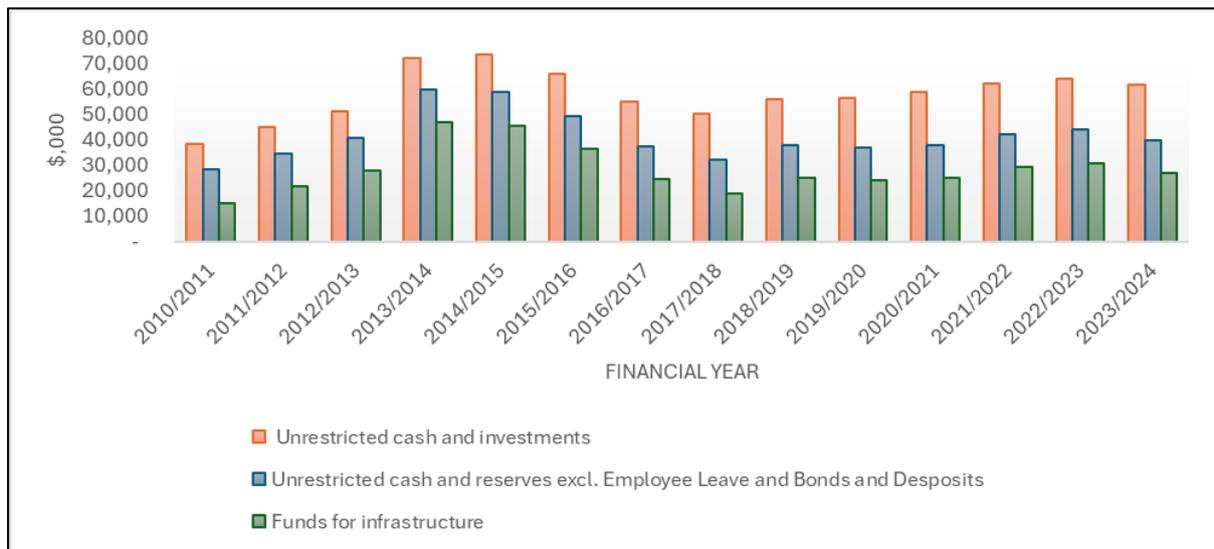


Chart 1: Historical unrestricted cash and reserves

The chart demonstrates that, excluding funds required for working funds and cash provision for management of employee leave entitlements and the repayment of bonds and deposits, little savings have been maintained for infrastructure renewal and/or financial shock, with an average of \$28M in funds available for infrastructure and financial shock available over the period. It is noted that this increased to \$47M in 2013/24 due to the sale/long term lease of the Anzac Park property, before falling to \$24M two years later.

The financial risks associated with the contracts signed for North Sydney Olympic Pool project in 2021 were not supported by sufficient reserve balances, therefore requiring additional loan funding, in addition to infrastructure upgrade and renewal commitments being deferred during the 2023/24 and 2024/25 fiscal years.

Neither historical nor current reserve levels have considered funds for the strategic planning of new infrastructure or infrastructure renewal requirements, noting that the estimated cost to bring infrastructure to a satisfactory condition is \$146M.

While no one Council is the same, the following table provides some insight into comparative financial strength of similar Councils. Based upon revenue, area, and population, Waverley, Woollahra, and Willoughby Councils have been provided for comparison. Based upon 2023/24 financial statements, the following information is provided.

Council	Operating income \$,000	Investment property	Unrestricted cash and reserves	Loan funding	Net investment assets	% of operating income
North Sydney Forecast 2025	138,150	58,000	21,179	60,384	18,795	13.6%
North Sydney 2024	134,967	53,698	46,283*	33,440	66,541	49.3%
Waverley	155,757	112,353	79,056	1,109	190,300	122.2%
Woollahra	126,841	184,750	95,976	56,520	224,206	176.8%
Willoughby	136,736	103,631	76,052	60,380	119,303	87.3%

*excludes unspent borrowings

assuming market change

In addition to the impacts of COVID and the North Sydney Olympic Pool project, Council's financial position has also suffered inflationary pressure over the past four years due to CPI and infrastructure-related indexes far exceeding the rate peg. The impact of this pressure has been contained through existing procurement contracts, organisational efficiency measures, and workforce measures such as employee leave management and holding of positions vacant for specific periods. However, the cumulative impact will continue to place pressure on operations, and as contracts reach the end of their life, cost increases are expected in a number of areas.

In their review of the rate peg methodology, IPART acknowledged '*aspects of the way IPART calculated the rate peg were not suited to a volatile economic climate*' and resulted in an '*under-recovery of Emergency Services Levy contributions*'. To address the material impact on financial viability caused by these factors, IPART suggested Councils use the special rate variation process.

In summary, the historical financial position of North Sydney Council has not been sufficiently strong to withstand the financial shocks of the past five years and provide for infrastructure renewal. Inflationary pressure and increased costs associated with the North Sydney Olympic Pool have also placed pressure on Council's financial performance. To ensure sustainability of services and infrastructure, strategic and structural financial repair is required.

Financial objectives

As outlined in the 25 November 2024 Council report and Council's Long-Term Financial Plan, there are three key purposes to the proposed special rate variation and increase to minimum rates. These are:

1. to increase overall income;
2. to increase minimum rates to ensure equitable contribution to support a growing population; and
3. to streamline rates into one ordinary levy.

Increase in overall income

The special rate variation proposal aims to generate sufficient revenue over the long-term to:

Improve Council's financial strength. Council's current operating performance ratio is below the benchmark of being above 0%. This means Council does not have sufficient revenue to cover existing costs, meet renewal requirements, address the infrastructure backlog, provide new/upgraded infrastructure, nor implement new systems and technology required to improve efficiencies.

Council's current financial capacity has been depleted through a combination of reduced income following the COVID pandemic and escalating costs associated with the North Sydney Olympic Pool. Liquidity levels are poor and require repair to ensure continued operation in the short term and financial strength through a capacity to withstand financial shock in the long term.

Fund the North Sydney Olympic Pool project. The project is significantly over budget and schedule, requiring increased borrowing to fund the project and a higher than originally forecast operational cost (due to the increased depreciation and loan interest expenses).

Fund the asset backlog, which will cost \$146.8 million to bring to a 'satisfactory' standard. This has been exacerbated by low levels of funding and a deferral of capital projects due to the North Sydney Olympic Pool project. This backlog cannot be addressed through Council's existing level of revenue.

Respond to future challenges and opportunities without sufficient revenue and reserves, Council will be unable to take advantage of future opportunities that may arise to improve the community, nor respond to changing community needs and growth over the next 10 years. This growth is expected to see the North Sydney population increase from 72,000 in 2023 to 85,000-87,000 in 2036, based on New South Wales government housing targets.

Some of these challenges and opportunities are addressed in the informing strategies, but others will arise over the next 10-years, and Council must be prepared with sufficient reserves to meet these.

Improved governance and administration, the Draft Governance strategy is a critical part of Council's broader effort to stabilise and improve our financial performance, including the replacement of our key systems to improve efficiency and transparency. Despite the importance of this to Council's operations, the current financial situation means that there are insufficient funds available to implement it.

Increase minimum rates to an equitable level to support a growing community

With the New South Wales Government housing targets, significant growth in residences is expected in the North Sydney Local Government Area over the next decade. Future housing growth in North Sydney will come primarily from new apartment developments.

Rates are calculated as a percentage of the unimproved land value, with a minimum rate charged if a property falls below this threshold. As rates are calculated based on unimproved land value, it is anticipated that most of these new apartments will be subject to the minimum rate.

Maintaining a low minimum rate restricts Council’s ability to generate sufficient revenue to meet the evolving demands of a growing population and the associated need for infrastructure and services. The minimum rate does not reflect a property’s usage of Council services, particularly in high density areas.

Streamline rates into one Ordinary rate

Council currently charges an Infrastructure Levy and Environmental Levy to residents, and a Crows Nest Mainstreet and Neutral Bay Mainstreet Levy to businesses operating in those areas, separate from the ordinary rates charge. To simplify the administration and improve efficiency of Council’s rates income and reporting to the community, it is proposed to incorporate these amounts into Ordinary rates as part of the special rate variation application.

Council has undertaken significant consultation with its community to develop its new integrated planning and reporting framework plans; these plans will allocate funding to priorities generated through the community consultations.

Council is reviewing financial processes, systems, and data, with a view to introducing automation to improve financial reporting (and the speed at which it is delivered) to the community. This will improve transparency across all Council spending, not just in relation to reporting on special levies.

The proposed special rate variation options

To achieve Council’s financial strategy, the following options were modelled and presented to the community for feedback, each containing different outcomes as outlined in the 25 November 2024 Council report and the Long-Term Financial Plan.

The minimum rate proposed was \$1,300 residential and \$1,400 business in year 1 across all options. Special levies are proposed to be incorporated into the new ordinary rate across all options. The feedback from the community on these options is presented later in this report.

All options include the rate peg	2025-26 increase	2026-27 increase	2027-28 increase	Cumulative increase
Option 1: Financial Repair	50%	5%	5%	65.38%
Option 2a: Strength and sustainability (SRV over 2 years)	50%	25%	Rate peg	87.5% ¹
Option 2b: Strength and sustainability (one-year SRV)	75%	Rate peg	Rate peg	75%
Option 3: Future growth	60%	20%	10%	111.2%
Rate peg (base case)	4%	3%	3%	

¹⁾ The Office of Local Government SRV Guidelines and IPART Guidance requires that SRVs are stated at the cumulative impact of the proposed rate increase over the number of years that the SRV is proposed to be implemented. Option 2a is proposed to be implemented over two years and 2b is proposed to be implemented over one year, therefore its cumulative rates in the table about are compounded over two and one years respectively. However, this doesn't provide an accurate comparison for these options against the other proposed options (option 1 and option3) that are over three years, as the rate peg increases will then apply after the SRV is implemented. If the assumed 3% rate peg is applied for years two and three, the comparison rate for option 2a is 93.31% and for option 2b is 85.66%.

The rate peg is assumed to be 3% for comparison purposes in 2026/27 and 2027/28, but the 2025/26 IPART rate peg is between 3.7 and 7.6% for Councils across New South Wales, meaning a 3% comparison is considered conservative.

What does the special rate variation proposal not include?

The proposed special rate variation and increase to minimum rates will return Council to a position of financial sustainability. Options 2 and 3 contribute to strategic actions contained in the ten-year informing strategies, however it is important to note that they do not include all initiatives contained within the informing strategies nor all future infrastructure projects.

Several of these projects will require grant funding from other levels of government, developer contributions, or other funding partnerships to proceed. These include, but are not limited to:

- the upgrade of North Sydney Oval;
- Miller Place (the partial pedestrianisation of Miller Street in the North Sydney CBD);
- the potential pedestrianisation of Willoughby Road in Crows Nest;
- cycling infrastructure projects;
- North Sydney CBD laneways project;
- Hume Street open space extension;
- walking infrastructure improvements;
- Parraween Street affordable housing, community facilities and open space;
- the Neutral Bay Town Centre and Community Centre (masterplans are to be delivered from proposed rating increases but grant funding and developer contributions will be required for their delivery);
- Crows Nest, Holterman Street car park and open space project (masterplans are to be delivered from proposed rating increases but grant funding and developer contributions will be required for their delivery);
- the Civic Precinct in the North Sydney CBD (masterplans are to be delivered from proposed rating increases but grant funding and developer contributions will be required for their delivery).

Community Engagement

The Independent Pricing and Regulatory Tribunal (IPART) requires Councils considering making an application for a special rate variation to engage with their communities before the application is finalised and submitted to IPART.

In accordance with the Community Engagement Plan included in the report to the 25 November 2024 Council meeting, Council undertook community engagement on the Special Rate Variation proposal, alongside the ten-year informing strategies.

The aim of the engagement was to provide an opportunity for the community to give their feedback on the proposed options for a special rate variation application. Council undertook engagement from 27 November 2024 to 10 January 2025 on the following proposals and draft plans:

1. special rate variation proposal including the proposal to increase minimum rates and consolidate levies (excluding the Domestic Waste Charge) into ordinary rates.
2. public exhibition of the amended Integrated Planning and Reporting documents (IP&R) including draft amended Delivery Program 2022-2026, Asset Management Strategy 2025-2035, and Long-Term Financial Plan (LTFP).
3. eight ten-year informing strategies.

The ten-year informing strategies, which will be used to develop Council's next Community Strategic Plan, were consulted on for the same period as the proposed special rate variation and increase to minimum rates. The detailed outcomes of this engagement are presented in Report 10.1 presented to the 10 February 2025 Council Meeting.

The outcomes of the engagement on the Asset Management Strategy can be found in Report 10.2 presented to the 10 February 2025 Council Meeting.

Report

This report provides information on the following:

1. community engagement actions and outcomes;
2. recommended special rate variation;
3. revenue distribution;
4. impact on residential and business ratepayers;
5. rationale for recommendation;
6. organisational improvement plan; and
7. the special rate variation and minimum rate application process.

Community Engagement actions and outcomes

A variety of engagement methods were used to reach the community, as detailed in the Community Engagement Outcomes Report (Attachment 1).

Council undertook thorough engagement with resident households as well as non-resident ratepayers and businesses, through in-person sessions, print and digital channels, and social media.

To assist the community's understanding of the need for the rate rise, the proposals, and to address questions and concerns, Council held community forums, conducted targeted workshops, and responded directly to enquiries for further information.

A total of 44,100 physical information packs were distributed to households, businesses, and non-resident ratepayers. Printed advertisements appeared in the Mosman Daily and the North Shore Times. Council also advertised in The Living Collective, including a social media post in the North Sydney Living group and an e-newsletter inclusion. Advertisements were displayed on bus shelters and a billboard, and posters were also placed on 60 community noticeboards throughout the local government area.

Council incorporated the proposal into its communication channels, adding a promotional email signature on all Council emails during the engagement period. Additionally, an “on hold” message on Council’s customer service phonenumber directed callers to the Your Say North Sydney website to learn more and provide feedback.

Council established an SRV webpage on our YourSay website at <https://yoursay.northsydney.nsw.gov.au/srv> which provided an overview of the proposal and functioned as a centralised hub for resources and documents related to the proposal. The site’s accessibility widget allowed the page to be read in a range of other languages, including all the languages other than English which are most used within the North Sydney local government area, as well as providing accessibility adjustments including a screen reader, dyslexia-friendly text, and options to adjust contrast, font size, and spacing. The webpage had 11,801 views, 5,223 visits, and 4,494 unique visitors.

Two public community forums, one online and one in person, were advertised on Council’s YourSay webpage and on Council's social media channels. 30 people registered and 23 people attended the in-person forum, and 167 people the online forum.

A workshop was conducted with 42 demographically-selected residents, with outcomes presented below and captured in a detailed workshop report (attached to the Community Engagement Outcomes Report).

A Precinct Committee Forum was attended by 18 representatives from 12 of the 17 active Precincts. The Mayor also spoke about the SRV at four individual Precinct Committee meetings: Lavender Bay (44 attendees), Milson (38 attendees), Wollstonecraft (80 attendees), and Willoughby Bay (32 attendees). Council's CEO presented to the Wollstonecraft precinct.

Council emailed 770 people who had asked to be kept informed following our Next Ten Years engagement earlier in 2024, asking for their feedback on the informing strategies and special rate variation proposal, as well as our updated Long-Term Financial Plan, Delivery Program, and Asset Management Strategy. The email had a 75.83% open rate. The SRV consultation was also communicated in our Council e-newsletter (sent to 1,911 subscribers, 66.5% open rate); events e-newsletter (3,359 subscribers, 56.26% open rate); and three weekly precinct e-newsletters (270+ subscribers, >58.5% open rates). Council emailed a total of 6,310 people during the engagement period.

Council also used traditional methods and social media to raise awareness among the community of the need for a rate rise and the proposed options. A media release was sent to 33 local media contacts, and the story was covered in North Shore Living, North Sydney Living, the North Sydney Sun, and the North Shore Lorikeet, and discussed on the radio on 2GB and ABC. We responded to four enquiries from the Sydney Morning Herald, North Sydney Sun

(two enquiries) and North Shore Living. A six-post social media campaign focused on raising awareness about the proposal and encouraging the community to attend the online and in-person community forums, and to provide their feedback. Over the course of the campaign, these posts were viewed 6,879 times on Facebook, 7,265 times on Instagram, and 2,177 times on LinkedIn.

Council's special rate variation proposal was featured in several news articles including in the Sydney Morning Herald, the Daily Telegraph, ABC News Online, and the Daily Mail, further increasing the reach and awareness of the proposal.

During the engagement period, a number of frequently asked questions emerged from the community. As these questions emerged Council developed responses and published these on the special rate variation section of its website for all community members to view, to increase transparency. By the close of consultation, there were 34 frequently asked questions, with detailed responses listed on the special rate variation website.

Demographically selected workshop

In addition to the feedback provided through the YourSay website and in emails, Council undertook a workshop on Saturday 7 December 2024 with a demographically selected group of 42 community members.

Individuals engaged in the workshop were independently recruited by Taverner Research Group. This approach was taken to ensure that the participants were independent of Council, and representative of the community.

Noting that there are over 60,000 residents over the age of 18 living within North Sydney, and 1.7% provided their feedback, the demographic group provides insights from a diverse range of community members, including those that might not otherwise participate in Council engagements.

Participants were presented with the information on Council's financial position, asset conditions and the rationale for proposed rating changes and discussed their views on the proposal.

The results of this session are provided in the attached Community Engagement Outcomes report with key findings presented below.

Question: How supportive are you of Council increasing its debt?

Average score of 2.3/5 indicating low to mid willingness.

Question: How supportive are you of Council cutting services to reduce costs?

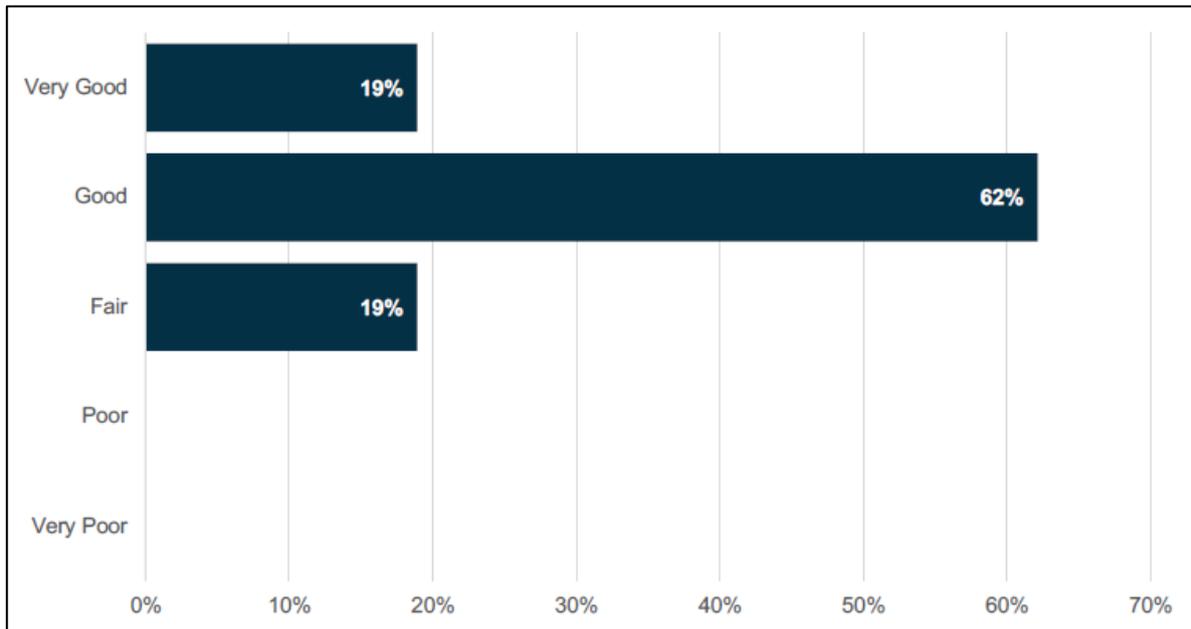
Average score of 3/5 indicating some willingness.

Question: Do you agree with increasing the minimum rates to ensure a more equitable rating?

Average score of 3.5/5 indicating willingness.

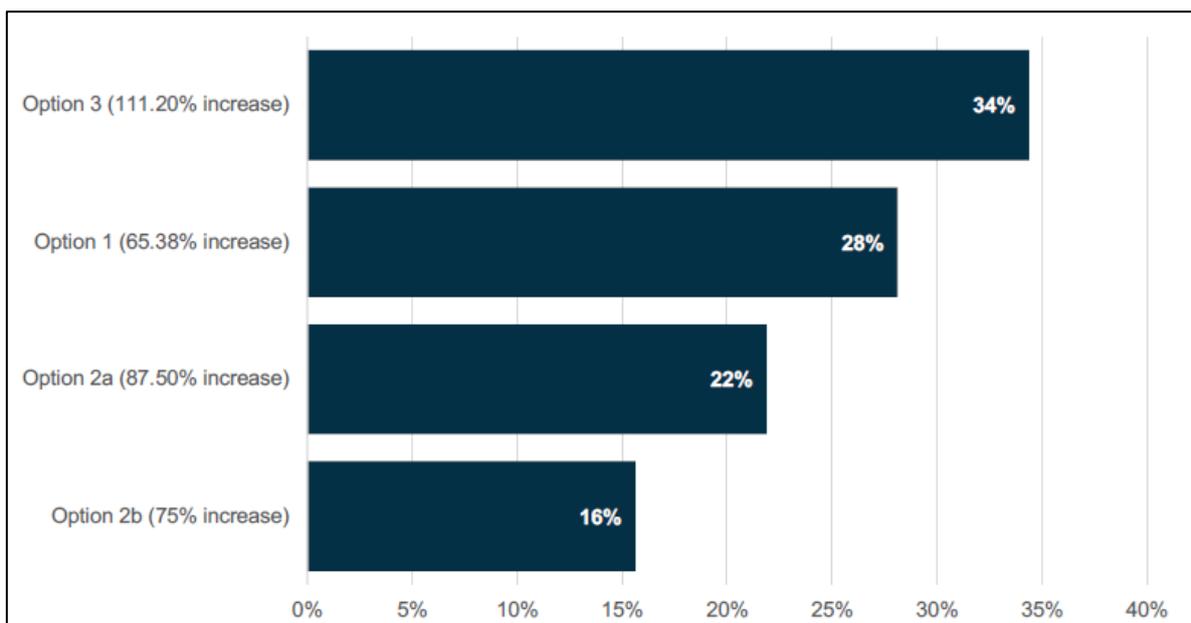
Question: Do you believe it is important for Council to maintain its infrastructure? If so, to what level?

All participants said yes, with all suggesting it should be maintained to a 'fair' or higher standard, with 81% suggesting a 'good' or 'very good' standard.



Question: In considering the SRV options presented, which would you prefer (if any)?

When presented with the question on whether they would prefer a special rate variation, having been presented with information on Council's financial background, current and future challenges and opportunities, the highest option chosen was Option 3, following Option 1, and then 2a and 2b. This demonstrates a strong willingness to pay within the demographically selected group.



When asked if the group felt the community of North Sydney would benefit from the actions within the informing strategies, the average rating was 7.3/10.

General community engagement - special rate variation and increase to minimum rates

Over 1,000 individual submissions sharing feedback on the proposed special rate variation and increase to minimum rates were received from the community, demonstrating a high level of engagement and awareness of the proposal.

In total the below number of submissions were received:

- YourSay (online survey): 792
- Email: 245
- In person / by phone: 22

Of the 4,494 people that visited Council's special rate variation website (YourSay), 17.6% completed the survey. This would suggest a level of ambivalence or tacit support.

Whilst the submissions raised different points, several key themes emerged from the feedback.

Some respondents recognised the need for the proposed special rate variation, citing economic changes, the importance of the ten-year informing strategies, and the cost of the North Sydney Olympic Pool project. However, there was general dissatisfaction with the pool project and Council's financial management.

Several of the respondents noted they were completing the survey following receipt of a newsletter from a State Member of Parliament or a letter from an elected Councillor. It is unclear if the information within these newsletters or letters influenced their responses.

Key themes from the engagement are provided below. Council's detailed response to the key themes can be found in Attachment 2 and all submissions in Attachment 7.

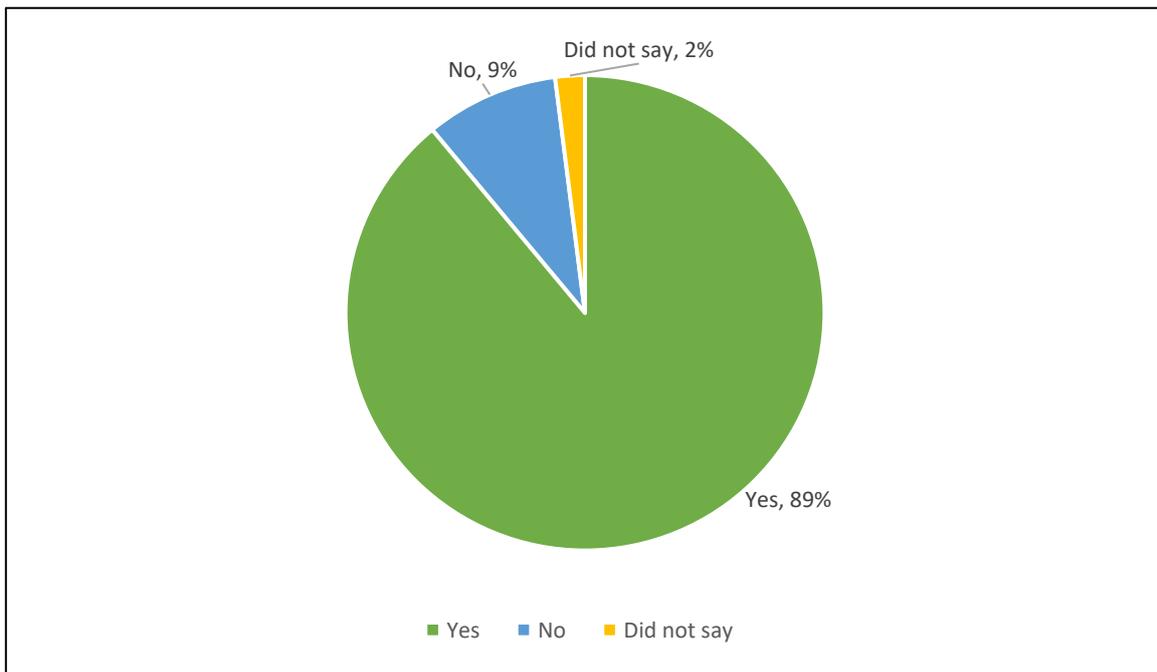
- Concerns about Council's financial mismanagement regarding the North Sydney Pool project;
- Concerns over general financial mismanagement and calls for greater accountability and transparency in how funds are managed and spent;
- Concerns about cost of living and affordability of rate increases;
- Calls for Council to consider selling assets including North Sydney Olympic Pool;
- Suggestions that North Sydney residents should receive free or discounted access once the North Sydney Olympic Pool is completed due to the impact on rates;
- Calls for Council to cut non-essential spending and reduce staff to avoid rate increases;
- Suggestions that the unsustainable financial situation was not revealed before the 2024 Council election;
- Calls for increased debt including use of 'low-interest' State Government loans;
- Questions as to whether Council could seek additional financial assistance for the North Sydney Olympic Pool from other levels of government;
- Calls for private schools and religious organisations pay rates;
- Business rates – some felt that the rates were too high, and others felt business rates should be increased further to subsidise residential;

- Concern about not being presented with a ‘no SRV’ or no smaller SRV options;
- Calls for Council to seek more financial assistance from other levels of government;
- Feedback and questions in relation to the standard levels of asset conditions and calls for the deferral or elimination of asset projects;
- Concerns over increased services when finances are weak;
- Calls for increased revenue elsewhere, including through fees and charges or developer contributions;
- Calls for existing cash reserves to be used instead of increasing rates;
- Frustration over timing of consultation over the Christmas period;
- Support for the proposed special rate variation.

The special rate variation and increase to minimum rates consultation asked the community several quantitative questions in addition to some with open text responses. The answers to these questions are outlined in detail in the Community Engagement Outcomes Report (Attachment 1) and are provided below.

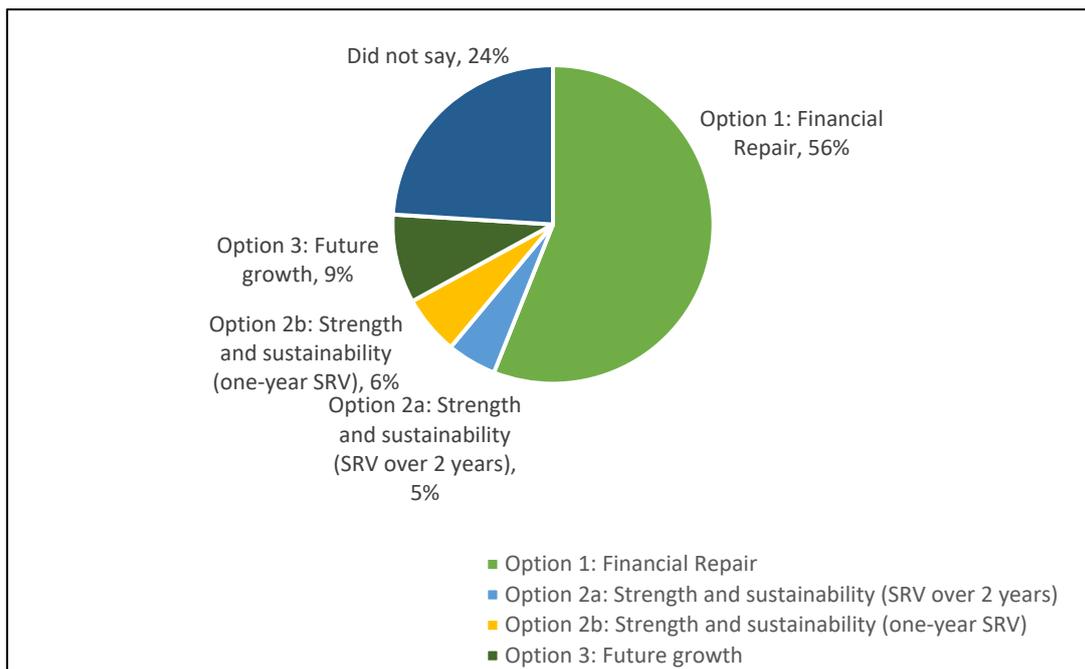
A summary of results from the YourSay survey is as follows:

Question 1, Have you read North Sydney Council's long-term financial plan (LTFP)?



The survey respondents demonstrated a strong understanding of the special rate variation options and the reasons for it presented by Council, with the majority of responses indicating that they had read the long-term financial plan.

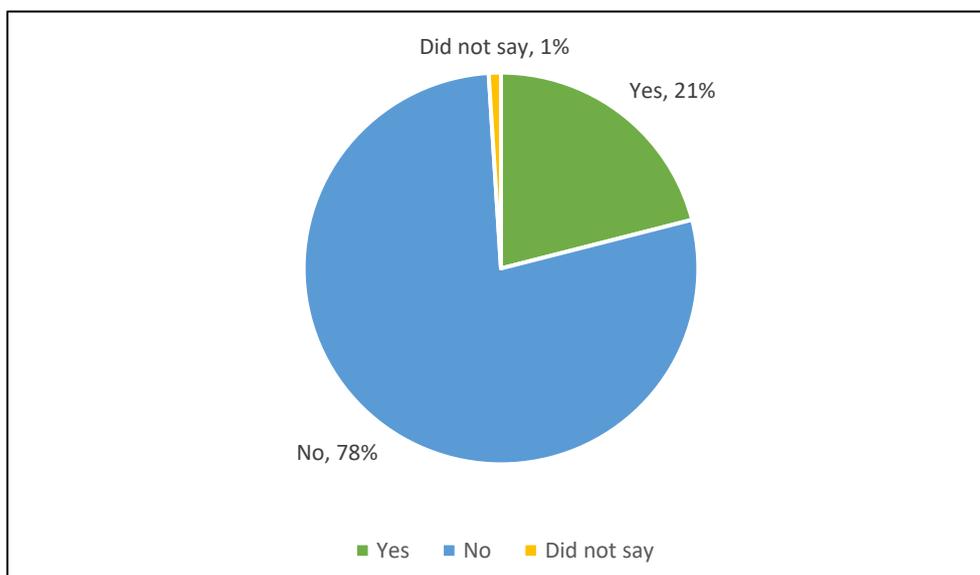
Question 2, Preferred funding option?



When asked which of the special rate variation options presented was preferred, 56% indicated Option 1, 24% did not provide a response, 9% preferred Option 3, 6% preferred Option 2b, and 5% preferred Option 2a.

Many of those that selected Option 1 indicated that they only selected this option because the survey required a selection. In week 3 of the consultation period, Council responded to feedback from the community and altered the survey to allow respondents to progress through the survey without selecting an option.

Question 3, With Options 2a, 2b and 3, for every \$100 of total rates income received over the next ten years, an average of up to \$13.50 would be spent on new projects, services and initiatives outlined in the Informing Strategies. Would you be willing to pay for this?



As Council's informing strategies include some aspects of increased service levels, which would be funded by Options 2a, 2b, and 3, a question was included asking about the community's willingness to pay for this aspect of the special rate variation proposal. 78% of respondents said 'no', 21% 'yes', and 1% 'unsure'.

This differs to the results of both the demographically selected workshop and the engagement on the informing strategies.

Based on the submissions provided, this response seems to largely stem from survey respondents' concerns around the delivery of the North Sydney Olympic Pool project and the past management of Council's finances.

Alongside the community engagement on the special rate variation and increases to minimum rates, Council also exhibited and sought feedback on the draft ten-year informing strategies. As the question of willingness to pay relates to the expenditure for increasing service levels which are outlined in the informing strategies, the high-level support for these strategies is provided here.

Five of the strategies had a high level of support from over 80% of respondents. Economic Development had mixed support but from a low number of respondents. The Open Space and Recreation Strategy had a lower level of community support, but a review of submissions indicates 90% of the negative responses were related to a specific item related to the Cammeray Golf Club, not the strategy as a whole.

The survey included open text questions on the proposed minimum rates increase and the inclusion of the Infrastructure, Environment, Crows Nest Main Street, and Neutral Bay Main Street levies in Ordinary rates.

On increases to minimum rates, 60% of respondents did not indicate a view, 7% agreed with the minimum rates proposal, and 32% disagreed. Reasons given for disagreeing were largely related to concerns with the North Sydney Olympic Pool project and Council's past financial management.

On including the current special levies (Infrastructure, Environment, Crows Nest Mainstreet, and Neutral Bay Mainstreet) within Ordinary rates there was a mixed response. 72% of respondents did not provide a response to this question, 10% agreed, and 14% disagreed. It should be noted that the main reason given for disagreeing with the proposal to include Special Levies in Ordinary rates was a perceived reduction in transparency as to how funds are spent. This is addressed as one of the responses to key engagement themes.

Have your say on North Sydney's next ten years

With the inclusion of funding within Options 2 and 3 of the Special Rate Variation, it is also important to consider community involvement and feedback in relation to the draft informing strategies.

To ensure effective delivery of Council's Integrated Planning and Reporting Framework responsibilities, Council engaged the community in 2024 through its, 'Have your say on North Sydney's next ten years' campaign.

This initiative was designed to gather broad and meaningful input from the community on their needs, priorities, challenges and opportunities over the next ten years to develop the informing strategies to inform Council's next Community Strategic Plan.

Throughout the six-week consultation period in May and June 2024, Council received over 1,000 responses to online surveys, and more than 600 individuals attended community forums. Additionally, thousands more were engaged through both in-person and via online events.

To ensure Council heard from unique and diverse voices, Council held dedicated workshops for specific groups including a demographically selected group of 60+ residents, a First Nations workshop in partnership with Indigenous consultancy Murawin, a Voice of Youth workshop with over 50 primary and secondary students, and sessions with relevant key stakeholders.

There was widespread support and engagement from a wide cross-section of the community in the development of this campaign and in the proposed initiatives that came out of it.

The insights gathered through this community engagement, along with extensive research from expert consultancies Council partnered with, shaped the following five comprehensive studies:

- Culture and Creativity Study
- Economic Development Study
- Social Inclusion Study
- Integrated Transport Study
- Open Space and Recreation Needs Study

These studies were developed into the draft informing strategies following their engagement with the community, in addition to a Housing Strategy (supplement), Environment Strategy, and Governance Strategy.

There was no study undertaken for housing as it is a legislated strategy, environment as research had recently been undertaken, nor governance as it is focused primarily on internal governance structures and processes.

Following consideration by Council on 25 November 2024, the draft informing strategies were placed on public exhibition from 27 November 2024 to 10 January 2025. A total of 501 YourSay survey responses and 13 emailed submissions were received and considered.

Strong community support was received for the Integrated Transport, Environment, Governance, Social Inclusion, and Culture and Creativity strategies (an average of over 80% support).

The Economic Development strategy received 12 survey responses. 6 (50%) of these supported the strategy, with 1 unsure. The 5 that did not support it suggested Council should spend funds elsewhere.

The Open Space and Recreation Strategy received 397 survey responses, with 137 (34.5%) supporting the strategy, 201 (50.6%) not supporting the strategy and 59 (14.9%) unsure. The results may not accurately reflect the views of the broader population as approximately 90% of the 'No' responses were received from Cammeray Golf Club members and affiliates who voted 'No' based on a single action within the strategy.

The below table shows the number of responses for each informing strategy and the percentage of support.

Strategy	Number of survey respondents	Percentage support
Culture and Creativity	18	67%
Economic Development	12	50%
Environment	13	100%
Governance	7	86%
Integrated Transport	23	83%
Social Inclusion	31	94%
Open Space and Recreation	397	35% ¹

1 - as described above the percentage support for the Open Space and Recreation strategy may not accurately reflect the views of the broader population as approximately 90% of the 'No' responses were received from Cammeray Golf Club members and affiliates who voted 'No' based on a single action within the strategy.

The results of the informing strategies engagement are presented more comprehensively in the 'Informing Strategies planning for our next ten years' report being presented to the 10 February 2025 Council Meeting.

Recommended SRV Option

Having considered community feedback, a **revised** Option 2A is recommended.

This Option is based upon Option 2a and includes the same cumulative rate effect as Option 2a but allows for a 5% reduction in Year 1 as compared to the Option as exhibited. In addition, the residential minimum has been decreased in the first year from \$1,300 to \$1,200 in response to cost-of-living concerns.

The cumulative impact of the special rate variation recommendation is **87.05%** over two years.

Category	2025/26 Minimum	2025/26 ad valorem increase	2026/27 ad valorem increase	2027/28 ad valorem increase
Residential	\$1,200	45%	29%	Rate peg
Business	\$1,400	45%	29%	Rate peg

As with each option exhibited, this includes the current Infrastructure Levy, Environment Levy, Crows Nest Mainstreet Levy, and Neutral Bay Mainstreet Levy being included within Ordinary rates income.

In their review of special rates variation applications, IPART requires an assessment of the community's capacity and willingness to pay. This assessment has been undertaken independently and is attached to this report (Attachment 5). The assessment concludes that there is capacity to pay across all groupings in North Sydney. Council will review its hardship policy in line with the implementation of the special rate variation to provide additional support.

The recommended special rate variation and increase to minimum rates option will generate \$544 million over ten years to deliver funding towards:

- initiatives outlined in the informing strategies;
- repayment of internal borrowings;
- 80% infrastructure renewal rate in years 1 and 2
- 100% infrastructure renewal from Years 3 to 10, to bring infrastructure to a 'satisfactory' condition over a ten-year period
- critical backlog infrastructure, to be addressed in Years 1 and 2
- Level 3 infrastructure backlog (asset condition 4 and 5) to be reduced by \$15m per year (indexed) from Years 3 to 10; and
- building financial strength through improved reserve levels

As part of this recommendation, and in consideration of community feedback, along with Council's immediate liquidity concerns, it is recommended that additional borrowings of \$10 million are secured in the 2024/25 financial year to support this option. This would increase borrowings against the North Sydney Olympic Pool to \$61 million.

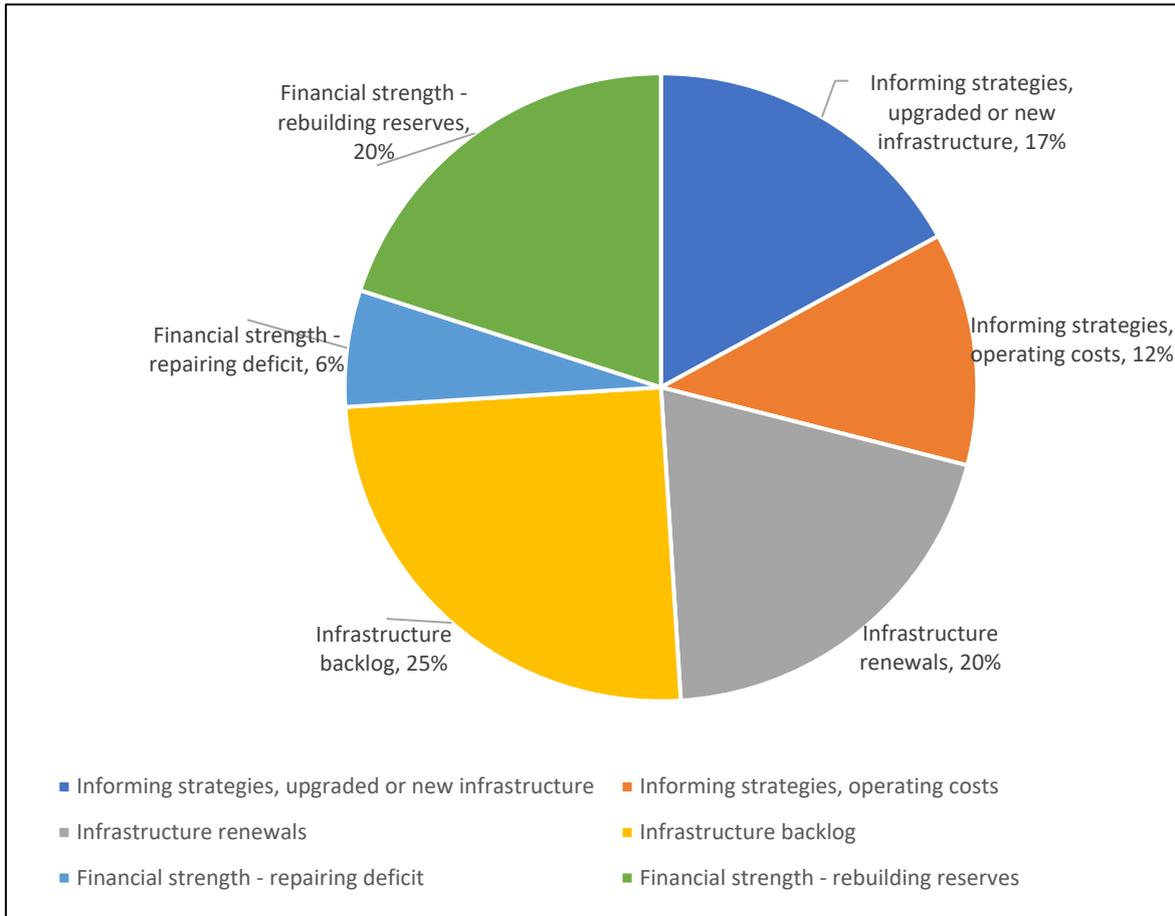
On review of community feedback, Council assessed the programs of work to determine what work could be deferred until later years to reduce the rates increase required in year one.

This review deferred \$4.9 million of work until later years. This has reduced the funding required in Year 1 and will still deliver the funding for strategic priorities within a 10-year period.

As shown in the revised Long Term Financial Plan, this will see Council meet all but 1 of the Office of Local Government-recommended benchmark financial performance indicators from Year 1, and all of these ongoing from Year 2. Asset management benchmark performance indicators would be achieved by Year 3.

The assumptions contained within this plan are current informed estimates based on a range of sources; however, long-term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and the potential effect of inflation on revenue and expenditure which are largely outside of Council's control. A sensitivity analysis was undertaken in the Long Term Financial Plan in the Council report of 25 November 2024. This should be read in conjunction with this report.

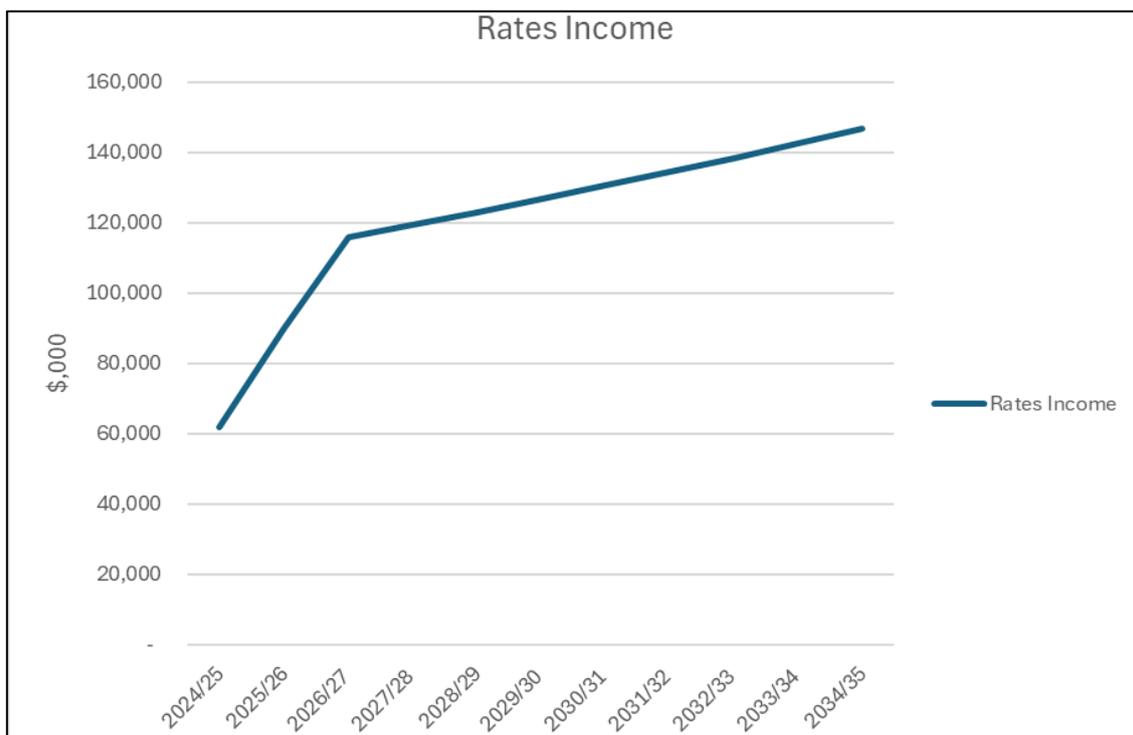
The below diagram shows how the additional income is proposed to be spent over this 10-year period.



The amended delivery program for 2022-26 including the projects from the informing strategies is attached to this report (Attachment 6) for adoption by Council.

Revenue and distribution

The below chart show Council’s total permissible income increase and the cumulative increase between 2025 – 2035.



The total revenue distribution between residential and business has been determined as 60% residential and 40% business.

	Total revenue generated 2024/25 (adjusted for levies)	Total revenue generated 2025/26	% increase 2025/26	\$ Total revenue generated 2026/27	% increase 2026/27
Residential	\$38,428,247	\$53,906,120	40.3%	\$69,538,895	29%
Business	\$23,533,451	\$35,937,414	52.7%	\$46,359,264	29%
TOTAL	\$61,961,698	\$89,843,534	45.0%	\$115,898,159	29%

Residential Minimums

To ensure sufficient revenue growth to service a growing population, and to ensure equity between ratepayers of various housing types, the minimum rate is recommended to increase to \$1,200 in Year 1, and by the SRV of 29% in Year 2. North Sydney is a high-density area, and this will increase further following NSW Government housing reforms. This growth will place pressure on existing infrastructure and services and create demand for new infrastructure. Ensuring an appropriate minimum will ensure improved equity.

Based upon the change to residential minimums, the following contributions will be made.

	Number of properties 2025/26	Total revenue generated 2024/25 (adjusted for levies)	\$ Total revenue generated 2025/26	% increase 2025/26	\$ Total revenue generated 2026/27	% increase 2026/27
Minimum category	29,234	\$23,213,664	\$35,072,064	51%	\$45,242,963	29%
Ad-Valorem category	7,684	\$15,214,583	\$18,834,056	24%	\$24,295,933	29%
TOTAL	36,918	\$38,428,247	\$53,906,120	40%	\$69,538,896	29%

Noting that Council rates are a business expense, and in considering an equitable contribution, it is recommended the minimum business rate be set at \$1,400.

The below tables show the total impact on rates and the impact for both residential and business ratepayers.

Residential – impact on average residential rates of Revised Option 2A

	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative increase
No SRV - Average residential rate under assumed rate peg (assuming no change to special levies)	\$1,040	\$1,081	\$1,113	7.0%
No SRV - Average residential rate under assumed rate peg with change to special levy	\$1,040	\$1,048	\$1,080	3.8%
Annual increase in rate peg (%)		4%	3%	
Annual increase with an SV for two years (and adjustment to special levy)	\$1,040	\$1,460	\$1,884	81.1%
Annual increase with SRV		40.4%	29%	
Cumulative impact of SRV above base year level per annum		\$420	\$849	
Cumulative impact of SRV above base year per week		\$8.07	\$16.32	

Residential – impact on minimum rates of revised Option 2A

	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative increase
No SRV - Minimum rate under assumed rate peg (excluding levies)	\$715	\$743.60	\$765.91	7.1%
No SRV - Minimum rate plus average levy charge	\$812.32	\$844.81	\$870.16	7.1%
Annual increase in rate peg (%)		4%	3%	
Increase in minimum with SRV for two years	\$715	\$1,200	\$1,548	116.5%
Average annual increase with an SV for two years (based upon inclusion of ave levies in base year)	\$812.32	\$1,200	\$1,548	90.6%
Annual increase with SRV (based upon incl of ave levies in base year)		47.7%	29%	
Average cumulative impact of SRV above base year level (incl ave levies) per annum		\$387.68	\$735.68	
Cumulative impact of SRV above base year per week		\$7.45	\$14.14	

Business – impact on average business rates of revised Option 2A

	Base Year 2024/25	Year 1 2025/26	Year 2 2026/27	Cumulative increase
No SRV - Average business rate under assumed rate peg (assuming change in levies)	\$6,724	\$7,396	\$7,618	13.3%
Annual increase in rate peg (%)		4%	3%	
Average annual increase with an SRV for two years	\$6,724	\$10,247	\$13,219	96.6%
Annual increase with SRV		52.4%	29%	
Average cumulative impact of SRV above base year level		\$3,523	\$6,495	

It should be noted the above figures are based on the average of all rate payers in that category. The large average business rates represent the nature of large commercial property holdings in North Sydney, tenanted by multiple tenants.

Rationale for recommendation

Why Option 1 is not recommended

The difference between Option 1 and other options presented was the inclusion of funding for actions contained in the 10-year informing strategies.

Under section 8C of the Local Government Act 1993, the integrated planning and reporting principles that apply to Councils are as follows.

The following principles for strategic planning apply to the development of the integrated planning and reporting framework by councils—

- (a) Councils should identify and prioritise key local community needs and aspirations and consider regional priorities.
- (b) Councils should identify strategic goals to meet those needs and aspirations.
- (c) Councils should develop activities, and prioritise actions, to work towards the strategic goals.
- (d) Councils should ensure that the strategic goals and activities to work towards them may be achieved within council resources.
- (e) Councils should regularly review and evaluate progress towards achieving strategic goals.
- (f) Councils should maintain an integrated approach to planning, delivering, monitoring and reporting on strategic goals.
- (g) Councils should collaborate with others to maximise achievement of strategic goals.
- (h) Councils should manage risks to the local community or area or to the council effectively and proactively.
- (i) Councils should make appropriate evidence-based adaptations to meet changing needs and circumstances.

Despite the current financial position, Council cannot ignore its obligations to work towards long term strategic outcomes and objectives. The North Sydney community have actively engaged in the development of these plans in response to challenges and opportunities currently faced and expected to be faced in the future.

This is particularly important as Council expects high-growth in the population over the next 10-years as a result of State Government planning policies.

Many of the actions contained within the integrated plans include commitments already made by Council in past years such as expanded open space in Crows Nest, Cremorne Plaza and Langley Place upgrades, and the completion of the Balls Head Quarantine site for community use. A number of these projects have previously been delayed due to funding

being redirected to the North Sydney Olympic Pool project. New projects such as Woodleys shed at Berrys Bay are time-dependent due to partnership projects with NSW Government.

In response to community concerns in relation to the high-level increase within Year 1, Council staff have reviewed the timing of actions to reduce costs within the first year.

Why revised Option 2a is recommended rather than 2b

Revised Option 2A and Option 2B aim to achieve the same objectives, however Option 2B provides for a one-off larger increase within a one-year period in a bid to address overall revenue requirements with a lower cumulative impact than Option 2a.

Within Option 2b, both ad valorem and minimum rate payers would experience similar rates of increase in Year 1. In contrast, revised Option 2a creates addresses equity between the two groups of ratepayers, increasing the total percentage increase by minimum ratepayers and reducing the percentage impact on ad valorem payers.

The following table demonstrates the differences between the two groups under Option 2a. This option acknowledges that minimum rates have been low for some time and require a level of correction.

	Number of properties 2025/26	Total revenue generated 2024/25 (adjusted for levies)	\$ increase 2025/26	% increase 2025/26	\$ Total revenue generated 2026/27	% increase 2026/27
Minimum category	29,234	\$23,213,664	\$35,072,064	51%	\$45,242,963	29%
Ad-Valorem category	7,684	\$15,214,583	\$18,834,056	24%	\$24,295,933	29%
TOTAL	36,918	\$38,428,247	\$53,906,120	40%	\$69,538,896	29%

Under Option 2A, the average cumulative weekly cost after the two-year period would be \$14.14 which is closer to the average residential increase of \$16.32 than it would have been under Option 2B. The use of unimproved land value as the basis for rating does cause challenges in striking the right balance between benefits principles and capacity to pay principles within the rating system.

Why Option 3 has not been recommended

It is acknowledged many in the community favoured Option 3. This option would see all building infrastructure brought to a 'good' condition over a 10-year period through an additional \$15.5 million per year (indexed) from year 4 onwards. Given this additional funding starts in year 4, Council proposes further reviews of assets before allocating this budget and

that an acceptable increase in the backlog can be achieved through Option 2a and a capital sinking fund.

Option 3 was the highest ranked option by the demographically selected group. Within the general community survey, it also scored higher than Options 2a and 2b.

Consideration has been given to the large number of submitters concerned about the cost of proposed rate increases and to those who have suggested alternative revenue streams and cost containment measures to explore.

Revenue streams such as advertising, fees and charges for use of open space, possible voluntary rate payments by local schools, and potential private use opportunities associated with North Sydney Olympic Pool, will all be explored as part of a broader program to address infrastructure conditions and needs.

Council had previously resolved to undertake a citizen jury to consider whether it was appropriate to place advertising throughout the LGA as a means for revenue generation. While this citizen jury has not yet been conducted, the recent demographically selected group suggested ethical advertising in the right locations would be supported to reduce pressure on Councils budgets. While there have been some challenges associated with development approvals, it is recommended that considering the community consultation, Council proceeds to explore advertising opportunities.

From a cost perspective, service level reviews may identify opportunities to reduce or alter services and deliver savings, and the planned property review may identify options to increase revenue and/or sell unused land.

While not guaranteed income, each of these opportunities are valid to explore. However, they must be explored proactively and in consultation with the community rather than reactively - leading to backflips and regret.

Throughout the coming years, further consultation will be undertaken with the community in relation to expectations in relation to the condition of assets. From this review there may be recommendations for some building to be brought to a higher standard. While not funded through the recommended SRV option, continuing to explore financial opportunities as discussed above may assist with these projects and any other new demands.

Why is a large increase in Year 1 is required

As a result of low unrestricted cash and reserves, Council's unrestricted current ratio demonstrates that Council does not have sufficient liquid assets to pay its liabilities as and when they fall due.

The increase in Year 1 will generate \$25M in additional revenue to ensure Council has sufficient funds to honour its employee leave liabilities and repay bonds and deposits and other short-term payables as and when they fall due.

To reduce the Year 1 and Year 2 impact, the original options proposed provided for a delay in renewals within the first two years. This comes after Council has already delayed renewals in 2023/24 and 2024/25.

In addition, following community feedback a further review has been undertaken in relation to the timing of strategic projects resulting in a reduction of expenditure in Year 1 and a reduction in the recommended SRV from 50% to 45%, with residential minimums reducing from \$1,300 to \$1,200.

Under this recommendation, the unrestricted current ratio remains under the benchmark of 1.5 until Year 2 but improves to 1.14.

It should be noted that the special rate variation options have been designed to address the critical financial position in the first two years, following which the aim is to strengthen Council's financial position, respond to strategic priorities and address infrastructure needs.

Why have service cuts not been included

Council delivers 48 groups of services to the community, representing 139 discreet services. As discussed, when comparing private value with public value, while a resident might feel a particular service is not of value, this may not be the same for others in the community. These services provide public value for over 70,000 people, with some people taking advantage of some services more than others. This includes 20,484 library members, over 130 Bushcare volunteers, and countless participants at community centres, arts and craft facilities, and Council's Planet X.

The focus of submitters in suggesting service cuts was largely suggesting a return to core services of roads, rates, and rubbish, suggesting some of the more socially or morally driven services could be reduced.

The introduction to this report discussed the complexity in decision-making when comparing private value with public value. Each member of the community values public goods in different ways, and while some services might not be of value to one person, they may be of value to others. Determining public value can be a significant challenge for Councils as there is no exact formula to measure it. Councils must carefully balance competing priorities, limited resources, and the diverse community needs to deliver services and infrastructure that provide the greatest overall benefit.

The SRV consultation focuses on a financial cost, being a rate increase, is understandably likely to receive feedback from those concerned rising costs. Should Council wish to reduce service

levels, such as the opening hours at Stanton Library, the maintenance of parks, verge mowing, social services, or environmental initiatives, it should only do so after consultation with the community to outline exactly what is proposed to be cut. Naturally, these consultations will generate interest from those that value these services and may result in a different outcome. Elected Councillors are chosen by the community to make decisions on their behalf; deciphering collective benefit is one of these complex decisions.

Based upon the capacity to pay analysis undertaken by Morrison Low, reactive cuts to services are not warranted.

Despite service cuts not being recommended as a reactive measure, it is good practice to regularly review services. The service review framework has been introduced for this purpose, with service reviews to be undertaken in a considered and prioritised manner. This ensures the consequence of such decisions are adequately explored and limits the likelihood of decision reversals. Council staff will not recommend service cuts without due process.

Should Council wish to include service reduction or cuts as part of the financial repair strategy, it is important that these services are nominated. Council's financial position is critical and requires clear direction. Suggesting broad service cuts without nominating the services believed to be of less value than the cost of rate variation is not constructive to achieving financial sustainability.

In considering those services nominated by respondents to consultation, the following information is offered.

Events – Outside of a small team of events staff, the largest cost for events is New Years Eve. Council is obligated to manage the crowds in council owned or controlled parklands and cannot avoid this responsibility or cost. Council may consider ticketing NYE events, however after administration, this will not have a material impact on Council's immediate or broader financial position. Reducing smaller public events reduces the opportunity for people to enjoy free entertainment, and the support of local businesses in villages.

Arts – Council has a very small team of approximately 2 FTE that support the delivery of arts initiatives. Arts and culture have consistently featured in community satisfaction surveys as opportunities for improvement. Further, as demonstrated in the Inner West and other areas of Sydney, art and culture attract people to live, play, and work in an area. Consultation during the 'Next Ten Years' campaign suggests Council should increase its efforts in this space.

Library Services – the Stanton Library has over 20,000 members and is bursting at the seams. This service provides value to a diversity of people across North Sydney, including those that visit for school or work. Libraries are community hubs that allow people to interact and engage which is critical in a community where lone-person households are dominant. Libraries also provide a safe place for vulnerable members of the community or even those escaping the heat. Any reduction in this service should be fully consulted on.

Community Services – Council has a small team of full-time employees who support social services within the community through youth services, accessibility and inclusion, multicultural services, liaising with other levels of government to refer and support vulnerable members of the community. The team also acts to leverage social capital from the community through volunteer engagement and management. In addition, the community services budget included subsidies to community centres across North Sydney LGA. These centres provide considerable value to the community and any funding cuts would be felt through reduced community programs.

Bushland management and sustainability – North Sydney values the environment; it is one of our core values. Services such as bushcare cannot simply be reduced at a point in time and then reintroduced in better financial environments. Continued protection and rehabilitation is required to retain the quality of our environment. Volunteers play a large part in our bushcare program. Council's streets alive and community gardens are well supported by the community and increased demand for opportunities to be involved in projects continues. These initiatives are as much an opportunity for social inclusion as they are to generate environmental outcomes.

Why \$10 million in loan funding is recommended and not more

In response to the immediate liquidity position of Council, Council proposes to seek an additional \$10 million loan funding in the quarter 4 of the 2024/25 financial year. This funding will be attributable to the North Sydney Olympic Pool, bringing total loan funding for the project to \$61 million.

Without a special rate variation, it is unlikely Council would be able to borrow significantly more as our Long-Term Financial Plan does not show sustainable finances, nor is it recommended that the North Sydney Olympic Pool be geared any higher.

Council loans are presented to Council monthly in the Investment and Loan Borrowings Report. At the time the loans are entered into, they are above the Reserve Bank of Australia (RBA) cash rate and are higher than the amount of interest we receive in bank deposits. If Council was to borrow large amounts of money, the cumulative impact of the interest payments over 10 to 20 years would represent a poor financial outcome for our community and would restrict future services and asset renewal.

For example, a \$20 million loan over 20 years (maximum term under TCorp loan), would require \$16.824M in repayment over the first ten-year period. This would provide net cashflow for the period of \$3.176M for the ten-year period or \$317K per year. In addition, it would leave \$16.824M in loan repayments to the next generation (the 2035/36 - 2044/45 period). Over the twenty-year period, an additional \$13.648M in rating revenue would be required to fund interest.

In considering community feedback, it is acknowledged that there are strategic reasons for borrowing funds, including to purchase income producing assets. For this reason, the financial objectives of the long-term strategy have changed from 'reducing debt' to 'strategic use of debt'. Despite this, the Long-Term Financial Plan does not anticipate relevant projects. This could change over time and Council should ensure borrowing capacity.

Organisational Improvement Plan

In the Organisational Improvement Plan presented to the 25 November 2024 Council meeting, savings and productivity initiatives that have been implemented in the last two years or are currently being considered for implementation were identified. Once fully implemented, this will represent approximately \$7 million a year benefit to Council and a potential \$5 million one-off through the sale of land. It should be noted that whilst these initiatives generate a benefit, they may not flow through to savings in the Long Term Financial Plan as some of the savings have been refactored into other resources. However, this has decreased the amount of additional revenue required through the special rate variation.

To demonstrate the impact of the expected efficiency gained through these initiatives, the Long-Term Financial Plan assumes there will be no additional corporate administration costs for increased services (including the North Sydney Olympic Pool) and increased capital works programs. The plan assumes improved governance and administration measures will lead to efficiency gains that absorb these costs.

In addition, a capital sinking fund will be developed for rescheduled projects, and this will also receive funding through any new revenue sources and increases in organisational efficiency.

This funding will be used to further improve Council's assets. Council will report on this to the community six-monthly to show progress being made.

Next steps in the special rate variation and minimum rate application process.

Council must apply to IPART for approval to increase rates and the minimum rate amount through a special rate variation and minimum rates increase application.

IPART assesses the applications using the following criteria:

1. the need and purpose of a different rate path for the council's General Fund is clearly articulated and identified in the Council's Integrated Planning and Reporting (IP&R) documents, including the LTFP;
2. evidence that the community is aware of the need for and the extent of a rate rise;
3. the impact on affected ratepayers must be reasonable;
4. the relevant IP&R documents must be exhibited, approved, and adopted by the Council;
5. the IP&R documents or the Council's application must explain and quantify the productivity improvements and cost containment strategies; and
6. any other matter that IPART considers relevant.

If Council resolved to submit an application, the proposed timeline for the SRV application process would be as follows:

- Following the Council decision: Council lodges the special rate variation and minimum rates application (subject to above decision).
- Between March and April 2025: IPART invites submissions from the community and evaluates the application.
- May/June 2025: IPART makes its determination and advises Council.
- June 2025: Council makes the rates and adopts the Operational Plan and Budget for 2025/26.

Council will continue to inform the community in relation to the proposed special rate variation and increase to minimum rates. This includes corresponding with all community members that submitted submissions to the proposal and asked that they be kept informed.

The Organisational Improvement Plan will be maintained, and Council will continue to look for ways to improve efficiency.

Consultation requirements

Community engagement has occurred in accordance with Council's Community Engagement Protocol. The detail of this report provides the outcomes from the engagement for Council to consider prior to adoption.

A summary of the feedback is included in this report. A more comprehensive summary is contained in the attached Community Engagement Outcomes Report.

Financial/Resource Implications

This report and recommendation will address Council's poor financial position and build financial strength and sustainability to ensure the community can continue to be supported.

The financial implications of the proposed special rate variation and minimum rates increase are outlined in the body of this report. The financial sustainability review indicates that Council needs to act immediately to address its financial challenges, or it will become unsustainable.

Legislation

Section 8B of the Local Government Act 1993 states that the following principles of sound financial management apply to Councils:

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
 - (i) performance management and reporting,
 - (ii) asset maintenance and enhancement,
 - (iii) funding decisions,

- (iv) risk management practices.
- (d) Councils should have regard to achieving intergenerational equity, including ensuring the following:
 - (i) policy decisions are made after considering their financial effects on future generations,
 - (ii) the current generation funds the cost of its services.

The report recommends actions necessary to achieve compliance with the Local Government Act 1993 and Office of Local Government Guidelines should Council resolve to undertake Community Engagement/Public Exhibition on the proposed SRV and updated draft Long Term Financial Plan respectively.



Community Engagement Outcomes Report

Special Rate Variation (SRV) and Minimum Rates proposals

January 2025



Document status

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Contents

Executive Summary	1
Key Findings	1
Next steps	2
1 Introduction	3
1.1 Background and context	3
1.2 Proposed SRV Options	4
1.3 Proposed changes to special levies	5
1.4 Proposed Minimum Rates	6
1.5 Updated Delivery Program, Long-Term Financial Plan and Informing Strategies	7
2 Engagement Process	7
2.1 Engagement purpose and objectives	8
2.2 Engagement framework	8
2.3 Engagement level	9
2.4 Engagement Activities and Reach	10
2.4.1 Have Your Say site analytics	12
2.5 Adjustments during the consultation process	13
3 Engagement findings	14
3.1 Survey	14
3.1.1 Understanding the need for a rate rise	16
3.1.2 Feedback on SRV	16
3.1.3 Community willingness to pay	18
3.1.4 Feedback on Minimum Rates proposal	19
3.1.5 Feedback on the proposal to consolidate current special levies into ordinary rates	19
3.2 Community workshop	20
3.2.1 Participant selection	20
3.2.2 Workshop purpose	22
3.2.3 Workshop structure and process	22
3.2.4 Understanding the need for a rate rise	23
3.2.5 Feedback on the SRV	24
3.2.6 Community willingness to pay	25
3.2.7 Feedback on the Minimum	27



3.3	Self-initiated feedback	27
4	Key themes	28
4.1	Concerns about Council's mismanagement of the NSOP project	28
4.2	Concerns over financial management of Council generally	29
4.3	Concerns about not being presented with a "no SRV" or smaller SRVs options	29
4.4	Council should find alternatives to an SRV	30
4.5	Cost of living and affordability concerns	30
4.6	Timing of consultation	30
4.7	Calls for greater accountability and transparency in how funds are managed	30
5	Conclusion	31
	Appendix A: Engagement Plan	32
	Appendix B: Communications and marketing collateral (samples)	33
	Appendix C: Fact Sheet	39
	Appendix D: Media coverage (samples)	40
	Appendix E: Social media posts (samples)	49
	Appendix F: Community forum and meeting presentations	53
	Appendix G: Survey	54
	Appendix H: Community Workshop Report	55
	Appendix I: Councillor and MP communications	56

Tables

Table 1	Proposed SRV options	4
Table 2	What does each SRV option provide?	5
Table 3	Proposed minimum rates for each SRV option and the base case	6
Table 4	Engagement Mechanisms	10
Table 5	Workshop feedback on the SRV Options	24

Figures

Figure 1	IAP2 Spectrum of Public Participation	9
Figure 2	Have Your Say page visitors summary	13
Figure 3	Survey Respondents identified themselves in the following categories	14
Figure 4	Suburb of survey respondents	15
Figure 5	Sources of community awareness	15
Figure 6	Survey response – Familiarity with Council's long-term financial plan (LTFP)?	16
Figure 7	Preferred SRV Option	17



Figure 8	Willingness to pay for services increases in Informing Strategies	18
Figure 9	Support for Informing Strategies	19
Figure 10	Suburbs of workshop participants	20
Figure 11	Length of time in North Sydney LGA	21
Figure 12	Age of workshop participants	21
Figure 13	Participant responses: To what level should Council maintain its infrastructure?	26
Figure 14	Survey and other responses that identified the themes	28
Figure 15	Sample of newspaper advertisement	34
Figure 16	e-Newsletter (sample)	35
Figure 17	Sample of signage	38
Figure 18	Excerpts from ABC News article by Tony Ibrahim from 18 November 2024	40
Figure 19	Excerpts from Sydney Morning Herald article by Megan Gorrey from 23 November 2024	42
Figure 20	Excerpts from Northern Sun article from 26 November 2024	43
Figure 21	Northern Sun article from 4 December 2024	45
Figure 22	Social Media Post from 27 November 2024	49
Figure 23	Social Media Post from 2 December 2024	50
Figure 24	Social Media Post from 11 December 2024	51
Figure 25	Social Media Post from 20 December 2024	52



Executive Summary

This Community Engagement Outcomes Report details the outcomes of the community awareness and engagement strategy undertaken by North Sydney Council (“Council”) in relation to a proposed application to the Independent Pricing and Regulatory Tribunal (“IPART”) for a Special Rate Variation (“SRV”), which was delivered from Wednesday, 27 November 2024 to Friday, 10 January 2025.

The engagement was planned with two key objectives:

1. **Inform:** to raise awareness of why an SRV is needed and inform the community of the options being considered and resulting impacts on service levels.
2. **Consult:** to publicly exhibit the draft Long-Term Financial Plan (“LTFP”) and seek community feedback on the proposed SRV options and the proposal to increase the Minimum Rates for residential and business rating categories.

Implementation of this engagement was carried out in accordance with the Community Engagement Action Plan considered by Council at its Ordinary Meeting held on Monday, 25 November 2024. Significant effort was made to effectively promote the engagement, with a wide range of communication tools and platforms utilised to inform the community of the engagement and explain how members of the community could participate and provide feedback on the four SRV options being considered by Council.

As part of the engagement, Council facilitated an online survey to gather community feedback on the proposed SRV options and changes to minimum rates. The survey was made available via Council’s dedicated SRV Have Your Say webpage. In total, 792 responses to the survey were received. Self-initiated written feedback received by Council up until 10 January 2025 totalled 227 submissions, emails and letters.

Council also conducted a workshop with 42 demographically selected residents. The workshop was designed to build capacity for participants to meaningfully engage with the content and make informed decisions. While the participants were presented with the same information as was available on the Have Your Say webpage and in the other community forums, they had the ability to dive deeper into the issues. The majority of the workshop participants indicated they understood the current and future financial challenges facing North Sydney Council. The majority believed it is important to address all the challenges, including continuing service delivery, ensuring a strong Council, ensuring intergenerational equity, and being proud of where they live (62%). SRV Option 3 – future growth (111.20% cumulative over three years) was typically the most preferred of workshop participants.

Key Findings

- Council’s communication and awareness efforts were successful, with extensive traditional and social media coverage from local, Sydney-wide and national media outlets, 4,494 discrete visitors to Council’s Have Your Say page, 6,885 receiving an electronic direct mail (EDM) and 426 attending a face to face or online information session, precinct committee meeting or workshop to inform themselves about the proposal.
- Of the 4,494 visitors to the Have Your Say page, 792 completed the online survey on the SRV and Minimum Rate proposals. Of the 792 survey respondents most respondents to the online survey understood why Council was proposing applying for an SRV and increasing minimum rates, 89 per cent indicated that they had read the Council’s Long Term Financial Plan (LTFP) containing the



proposals. Only two submissions indicated that they didn't understand the SRV proposal and three that they didn't understand the minimum rates proposal.

- If Council does proceed in applying for an SRV, the preferred option indicated in the survey was for Option 1 – Financial Repair (65.38% cumulative over three years), with 56 per cent of responses selecting this option. A substantial proportion of survey responses either did not indicate a preference (25 per cent of responses) or stated that they did not support an SRV but chose Option 1 as the lowest of the options. The next most favoured option was Option 3 – Future Growth (111.20% cumulative over three years), with 9 per cent of responses, followed by option 2b – Strength and Sustainability (a one-year increase of 75%) with 6 per cent of responses favouring this option and Option 2a – Strength and Sustainability (87.5% cumulative over two years) with 5 per cent of responses. Those who took part in demographically selected workshop and dove deeper into the issues, preferred Option 3 – Future Growth (111.9% cumulative over three years).
- Sixty per cent of survey respondents didn't express a preference for or against the minimum rates proposal, with 32 percent of responses disagreeing and seven per cent supporting the proposal.
- The most common objection to the SRV proposal was that residents should not have to pay for the increased costs associated with the North Sydney Olympic Pool (NSOP). Approximately 38 per cent of respondents suggested a range of alternatives to the SRV options including selling assets, cutting costs either through further operational efficiencies or service reductions, seeking government assistance, utilising debt or redistributing the rates burden to business or those that are currently exempt from paying rates (e.g. private schools).
- Affordability and ongoing cost of living was nominated as a concern by approximately 16 per cent of respondents. These respondents indicated that both proposed SRV options were unaffordable, with most objecting to the extent of the proposed rate increases. A small number of these respondents indicated that they agreed that an SRV was necessary, but that the increases proposed under the SRV options and minimum rates proposal were too significant.

Next steps

Should Council proceed in applying to IPART for an SRV and Minimum Rate increases, it will need to prepare and submit two applications to IPART in February 2025, one for the SRV and one for the Minimum Rates increases. IPART will publish the application (if any) and accompanying materials to its website and invite public submissions from members of the community via a community consultation process. IPART will review and consider all submissions it receives, prior to releasing its final decision in relation to the application.

The timeline, along with further information on the SRV process, including how IPART assesses SRV applications – is available from IPART's website at www.ipart.nsw.gov.au.



1 Introduction

1.1 Background and context

North Sydney Council ('Council') is a Sydney Metropolitan Council providing services to 72,014 residents as of 2023 across 10.5 square kilometres, with a population density of 6,862 people per square kilometre. The population is currently forecast to grow to 79,442 by 2036¹, which is an increase of 10.3 per cent over 13 years. However, the recent opening of two metro stations in the Local Government Area (LGA) and the identification of the Transport Oriented Development (TOD) accelerated precinct around the Crows Nest metro station have grown population forecasts for the LGA to 85,000 to 87,000 people by 2036 based on New South Wales (NSW) Government housing targets.

In May and June 2024, Council engaged the community in an important conversation about 'The Next Ten Years' for North Sydney. Through a series of thought-provoking discussion papers, panel sessions, surveys and workshops, the community considered where we are now and where we would like to be over the next decade. This work together with extensive research from external consultancies Council partnered with in several key areas has informed the development of seven draft Informing Strategies and will inform Council's new Community Strategic Plan. These strategies aim to ensure the community of North Sydney continues to enjoy a quality of life and a sense of community supported by responsive services and high-quality infrastructure that support this evolving community.

Critical to delivering these aspirations is Council's financial position. Council's financial strength and sustainability directly impact its ability to deliver services and infrastructure at a level both needed and expected from the growing community.

Council is facing significant financial challenges and is currently in an unsustainable financial position. Despite efforts to improve financial management through organisational restructuring and other improvement initiatives, the increased costs of the North Sydney Olympic Pool redevelopment, reductions in other sources of revenue, and rising infrastructure backlogs require immediate response to ensure long-term financial sustainability. These challenges are compounded by increased service delivery costs, ageing infrastructure, and the needs of a growing population. Without intervention, the funding gap will continue to widen, impacting Council's ability to maintain services and invest in essential infrastructure.

Funding the 10-year LTFP is critical for Council to meet the Office of Local Government's Integrated Planning and Reporting (IP&R) obligations. IP&R is a strategic framework used by councils in New South Wales to align their planning, decision-making, and resource allocation with 10-year community priorities and legislative requirements.

¹ <https://forecast.id.com.au/north-sydney> - These forecasts were last adjusted in March 2024 by .id, the population experts, on behalf of North Sydney Council.



1.2 Proposed SRV Options

To address these issues, Council has considered and consulted with its community on three primary options for a potential permanent SRV, each providing a different level of benefit. There are two potential SRV paths for Option 2; Option 2a proposes an SRV implemented over two years and Option 2b is a proposed one-year SRV. All four SRV options are as summarised in Table 1 below.

All the SRV options will address Council's current deficits, provide sufficient funds to complete the committed North Sydney Olympic Pool project and allow council to implement systems and process improvements to enable more effective governance as per the Improvement Program and Governance Strategy. All options include the expected efficiency gains from Council's improvement program.

Options 1 and 2 set aside some funds to renew infrastructure and reduce Council's infrastructure back log over time. Option 3 allows Council to further improve the condition of infrastructure. Option 2 and 3 also allow sufficient funds to implement Council's Informing Strategies. Table 2 below outlines what each SRV option will be able to provide. The timeframes set out in the options below were designed to balance the need to address Council's current liquidity position with the community's capacity to pay for rate increases as outlined in the separate Capacity to Pay report.

Table 1 Proposed SRV options

All options include the rate peg	2025-26	2026-27	2027-28	Cumulative
Option 1: Financial repair	50.00%	5.00%	5.00%	65.38%
Option 2a: Strength and sustainability (SRV over 2 years)	50.00%	25.00%	Rate peg	87.50%²
Option 2b: Strength and sustainability (one-year SRV)	75.00%	Rate peg	Rate peg	75.00%
Option 3: Future growth	60.00%	20.00%	10.00%	111.20%
Rate peg (base case for LTFP) ³	4.00%	3.00%	3.00%	

² The Office of Local Government SRV Guidelines and IPART Guidance requires that SRVs are stated at the cumulative impact of the proposed rate increase over the number of years that the SRV is proposed to be implemented. Option 2a is proposed to be implemented over two years and 2b is proposed to be implemented over one year, therefore its cumulative rates in the table above are compounded over two and one year's respectively. However, this doesn't provide an accurate comparison for these options against the other proposed options (option 1 and option 3) that are over three years, as the rate peg increases will then apply after the SRV is implemented. If the assumed 3% rate peg is applied for years two and three, the comparison rate for option 2a is 93.31% and for option 2b is 85.66%.

³ This is a somewhat conservative estimates in comparison to the current 2025-26 rate peg that were announced in November 2024, it assumes a continued decline in inflation over the coming years.



Table 2 What does each SRV option provide?

	Option 1	Option 2 (a and b)	Option 3
Deliver current services and address core deficits	✓	✓	✓
Deliver required systems replacement in Governance Strategy	✓	✓	✓
Maintain infrastructure renewals (80% renewal rate in first two years and 100% thereafter)	✓	✓	✓
Repay 70% of borrowings	✓	✓	✓
Reduce infrastructure backlog ⁴	✓	✓	✓
Deliver expanded services and new and upgraded infrastructure identified in the Informing Strategies.	✗	✓	✓
Improve building assets to a 'good' condition, with \$15.5 million per year from 2028-29 to further improve infrastructure.	✗	✗	✓

1.3 Proposed changes to special levies

Council has also undertaken a review of its rating structure and proposes to remove the infrastructure, environmental and main street levies, which are paid separately to ordinary rates. The income from these levies would be incorporated into the ordinary rates charged and permissible rates income would be raised entirely through ordinary rates. Making Councils' rating structure simpler and more equitable. Residents are paying approximately 90% of all the levies, whereas they pay 60% of total ordinary rates and receive approximately 60% of the benefits from Council services. These changes mean that residents would pay 60% of the total permissible income and businesses pay 40%.

⁴ Critical infrastructure addressed in first two years, \$15 million per year (indexed) from 2027-28 to bring assets to a satisfactory condition.



1.4 Proposed Minimum Rates

North Sydney has one of the lowest minimum rates in metropolitan Sydney. Over 77% of residents currently pay the minimum rate and this does not support the level and variety of Council services currently offered to each household. To improve equity and ensure revenue keeps pace with growing unit developments, Council proposed increasing minimum rates in 2025-26 to:

- \$1,300 for residential properties
- \$1,400 for businesses

After 2024-25, minimum rates will increase by the approved rate path, which may either be one of the proposed SRV options or the rate peg, as outlined in Table 3 below.

Table 3 Proposed minimum rates for each SRV option and the base case

All options include the rate peg	Current 2024-25	2025-26	2026-27	2027-28
Residential Rates				
Option 1: Financial repair	\$715*	\$1,300	\$1,365	\$1,433
Option 2a: Strength and sustainability (SRV over 2 years)		\$1,300	\$1,625	\$1,674
Option 2b: Strength and sustainability (one-year SRV)		\$1,300	\$1,339	\$1,379
Option 3: Future growth		\$1,300	\$1,560	\$1,716
Rate peg (base case)		\$744	\$766	\$789
Business Rates				
Option 1: Financial repair	\$715*	\$1,400	\$1,470	\$1,544
Option 2a: Strength and sustainability (SRV over 2 years)		\$1,400	\$1,750	\$1,803
Option 2b: Strength and sustainability (one-year SRV)		\$1,400	\$1,442	\$1,485
Option 3: Future growth		\$1,400	\$1,680	\$1,848
Rate peg (base case)		\$744	\$766	\$789

*For comparison purposes, it is important to note that in addition to the current minimum rate of \$715 in 2024/25, residential ratepayers currently pay an average of \$129.34 in infrastructure, environmental and



main street levies. These special levies will not be charged in addition to the minimum rate under the new SRV proposal.

1.5 Updated Delivery Program, Long-Term Financial Plan and Informing Strategies

Council has developed a revised Long-Term Financial Plan (LTFP), which includes four proposed Special Rate Variation (SRV) options and a base case without an SRV, which has been placed on public exhibition for comment alongside of the consultation on the SRV options. Council also exhibited an updated 2022-2026 Delivery Program, a revised Asset Management Strategy to support the revised LTFP. To ensure best practice in delivering Council's IP&R obligations, these documents focus on the longer-term future of the LGA, accommodating future growth and aspirations of the community as well as addressing the short term liquidity challenges that Council faces now.

Council also developed, exhibited and sought feedback on its draft Informing Strategies that were developed to the extensive consultation undertaken in May and June 2024. These included:

- Culture and Creativity Strategy
- Economic Development Strategy
- Environmental Strategy
- Governance Strategy
- Housing Strategy supplement
- Integrated Transport Strategy
- Open Space and Recreation Strategy
- Social Inclusion Strategy.

SRV Options 2a, 2b and 3 included funding to deliver these strategies, which included a small component of new assets and/or expanded services of no more than 13.5% of the total rates revenue.

The consultation for all of the above was undertaken in parallel to the SRV consultation, which ran from 27 November 2024 to 10 January 2025.

2 Engagement Process

Council developed a Community Engagement Strategy which was endorsed by Council at its meeting of 25 November 2024 and is included in Appendix A of this report.

This engagement was defined as 'high impact', which means that the issues have a real or perceived impact across the whole LGA. The issue has the potential to create controversy and has a high level of potential community interest.

It is also considered to have 'high complexity', as the information presented to the community was based on relatively complex financial analysis and needed to be expressed in terms that are easily understood.



2.1 Engagement purpose and objectives

The purpose of the community engagement was to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and the impact of not applying for a special rate variation.

The objectives of this community engagement process included:

- To present the proposed SRV options and proposed minimum rates.
- To identify the impact of the SRV options on the average rates across each rating category.
- To gauge the community's willingness to pay for the new initiatives proposed in the Informing Strategies.
- To exhibit the draft Informing Strategies, an updated 2022-2026 Delivery Program and a 2025-35 Long-Term Financial Plan (LTFP) demonstrating the impact of the proposed SRV on Council's operating results from 2025-26 for feedback and final endorsement by Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community's feedback to inform Council's final decision on whether and how to move forward with an SRV application.

2.2 Engagement framework

The engagement strategy was developed to ensure that it meets the SRV and Minimum Rate assessment criteria set out by the NSW Office of Local Government, who sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), who will assess any SRV and Minimum Rate application submitted. It was also developed in compliance with Council's Community Engagement Policy and Protocol as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard.

Under Council's Community Engagement Policy, all engagements are guided by the following principles:

- **Focus and commitment:** Council will ensure that the rationale behind the engagement is clearly stated and will consult with affected parties before making decisions.
- **Resourcing:** Council will ensure that any proposed project is adequately resourced, and the level of community consultation relates to the level of community involvement required.
- **Timing:** Council will undertake community engagement at the earliest appropriate stage of the project.
- **Inclusiveness, accessibility and diversity:** Council will ensure that the groups or individuals invited to participate in the consultative process are representative of the overall target group, and that communication strategies are designed to reach the broadest appropriate sections of the community and attract the broadest range of community interests.
- **Provision of information:** Council will provide sufficient information to participants that is accurate and unbiased, and that will provide opportunities for them to form sound opinions and decisions. Council will undertake to provide information in plain English and, where appropriate, provide information in languages other than English and in alternative formats.



- **Responsiveness and feedback:** Council will provide regular updates to participants during the consultation process and at the project’s conclusion detailing the outcomes of the consultative process.
- **Evaluation and continuous improvement:** All consultation conducted by and on behalf of Council will include an evaluation component. The outcomes of all consultations will be used to better inform future Council decisions. A summary of all evaluations will be available to the public on request.

2.3 Engagement level

The level of engagement is defined from the IAP2 Spectrum of Public Participation in the figure below. This spectrum outlines the level of engagement required depending on the purpose and desired outcome of the project.

Figure 1 IAP2 Spectrum of Public Participation

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for Council’s General Fund is clearly articulated and identified in Council’s IP&R documents.
2. Show evidence that the **community is aware** of the need for and the extent of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable.
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.



6. Address any other matter that IPART considers relevant.

To meet criterion two, Council would only need to undertake engagement at the “inform” level, but a “consult” level would ensure it more fully meets criteria one and four.

Additionally, where the proposed SRV funds additional projects, services or service level increases, Council must consider the community’s willingness to pay for these increases with increased rates, as required for criteria three.

As a result, this community engagement action strategy was drafted to meet both the **inform** and **consult** levels of engagement. This means that Council provided the public with balanced and objective information to assist them in understanding the problem, alternatives, and preferred solution and to obtain the public’s feedback on analysis and alternatives. Council kept the public informed, listened to and acknowledged concerns and aspirations, and provided feedback on how public input influenced the decision made by Council.

2.4 Engagement Activities and Reach

Council’s engagement strategy included a number of mechanisms to engage with its community around the SRV options. These aligned to the essential and some desirable protocols for inform and consult engagements under its Community Engagement Policy as outlined in Table 4 below.

Examples of the collateral developed is provided in Appendix B and a copy of the Fact Sheet is provided in Appendix C.

Table 4 Engagement Mechanisms

Mechanism	Level of consultation	Recommended under Protocol	Activity and reach
Web page (Your Say North Sydney)	Inform	Essential	Have Your Say page for SRV including LTFP, Delivery Program and AMS. Separate pages for each Informing Strategy. The page received approximately 4,494 discrete visitors over the course of the engagement. Detailed analytics on visits are provided in the section below.
Newspaper advertisements	Inform	Essential	Developed and published in editions of the Mosman Daily and North Shore Times throughout the engagement period, a sample is provided in Appendix B.
Fact Sheet	Inform	Essential	Fact Sheet was developed and provided on the Have Your Say Page, as well as directly mailed to all residents. A copy of the Fact Sheet is provided in Appendix C.
Media Releases	Inform	Essential	Council developed a separate media plan to release information and manage media coverage. The information around the proposed SRV options and Minimum Rate increases was taken up and covered widely by a variety of media outlets. Sample media coverage is provided in Appendix D.



Mechanism	Level of consultation	Recommended under Protocol	Activity and reach
Information Display or Kiosks	Inform	Essential	Kiosks with reference materials were set up at Council's Customer Service Centre, Stanton Library and North Sydney Community Centre.
e-Newsletter	Inform	Essential	Council drafted and delivered five (5) electronic direct mail (EDM) messages to a total of 6,115 subscribers for general council, events and precincts news on 28 and 29 November 2024 and on 2 and 6 December 2024. Of the 6,115 who received an EDM, 4,092 opened it. Sample e-Newsletter is provided in Appendix B.
Social media channels	Inform	Essential	Council utilised social media channels to inform the community of the SRV and Minimum Rates consultation. Samples of social media posts are provided in Appendix E.
Reference Groups – Citizen Jury	Inform and Consult	Essential	Council engaged an external facilitator (Cred Consulting) to run a 5 ½ hour workshop with a group of 42 demographically selected residents. Details of the workshop and outcomes are provided in Section 3.2 below. The full report from the workshop is provided in Appendix H.
Precinct Committee Session	Inform and Consult	Essential	Council works with approximately 17 local precinct committees on a range of issues that are relevant to them. Senior Staff and the Mayor conducted a separate forum to brief and respond to questions from representatives of all the precinct on 3 December 2024 at Fred Hutley Hall. A sample forum presentation is provided in Appendix F. The Mayor also attended further Precinct Committee meetings as they fell during the consultation period, these included: <ul style="list-style-type: none"> • Lavender Bay on 28 Nov 2024 (44 attendees) • Milson on 5 Dec 2024 (38 attendees) • Wollstonecraft on 10 Dec 2024 (80 attendees). Council's CEO also attended and presented at this Precinct Committee meeting. • Willoughby Bay on 12 Dec 2024 (32 attendees)
Face-to-face forums	Inform and Consult	Essential	Council conducted an in-person forum at 6pm on 4 December at Fred Hutley Hall. This session had 30 registrations and 23 attendees. A sample forum presentation is provided in Appendix F.
Online forum	Inform and Consult	Essential	An online forum at 6pm on 16 December 2024. This session had approximately 80 registrations and 167 attendees. A sample forum presentation is provided in Appendix F.



Mechanism	Level of consultation	Recommended under Protocol	Activity and reach
Email to engagement survey respondents	Inform	Desirable	Council emailed the Fact Sheet to approximately 770 people who had registered interest from “The Next Ten Years” engagement in May and June 2024, who wanted to be updated on the progress on the Informing Strategies.
Signage	Inform	Desirable	Sample signages is provided in Appendix B.
‘On Hold’ Music	Inform	Desirable	Council had messages on its telephone hold recording.
Video	Inform	As appropriate	Council developed a video published on YouTube (https://www.youtube.com/watch?v=u1Y_aEdzLWA), which outlined the need for, extent of the SRV options and minimum rates proposal. This video was linked into a wide range of collateral, including Council’s Have Your Say page, online news and social media posts.
Public Exhibition	Consult	Essential	Alongside the public information materials for the SRV, Council also publicly exhibited its updated Delivery Program, LTFP, Asset Management Strategy, and 10-year Informing Strategies.
Survey	Consult	Desirable	Council developed a survey which could be accessed via the Have Your Say page. Council received 792 response to the survey, with an analysis of the responses provided in Section 3.1 below. A copy of the survey is provided in Appendix G.

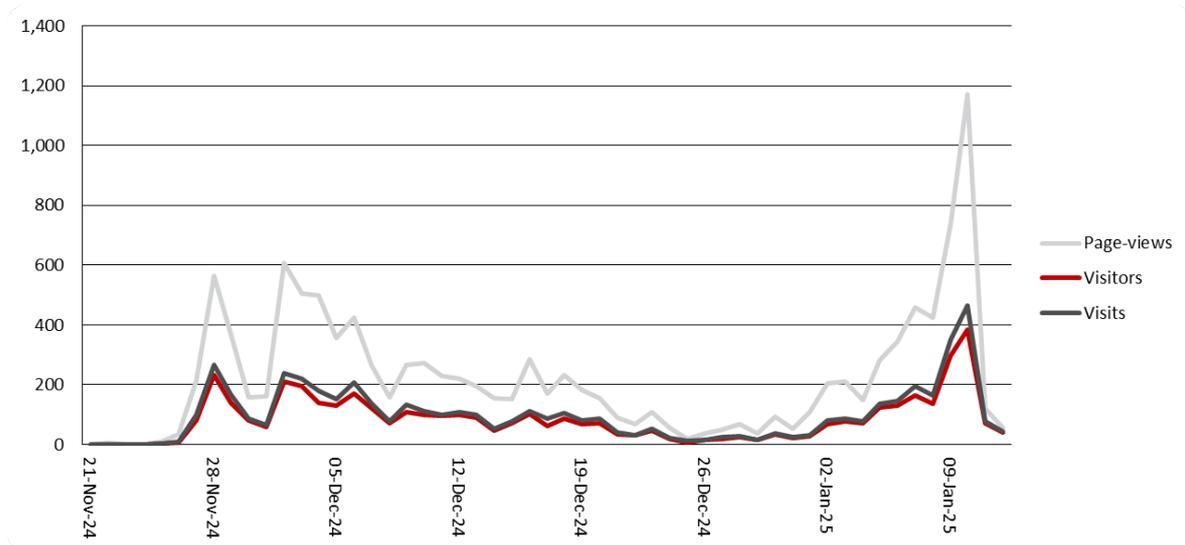
2.4.1 Have Your Say site analytics

Over the engagement period, Have Your Say page for the LTFP, SRV and Minimum Rates proposals received 4,494 visitors with 5,223 visits and 11,801 page views. Traffic to the site was initially strong, falling over late December and early January, with a significant spike in the last week of the consultation period, as shown in Figure 2 below.

Most visitors to the Have Your Say page are finding it via google or other search engine, or via links from Facebook.



Figure 2 Have Your Say page visitors summary



2.5 Adjustments during the consultation process

Over the course of the consultation process, Council responded to the feedback from a variety of stakeholders and adjusted its engagement activities as a result. These adjustments included:

- Further highlighting the Minimum Rates proposal and consolidation of special levies:** As a result of feedback and questions raised by some members of the community, Council elevated information on the Minimum Rates proposal impact to the front page of the Have Your Say page and delivered additional social media post and emails to remind people of the Minimum Rates proposal. Council also amended its feedback survey to include free text responses specifically on the Minimum Rates proposal.
- Development of responses to emails from community members on a variety of issues:** As the engagement progressed, Council developed responses to a variety of questions and feedback raised by community members. These were provided directly back to those that raised them but were also included in 34 Frequently Asked Questions responses published on the Have Your Say page.
- Allowing respondents not to select any of the SRV options:** The survey initially required a response to the preferred SRV options before proceeding. In week three of the engagement, Council relaxed this requirement in response to community feedback so that respondents could not select any option and continue with the survey.



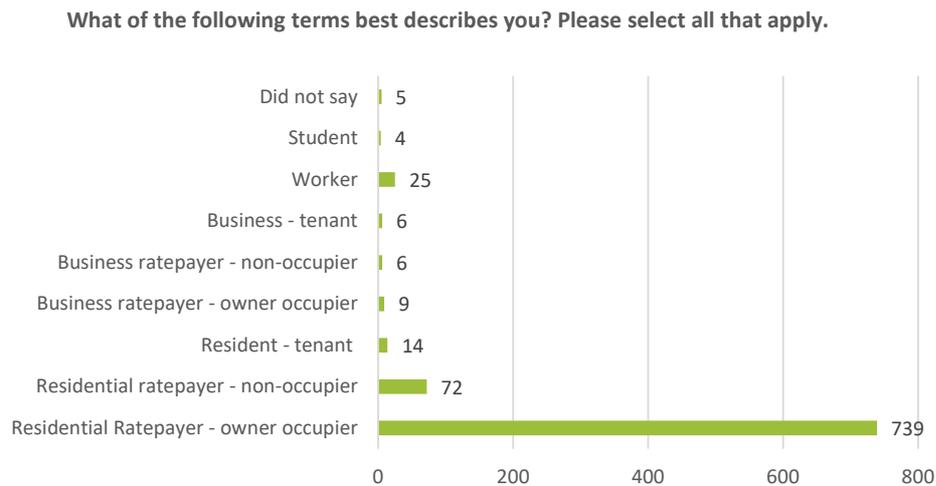
3 Engagement findings

3.1 Survey

Council received 792 survey responses. These responses have been analysed, and the results are summarised below in terms of the key assessment criteria for SRV and Minimum Rates. Each submission was also analysed in conjunction with the workshop and self-initiated feedback below to identify the key themes explored in Section 4 below. All submissions were considered without reference to any personal details provided. One submission was excluded from the analysis, as it was specifically requested by the respondent.

The majority of respondents were residential ratepayers, with business ratepayers, tenants, workers and students also providing their feedback. Figure 3 below outlines the types of respondents, 712 respondents identified as only one of the categories, 68 identified themselves in two categories and six identified as more than two.

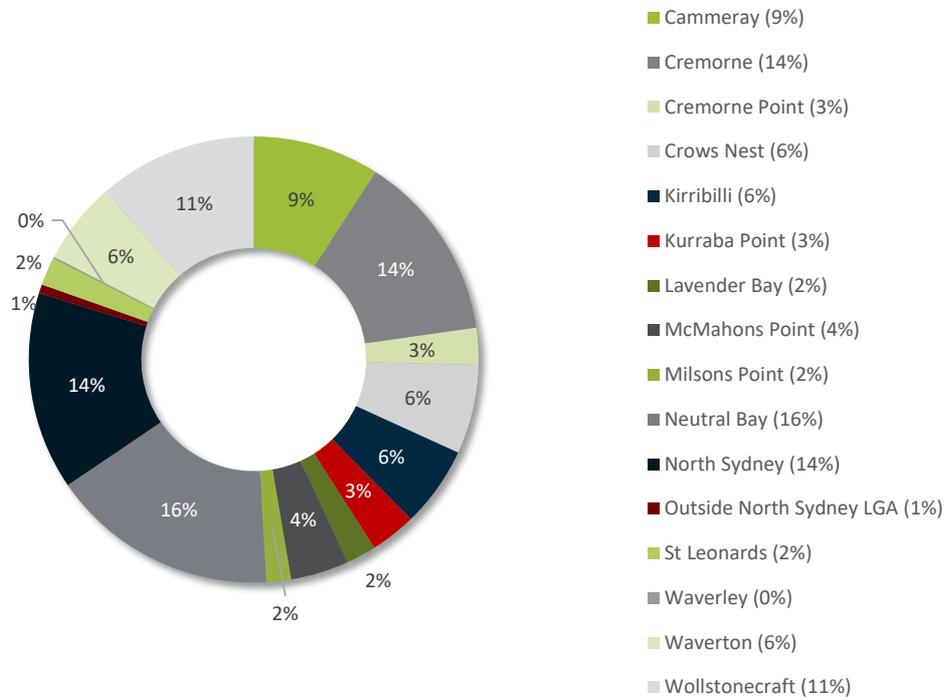
Figure 3 Survey Respondents identified themselves in the following categories



Survey respondents represented most North Sydney LGA suburbs, with 129 (16%) respondents from Neutral Bay, 113 (14%) from North Sydney, and 107 (14%) from Cremorne. Figure 4 below outlines the suburbs represented by survey respondents.

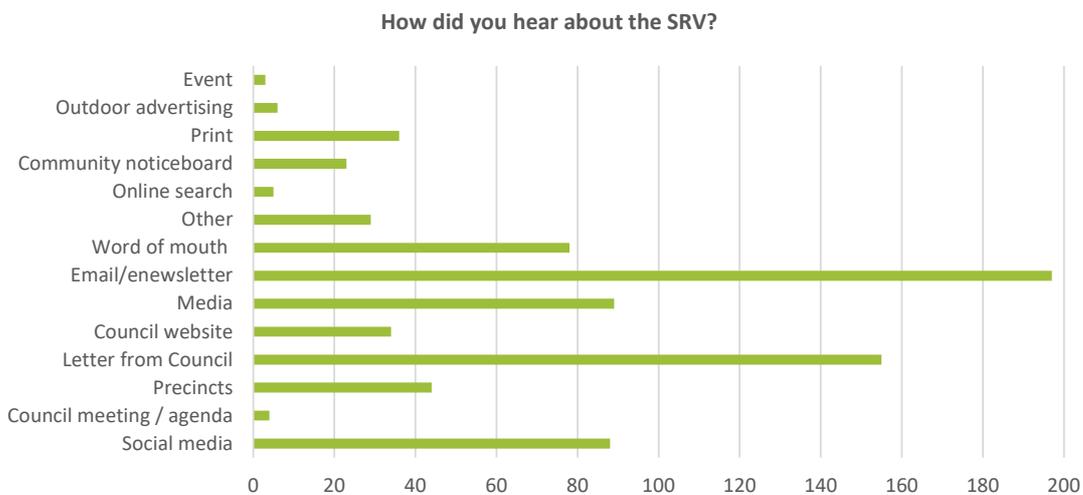


Figure 4 Suburb of survey respondents



Most respondents heard about the SRV and Minimum Rates proposal from an email or e-newsletter or the direct mail letter sent to all residents. Social media, media and word of mouth were the next most popular sources for awareness. Figure 5 below outlines how respondents heard about the SRV and Minimum Rates proposals.

Figure 5 Sources of community awareness

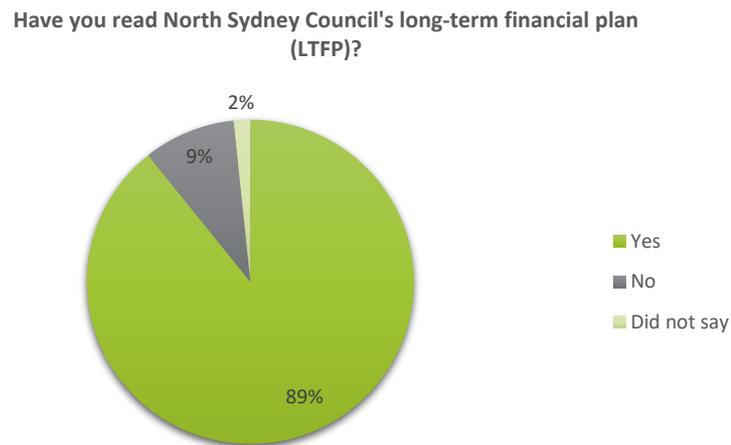




3.1.1 Understanding the need for a rate rise

Survey responses demonstrated a strong understanding of the SRV options and the reasons for it presented by Council, with the majority of responses indicating that they had read the LTFP. Two survey responses indicated that they did not understand the SRV options or the LTFP.

Figure 6 Survey response – Familiarity with Council's long-term financial plan (LTFP)?

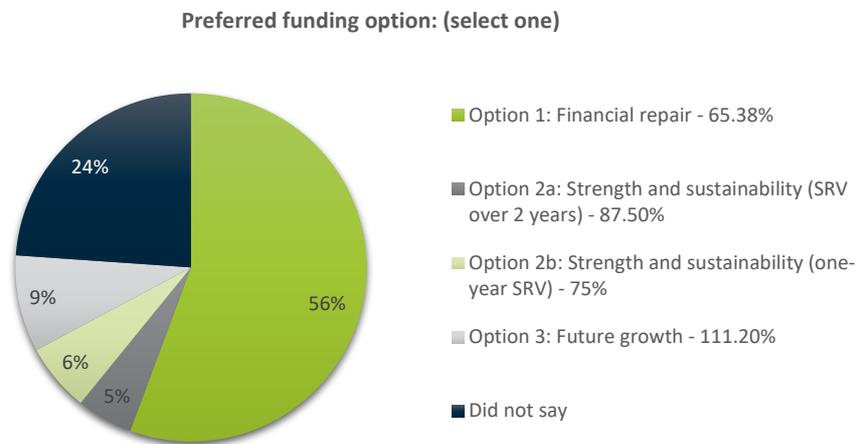


3.1.2 Feedback on SRV

When asked which of the SRV options presented was preferred 56% indicated Option 1, 24% did not provide a response, 9% preferred Option 3, 6% preferred Option 2b and 5% opted for Option 2a. Many of those that selected Option 1, indicated that they only selected this option because the survey required a selection. In week 3 of the consultation period, Council responded to feedback from the community and altered the survey slightly to allow respondents to progress through the survey without selecting an option.



Figure 7 Preferred SRV Option



Most of the responses indicating that they didn't support the SRV options rejected the need for any increase above the rate peg. Although some did indicate that they were more favourable to a smaller SRV. Feedback from those that indicated a negative response was focussed on the following themes:

- 35% expressed concerns over the management of the North Sydney Olympic Pool (NSOP) project, most commonly indicating the view that residents should not have to pay for the increased costs associated with the project.
- 27% expressed concerns over the Council's ability to manage its finances generally.
- 27% expressed concern that there were not enough options, the lowest SRV being 65%. There was a variety of opinions around what other options should be considered, including a "no SRV" or rate peg only option, as well as options for lower SRVs combined with more significant cost cutting and other funding sources.
- 27% indicated that Council should cut costs and "live within its means".
- 23% expressed a view that the increases were not affordable, particularly in the current high inflation environment that has put significant pressure on the cost of living generally.
- 7% stating that the increase was just too high over too short a timeframe.

Several of the respondents noted they were completing the survey following receipt of newsletter from a State Member of Parliament or a letter from an elected Councillor, copies of these are provided in Appendix I. Many of those that referenced the newsletter and letter, indicated that they did not support the SRV and recommended that Council act in line with the recommendation in the newsletter or letter.

Of the responses that were supportive of one or all of the SRV options, the following themes were prevalent:

- 26% expressed a view or understanding of the SRV being required to ensure the ongoing financial sustainability of Council.
- 22% expressed an expectation of better services and improved assets
- 18% expressed concerns over the management of the NSOP project.



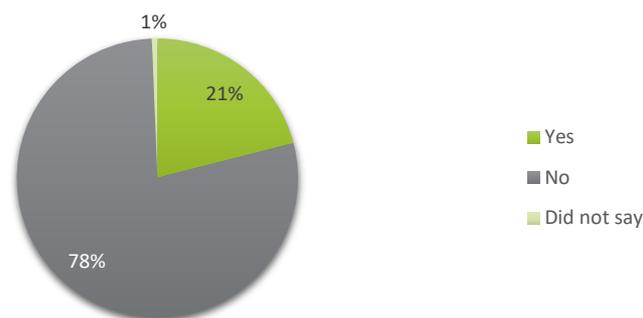
3.1.3 Community willingness to pay

A criterion for IPART to evaluate an SRV application relates to capacity and willingness to pay. Willingness to Pay is considered when an SRV is proposed to support increasing service levels or implementing new services, assets or projects. As Council's Informing Strategies do include some aspects of increased service levels, which would be funded by Options 2a, 2b, and 3, a question was included asking about the community's willingness to pay for this aspect of the SRV proposal.

When asked whether they would be willing to pay for the component of the SRV that included the new projects, services and initiatives from the Informing Strategies that were outlined in SRV Options 2a, 2b and 3, 78% of responses said 'no', 21% said 'yes' and 1% did not provide a response to this question.

Figure 8 Willingness to pay for services increases in Informing Strategies

With Options 2a, 2b and 3, for every \$100 of total rates income received over the next ten years, an average of up to \$13.50 would be spent on new projects, services and initiatives outlined in the Informing Strategies. Would you be willing to pay this?



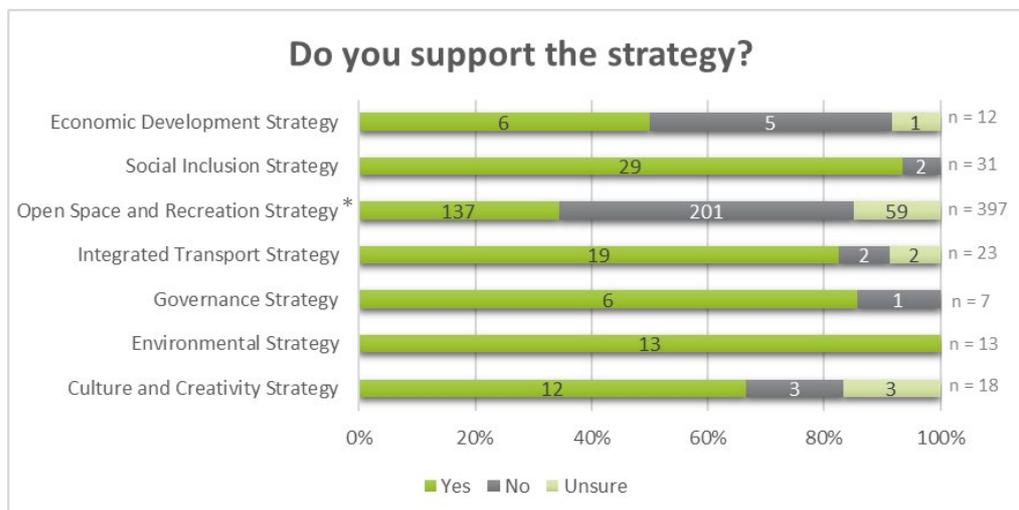
Alongside the community engagement around the SRV and Minimum Rates proposals, Council also exhibited and sought feedback on its Informing Strategies. As the question of willingness to pay relates to the expenditure for increasing service levels which are outlined in the Informing Strategies, the high-level support for these strategies is provided here. Data has not been provided on the feedback for the Council's and Housing Strategy supplement.

For the remaining seven strategies, the feedback for support is provided in Figure 9 below, with the number of total responses (n) also provided for each strategy. This shows that for most of the strategies there was a high level of support for most of the strategies, indicating that there is a willingness to pay for these strategies, with over 80% support for the Environmental, Governance, Integrated Transport and Social Inclusion strategies and two thirds supporting the Culture and Creativity Strategy. While 50% supported the Economic Development Strategy. Albeit each of these strategies received a much smaller number of submissions than the SRV and Minimum Rates proposals.

The Open Space and Recreation Strategy received 397 survey responses, with 137 (35%) supporting the strategy and 201 (51%) not supporting the strategy. The results may not accurately reflect the views of the broader population as approximately 90% of the 'No' responses were received from Cammeray Golf Club members and affiliates who voted 'No' based on a single action within the strategy.



Figure 9 Support for Informing Strategies



More detailed analysis of the feedback from the Informing Strategies will be provided separately to this report.

3.1.4 Feedback on Minimum Rates proposal

There were fewer responses that expressed a view on the Minimum Rates proposal, with 60% not indicating a view, 7% agreeing with the Minimum Rates proposal and 32% disagreeing. Three responses indicated that they did not understand it.

Of those that disagreed with the Minimum Rates proposal, many did not distinguish between the SRV options and the Minimum Rates proposal, with similar themes coming through, including:

- 31% expressing the view that Council should cut costs and “live within its means”.
- 28% expressing concern over Council’s ability to manage its finances
- 28% expressing concern over the management of the NSOP project
- 23% identifying the cost of living crisis and affordability as an issue
- 22% expressing the view that there were not enough options, including a rate peg only option or lower SRV options.
- 6% stated that the minimum rate increase was just too high.

Of those that agreed with the Minimum Rates proposal, most indicated that it would improve equity in the rate burden across residential ratepayers, particularly between those in units and homes.

3.1.5 Feedback on the proposal to consolidate current special levies into ordinary rates

Most respondents did not express a view or expressed ambivalence towards this element of the proposal. Fourteen per cent of responses did not support the proposal and 10% supported it. Two per cent or 14 respondents indicated that they did not understand this element of the proposal. Interestingly, in both those that supported and those that did not support it, the predominant theme of ensuring transparency and accountability came through. For those that did not support it, they were of the view that this proposal



would reduce transparency. For those that supported, they were either of the view that it would not impact transparency or that Council should ensure that transparency was not impacted by this change.

3.2 Community workshop

Council engaged an external consultant (Cred Consulting) to develop and run a 5 ½ hour workshop with a group of demographically selected residents.

This community workshop was held on Saturday 7 December, between 9.30am and 3pm at Fred Hutley Hall. 43 community members from North Sydney attended the workshop.

3.2.1 Participant selection

Participants were a pool of residents who had previously been engaged during consultation to develop the Informing Strategies, independently recruited by Taverner Research to ensure a representative cross-section of the community.

Figure 10 Suburbs of workshop participants

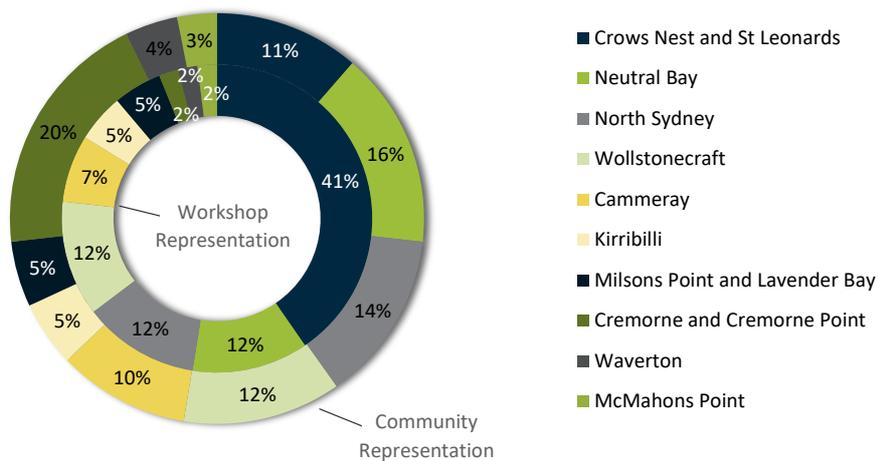




Figure 11 Length of time in North Sydney LGA

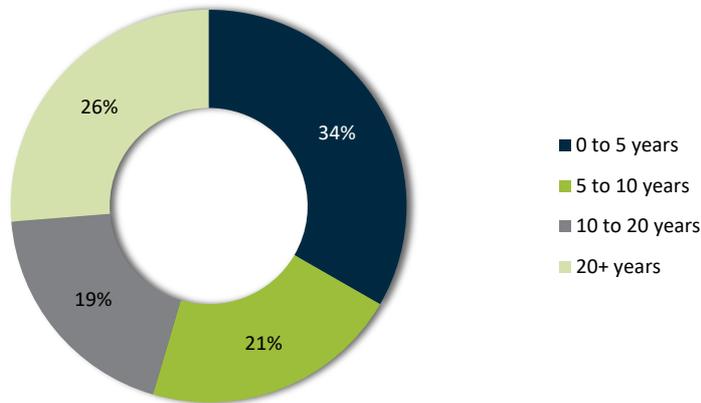
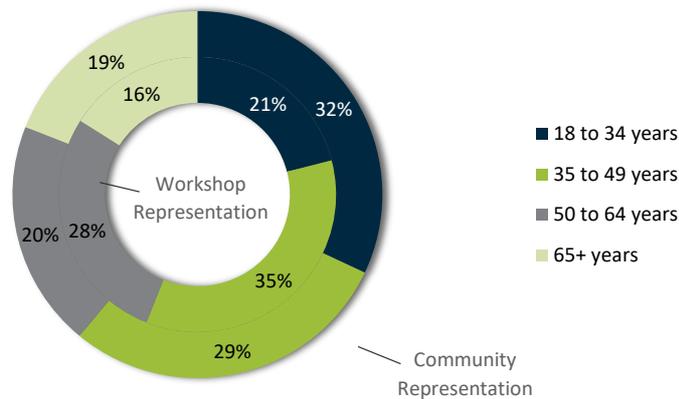


Figure 12 Age of workshop participants



Other demographic details included:

- 61% identify as female and 39% as male
- 51% were born overseas and 35% speak a language other than English at home
- 14% live with a disability
- 7% identify as LGBTIQ+
- 49% are renting and 51% own or part-own their home
- 78% live in apartments and 22% live in fully detached or non-detached houses
- 28% are couples living with children, 28% are couples without children, 26% live alone, 17% live in group households and 4% live with extended family.



3.2.2 Workshop purpose

The purpose of the workshop was to:

- inform the community on the current financial situation and the LTFP and proposed SRV
- understand community sentiment on the commercialisation of public spaces in North Sydney
- understand community sentiment on service levels and asset maintenance and renewal
- understand the community's preferred option for an SRV.

3.2.3 Workshop structure and process

The workshop agenda was designed to achieve the following outcomes:

- To build capacity for participants to meaningfully engage with the content and make informed decisions.
- To understand the community's preferred SRV option.
- To understand the community's views on increasing minimum rates.
- To understand the community's views on rolling levies into one income stream.

While the participants were presented with the same information as was available on the Have Your Say webpage and in the other community forums, they had the ability to dive deeper into the issues. The workshop was attended and facilitated by Council's senior staff and participants were asked to review the information putting themselves in the shoes of Councillors having to make a decision on a way forward. The high level agenda of the workshop is provided in the table below.

Agenda item	Topics
Introductions	
Setting the scene: <ul style="list-style-type: none"> • Presentation • Small group activity 	<ul style="list-style-type: none"> • Council's responsibilities • Legislated services • Discretionary services • Assets • Finances • Informing Strategies
The challenge: <ul style="list-style-type: none"> • Presentation • Q&A • Small group activity • Whole group menti 	<ul style="list-style-type: none"> • Why is council facing financial challenges? • Sources of income • Rates comparison with other councils • Efficiency improvements (past and present) • North Sydney Pool issues • Council systems issues • What happens if nothing is done



Agenda item	Topics
	<ul style="list-style-type: none"> • Draft LTFP • SRV options and outcomes • Other income opportunities and limitations
Asset and Services: <ul style="list-style-type: none"> • Presentation • Whole group menti • Small group activity 	<ul style="list-style-type: none"> • Cutting services to reduce costs • Asset service level expectations
SRV options <ul style="list-style-type: none"> • Presentation • Q&A • Whole group menti • Small group activity 	<ul style="list-style-type: none"> • Minimum rates proposal • Consolidation of levies into ordinary income • SRV options, including which option is preferred • What information does the community need to provide meaningful feedback on the proposals?
Next steps and close	<ul style="list-style-type: none"> • Complete survey

At the end of the workshop participants were asked to complete a survey. 39 participants completed the survey.

The below sections outline the outcomes of the workshop in line with the relevant SRV assessment criteria. The full workshop final report is provided in Appendix I.

3.2.4 Understanding the need for a rate rise

Participants were asked to discuss what financial strength and sustainability for Council means to them. Key points from the discussion included the importance of having realistic, long-term plans and the need to make sacrifices now to ensure financial sustainability in the future.

Participants suggested that financial strength and sustainability means diversifying revenue sources beyond parking fees and recognising that Council operates with community priorities at its core, rather than as a for-profit business. They also spoke about how having financial strength and sustainability will make North Sydney a better place to live.

The majority of the workshop survey participants (97%) indicated they understood the current and future financial challenges facing North Sydney Council. Some noted their understanding was still high-level and they would like more details.

Some participants also indicated they felt surprised and disappointed by the current financial situation in North Sydney.



The majority of workshop survey participants believe it is important to address all the challenges listed. This included:

- continuing service delivery (84%)
- ensuring a strong Council (78%)
- ensuring intergenerational equity (68%)
- being proud of where they live (62%).

Participants want to see these challenges addressed for several reasons. These included:

- a responsibility to future generations, protecting heritage and assets, ensuring that residents and businesses have their needs met
- preserving North Sydney's social fabric and putting Council on a sustainable footing.

3.2.5 Feedback on the SRV

Option 3 – future growth (111.20% cumulative over three years) was typically the most preferred followed by Option 1 – financial repair (65.38% over three years).

Participants discussed the benefits and challenges of all of the SRV options, their feedback is summarised below.

Table 5 Workshop feedback on the SRV Options

Option	Identified Benefits	Identified Challenges
Option 1 – Financial Repair	<ul style="list-style-type: none"> • Cheaper for residents • Ensures financial repair without the extras • Maintains the current financial position 	<ul style="list-style-type: none"> • It would mean the engagement around the strategies was wasted • It's a band-aid solution that doesn't solve long-term financial shortfall or lead to any progress • There will be no adequate maintenance
Option 2a - Strength and sustainability (increase over two years)	<ul style="list-style-type: none"> • It's a middle ground solution that maintains the current budget and some strategies • Community can see feedback implemented in strategies • It is affordable and sustainable which is good for future growth • Provides succession planning 	<ul style="list-style-type: none"> • It is a big jump for the community, especially those on the minimum rate • Need to ensure there is transparency across which strategies are implemented • High cost of living and financial stress experienced by community



Option	Identified Benefits	Identified Challenges
Option 2b - Strength and sustainability (single year increase)	<ul style="list-style-type: none"> Provides more planning and finance for strategies The 2026-2027 increases are not as drastic It is beneficial for the community and future growth Is fair to everyone It provides financial stability 	<ul style="list-style-type: none"> It is a big increase in the first year and some communities might not be able to pay
Options 3 – Future growth	<ul style="list-style-type: none"> It allows us to get on top of the financial situation and move quickly, therefore it will be more sustainable in the future Allows us to have the 'nice to haves' Allows income generated from buildings 	<ul style="list-style-type: none"> More expensive for ratepayers and residents may struggle No immediate benefits

One group suggested the following additional options:

- decrease staff pay
- increase efficiency and culture
- increase minimum to \$1,500 for everyone and business - pay minimum plus 50%
- decrease paid services and encourage volunteers
- big business (CBD tax) and tax for businesses with staff travelling to North Sydney LGA
- levies for private schools, hospitals and other businesses
- outsource admin to another council.

3.2.6 Community willingness to pay

Participants were asked to provide feedback on a range of approaches to raising revenue. Overall, participants were supportive of several strategies, including:

- Widespread advertising (92% of workshop participants) providing it preserves the community's aesthetic appeal and aligned with community values.
- Commercialisation of public spaces (89%) including hiring public spaces such as Coal Loader, North Sydney Oval, North Sydney Pool and parks.
- Selling Council land (64%) with conditions to protect community interests.

With each of the above, participants expressed the need for limitations in these potential revenue streams including:

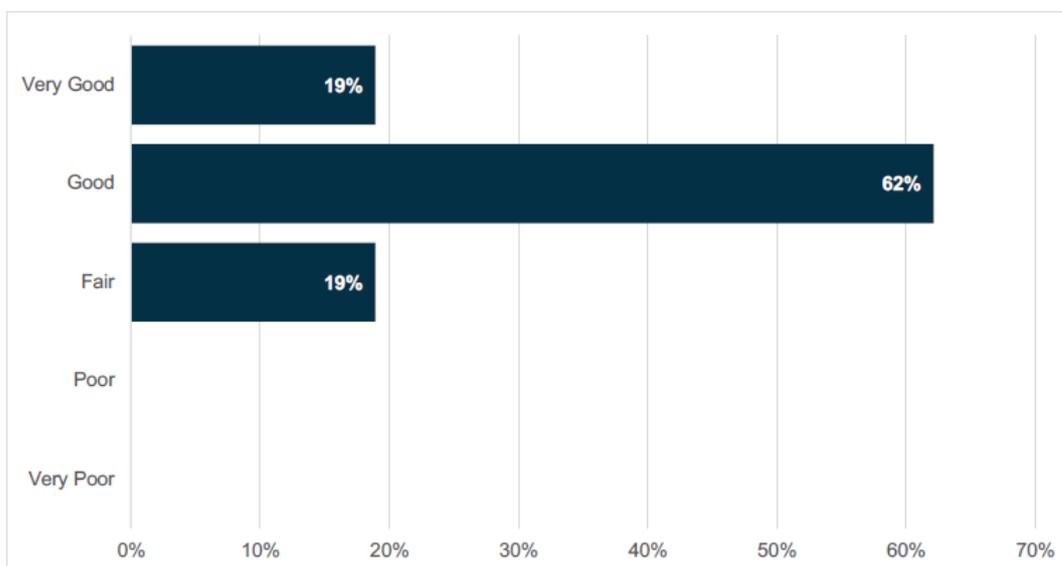


- Impacts need to be managed, and community needs still need to be met.
- Mixed responses on land sales. – as a “last resort”.
- Didn’t support increase in debt.

Overall, across the different asset categories, participants generally ranked asset service levels at three or lower out of five, indicating they feel asset service levels do not meet broader community expectations.

All participants said that they believed it was important for council to maintain its infrastructure. All participants also suggested it should be maintained to a ‘fair’ or higher standard. with 81% suggesting a ‘good’ or ‘very good’ standard, as per .

Figure 13 Participant responses: To what level should Council maintain its infrastructure?



They were then asked what services Council should cut and/or reduce and the impact on community this might have. Suggestions include:

- Administration costs to improve efficiencies
- Waste collection including at community centres and childcares, however, this could lead to rubbish build up
- Hard waste collection
- Reduce street cleaning
- Garden and kerbside greenery maintenance
- Education officers
- Arts funding, and instead explore sponsorship opportunities
- Events, or move towards ticketed events
- Gym and pool management
- Bushcare education which could be managed by schools or volunteers instead



- Transfer air pollution marks to state government
- Urban design
- Leisure and aquatics
- Public art.

Participants were asked to rate on a scale of one to ten whether they believed the North Sydney community would benefit from the proposed actions within the Informing Strategies. The average rating was 7.3, indicating participants believe North Sydney would benefit from the proposed actions.

3.2.7 Feedback on the Minimum

Participants were generally in agreement with an increase in the minimum rate, although there was slightly less support for consolidating levies into a single income stream. While both measures were seen as fair and equitable, there were concerns about the costs to residents, particularly during a cost-of-living crisis, and transparency about where their money was going if the levies were rolled together.

Participants were asked whether they agree with increasing the minimum rate to ensure more equitable rating. The majority of participants agreed.

Participants who agreed provided the following reasons:

- It will help make a positive financial change and reduce the impact of bad financial decisions.
- It's a fair, equitable and affordable increase and rates have to go up eventually.
- To ensure buildings can be repaired and generate revenue through leasing.
- Loving the community and wanting everyone to be able to enjoy the area.
- The increase is in line with other LGAs.

Participants who did not agree provided the following reasons:

- The increase is too much in a short time especially with the cost-of-living increases.
- They don't feel like other options have been properly considered and they feel the figures are misleading.
- It's not fair.
- They are not confident Council will achieve the goals outlined in the long-term financial plan.

The majority of participants (82%) indicated they feel a minimum rate of \$1,300 is appropriate. Those that did not agree felt that it was unfair to make residents pay for poor management by Council, and that it is a large increase without much warning.

3.3 Self-initiated feedback

Council received 227 submissions via email in addition to those provided via the Have Your Say page survey. Many of these submissions indicated that they also completed the survey. The sentiment around the SRV in these emails was similar to that provided in the survey, with some minor differences:

- Email submissions were more focused on requesting information around the SRV.

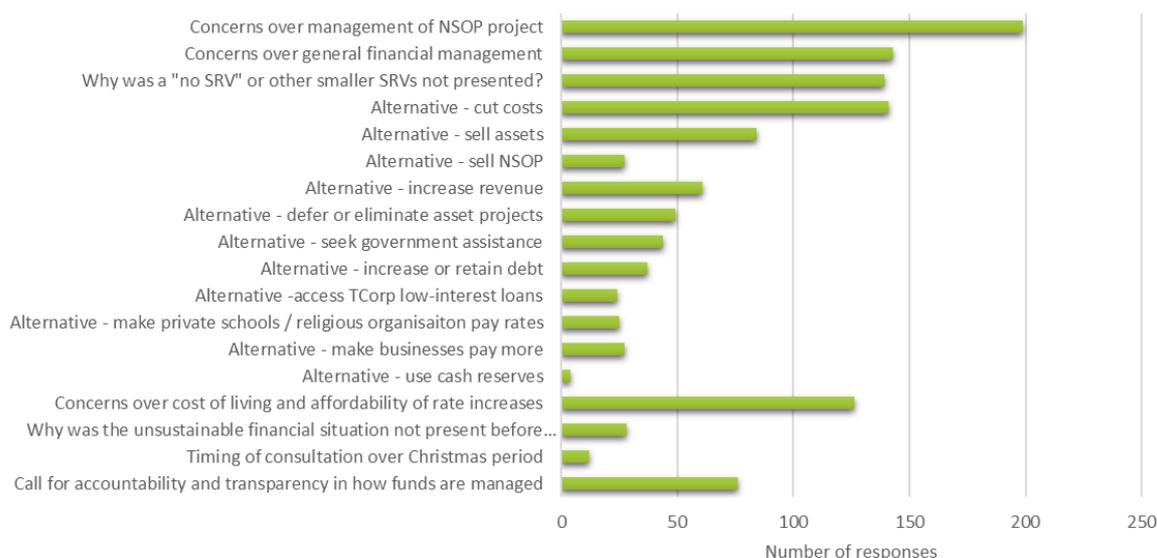


- A high proportion of emails raised the issue of the survey not providing a “no SRV” option in the question on preferred options.
- A number of email submissions sought more detail to calculate the impact of the options on their individual rates.
- Email submissions were almost entirely focussed on the SRV, there was only a limited number of email submissions that made mention of the Minimum Rates proposal, and none identified the proposal to consolidate special levies into ordinary rates.

4 Key themes

The feedback from surveys and self-initiated submissions, as well as issues and comments from the workshop and community forums have been considered in identifying the following key themes from the consultation process.

Figure 14 Survey and other responses that identified the themes



Council was provided with these themes prior to the finalisation of this report, and its response to these will be provided in Council’s *Engagement Key Themes - Council Responses* document.

4.1 Concerns about Council’s mismanagement of the NSOP project

Concerns over the NSOP project was the most prevalent theme in the survey responses, with 25% of responses noting this. The predominant commentary around this was concerns over mismanagement or the project and anger around the community being asked to pay for the budget blow out. These comments were also linked to a desire for better transparency and accountability for the project. There was also an element



of concern that the permanent SRV was not the right instrument to address the shorter term financial issues that have been created by the NSOP project.

Three per cent of responses stated that Council should sell the pool, some stating that the sale should be to the State Government. Many of those that identified seeking government assistance or utilising low interest Treasury loans as an alternative to the SRV indicated that this should be done to fund the NSOP project. Others expressed that there was no need to reduce the current debt burden associated with the NSOP project as quickly as indicated in the LTFP, some even comfortable with further increases in debt to fund the project. Continuing and increasing debt to fund the project, was also linked to improved intergenerational equity around the project.

Three per cent of survey responses wanted to see residents receive either **free or discounted access to the new pool development**. Although many responses indicated that they don't use the pool.

4.2 Concerns over financial management of Council generally

Concerns over general financial management at Council were expressed by 18% of survey responses. These responses were linked to needing to make the decisions required for the management of finances with the current level of rates. Of the responses that mentioned general financial management concerns, other main issues also mentioned, included:

- concerns around the NSOP project
- concerns that current services and assets are not adequate
- concerns about why there wasn't a rate peg or lower SRV option
- concerns around cost of living and views that Council should not put further financial burden on ratepayers
- views that Council should cut costs rather than increase rates.

4.3 Concerns about not being presented with a "no SRV" or smaller SRVs options

Eighteen percent of responses expressed concerns that there was no "rate peg only" or "no SRV" option or that there were no SRV options lower than Option 1. Concerns of a "no SRV" option was also prevalent in the email submissions that Council received. While the majority of these responses indicated that they did not support any SRV, some indicated that they would be comfortable with a lower SRV.

Much of the commentary around the lack of a "none of the above" option to the question around the preferred SRV expressed concern around being forced to choose an option. Regardless of the options selected to the preferred SRV question, if the respondent's feedback indicated that they didn't support the SRV, this was registered as a "disagree" in above.

Responses that raised this concern were also most likely to offer other approaches to ensure that no SRV was required, suggestions included selling assets, cut costs and services, seek government assistance, use low interest government loans, make businesses pay more, make private schools pay, increase revenues through privatisation or growth, or increase debt. See Section 4.4 below for further analysis of this theme.



4.4 Council should find alternatives to an SRV

Many survey responses identified alternatives to an SRV including:

- Finding **cost cutting measures** (18% of survey responses) with 20% of the responses that raised cost cutting as an option also noted reducing or eliminated services.
- **Sell or dispose of non-essential or under-performing assets** (11%), with 3% of respondents specifically identifying the **sale of the NSOP**. Email submissions and some survey responses pointed to the sale of approximately \$53 million of commercial property assets owned by Council.
- **Find other sources of revenue** (8%), including through increased user fees, increased rates from future growth, and increased developer contributions.
- **Defer or eliminate infrastructure and asset projects** (6%).
- **Seek assistance from State or Federal government** (6%).
- **Access debt** (5%) either through retaining current debt that is planned to be repaid or increasing debt.
- A further 3% suggested **accessing low interest State Government loans**.
- Ensuring **private schools and/or religious institutions pay rates** (3%).
- Shift the burden of **increased rates to businesses** and not residents (3%).
- Use Council's **current cash reserves** (1%).

Many of the respondents that offered alternatives to the SRV indicated that recovery should be planned over a longer timeframe.

4.5 Cost of living and affordability concerns

Cost of living and affordability concerns were raised by 16% of the survey responses. The recent high inflation environment with wages not keeping pace was the central concern. Many expressed specific concerns for those on a fixed income, especially pensioners.

4.6 Timing of consultation

Four per cent of responses raised concerns over why the information of Council's financial challenges and the proposed SRV options was not provided before the September 2024 council elections and 2% of response raised concerns about the engagement period being conducted over the Christmas and New Year period.

4.7 Calls for greater accountability and transparency in how funds are managed

Ten per cent of survey responses called for greater accountability and transparency around Council's financial management. Some of this was linked to the NSOP project, with a need to understand who was accountable while others wanted to ensure that the lesson had been learned and would not happen again.



5 Conclusion

Council extends its appreciation to all members of the public who took the opportunity to learn more about the proposed SRV, attend one of the community forum information sessions, and provide feedback on the proposed SRV, be that through completing the online survey or making a written submission.

At the commencement of the engagement period, Council published a page on its corporate website, available at <https://yoursay.northsydney.nsw.gov.au/srv>. As noted previously, various information resources and materials – including background documents and responses to Frequently Asked Questions – were made available to ratepayers and other members of the community via this webpage. Council will continue to make this webpage publicly available and a resource for information for the community, although the survey is now closed.

Should Council determine to progress with an SRV and/or Minimum Rate application, it must do so at a Council meeting. Council will present the outcomes of the consultation process and seek a decision on or not to proceed with these applications at the Council meeting on 10 February 2025. Council meeting business papers, including agendas and minutes, are published to Council's website approximately a week before the meeting and can be accessed here - <https://www.northsydney.nsw.gov.au/council-meetings>.

Should Council proceed in applying to IPART for an SRV, it will need to prepare and submit an application to IPART in early 2025. If an application is made, IPART will publish the application – along with accompanying materials and supporting documentation – to its website, available at www.ipart.nsw.gov.au. IPART will invite public submissions from members of the community via a consultation process and will review and consider all submissions it receives prior to making its final decision.



Appendix A: Engagement Plan

Special Rate Variation consultation



Community Engagement Strategy

November 2024

Attachment 10.3.1

Attachment 10.7.5

Contents

Introduction	1
Engagement Intent	2
Rationale for engagement	2
Engagement purpose and goals	3
Stakeholder analysis	4
Engagement Approach	5
Impact and complexity of engagement	5
Levels of engagement	5
Engagement timing and resources	6
Engagement method	6
Roles and responsibilities	8
Key messages	9
Frequently asked questions	9
Detailed action plan	10
Measures of success	12
Monitoring and risk assessment	12

Tables

Table 1	Proposed SRV options for community consultation.	2
Table 2	Benefits of each SRV Option	3
Table 3	Stakeholder groupings	4
Table 4	Engagement mechanisms	6
Table 5	Roles and responsibilities	8
Table 6	Action plan	10
Table 7	Risk assessment	12

Figures

Figure 1	IAP2 Spectrum of Public Participation	5
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Introduction

This community engagement action plan outlines the approach, key messages and timeline for community consultation on the potential SRV. This plan has been developed to ensure that it meets the SRV assessment criteria set out by the NSW Office of Local Government, who sets policy and oversees the local government industry, and the Independent Pricing and Regulatory Tribunal (IPART), who will assess any SRV application submitted. It has also been developed in compliance with North Sydney Council ('Council') Community Engagement Policy and Protocol as well as the International Association for Public Participation (IAP2) Australasia Quality Assurance Standard.

Under Council's Community Engagement Policy, all engagements are guided by the following principles:

- **Focus and commitment:** Council will ensure that the rationale behind the engagement is clearly stated and will consult with affected parties before making decisions.
- **Resourcing:** Council will ensure that any proposed project is adequately resourced, and the level of community consultation relates to the level of community involvement required.
- **Timing:** Council will undertake community engagement at the earliest appropriate stage of the project.
- **Inclusiveness, accessibility and diversity:** Council will ensure that the groups or individuals invited to participate in the consultative process are representative of the overall target group, and that communication strategies are designed to reach the broadest appropriate sections of the community and attract the broadest range of community interests.
- **Provision of information:** Council will provide sufficient information to participants that is accurate and unbiased, and that will provide opportunities for them to form sound opinions and decisions. Council will undertake to provide information in plain English and, where appropriate, provide information in languages other than English and in alternative formats.
- **Responsiveness and feedback:** Council will provide regular updates to participants during the consultation process and at the project's conclusion detailing the outcomes of the consultative process.
- **Evaluation and continuous improvement:** All consultation conducted by and on behalf of Council will include an evaluation component. The outcomes of all consultations will be used to better inform future Council decisions. A summary of all evaluations will be available to the public on request.

This plan addresses each of these principles in the sections below.

Engagement Intent

Rationale for engagement

Council is considering the need to increase rates by more than the rate peg, by IPART. This need to consider this increase results from work undertaken over the last two years across a number of areas and is critical to ensuring Council applies sound financial management practices in exercising its functions. This work includes:

- A structural review to ensure the right resources are in place to effectively and efficiently deliver services.
- An assessment of what is required to improve and maintain existing assets and infrastructure to meet the community's expected standards.
- A series of community engagement activities to gather input on priorities for North Sydney's next ten years, which shaped the development of Council's Informing Strategies, and will in turn inform Council's 2025-2035 Community Strategic Plan.

Before Council resolves to make an application to IPART to increase rates above the rate peg, it must first engage with the community so that the community is informed of the proposal and can provide its feedback on what is being considered.

Council will engage with the community on four SRV options, as outlined in Table 1 below. Options 1, 2 and 3 will provide different levels of revenue and be able to deliver different benefits, which are outlined in Table 2 below. Option 2a and 2b provide similar benefits, the difference between them is the implementation period of the SRV, with Option 2a over two years and Option 2b over one year.

Table 1 Proposed SRV options for community consultation

All options include the rate peg	2025-26	2026-27	2027-28	Cumulative
Option 1: Financial repair	50%	5%	5%	65.38%
Option 2a: Strength and sustainability (SRV over 2 years)	50%	25%	Rate peg	87.50% ¹
Option 2b: Strength and sustainability (one year SRV)	75%	Rate peg	Rate peg	75%
Option 3: Future growth	60%	20%	10%	111.20%
Rate peg (base case)	4%	3%	3%	

¹ The Office of Local Government SRV Guidelines and IPART Guidance requires that SRVs are stated at the cumulative impact of the proposed rate increase over the number of years that the SRV is proposed to be implemented. Option 2a is proposed to be implemented over two years and 2b is proposed to be implemented over one year, therefore its cumulative rates in the table about are compounded over two and one years respectively. However, this doesn't provide an accurate comparison for these options against the other proposed options (option 1 and option3) that are over three years, as the rate peg increases will then apply after the SRV is implemented. If the assumed 3% rate peg is applied for years two and three, the comparison rate for option 2a is 93.31% and for option 2b is 85.66%.

Table 2 Benefits of each SRV Option

	Option 1	Option 2 (a and b)	Option 3
Deliver current services and address core deficits			
Deliver the committed North Sydney Olympic Pool project			
Deliver required systems replacement in Governance Strategy			
Maintain infrastructure renewals	 80% renewal rate in 2025-26 and 2026-27, with 100% thereafter.	 80% renewal rate in 2025-26 and 2026-27, with 100% thereafter.	 80% renewal rate in 2025-26 and 2026-27, with 100% thereafter.
Repay borrowings	 Borrowings reduced by 70%	 Borrowings reduced by 70%	 Borrowings reduced by 70%
Reduce infrastructure backlog	 Critical infrastructure in 2025-26 and 2026-27, Level 3 reduced by \$15M per year (indexed) from 2027-28	 Critical infrastructure in 2025-26 and 2026-27, Level 3 reduced by \$15M per year (indexed) from 2027-28	 Critical infrastructure in 2025-26 and 2026-27, Level 3 reduced by \$15.0M per year (indexed) from 2027-28, with a further \$15.5M per year (indexed) from 2028-29
Deliver initiatives outlined in the informing strategies, including expanded services and new and upgraded infrastructure.			

Engagement purpose and goals

The purpose of this community engagement is to ensure that the community is adequately informed and consulted about the impact of the proposed special rate variation and the impact of not applying for a special rate variation.

The objectives of this community engagement process include:

- To present the proposed SRV options.
- To identify the impact of the SRV options on the average rates across each rating category.
- To gauge the community's willingness to pay for the new initiatives proposed in the Informing Strategies.
- To exhibit the draft Informing Strategies, an updated 2022-2026 Delivery Program and a 2024-35 Long Term Financial Plan (LTFP) demonstrating the impact of the proposed SRV on Council's operating results from 2025-26 for feedback and final endorsement by Council.
- To communicate to the community the timeline and process for any potential SRV application.
- To gather and consider the community's feedback to inform Council's final decision on whether and how to move forward with an SRV application.

Stakeholder analysis

The key impacted stakeholders are those that pay rates in the Council's Local Government Area (LGA) or are renting property in the LGA, where there may be rent increases passed to cover the proposed rate increases fully or partly.

Stakeholder groups have been identified below to ensure that the specific considerations of these groups can be integrated into the community engagement plan. These groupings are not mutually exclusive, that is, individuals may fall into a number of different stakeholder groups. For example, individuals who own multiple properties in the LGA may be both resident ratepayers and landlord ratepayers.

Table 3 Stakeholder groupings

Stakeholder group	Who is in the group	Specific considerations
Resident ratepayers	Homeowners who are residents of the LGA	Proposed rate increases will be directly incurred by these stakeholders, although these costs may be passed on if the property is rented.
Residential renters	Renters who are residents of the LGA	It will be a decision of the landlord on whether and when any rate increases are passed on to renters.
Business ratepayers	Business property owners within LGA	Proposed rate increases will be directly incurred by these stakeholders, although these costs may be passed on if the property is rented. Rates are generally a business expense to this category of ratepayer.
Business renters	Business who rent property in the LGA	Similar to residential renters, it will be the decision for the landlords to pass the increase cost of the rate increase on to these businesses. Rent can be a business expense.
Culturally and Linguistically Diverse (CALD) members	Residents and business operators with CALD backgrounds	Culturally and linguistically diverse community members will require the option to have information presented in their preferred language.
Community stakeholder groups	Members of community groups that engage with Council	These community-led groups have a direct interest in their members/ residents and therefore, they need to understand why Council is proposing an SRV.

Within each stakeholder group, there will be a range of socio-economic factors that will be considered through a capacity to pay analysis and report; this will further inform not only the affordability of any SRV, but also may provide further insight to improve the consultation plan and key messages.

Engagement Approach

Impact and complexity of engagement

This engagement is defined as 'high impact', which means that the issues will have a real or perceived impact across the whole LGA. The issue has the potential to create controversy and has a high level of potential community interest.

It is also considered to have 'high complexity', as the information presented to the community will be based on relatively complex financial analysis and needs to be expressed in terms that are easily understood.

Levels of engagement

The level of engagement is defined from the IAP2 Spectrum of Public Participation in the figure below. This spectrum outlines the level of engagement required depending on the purpose and desired outcome of the project.

Figure 1 IAP2 Spectrum of Public Participation

		INCREASING IMPACT ON THE DECISION				
		INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL		To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
	PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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To meet the assessment criteria for an SRV application, Council must:

1. Demonstrate that the **need and purpose** of a different rate path for Council's General Fund is clearly articulated and identified in Council's Integrated Planning and Reporting (IP&R) documents.
2. Show evidence that the **community is aware** of the need for and the extent of a rate rise.
3. Show that the **impact on affected ratepayers** is reasonable.
4. Exhibit, approve and adopt the relevant **IP&R documents**.
5. Explain and quantify the **productivity improvements and cost containment** strategies in its IP&R documents and/or application.
6. Address any other matter that IPART considers relevant.

To meet criterion two, Council would only need to undertake engagement at the "inform" level, but a "consult" level would ensure it more fully meets criteria one and four.

Additionally, where the proposed SRV funds additional projects, services or service level increases, Council must consider the community's willingness to pay for these increases with increased rates, as required for criteria 3.²

As a result, this community engagement action plan is drafted to meet both the inform and consult levels of engagement. This means that Council will provide the public with balanced and objective information to assist them in understanding the problem, alternatives, and preferred solution and to obtain the public's feedback on analysis and alternatives. Council will keep the public informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision made by Council.

Council is currently preparing a 2024-35 Long Term Financial Plan (LTFP), updated 2022-25 Delivery Program and informing strategies. These documents, which include the proposed SRV, will be exhibited, approved and adopted by Council in parallel to this community engagement process.

Engagement timing and resources

The proposed community engagement is expected to run over a six-week period commencing on 27 November 2024 and concluding on 10 January 2025.

This community engagement will build from inform to consult:

1. Inform: to raise awareness and inform all stakeholder groups of the options being considered.
2. Consult: to seek considered community feedback on these options to inform Council in their final deliberations on a potential SRV application.

At the conclusion of the engagement a detailed outcomes report will be prepared outlining the results of the engagement and summarising the feedback received.

This engagement will be conducted with a team consisting of both Council and consultant resources. This enables best value with the combination of Council Community Engagement professionals with a deep understanding of the North Sydney community and consultant resources (from Morrison Low) with extensive experience in communication and engagement around Special Rate Variations.

Engagement method

The proposed mechanisms to be used for this engagement are outlined in the table below.

Table 4 Engagement mechanisms

Mechanism	Level of consultation	Recommended under Engagement Protocol	Reach (stakeholder groups)
Web page (Your Say North Sydney)	Inform	Essential	Engagement platform that can provide a wide range of information and house the on-line engagement survey.
Newspaper advertisements	Inform	Essential	Key local publications: <ul style="list-style-type: none"> • Mosman Daily • Northshore Times
Fact Sheet	Inform	Essential	To include translation versions to cater for CALD communities.
Media Release	Inform	Essential	In line with a media plan

² International Association for Public Participation (IAP2) Australasia, 2018. IAP2 Spectrum of Public Participation. Retrieved from: https://iap2.org.au/wp-content/uploads/2020/01/2018_IAP2_Spectrum.pdf.

Mechanism	Level of consultation	Recommended under Engagement Protocol	Reach (stakeholder groups)
Information Displays	Inform	Essential	Unmanned displays in key locations (e.g. libraries) that provide information on SRV and details of where to go if they have questions.
e-Newsletter	Inform	Essential	Subscribers of the newsletter
Social media channels	Inform	Essential	Followers of Council's Facebook, Instagram and LinkedIn. Council's YouTube can be utilised for live streaming, as required.
Reference Groups – Citizen Jury	Inform and Consult	Essential	Small group of more informed residents to gain deeper feedback on proposal.
Combined Precinct Committee	Inform and Consult	Essential	A session with the combined Precinct Committee.
Online forum	Inform and Consult	Essential	An online forum to optimise reach.
Face-to-face forum	Inform and Consult	Essential	A face-to-face forum for those unable to attend online.
Email to engagement survey respondents	Inform	Desirable	Link from the Informing Strategies engagement to inform people who provided feedback on previous engagement of how it is now being considered and proposed resources allocated.
Signage	Inform	Desirable	Digital Billboards- one in Crows Nest and one at the Orpheum.
'On Hold' Music	Inform	Desirable	
Video	Inform	As appropriate	
Public Exhibition	Consult	Essential	For updated Delivery Program, LTFP and Informing Strategies
Survey	Consult	Desirable	Enable broader feedback from community and essential to meet the SRV assessment criteria for community engagement.

These external community engagement mechanisms will be coupled with internal communications to inform all staff about the proposed SRV and process and provide them with information to direct questions from members of the public that may arise in their day-to-day interactions. This will include:

- A managers' briefing
- Staff briefings by executive / managers
- Information and scripting for customer service and frontline teams
- Updates in staff e-news

Roles and responsibilities

The roles of Councillors, Council officers and Morrison Low in the engagement process are defined in the table below.

Table 5 Roles and responsibilities

Role	Responsibility
Morrison Low (consultant)	<ul style="list-style-type: none"> Develop the community engagement plan Draft background paper / information on the SRV and advise on translation into key engagement collateral Assist Council in preparation for forums Prepare report on community engagement outcomes
Council's communications and engagement team	<ul style="list-style-type: none"> Develop collateral for the various written mechanisms, based on information provided Publish and release materials in line with this community engagement action plan, including internal communications Gather community feedback and provide to Morrison Low for analysis
Council CFO and finance team	<ul style="list-style-type: none"> Update the LTFP model and document for exhibition Support the development of background papers and other collateral with financial analysis and modelling Manage the exhibition process and finalisation of the updated 2024-35 LTFP (which includes the SRV)
Council executive and management team (including CEO)	<ul style="list-style-type: none"> Brief staff on SRV, process and community engagement activities Attend community face-to-face sessions Answer questions raised by the community in the engagement process
Mayor / Councillors	<ul style="list-style-type: none"> Approve community engagement plan Attend face-to-face community sessions (optional, but recommended) Mayor to participate in media interviews as appropriate
Chief Executive Officer	<ul style="list-style-type: none"> Approve / any adjustments to community engagement process as required during engagement Participate in media interviews as appropriate

Key messages

The key messages for the community should clearly communicate what is not negotiable and what aspects are open for community feedback to inform the decision-making process.

Non-negotiables include:

- the legislative requirement for Council to employ sound financial management principals.
- the current core deficits in the General Fund need to be addressed, targeting sufficient surpluses over time to ensure the ongoing financial sustainability of Council.

Community feedback is sought to:

- assess the level of community understanding of the proposed SRV and its impacts and why it is needed.
- gauge the community's willingness to pay increased rates for the increased services/service levels or new projects/strategies that the SRV is proposing to fund.
- seek submissions on the proposed SRV and the updated Delivery Plan, Long Term Financial Plan and draft Informing Strategies.

To support these key messages and the development of collateral for the community engagement activities, a background paper will be developed to articulate the need for, and level of SRV being sought.

In addition, Council will also have the following reports:

1. A capacity to pay report which will investigate, analyse and report on the community's capacity to pay against Council's rating categories and proposed SRV. This includes research of specific areas across the LGA and will undertake a range of comparisons and assessments of information for areas/locations within the LGA, and associated land use.

Any community communications and collateral will also include:

- how community members can seek further information or have their questions answered.
- how community members can provide their feedback on the proposed SRV.
- what to expect after the community engagement activity is completed, including IPART's public submission and assessment process.

Frequently asked questions

A set of frequently asked questions (FAQs) and their responses will be developed for this engagement process. While every effort is made to ensure that this is a complete list of FAQs at the commencement, these questions will be regularly reviewed and updated throughout the engagement process.

The below is a starting list of the questions we expect to develop for the FAQs:

- How will the proposed special rate variation impact my rates?
- Why do we need an increase to our rates?
- What is the alternative to the proposed rates increase?
- What action has Council taken to address its financial situation?
- How does Council work out what rates to charge each resident?
- What is Council doing to keep rates low?
- Can't you get more funding from other levels of government to help pay for things?
- What if I can't afford to pay my increased rates? (Hardship Policy)
- When would a rate increase be applied from?
- How has Council identified the priority initiatives?
- Who is IPART and what do they do?

Detailed action plan

Table 6 Action plan

Ref	Action	Responsible	By when	Dependency
1	Draft Background Paper / information for SRV	Morrison Low (consultant), with input provided by Council team	14 Nov	
2	Finalise LTFP for exhibition	Finance team	14 Nov	
3	Finalise updated Delivery Program for Exhibition		14 Nov	
4	Finalise Informing Strategies for Exhibition		14 Nov	
5	Develop FAQs	Communications & Engagement team and Morrison Low (consultant)	26 Nov	1
6	Draft engagement collateral, including: <ul style="list-style-type: none"> Website copy Newspaper ad Factsheet Media Releases Newsletters Social media posts Forum presentations Email to survey participant from previous engagement 	Communications & Engagement team, with advice and review from Morrison Low (consultant)	26 Nov	1
7	Develop video on SRV	Communications & Engagement team	26 Nov	1
8	Develop Survey	Communications & Engagement team and Morrison Low (consultant)	26 Nov	1
9	Build 'Have Your Say' page	Communications & Engagement team	26 Nov	1-8
10	Schedule face-to-face community sessions	Communications & Engagement team	26 Nov	
11	Develop media plan, draft release and social media content for commencement of engagement (including pre-engagement release leading up to Council meeting)	Communications & Engagement team	26 Nov	1-8
12	Develop and distribute information and scripting for customer service and frontline staff	Communications & Engagement team	26 Nov	1
13	Council resolves to proceed to community consultation on an SRV	Council	25 Nov	
14	Brief managers on Council decision and next steps	General Manager / Directors	26 Nov	13

Ref	Action	Responsible	By when	Dependency
15	Publish first newspaper advertisement on SRV	Communications & Engagement team	27 Nov	
16	Open the 'Have Your Say' page and Survey to the community	Communications & Engagement team	27 Nov	13
17	Engagement period commences		27 Nov	13
18	Publish e-newsletters and media releases	Communications & Engagement team		13
19	Manage social media	Communications & Engagement team		13
20	Manage media enquires	Communications & Engagement team		13
21	Conduct face-to-face and online community sessions and group meetings	Communications & Engagement team Morrison Low (consultant) to facilitate public forums Council executive and Councillors to attend		13
22	Conduct Citizen Jury	Communications & Engagement team		
23	Close engagement, exhibition of updated LTFP and survey, and gather all community feedback	Communications & Engagement team	10 Jan	17
24	Analyse submissions and survey results and draft community engagement report	Morrison Low (consultant)	21 Jan	25
25	Finalise Delivery Program, LTFP and Informing Strategies based on feedback over exhibition period	Council	27 Jan	25
26	Council resolves on whether to proceed with SRV application	Council	10 Feb	28

Measures of success

During the consultation process, the level of engagement will be monitored by Morrison Low and Council's Communications and Engagement team.

Any proposed adjustments to the plan will be approved by the General Manager before implementation.

Monitoring and risk assessment

The table below documents the key risks associated with this community engagement. The risk ratings are assessments of the residual risk after the documented risk responses are implemented.

Table 7 Risk assessment

Risk	Risk response	Residual likelihood	Residual consequence	Residual risk rating
Engagement doesn't meet IPART assessment criteria.	Engagement plan and activities to analyse and integrate requirement to meet criteria.	Low	Medium	Low
Impact on ratepayers of raising rates at a time of increasing inflation and cost of living pressures.	Capacity to pay analysis to understand the impacts of rate increase on community. Key messages to impact on Council of not seeking the SRV.	Medium	Medium	Medium



Appendix B: Communications and marketing collateral (samples)

Council developed a number of communications and marketing collateral elements throughout the engagement, samples of which are found in the Figures below. The overall strategy focussed on raising awareness and pushing residents and business owners to Council's Have Your Say page for all the relevant information on the SRV options and the Minimum Rates proposal. A link to the SRV Have Your Say Page is here - <https://yoursay.northsydney.nsw.gov.au/srv>.

Additionally, Council exhibited its draft Information Strategies in line with the consultation on SRV and Minimum Rates proposal. The links to these Have Your Say pages are provided below:

- Culture and Creativity Strategy - <https://yoursay.northsydney.nsw.gov.au/culture-creativity>
- Economic Development Strategy - <https://yoursay.northsydney.nsw.gov.au/economic-development>
- Environmental Strategy - <https://yoursay.northsydney.nsw.gov.au/environment-strategy>
- Governance Strategy - <https://yoursay.northsydney.nsw.gov.au/environment-strategy>
- Housing Strategy supplement - <https://yoursay.northsydney.nsw.gov.au/housing-strategy-supplement>
- Integrated Transport Strategy - <https://yoursay.northsydney.nsw.gov.au/integrated-transport>
- Open Space and Recreation Strategy - <https://yoursay.northsydney.nsw.gov.au/os-rec-needs>
- Social Inclusion Strategy - <https://yoursay.northsydney.nsw.gov.au/social-inclusion>

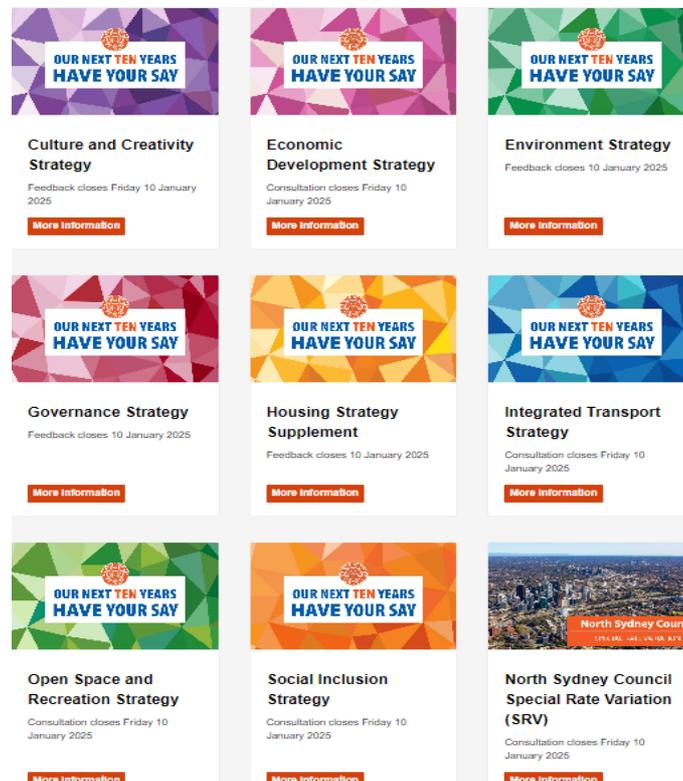




Figure 15 Sample of newspaper advertisement

The advertisement features an aerial view of the North Sydney city skyline. In the top left corner, there is a circular seal of the North Sydney Council. Below the image is a large orange banner with the text 'HAVE YOUR SAY on Council's proposed SPECIAL RATE VARIATION'. Underneath the banner, the text reads: 'North Sydney Council is seeking community feedback on a proposed Special Rate Variation (SRV) as part of its strategy to secure long-term financial sustainability. Please visit **yoursay.northsydney.nsw.gov.au** to have your say via our online survey and register to attend our community forums.' At the bottom center, there is a QR code, and to its right, the text 'Telephone 02 9936 8100 If you require assistance.'



Figure 16 e-Newsletter (sample)



Thank you once again for sharing your priorities and aspirations during North Sydney Council's '**Have your say on our next ten years**' engagement campaign earlier this year.

This was our most extensive community consultation to date and a once-in-a-generation opportunity to have your say on North Sydney's future. We were delighted to receive feedback from more than **1,000 people through our online surveys** and to connect with thousands more through in-person and online events.

Informing our future

Your feedback, combined with extensive research, has been instrumental in shaping eight bold, **forward-looking Informing Strategies** that will guide the services and infrastructure our community needs for the future.

Once finalised, these Informing Strategies will shape Council's **Community Strategic Plan for 2025-2035**, which will focus on enhancing quality of life, strengthening community, and delivering responsive services and infrastructure that meet the evolving needs of our population.

Council is now **actively seeking your feedback** on these draft strategies.

Please visit the links below to find out more and have your say:



[Culture and Creativity Strategy](#)

[Economic Development Strategy](#)

[Environment Strategy](#)

[Governance Strategy](#)

[Housing Strategy Supplement](#)

[Integrated Transport Strategy](#)

[Open Space and Recreation Strategy](#)

[Social Inclusion Strategy](#)

Financial sustainability

Central to the realisation of these strategies is ensuring **long-term financial sustainability**. As you may be aware, Council is facing significant financial challenges.

Despite efforts to improve financial management through organisational restructuring and other improvement initiatives, the increased costs of the North Sydney Olympic Pool redevelopment, reductions in other sources of revenue, and rising infrastructure backlogs require



immediate action to ensure long-term financial sustainability.

To address these challenges and ensure a sustainable future, Council is proposing a **Special Rate Variation** as part of its updated Long-Term Financial Plan. This proposal outlines **four options**, which present different levels of financial strength and sustainability for North Sydney.

Some of these options will support the **delivery of the community infrastructure and service priorities developed in response to your feedback** and outlined in the Informing Strategies.

Please read our [Special Rate Variation fact sheet](#) to learn more.

Have your say

Council is committed to engaging with the community and is **actively seeking feedback** on the Informing Strategies and Special Rate Variation proposal, as well as our updated Long-Term Financial Plan, Delivery Program and Asset Management Strategy.

Your feedback is crucial in helping to ensure Council's decisions align with our community needs and priorities.

Please visit yoursay.northsydney.nsw.gov.au to learn more and have your say before **Friday 10 January 2025**.

Thank you again for your continued engagement and for helping to shape the future of our community.

North Sydney Council



Figure 17 Sample of signage

HAVE YOUR SAY
on Council's proposed
SPECIAL RATE VARIATION

North Sydney Council is seeking community feedback on a proposed Special Rate Variation (SRV) as part of its strategy to secure long-term financial sustainability.

Please visit
yoursay.northsydney.nsw.gov.au
to have your say via our online survey and register to attend our community forums.

Wednesday 4 December
Hutley Hall – 6pm to 8pm

Monday 16 December
Online – 6pm to 8pm

Telephone 02 9936 8100 if you require assistance.



Appendix C: Fact Sheet



North Sydney Council

SPECIAL RATE VARIATION

Overview

North Sydney Council is facing significant financial challenges and is currently in an unsustainable financial position. Despite efforts to improve financial management through organisational restructuring and other improvement initiatives, the increased costs of the North Sydney Olympic Pool redevelopment, reductions in other sources of revenue, and rising infrastructure backlogs require immediate response to ensure long-term financial sustainability.

These challenges are compounded by increased service delivery costs, ageing infrastructure, and the needs of a growing population. Without intervention, the funding gap will continue to widen, impacting Council's ability to maintain services and invest in essential infrastructure.

To address these issues, Council has developed a draft Long-Term Financial Plan (LTFP), which includes a proposed Special Rate Variation (SRV). The SRV will strengthen Council's financial position, reducing deficits, and providing the necessary resources to deliver services and infrastructure for the community, ensuring a positive legacy for future generations.

Council has also considered the feedback provided by the community during the 'Have your say on North Sydney's next ten years' consultation in May and June 2024 which, combined with key research, has shaped eight draft Informing Strategies. These strategies will guide the new Community Strategic Plan, focusing on enhancing quality of life, strengthening community, and delivering responsive services and infrastructure that meet the evolving needs of our population. Central to the realisation of these strategies is Council's long-term financial sustainability.

What is a Special Rate Variation (SRV)?

A Special Rate Variation (SRV) refers to an increase in total general rates that is greater than the published rate peg. Each year, the Independent Pricing and Regulatory Tribunal (IPART) sets a rate peg for each council, which is based on the expected cost increases that councils will incur. When councils need to increase total rates by more than the rate peg, they must apply to IPART for an SRV.

For an SRV to be approved, councils must demonstrate that they have met the criteria set out by the Office of Local Government, including demonstrating that there is a need for the SRV, ensuring that the community is aware of the proposed SRV, understanding the community's capacity to pay for the increase and making sure that the Council's planning and reporting documents (particularly its Long-Term Financial Plan) reflect the need and scope for the proposed SRV.

For North Sydney Council, the proposed SRV is critical to:

- strengthening and stabilising finances and reducing the structural deficit
- the delivery of current service levels
- addressing a growing backlog in infrastructure maintenance and renewal
- reducing internal and external debt associated with the North Sydney Olympic Pool redevelopment
- securing financial sustainability to meet the needs of a growing and changing population



NORTH SYDNEY COUNCIL



Message from Mayor Zoë Baker

Dear North Sydney Community,

At the recent local government elections, I ran on a platform that included strengthening Council's financial position and continuing to increase transparency, accountability and strong governance in all of Council's operations. Those promises were not lightly made. The commitment was made in the context that Council's finances were unsustainable without urgent action and given with the full understanding that Council is facing significant challenges.

Addressing these financial challenges will require difficult decisions to be made in order to repair the impacts of more than a decade of chaos and neglect by former councils. We cannot 'kick the can down the road' for another future council to clean up.

The redevelopment of the North Sydney Olympic Pool has increased debt and reduced reserves, limiting Council's ability to invest in essential infrastructure. The legacy of poor decisions made about the North Sydney Olympic Pool redevelopment has created financial pressures that we cannot ignore.

Whilst upgrade and stabilisation works were necessary, an independent review found that early planning and oversight were deficient, undertaken without any real community consultation and compounded by a flawed decision to enter into a construction-only contract before final construction drawings were provided. The original budget was never sufficient in the first place, considering the risks that had been accepted by the former Council. This directly led to significant additional costs that now impact all of us.

At the same time, revenue has declined, while rising costs and growing demand for services have added further strain. Many Council assets require urgent upgrades after more than a decade of underfunding. Despite savings made from recent efficiency measures, many of Council's systems are shockingly outdated, which continues to hinder progress.

These pressures have placed Council in an unsustainable financial position, threatening Council's ability to maintain the essential services and infrastructure our community depends on.

The North Sydney community highly values the services and infrastructure the Council provides. Without decisive action, we risk not being able to maintain these at the levels our community expects.

Council, therefore, proposes a Special Rate Variation as part of its Draft Long-Term Financial Plan.

The proposed Special Rate Variation aims to stabilise finances, reduce deficit and debt as well as provide resources to meet the needs of our growing community. This proposal is also informed by extensive community consultation and feedback, undertaken in mid-2024, which emphasised the importance of long-term sustainability and responsive service delivery.

Since I became Mayor, I have very publicly stated that we, as a community, would have to have an open, honest and difficult conversation about how to repair and protect Council's financial health, vital community services and assets. This newly elected Council is determined to tackle head on the significant financial challenges and work to ensure Council, and the vital community services it provides, are in better shape than we have inherited.

I understand that this is incredibly frustrating – especially at a time when everyone is under pressure from the rising

cost of living – and many people will feel angry about having to address these issues at all. It's especially challenging knowing that this outcome could have been avoided with better governance and decision-making in the past. I share that frustration and anger. There is absolutely no satisfaction in 'I told you so', having been one of only three councillors to sound the alarm against the financial impacts of decisions of the former Council, including voting more than 23 times against the redevelopment of the North Sydney Olympic Pool.

However, this Council has an obligation and commitment to transparency and accountability as we work to restore financial security and long-term sustainability.

One of the most responsible and prudent steps is to explore a Special Rate Variation.

This Council is committed to ensuring the community has a voice and we need your input throughout this process. Together, we can decide on the best path forward. No decision will be made without being informed by your views in this community consultation. It is not 'window dressing' – it is real and meaningful consultation.

Please visit yoursay.northsydney.nsw.gov.au to share your feedback and register to attend our community forums.

Finally, this Council is committed to responsible financial stewardship. We owe it to you and to future generations to tackle these challenges now.

Yours faithfully,

Zoë Baker

Why does North Sydney need to consider an SRV?

Several factors have contributed to Council's current financial challenges:

North Sydney Olympic Pool redevelopment: This major project has significantly impacted the Council's financial position. External debt has increased, and internal reserves have been drained, further reducing Council's asset renewal capacity. In addition, ongoing costs associated with interest repayments and future renewal costs will add to operating deficits.

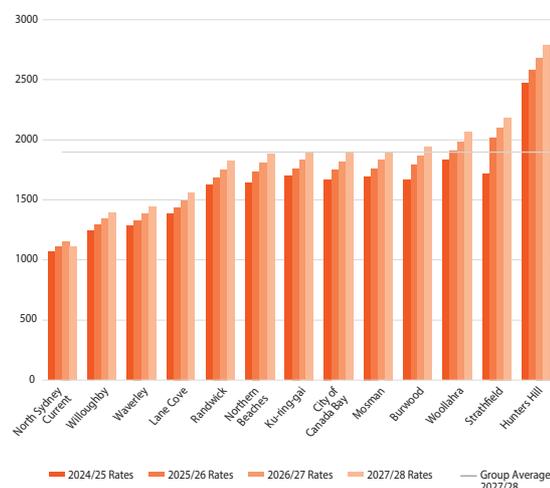
Declining revenue from other sources: Traditionally, around 45% of total operating revenue has been generated through user charges, fees, and other non-rate income. This includes on-street parking fees, fines, advertising revenue, and commercial rental income. While this strategy has lessened the financial burden on residents and businesses, it has also exposed the Council to financial shock and fluctuations in income. Since the 2020 COVID-19 pandemic, adjusting for inflation, income from user charges, fees, and other revenue streams, it is estimated that revenue for the current fiscal year is down by \$9.9 million. The cumulative effect of declining revenue has also impacted reserve levels and capacity for infrastructure renewal.

Asset maintenance and renewal: Current estimates of infrastructure backlog indicate a history of underinvestment in asset renewal, which has compounded over time and further exacerbated funding challenges. In particular, 62% of Council building assets have been assessed at a rating of less than 'good', which limits their ability to best service the community. Addressing this backlog will require targeted, sustained investment to bring infrastructure management up to a level that meets both current and future community expectations.

Cost increases: Costs have increased faster than revenue in recent years. While IPART has addressed some of these issues through rating reforms implemented in July 2024, historical gaps remain, exacerbating the financial strain. Like many councils, we have had to cut back on asset expenditure, leading to a growing backlog of capital works.

Outdated information systems and technology: Over the past two years, Council has actively reviewed its operations to identify opportunities for improvement. While progress has been made, Council's ability to generate efficiencies is constrained by its outdated suite of information systems and technology. These systems are not integrated, require excessive manual intervention, and lack the sophistication needed to support timely decision-making. The inefficiencies caused by these systems are a major source of frustration for the workforce and, indirectly, for residents and customers, negatively impacting the overall customer experience.

Historically low rates income: Historically, residential rates have remained low due to availability of other sources of income. This is no longer sustainable. The following chart shows a comparison of current and forecast residential rates with other councils in the region and across Sydney. This does not factor in SRVs currently being proposed in these council areas.



Outside of an SRV, what is Council doing to improve its performance?

Council has initiated a comprehensive program of review and improvement to ensure the effective use of public funds. In 2023, a major realignment of the organisational structure was implemented, establishing a clear leadership and service unit framework designed to enhance role clarity, accountability and communication, while reducing duplication and improving collaboration across the organisation. Additionally, over \$6.4 million in employee benefits and oncosts were reallocated to streamline leadership structures and address critical resource needs in areas such as risk management, commercial property management, parks and gardens maintenance, organisational improvement, technology, and strategic planning.

Ongoing and future review and improvement programs include the introduction of:

- **A process mapping initiative**, initially targeting 250 high-priority processes, with plans to expand to 1,000 over time. This effort aims to identify opportunities for greater operational efficiency.

- **A new service level review framework** to ensure that Council's services are aligned with the evolving needs and expectations of the community.
- **Service unit planning** to identify workforce development priorities, opportunities for process improvement, and areas for financial review.
- **A development and performance framework** to support the creation of a high-performing workforce.
- **A new workforce strategy** aimed at positioning Council as a competitive employer in a challenging environment marked by skills shortages.

Despite these significant commitments to improve organisational efficiency, Council's ability to generate efficiencies is constrained by its information systems and technology.

What options is North Sydney considering?

Council is consulting on four SRV options, which present different levels of financial strength and sustainability for North Sydney. Options one, two and three are different in size and reflect a different level of benefit. Options 2a and 2b provide the same benefits but have different implementation paths.



Option 1: Financial repair

focuses on financial repair, improvement to governance and administration, the delivery of critical infrastructure backlog projects and managing debt repayments.



Options 2a & 2b: Strength and sustainability

includes everything in Option 1 as well as delivery of community infrastructure and service priorities developed in response to widespread consultation in May and June 2024.



Option 3: Future growth

delivers everything in Options 2a and 2b, as well as additional funding to bring building infrastructure to a 'good' condition, over a ten-year period commencing in year 4.

Rate path proposals:

All options include the rate peg	2025-26	2026-27	2027-28	Cumulative ¹
Option 1: Financial repair (3 year SRV)	50%	5%	5%	65.38%
Option 2a: Strength and sustainability (2 year SRV)	50%	25%	Rate peg	87.50%
Option 2b: Strength and sustainability (1 year SRV)	75%	Rate peg	Rate peg	75%
Option 3: Future growth (3 year SRV)	60%	20%	10%	111.20%
Rate peg (base case)	4%	3%	3%	

1 The Office of Local Government SRV Guidelines require Council to communicate the cumulative impact of the proposed rate increase over the years of implementation. Option 2a is proposed to be implemented over two years and 2b is proposed over one year, therefore their cumulative rates in the table are compounded over two years and one year, respectively. However, this doesn't allow for an accurate comparison with options 1 and 3, which span three years, as the rate peg increases will then apply to options 2a and 2b after the SRV is implemented. If the assumed 3% rate peg is applied for years two and three, the comparison rate for option 2a is 93.31% and for option 2b is 85.66%.

What does each SRV option provide?

	Option 1	Option 2 (a and b)	Option 3
Deliver current services and address operating deficits	●	●	●
Deliver required systems replacement in Governance Strategy	●	●	●
Maintain infrastructure renewals (80% renewal rate in first two years and 100% thereafter)	●	●	●
Repay 70% of borrowings	●	●	●
Reduce infrastructure backlog ²	●	●	●
Deliver expanded services and new and upgraded infrastructure identified in the Informing Strategies ³	●	●	●
Improve building assets to a 'good' condition, with \$15.5M per year from Year 4 to address backlogs	●	●	●

2 Critical infrastructure addressed in first two years, \$15M per year (indexed) from 2027-28 to bring assets to a satisfactory condition

3 In May and June 2024, the Council launched an extensive community engagement initiative, 'North Sydney's Next Ten Years'. This initiative included discussion papers, expert panels, workshops, and information sessions. Over 1,000 surveys were completed, alongside significant feedback from in-person engagements. In parallel, independent consultants conducted research into key areas including open space and recreation, culture and creativity, social inclusion, integrated transport, and economic development. This research provided valuable insights that helped shape the priorities for North Sydney's future. The ten-year draft Informing Strategies are currently on exhibition until Friday 10 January and we welcome community feedback at yoursay.northsydney.nsw.gov.au

Projects identified within these strategies include, but are not limited to, the delivery of a community facility at Berrys Bay, upgrades to North Sydney Indoor Sports Centre, improved drainage infrastructure for sports fields, major upgrades to North Sydney Oval, upgraded amenities at Tunks Park, footpath improvements, cycling infrastructure, upgrade and expansion of Stanton Library, Cremorne Plaza and Langley Place upgrade, and other public domain upgrades in town centres.

What is a minimum rate?

A minimum rate is the minimum amount of a rate that can be levied on each parcel of land. Individual rates are calculated on the unimproved land value of a property. This can mean that the rates paid by individual houses on a block of land can be significantly more than for units on land of a similar value. Unit holders receive the same level of services from councils and often have comparable ability to pay rates as those in houses. For councils like North Sydney, minimum rates help ensure a degree of equity between the rates paid by ratepayers in units and houses.

What are the proposed changes to minimum rates?

North Sydney has one of the lowest minimum rates in metropolitan Sydney. Over 77% of residents currently pay the minimum rate and this does not support the level and variety of Council services currently offered to each household. To improve equity and ensure revenue keeps pace with growing unit developments, Council proposes increasing minimum rates in 2025-26 to:

- \$1,300 for residential properties
- \$1,400 for businesses

After 2024-25, minimum rates will increase by the approved rate path, which may either be one of the proposed SRV options or the rate peg.

Minimum rates:

All options include the rate peg	Current 2024-25	2025-26	2026-27	2027-28
Residential Rates				
Option 1: Financial repair (3 year SRV)	\$715	\$1,300	\$1,365	\$1,433
Option 2a: Strength and sustainability (2 year SRV)		\$1,300	\$1,625	\$1,674
Option 2b: Strength and sustainability (1 year SRV)		\$1,300	\$1,339	\$1,379
Option 3: Future growth (3 year SRV)		\$1,300	\$1,560	\$1,716
<i>Rate peg (base case)</i>		\$744	\$766	\$789
Business Rates				
Option 1: Financial repair (3 year SRV)	\$715	\$1,400	\$1,470	\$1,544
Option 2a: Strength and sustainability (2 year SRV)		\$1,400	\$1,750	\$1,803
Option 2b: Strength and sustainability (1 year SRV)		\$1,400	\$1,442	\$1,485
Option 3: Future growth (3 year SRV)		\$1,400	\$1,680	\$1,848
<i>Rate peg (base case)</i>		\$744	\$766	\$789

For comparison purposes, it is important to note that in addition to the minimum rate, residential ratepayers pay an average of \$129.34 in infrastructure, environmental and main street levies – calculated as a base amount plus an ad valorem component based on their land value. These special levies will not be charged in addition to the minimum rate under the new SRV proposal. Instead it is proposed that this special levy income, which is currently levied as a separate charge, be rolled into the ordinary rate revenue. If your property is subject to a minimum, this means that these levies will not be an additional charge in future.

What do the proposed SRV options mean for rates?

The rates you pay depend on the unimproved land value of your property. The average rates that would result from each of the SRV options are outlined below.

Council has also recently reviewed its rating structure and proposes the removal of the infrastructure, environmental and main street levies mentioned above, which are currently paid separately to rates. The income from these levies would be incorporated into the ordinary rate charged. This would mean that total permissible rates income is raised entirely through ordinary rates, making the Council's rating structure simpler and more equitable. Residents are paying approximately 90% of all the levies, whereas they pay 60% of total ordinary rates and receive approximately 60% of the benefits from Council services. These changes mean that residents would pay 60% of the total permissible income and businesses pay 40%. The averages below show this change, with the levies that are included in the average for 2024-25 and rolled into ordinary rates from 2025-26 onwards.

Proposed rates:

All options include the rate peg	Current 2024-25	2025-26	2026-27	2027-28
Residential Rates				
Option 1: Financial repair (3 year SRV)	\$1,040 ⁴	\$1,511	\$1,586	\$1,665
Option 2a: Strength and sustainability (2 year SRV)		\$1,511	\$1,888	\$1,945
Option 2b: Strength and sustainability (1 year SRV)		\$1,762	\$1,815	\$1,870
Option 3: Future growth (3 year SRV)		\$1,611	\$1,933	\$2,127
Rate peg (base case)		\$1,048 ⁵	\$1,080	\$1,112
Business Rates				
Option 1: Financial repair (3 year SRV)	\$6,724 ⁶	\$10,601	\$11,131	\$11,687
Option 2a: Strength and sustainability (2 year SRV)		\$10,601	\$13,251	\$13,648
Option 2b: Strength and sustainability (1 year SRV)		\$12,267	\$12,739	\$13,121
Option 3: Future growth (3 year SRV)		\$11,307	\$13,569	\$14,926
Rate peg (base case)		\$7,396	\$7,618	\$7,847

How can I find out more and have my say?

Council is committed to engaging with the community and is actively seeking feedback on the SRV proposal, updated Long-Term Financial Plan, Delivery Program, Asset Management Strategy and Informing Strategies. Community consultation is open from Wednesday 27 November 2024 to Friday 10 January 2025. Please visit yoursay.northsydney.nsw.gov.au to learn more and have your say.

Next steps

Once the community consultation period concludes, Council will review the feedback received. A report will then go to Council for their consideration of the feedback. Council will decide whether to proceed with the SRV application. If Council decides to proceed, the application will be submitted to IPART in early 2025. IPART will conduct its own consultation, with public submissions likely to be sought, before they make their determination in May 2025. If the SRV application is successful, Council will then need to resolve to include the SRV in its rates from 1 July 2025. The new Community Strategic Plan, Delivery Program, Resourcing Strategy and Operational Plan will also come into effect from 1 July 2025.

4 Average Residential Rate for 2024-25 includes infrastructure and environmental levies. Current average residential ordinary rates (excluding levies) are \$915.

5 The Average Residential Rate for 2025-26 reflects Council's intention to remove the levies and raise total permissible rates entirely through ordinary rates. This will redistribute the revenue collected by total levies (approximately 90% of levies are currently paid by residential ratepayers) across the ordinary rate category split of 60%/40% Residential/Business respectively.

6 Average Business Rate for 2024-25 includes the infrastructure, environmental and main street levies. Current average business ordinary rates (excluding levies) are \$6,455.



Appendix D: Media coverage (samples)

Coverage of the Council's proposed SRV and Minimum Rate increase was picked up by national, metro-Sydney and local publications. Below are some examples of news articles and links to others.

Figure 18 Excerpts from ABC News article by Tony Ibrahim from 18 November 2024

Redevelopment of North Sydney Olympic Pool leaves council with 'cash flow problem', eyes steep rate hike

By Tony Ibrahim Local Government

Mon 18 Nov 2024 at 6:21 pm



The North Sydney Olympic Pool is heritage listed and considered 'historically rare'. (Supplied Facebook)

In short:

The costs to redevelop the iconic North Sydney Olympic Pool have blown out, with council looking at increasing its rates.

The mayor described the financial situation as a "crisis", saying that some property assets may need to be sold off.



North Sydney Council is considering lifting the rates paid by its landowners by 65 to 111 per cent over three years, as the \$90 million redevelopment of its Olympic pool tied up cash flow needed to maintain other facilities.

The council plans on asking the public for feedback on four rate rise options, before it makes a Special Variations application to the Independent Pricing and Regulatory Tribunal.

Councillors will vote in November on whether they are happy with the possible rate rise options before it is put to the public for consultation.

Four options between 65 and 111 per cent have been put forward.

North Sydney Council said the minimum residential land rate would rise from \$715 to \$1,300 within the span of a financial year, while ordinary business rates would increase from \$715 to \$1,400.

The council maintained the current rates were lower than other comparable councils, including Ryde, Randwick and Mosman.

"There'll be some [landowners], maybe most, who'll be really upset and angry that they're having to do this work because of a decade of chaos and poor decision making," Cr Baker said.

"But our ratepayers highly value the sorts of services that the council provides, and I think, reluctantly ... they will help to restore the council to the position it should be in."

Link to full article - <https://www.abc.net.au/news/2024-11-18/north-sydney-council-eyes-rate-rise-olympic-pool-upgrade-blowout/104614806>



Figure 19 Excerpts from Sydney Morning Herald article by Megan Gorrey from 23 November 2024

National NSW [Sydney councils](#)

'Crisis point': North Sydney Council rates could double to fund pool



Megan Gorrey

November 23, 2024 – 9.45am



Listen to this article

5 min

North Sydney residents' rates could double as the estimated cost to rebuild their storied Olympic pool soars past \$100 million, prompting the NSW local government minister to urge a rethink on whether councils should take on such large infrastructure projects.

Weeks after [North Sydney Council said it would need to make "critical decisions"](#) to salvage its finances, councillors will consider four options that would result in rate hikes of at least 65 per cent and possibly up to 111 per cent over three years.

On Monday, councillors will debate various suggestions for increasing revenue from rates to help repair the council's finances.

The council is proposing to increase its minimum residential rate – which is paid by 77 per cent of landowners – of \$715 to \$1300, and its minimum rate for businesses from \$715 to \$1400 next year.

It also plans to consult the public on the four options for increasing rates above the 5 per cent rate peg for 2025-26 before the council applies to the Independent Pricing and Regulatory Tribunal for a so-called "special rates variation" early next year. Any changes would come into effect in July.

Link to the full article here - <https://www.smh.com.au/national/nsw/crisis-point-north-sydney-council-rates-could-double-to-fund-pool-20241108-p5kp08.html>



Figure 20 Excerpts from Northern Sun article from 26 November 2024

Push for lower rate rise options rejected by North Sydney Council majority vote

26 November 2024

North Sydney Council has voted to proceed with a public consultation on a Special Rate Variation that proposes steep rate increases for residents and businesses. The consultation, which begins on 27 November and runs through 10 January, will outline increases of around 80% on minimum rates and between 65% and 111% over three years overall.

Despite extensive debate, the council rejected an amendment from Councillor James Spenceley to include alternative, more moderate rate rise options in the consultation. Spenceley's proposal,



Under the council's SRV proposal, the minimum residential rate—currently \$715, paid by 77% of residents—would rise to \$1,300 in 2025/26, an 81% increase. Minimum business rates would increase from \$715 to \$1,400, an 84% rise.

Overall proposed increases range across 50%, 60% or 75% next year and 65%, 75%, 87.5% or 111% over three years.

Council's 2024/25 average residential rate is \$1,040 [1]. Based upon the proposed increases, combined with an adjustment to the minimum rate from \$715 to \$1,300, the average residential rate is estimated as follows:

	2025/26	2026/27	2027/28
Option 1	\$1,511	\$1,586	\$1,665
Option 2a	\$1,511	\$1,888	\$1,945 (assuming 3% rate peg)
Option 2b	\$1,762	\$1,815 (assuming 3% rate peg)	\$1,870 (assuming 3% rate peg)
Option 3	\$1,611	\$1,933	\$2,127
Rate peg (base case)	\$1,048 [2]	\$1,080	\$1,112

Council's 2024/25 average business rate is \$6,724 [3]. Based upon the proposed increases, combined with an adjustment to the minimum rate from \$715 to \$1,400, the average business rate is estimated as follows:

	2025/26	2026/27	2027/28
Option 1	\$10,601	\$11,131	\$11,687
Option 2a	\$10,601	\$13,251	\$13,648 (assuming a 3% rate peg)
Option 2b	\$12,367	\$12,739 (assuming 3% rate peg)	\$13,121 (assuming 3% rate peg)
Option 3	\$11,307	\$13,569	\$14,926
Rate peg (base case)	\$7,396[4]	\$7,618	\$7,847

A Council financial report described its current position as “very weak,” citing a \$147 million infrastructure backlog and the \$122 million redevelopment cost of the North Sydney Olympic Pool as key drivers of the proposed rate increases.

Link to the full article here - <https://northsydneynews.com.au/community-politics/push-for-lower-rate-rise-options-rejected-by-north-sydney-council-majority-vote/>



Figure 21 Northern Sun article from 4 December 2024

Council launches quickfire engagement strategy on planned rate rises

4 December 2024

North Sydney Council has kicked off a quickfire six-week community consultation process to muster awareness of its plans for rate rises of 50% or more from next July.

The planned rate rise aims to address what the Council says are financial sustainability challenges and to fund infrastructure, including but not limited to the delayed North Sydney Olympic Pool project and other strategic priorities.



The engagement process aims to meet guidelines from the NSW Office of Local Government and the Independent Pricing and Regulatory Tribunal, which will ultimately rule on the Council's rate request.

The Council is working with New Zealand-based consultancy Morrison Low on the engagement and compliance plan underpinning the rate rises.

According to a Council spokesperson, "Morrison Low specialise in providing assistance to councils undertaking special rate variations, and were engaged under the Local Government Procurement Contract. The value for this engagement fell below that required for tender."

The spokesperson said that "approval" for Morrison Low to proceed with the strategy was granted on 19 September. This was just 5 days after the Council election at a time when votes were still being counted, with three of the sitting councillors in the outgoing council at the time – James Spencley, Ian Mutton and Jilly Gibson – all confirming to the Sun that they had no inkling of plans to increase rates or take such a proposal to ratepayers at that point.

Under the plan, ratepayers are being presented with four rate rise options:

- 65.38% cumulative rate increase by 2027-28.
- Cumulative increases of 87.5% (two years) and 85.66% (one year) respectively.
- A cumulative increase of 111.2%.

The minimum residential rate—currently \$715, paid by 77% of residents—would rise to \$1,300 in 2025/26, an 81% increase.



The Council spokesperson justified the Christmas/NY timing of the rate rise consultation on the basis that it was the culmination of a long and deliberative process.

"We understand this is a busy time of year for many people. Like other councils across the State, engagement is taking place between November and January to meet IPART submission timeframes. The proposal follows an extensive process of review and planning to ensure a financial strategy that achieved both financial strength and sustainability," Council said.

"This included: an internal review and organisational restructuring in 2023; the 'Next Ten Years' consultation program between May and June 2024; the development of independent studies in August and September 2024 and subsequent development of strategies for five key areas including Integrated Transport, Open Space and Recreation, Culture and Creativity, Social Inclusion, and Economic Development; the briefing of newly elected Councillors following their first meeting in October 2024 and the development of Council's new Long-Term Financial Plan and SRV proposal presented in November 2024."

Council is undertaking a public meeting tonight from 6pm at Hutley Hall to an expected audience of up to 200 ratepayers, with an online meeting to take place on 16 December.

It has also convened a so-called "citizen jury" which will meet this weekend. "We have engaged a demographically selected group of community members to take part in a forum on the special rate variation next weekend. This group has been selected by an independent research company," the spokesperson said.



Council will convene a special session with the Combined Precinct Committee, which represents neighbourhood activists across North Sydney. This session aims to engage community leaders who can disseminate information and advocate for their precincts' specific concerns and priorities.

Advertisements in what Council regards as key local newspapers, the Mosman Daily and North Shore Times, will inform the public about the plans. Social media campaigns will run concurrently across platforms like Facebook, Instagram, and LinkedIn to maximise reach, particularly among younger residents.

Fact sheets summarising the SRV options and impacts will be distributed online and in print. Materials will be translated into multiple languages to cater to North Sydney's culturally and linguistically diverse communities.

Council will even employ a billboard at Crows Nest to promote the campaign.

Morrison Low will present a detailed engagement outcomes report to council in January 2025, summarising key findings and the community's willingness to support the rate rise. This report will inform council's decision on whether to proceed with the IPART application.

Link to the full article here - <https://northsydneynewsun.com.au/community-politics/council-launches-quickfire-engagement-strategy-on-planned-rate-rises/>



Appendix E: Social media posts (samples)

Figure 22 Social Media Post from 27 November 2024





Figure 23 Social Media Post from 2 December 2024

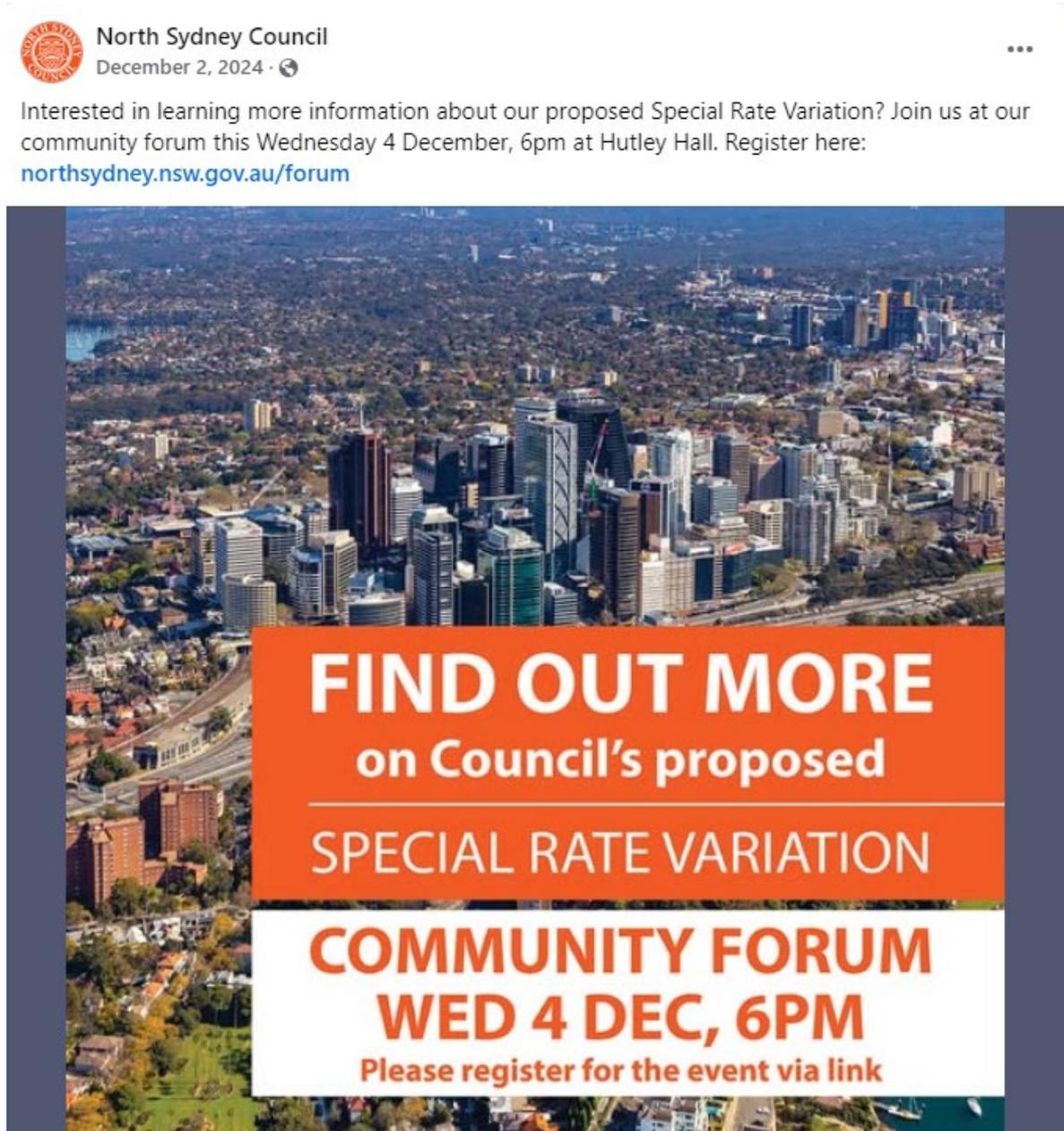


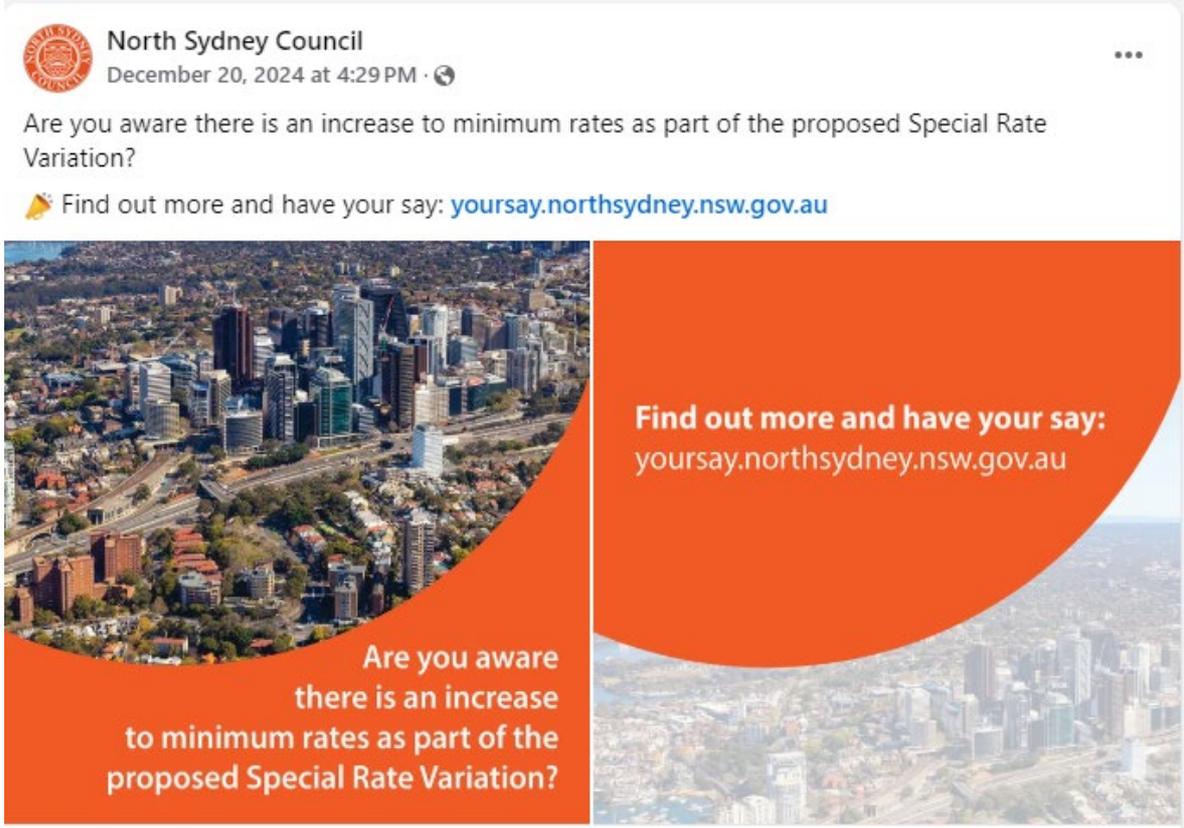


Figure 24 Social Media Post from 11 December 2024





Figure 25 Social Media Post from 20 December 2024





Appendix F: Community forum and meeting presentations

Council delivered a number of community information presentations, the example here is from the Wollstonecraft Precinct Committee meeting on 10 December 2024.



1

Special Rate Variation Proposal

A Council with strong financial performance is one that maintains a revenue stream adequate to sustain existing service levels and infrastructure while also supporting the growing needs of an expanding population.

The complex block features a background of orange and yellow geometric shapes. The title "Special Rate Variation Proposal" is centered in a large, white, bold, sans-serif font. Below the title is a thin white horizontal line. Underneath the line is a paragraph of text in a smaller, italicized, white, sans-serif font. In the bottom right corner of the block is the North Sydney Council logo, a circular emblem with a central figure and the words "NORTH SYDNEY COUNCIL" around the perimeter.

2

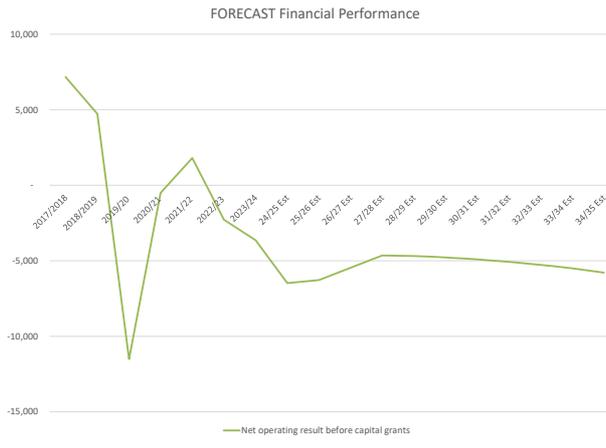
Our Financial Position

Where are we now?



3

Where are we now?



FORECAST Financial Performance

— Net operating result before capital grants

Year	Net operating result before capital grants
2017/2018	7,000
2018/2019	4,500
2019/20	-12,000
2020/21	-2,000
2021/22	1,500
2022/23	-2,500
2023/24	-4,500
24/25 Est	-6,500
25/26 Est	-6,500
26/27 Est	-5,500
27/28 Est	-4,500
28/29 Est	-4,500
29/30 Est	-4,500
30/31 Est	-4,500
31/32 Est	-4,500
32/33 Est	-4,500
33/34 Est	-4,500
34/35 Est	-4,500

Continued operational deficits over ten-year period (plus risk).

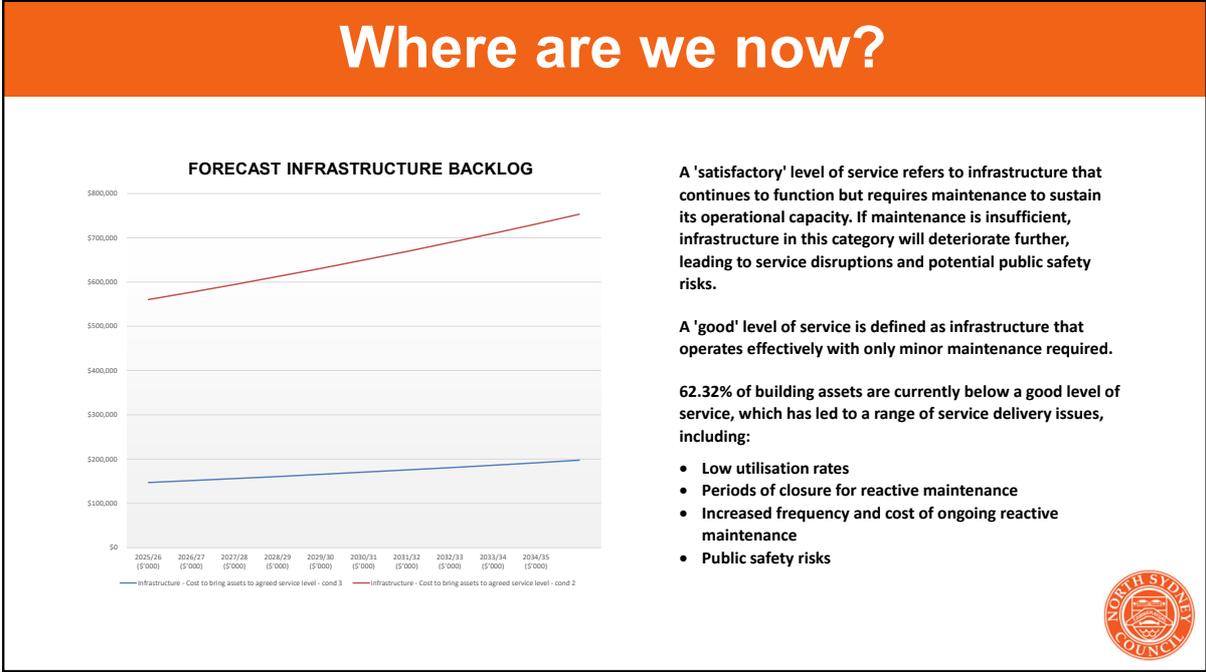
The Office of Local Government Benchmark OPR is 0%.

This benchmark is insufficient to address renewals, asset backlog and repayment of debt.

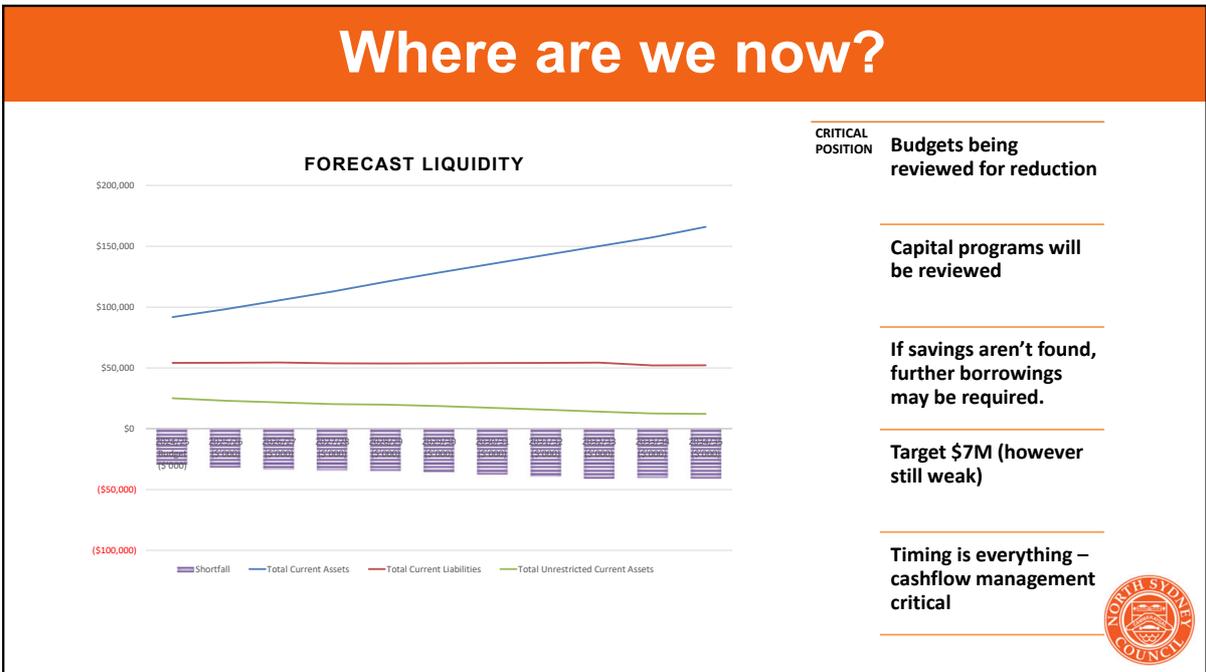
North Sydney Council should aim for an OPR of above 18%.



4



5



6

A breakdown of costs

2024/25 financial forecast

 **Employee costs \$54.4M (46.96%)**

 **Materials and contracts \$53.9M (46.60%)**

Including:

- 24.41% - waste and recycling contracts
- 20.62% - infrastructure maintenance, parks, mowing, building repairs.
- 13.63% - service costs e.g. bank charges, electricity, insurance, telephone, street lighting

 **Depreciation \$28.7M**

 **Other expenses \$4.7M (4.13%)**

Including:

- \$3.1M in emergency services levy
- \$1.2M donations and community assistance



7

Our Financial Position

Why are we here?



Heavy reliance on user charges and other sources of revenue



Revenue decline



Insufficient investment in infrastructure renewals



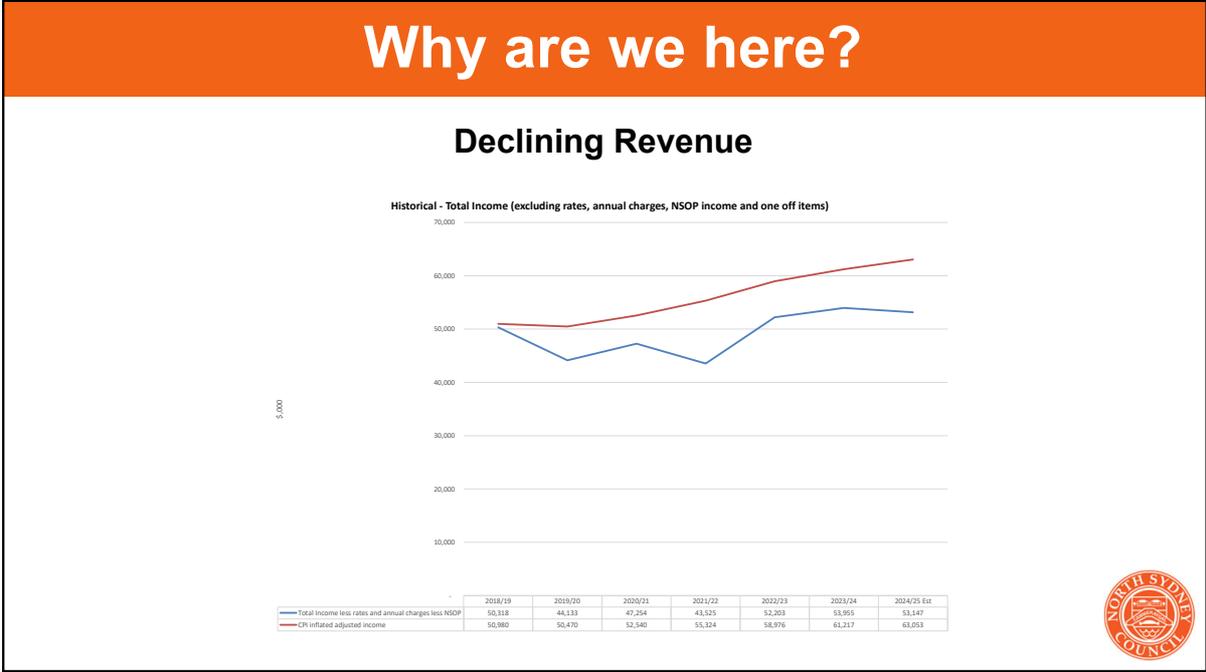
Poor investment in systems and process



North Sydney Olympic Pool



8



9



10

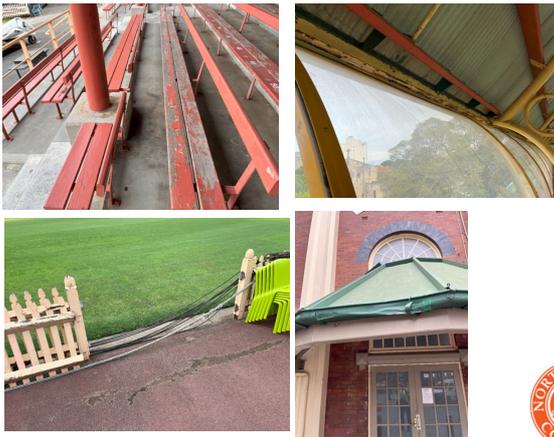
Why are we here?

Critical infrastructure backlog

North Sydney Indoor Sports Centre



North Sydney Oval





11

Why are we here?

Critical infrastructure backlog

Crows Nest Community Centre



Bus Shelters





12

Why are we here?

Critical infrastructure backlog Stanton Library



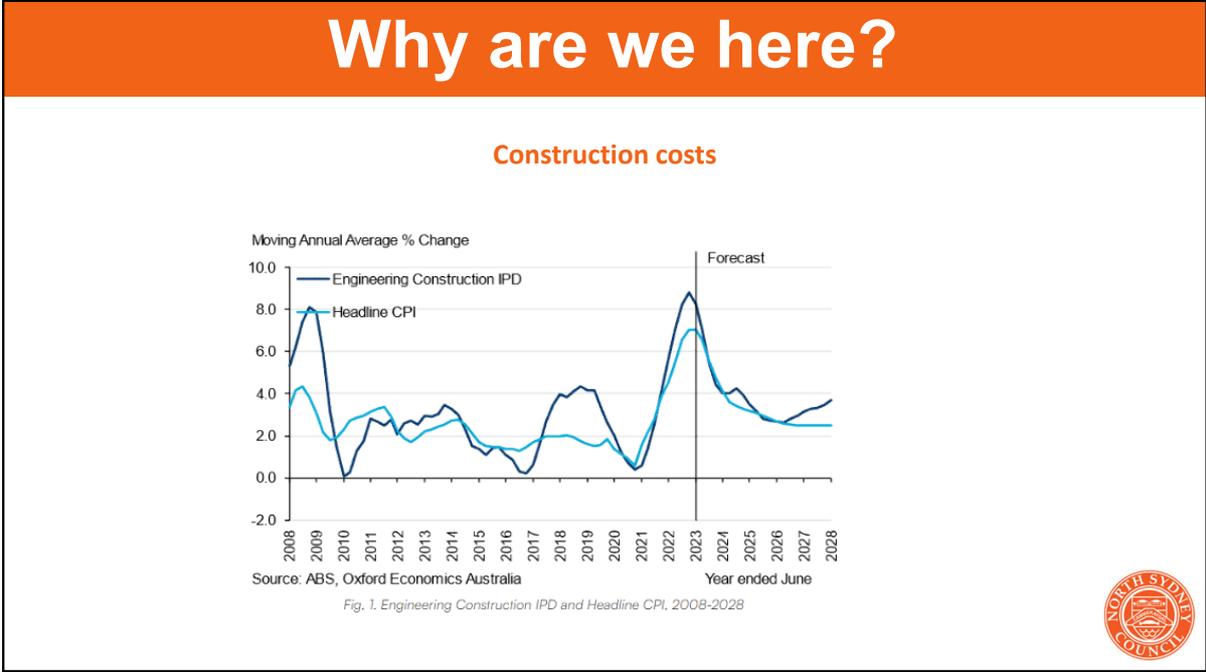
13

Why are we here?

Lifecycle costs of new assets



14



15



16

Why are we here?

Insufficient levels of developer contributions



17

Why are we here?

Underinvestment in Governance and Administration



Investment in support functions has been deprioritised over direct services and infrastructure.



Lack of documented processes.



Key systems used by Council lack integration and require significant manual intervention.



Data and reporting capability maturity low.



18

Why are we here?

North Sydney Olympic Pool

Income (User Fees)	2025/26	2026/27	2027/28
Operational Performance:	(320)	554	1,450
Depreciation	(2,300)	(2,369)	(2,440)
Interest on Pool Loans	(2,114)	(1,976)	(1,829)
Centre Performance	(4,734)	(3,791)	(2,819)

\$122 million project

\$34.19 million internal borrowings

\$51 million external borrowings

Reduction in infrastructure renewals

Interest income forecast to decline as reserve balances decline



19

A Strong and Sustainable future

How will we get there?



Clear strategic direction



Improved governance and administration



Structural change to Revenue Policy



20

Objectives

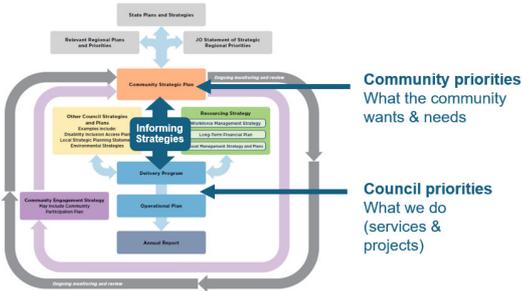
- The capacity to be responsive to change
- Improved governance and administration
- Deliver operating surpluses to fund infrastructure
- Fund existing service levels
- Reduce internal and external borrowings
- Reduce infrastructure backlogs and ensure timely renewals
- Leave a good financial legacy



21

How will we get there?

Clear Strategic Direction



Community priorities
What the community wants & needs

Council priorities
What we do (services & projects)

Draft Informing Strategies

 Culture and Creativity	 Open Space and Recreation
 Environment	 Housing
 Economic Development	 Governance
 Integrated Transport	 Social Inclusion



22

How will we get there?

Strategy Deliverables



Open Space & Recreation

- North Sydney Oval - \$16M
- North Sydney Indoor Sports Centre - \$5.5M
- Drainage St Leonard's Park \$1.1M



Culture & Creativity

- Street Art program \$1.5M
- Culture & Creative Hub in St Leonard's \$500K pa from Year 4
- Enhancing website with 'what's on'



Environment

- Renewable energy infrastructure \$720K
- Tree Planting
- Transition Council fleet to electric by 2035 \$3.2M



Social Inclusion

- Woodley's Shed \$1M
- Expansion of Stanton Library \$24M



Economic Development

- Public Domain Improvements program \$11M
- Cremorne Plaza and Langley Place upgrade project \$5.2M



Integrated Transport

- Pedestrian crossings, improved walkability widening footpaths \$5.3M
- North Sydney Bike Plan \$4.5M



Housing

- Review the North Sydney Local Housing Strategy



23

How will we get there?

Improved Governance and Administration

-  Continued focus on organisational improvement efforts
-  Implementation of new enterprise resource planning system to streamline operations, enhance efficiency, and improve service delivery
-  New DA management platform
-  Review of Council workplace accommodation
-  Council building assets and commercial property review
-  Workforce Performance and development framework



24

Structural change – revenue policy



Minimum rates
Levies
Revenue levels

25

What we don't have control over

-  Rates must be levied on unimproved land value
-  Rates can't be levied based upon the number of bedrooms
-  Schools, churches and other institutions are exempt
-  The total revenue increase is limited to the rate peg outside of the SRV process.
-  Businesses can't be levied differently based on the type of business, e.g. small business vs large business



26

Rating principles

Rates contribute 44.85% towards Council's services and infrastructure.

The extent to which those who receive the benefits of council services also pay for those services – the so called "**benefit principle**".

The extent to which those who pay for council's services have the ability to pay for those services – the so called "**ability to pay principle**".



27

The minimum rating structure

Minimum rates apply to 77.26% of residential properties within North Sydney.

Advalorem rates apply to 22.74% of residential properties

On this basis, it is assumed that those who own a property with a higher 'unimproved land value' also have a higher capacity to pay



28

The recommendation:

- An increased minimum rate of \$1,300 for all residential ratepayers.
- This is recommended regardless of the SRV revenue option chosen.
- Considered a fair contribution to Councils services.
- Ensures future population adequately contribute to services and infrastructure.



29

Levies

Under the SRV proposal – all income from levies will be rolled into Ordinary rates

Levy	Number of properties	Total income 2024/25	Base rate %
Environment Levy	40,375	\$2,761,667	50%
Infrastructure levy	40,375	\$2,460,762	50%
Crows Nest Mainstreet Levy	742	\$297,975	30%
Neutral Bay Mainstreet Levy	449	\$199,995	30%
Total income from Levies		\$5,720,399	



Businesses currently only contribute 10% of environment and infrastructure levies



30

Residential vs Business

A review of benefits provided to businesses has determined a revenue split of:

40% business (3,464 assessments)
60% residential (36,890 assessments)

Including levies, business currently pay 37.84% or \$23M

Council could consider further sub-categorising business areas such as North Sydney CBD and Crows Nest, however based upon the current economic climate it has not been recommended.

Council can choose to redistribute rates in any year as part of its Revenue Policy without the need for SRV.



31

How will we get there?

Option 1 – Financial Repair Only

Internal borrowings are repaid and external borrowings are reduced by 70%.

80% infrastructure renewal rate in years 1 and 2, with 100% renewal from years 3 to 10, to bring building infrastructure to a 'satisfactory' condition over a ten-year period.

Required improvements to governance and administration are included.

Critical backlog is addressed in years 1 and 2, with level 3 backlog funding of \$15M per year indexed from year 3.

No allowance has been made for costs associated with new/expanded services, initiatives and projects outlined in Draft Informing Strategies.



32

How will we get there?

Option 2a and 2b – Financial Repair and Future Focused

Internal borrowings are repaid and external borrowings are reduced by 70%.

80% infrastructure renewal rate in years 1 and 2, with 100% renewal from years 3 to 10, to bring building infrastructure to a 'satisfactory' condition over a ten-year period.

Critical backlog is addressed in years 1 and 2, with level 3 backlog funding of \$15M per year indexed from year 3.

Required improvements to governance and administration are included.

New/expanded services, initiatives and projects outlined in Draft Informing Strategies included.



33

How will we get there?

Option 3 – Financial Repair and Future Focused

Internal borrowings are repaid and external borrowings are reduced by 70%.

80% infrastructure renewal rate in years 1 and 2, with 100% renewal from years 3 to 10, to bring building infrastructure to a 'satisfactory' condition over a ten-year period.

Critical backlog is addressed in years 1 and 2, with level 3 backlog funding of \$15M per year indexed from year 3.

Required improvements to governance and administration are included.

New/expanded services, initiatives and projects outlined in Draft Informing Strategies included.

From Year 4, an additional \$15.5M per year allocated to bring building infrastructure to a 'good' condition.



34

How will we get there?

Rating Increases Included in Options

	2025/26	2026/27	2027/28
Option 1	50%	5%	5%
Option 2a	50%	25%	Rate peg
Option 2b	75%	Rate peg	Rate peg
Option 3	60%	20%	10%

In all options, minimums increase in 2025/26 to:

- \$1,300 for residential
- \$1,400 for business

Roll up of special levies (infrastructure, environmental, main street)



35

How will we get there?

Minimums

	2024/25	2025/26	2026/27	2027/28
Option 1	\$715 (plus levies)	\$1,300	\$1,365	\$1,433
Option 2a	\$715 (plus levies)	\$1,300	\$1,625	\$1,674
Option 2b	\$715 (plus levies)	\$1,300	\$1,339	\$1,379
Option 3	\$715 (plus levies)	\$1,300	\$1,560	\$1,716

Average

	2024/25	2025/26	2026/27	2027/28
Option 1	\$1,040	\$1,511	\$1,586	\$1,665
Option 2a	\$1,040	\$1,511	\$1,888	\$1,945
Option 2b	\$1,040	\$1,762	\$1,815	\$1,870
Option 3	\$1,040	\$1,611	\$1,933	\$2,127



36

10-year breakdown

Where will the money go?

-  **Asset backlog \$139M**
-  **New or upgraded assets \$101M**
-  **Expanded services \$64M**
-  **Loan Repayments \$74M**
-  **Financial repair \$151M**



37

Questions?



38



Appendix G: Survey

North Sydney Council Special Rate Variation (SRV)

Your Say North Sydney

Submission Form - North Sydney Council Special Rate Variation (SRV)

This survey should be completed to give your feedback on the proposed North Sydney Council Special Rate Variation (SRV).

Note: In the interests of transparency, any submission you make is open to public scrutiny under North Sydney Council's *Access to Information Policy*. Council generally makes the submission, and the name and address of the person/organisation making the submission, publicly available on our website (or associated sites) unless the submitter requests otherwise.

PRIVACY INFORMATION

[Access to Information Policy](#)

(Choose all that apply) (Required)

I have read and understand Council's Access to Information Policy.

[GIPA](#)

(Choose all that apply) (Required)

I understand that my submission may be released subject to provisions of the Government Information (Public Access) Act 2009.

Privacy Statement

(Choose all that apply) (Required)

I have read and understood Council's Privacy Statement (as below).

Note: Privacy Statement: North Sydney Council is collecting your personal information for the purposes of processing a submission. The supply of personal information is entirely voluntary. If you elect not to provide or do not wish to provide your personal information, Council may not be able to act on or acknowledge your submission. Council shall be regarded as the agency that holds your personal information and access to your personal information by interested parties, may be released in line with Council policies. Council may publish any personal information included in a submission on a proposal or proposed development. You have a right to access your personal information held by Council. You also have a right to have your personal information corrected or amended by Council. Applications by members of the public to view Council's records which are not in the public arena are subject to the provisions of Privacy and Personal Information Protection Act 1998, Government Information (Public Access) Act 2009 and Council's Privacy Management Plan.

If required, detail the reasons you would like all or part of your submission to be withheld:

Note: In the interests of public transparency, submissions in their entirety will be made publicly available via Council's website (or associated sites - Your Say North Sydney or Application Tracking) and in some instances content from submissions will be included within Council Officer's reports. If you do not wish to have all or part of your submission published in this way, you must detail above your reasons for not wishing this information to be published.

North Sydney Council Special Rate Variation (SRV)

Your Say North Sydney

Have you read North Sydney Council's long-term financial plan (LTFP)?

(Choose any one option)

- Yes
- No

Please provide any feedback on the LTFP and SRV options in the space below

Please provide any feedback on the proposed changes to the minimum rates in the space below

Please provide any feedback on the proposed consolidation of existing levies into ordinary rates in the space below

Preferred funding option: (select one)

(Choose any 1 options)

- Option 1: Financial repair - 65.38%
- Option 2a: Strength and sustainability (SRV over 2 years) - 87.50%
- Option 2b: Strength and sustainability (one-year SRV) - 75%
- Option 3: Future growth - 111.20%

Note: Required so submissions can be categorised for analysis purposes

North Sydney Council Special Rate Variation (SRV)

Your Say North Sydney

With Options 2a, 2b and 3, for every \$100 of total rates income received over the next ten years, an average of up to \$13.50 would be spent on new projects, services and initiatives outlined in the Informing Strategies. Would you be willing to pay this?

(Choose any one option) (Required)

- Yes
- No

Note: Required so submissions can be categorised for analysis purposes

Please provide any feedback you may have on the updated Asset Management Strategy in the space below

Note: Council has recently completed a review of its Asset Management Strategy, assessing the condition of assets as well as the renewal and maintenance requirements. This review has provided Council with a clearer understanding of the costs involved in maintaining assets at their current levels, as well as the additional funding needed to improve the condition of deteriorating assets.

Note: Answer this question if it applies

Attach related file(s) as required

Please provide any feedback you may have on the updated Delivery Program in the space below

Note: The current 2022-26 Delivery Program has been updated to consider the revised 2025-35 Long-Term Financial Plan and address Council's declining financial situation. It also includes a new Appendix 3 that lists the expanded services and new and upgraded infrastructure that would be funded through SRV options 2a, 2b or 3 in 2025/26.

ABOUT YOU

Name (required)

(Required)

What of the following terms best describes you?

Please select all that apply.

(Choose all that apply) (Required)

- Residential ratepayer - owner occupier
- Residential ratepayer - non-occupier (property is tenanted)
- Business ratepayer - owner occupier
- Business ratepayer - non-occupier (property is tenanted)
- Resident - tenant

North Sydney Council Special Rate Variation (SRV)

Your Say North Sydney

- Business - tenant
- Worker
- Student
- Visitor
- Other (please specify)

Business name (if applicable)

Unit number

Street address

Suburb (required)

(Required)

Email address (required)

(Required)

Would you like to be added to our 'keep informed list'?

(Choose all that apply)

- Yes
- No

How did you hear about the SRV? (required)

(Choose any one option) (Required)

- Community noticeboard
- Council website
- Email/newsletter
- Event
- Media
- Online search
- Outdoor advertising
- Print
- Social media
- Word of mouth

North Sydney Council Special Rate Variation (SRV)

Your Say North Sydney

- Precincts
- Letter from Council
- Other (please specify)



Appendix H: Community Workshop Report



SRV community workshop

Engagement report

North Sydney Council

January 2025



Report title: SRV community workshop engagement report

Client: North Sydney Council

Version: Final

Date: January 2025



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Cred Consulting acknowledges the Traditional Custodians of the lands on which we operate.

We pay our respects to the Traditional Owners, Ancestors and Elders past and present.

We recognise the strength, resilience and contributions of First Nations Peoples, and the eternal and spiritual connection held in the lands, skies and waters, through cultural practices and beliefs.

Our team is proud to live, learn and thrive in the place we now call Australia, and recognise sovereignty has never been ceded by First Nations Peoples of this continent.

As embedded in our values, we are committed to building connected, healthy and resilient communities and creating purposeful outcomes that reflect our deep appreciation for the peoples and cultures that make us who we are and shape where we are going — together as one.

Table of contents

Executive summary	4
1. Introduction.....	5
1.1 Background	5
1.2 Purpose of the workshop.....	5
2. Community workshop	6
2.1 About the community workshop	6
2.2 Participant profile.....	6
2.3 What we heard	8
3. Survey.....	19
3.1 About the survey	19
3.2 What we heard	19
4. Appendix	25

Executive summary

This report captures the key outcomes of a community workshop to gather community feedback on options to help resolve North Sydney Council's (Council) significant financial challenges. The workshop was attended by 42 community members and facilitated by Cred Consulting. This report also captures the outcomes from a survey that participants were asked to complete at the workshop .

Approaches to raising revenue

Participants were asked to provide feedback on a range of approaches to raising revenue. Overall, participants were supportive of several strategies, including:

- **Widespread advertising** (92% of workshop participants) providing it preserves the community's aesthetic appeal and aligned with community values.
- **Commercialisation of public spaces** (89%) including hiring public spaces such as Coal Loader, North Sydney Oval, North Sydney Pool and parks.
- **Selling Council land** (64%) with conditions to protect community interests.

The majority of workshop participants also strongly support Council exploring ticketed events.

Cutting assets and services

Overall, participants were supportive of cutting assets and services to reduce costs, suggestions where reduced service could be considered included replacing some heritage bus shelters for slimline glass versions, reducing the quality of street gardens, cutting the free fortnightly waste collections and reducing verge mowing and events.

Minimum rates and levies

Participants were generally in agreement with an increase in the minimum rate, although there was slightly less support for consolidating levies into a single income stream. While both measures were seen as fair and equitable, there were concerns about the costs to residents, particularly during a cost-of-living crisis, and transparency about where their money was going if the levies were rolled together.

Preferred SRV option

Participants were presented four SRV options. Option 3 and Option 1 were the most preferred choices. Feedback on each option is outlined below:

- **Option 1 (Financial repair):** A short-term solution that might not address long-term needs but does not require residents to pay increased rates during the cost-of-living crisis.
- **Option 2a/2b (Strength and sustainability):** Balances affordability and strategic planning but presents some financial burden, particularly in the short-term.
- **Option 3 (Future Growth):** Expensive for ratepayers but provides long-term financial sustainability.

1. Introduction

1.1 Background

Council is facing significant financial challenges and is currently in an unsustainable financial position. Despite efforts to improve financial management through organisational restructuring and other improvement initiatives, the increased costs of the North Sydney Olympic Pool redevelopment, reductions in other sources of revenue and rising infrastructure backlogs require immediate response to ensure long-term financial sustainability.

These challenges are compounded by increased service delivery costs, ageing infrastructure, and the needs of a growing population. Without intervention, the funding gap will continue to widen, impacting Council's ability to maintain services and invest in new and renewed essential infrastructure.

To address these issues, Council has developed a draft LTFP, which includes a proposed SRV. The SRV will strengthen Council's financial position, reducing deficits, reducing debt and providing the necessary resources to deliver services and infrastructure for the community, ensuring a positive legacy for future generations.

As part of Council's community engagement approach, they engaged Cred Consulting to independently facilitate a community workshop.

1.2 Purpose of the workshop

The purpose of the workshop was to:

- inform the community on the current financial situation and the LTFP and proposed SRV
- understand community sentiment on the commercialisation of public spaces in North Sydney
- understand community sentiment on service levels and asset maintenance and renewal, and
- understand the community's preferred option for an SRV.

The findings from the workshop can be found in section three of this report. At the end of the workshop participants were asked to complete individual surveys. The outcomes from the survey have been reported in section four.

2. Community workshop

2.1 About the community workshop

The community workshop was held on Saturday 7 December, between 9.30am and 3pm at Fred Hutley Hall.

42 community members from North Sydney attended the workshop. Participants were a pool of residents who had previously been engaged during consultation to develop the informing strategies, independently recruited by Taverner Research to ensure a representative cross-section of the community.

2.2 Participant profile

Suburb

As shown in Table 1, workshop participants came from various suburbs across the North Sydney local government area (LGA) including St Leonards (21%), Crows Nest (19%), Neutral Bay (12%), North Sydney (12%) and Wollstonecraft (12%).

Table 1 – Suburbs of workshop participants

Suburb	Percentage
St Leonards	21%
Crows Nest	19%
Neutral Bay	12%
North Sydney	12%
Wollstonecraft	12%
Cammeray	7%
Kirribilli	5%
Lavender Bay	5%
Cremorne/Cremorne Point	2%
Waverton	2%
McMahons Point	2%
Kurraba Point	2%

Length of time in North Sydney LGA

As shown in Table 2, the majority of workshop participants have lived in North Sydney for less than 10 years.

Table 2 - Length of time workshop participants have lived in North Sydney LGA

Length of time in North Sydney LGA	Percentage
0 to 5 years	33%
5 to 10 years	21%
10 to 20 years	19%
20+ years	26%

Age

As shown in Table 3, the majority of workshop participants were aged between 35 and 64 years old.

Table 3 - Age of workshop participants

Age	Percentage
18 to 34 years	21%
35 to 49 years	35%
50 to 64 years	28%
65+ years	16%

Other demographics

- 61% identify as female and 39% as male
- 51% were born overseas and 35% speak a language other than English at home
- 14% live with disability
- 7% identify as LGBTIQA+.
- 49% are renting and 51% own or part-own their home
- 78% live in apartments and 22% live in fully detached or non-detached houses, and
- 28% are couples living with children, 28% are couples without children, 26% live alone, 17% live in group households and 4% live with extended family.

2.3 What we heard

What financial strength and sustainability means

In small groups, participants were asked to discuss what financial strength and sustainability for Council means to them. Key points from the discussion included the importance of having realistic, long-term plans and the need to make sacrifices now to ensure financial sustainability in the future. Participants suggested that financial strength and sustainability means diversifying revenue sources beyond parking fees and recognising that Council operates with community priorities at its core, rather than as for-profit business.

Participants also spoke about how having financial strength and sustainability will make North Sydney a better place to live.

Commercialisation of public spaces

In small groups, participants were asked to complete a series of worksheets on their thoughts about the commercialisation of public spaces in North Sydney. Overall, participants noted there are many benefits to the commercialisation of public spaces as a means of raising revenue, including increasing funds to improve social infrastructure and provide services to help improve community wellbeing, becoming more financially sustainable, and ensuring public spaces are better maintained.

However, participants also raised some challenges, including reduced access to public spaces, which can negatively impact sense of community and people's mental health, the loss of public assets that cannot be regained, increased insurance costs and parking difficulties.

Advertising in public spaces and places

Workshop participants were asked about the benefits, challenges and potential impacts of advertising in public spaces..

Benefits

- increased revenue that can be used to fund social infrastructure and services
- community awareness and education, and
- increased community participation.

Participants suggested sponsorship of North Sydney Oval could be a good way to raise revenue through advertising

Challenges

- advertising could create visual "noise," become an eyesore and detract from the attractiveness of public spaces
- increased development application workload for Council staff
- potential for damage and graffiti, and

- ensuring the products and services being advertised are in line with community values e.g. participants do not want to see fast food, alcohol or gambling advertisements.

Impacts on the North Sydney community

- lower quality of life and community experience in public spaces
- reduced trust in Council if there are potential conflicts of interest or the wrong brands provided advertising space, and
- negative impacts on town planning.

Ticketing for Council events

Participants expressed strong support or somewhat support for Council exploring the introduction of ticketing prices for Council events. They indicated the North Sydney community is engaged and would be open to paying for events, and they suggested Council explore tiered pricing options for major events such as NYE. They also highlighted that North Sydney has a range of public spaces that will provide great settings for paid events.

Benefits

- increased revenue that can be used to fund social infrastructure and other events
- trial new events that may lack funding, and
- events can be aligned with the culture and creativity strategy to encourage participation.

Challenges

- impacts people's experiences in North Sydney
- cost of living may impact people's ability to pay for events which will reduce people attending and ability to raise revenue
- possible increased need for maintenance of roads, infrastructure and public spaces, and
- attracting attendees from other areas where events are free.

Closing North Sydney Pool for private use

The majority of participants (all but one table group) strongly support or somewhat support the closure of North Sydney Pool for private use. The stand-out group indicated they were neutral about the idea.

Two groups suggested one to two closures per month would be appropriate, while another group suggested five per year. Participants suggested the pool could be closed for special events such as NYE, or other smaller scale events like outdoor movie nights or markets. They also suggested revenue could be raised through higher prices for priority lanes and extending opening hours. However, they emphasised the importance of ensuring the pool continues to serve the community's needs and that the social impacts of closures are properly researched.

Hiring other public places

All but one group strongly support the hiring of other public places such as the Coal Loader and North Sydney Oval. The last group indicated they were neutral. Participants suggested that while this could help support local businesses it is important to maintain community access to these spaces, especially during major holidays.

Private hire of public parks and foreshores

All groups strongly support the private hire of public parks and the foreshore within Plans of Management for North Sydney's parklands, especially for weddings.

Land sales

Participants expressed mixed opinions on land sales for revenue growth. Three table groups indicated they strongly support or somewhat support this proposal, one group was neutral and one indicated they do not support it at all.

Participants suggested that if Council were to consider land sales it should be on the following basis:

- the circumstances e.g. when the land no longer serves a purpose to the community, or when it will improve revenue
- the type of land and what it will be developed for, and
- as a last resort to accommodate growth in the community.

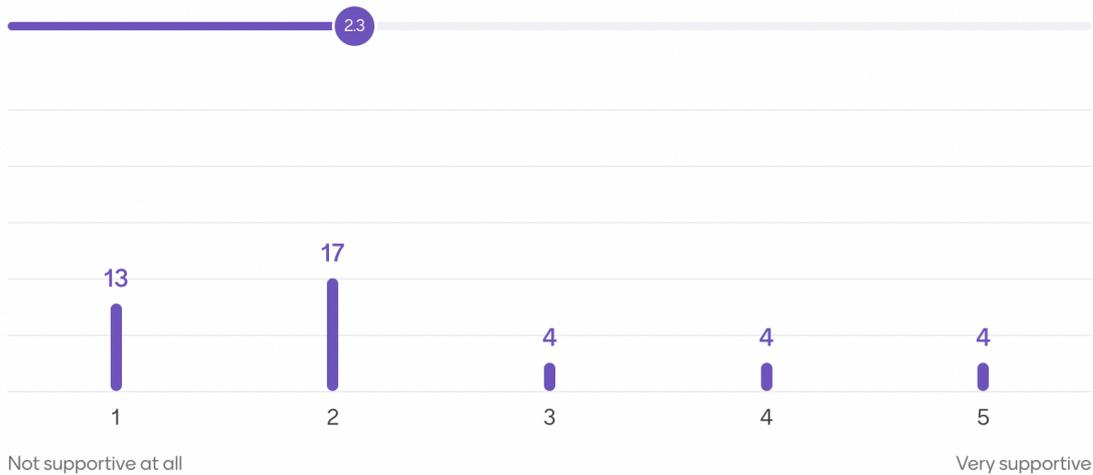
Increasing Council debt

Participants were asked, via Menti, how supportive they are of Council increasing its debt. As shown in **Figure 1**, the majority of participants were not supportive of this. The main reasons cited were that debt is not a reliable source of income and that, if the borrowed amount is unable to generate income, it could become more difficult to service the debt, leading to a worse financial situation. Participants emphasised that increasing debt should be considered only as a last resort, and that alternative methods of financing, such as public-private partnerships or borrowing from residents should also be considered.

However, some participants pointed out that not all debt is bad, particularly if it helps create income-producing assets. They suggested that borrowing to bring assets up to code or to support community services might not necessarily result in long-term financial strain. Other participants discussed the possibility of Council acquiring open space or commercial properties with low-interest rates that could provide potential for capital growth in the future.

Overall, there was a call for more creative and innovative thinking when it comes to managing debt. Participants also noted that the North Sydney Pool is a major source of financial trouble for Council, and that this should be viewed separately from other financial issues.

Figure 1 - How supportive are you of Council increasing its' debt?



Assets

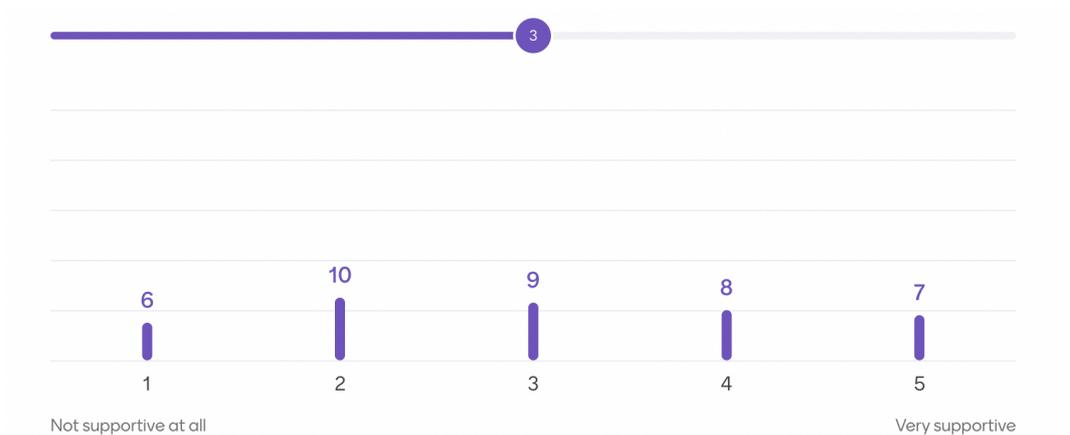
In small table groups, participants were asked how well current asset service levels meet community expectations. Overall, across the different asset categories, participants generally ranked asset service levels at three or lower out of five, indicating they feel asset service levels do not meet broader community expectations.

Participants suggested Council should start thinking like a commercial entity. This could involve selling buildings and then leasing them back for community use. They also discussed the viability of Council hiring an in-house electrician to save costs and partnering with other councils.

Services

Participants were asked how much they support Council cutting services to reduce costs. As shown in Figure 2, the average score was three out of five, indicating participants are neutral but somewhat in favour of cutting services.

Figure 2 - How supportive are you of Council cutting services to reduce costs?



They were then asked what services Council should cut and/or reduce and the impact on community this might have. Suggestions include:

- administration costs to improve efficiencies
- waste collection including at community centres and childcares, however, this could lead to rubbish build up
- hard waste collection
- reduce street cleaning
- garden and kerbside greenery maintenance
- education officers
- arts funding, and instead explore sponsorship opportunities
- events, or move towards ticketed events
- gym and pool management
- bushcare education which could be managed by schools or volunteers instead

- transfer air pollution marks to state government
- urban design
- leisure and aquatics, and
- public art.

Participants suggested the impact of this could mean reduced opportunities for social interactions and reduced community satisfaction with service levels.

Minimum rates and levies

Participants were asked whether they agree with increasing the minimum rate to ensure more equitable rating. As shown in Figure 3, the majority of participants agree.

Participants who agreed provided the following reasons:

- it will help make a positive financial change and reduce the impact of bad financial decisions
- it's a fair, equitable and affordable increase and rates have to go up eventually
- to ensure buildings can be repaired and generate revenue through leasing
- loving the community and wanting everyone to be able to enjoy the area, and
- the increase is in line with other LGAs.

Select quotes from workshop participants who agreed

"It's very clear we need to make a positive financial change."

"Rates have to go up at some point as everything goes up. Same with strata levies. We can't expect Council rates to stay the same."

"Because I love North Sydney and want it secure for future residents to enjoy."

"I want to help bring back Council to a reasonable level of maintenance and good facilities To improve the sinking fund for the future."

"Because everyone deserves to enjoy the local area to the fullest and if that means people have to pay more, then so be it."

Participants who did not agree provided the following reasons:

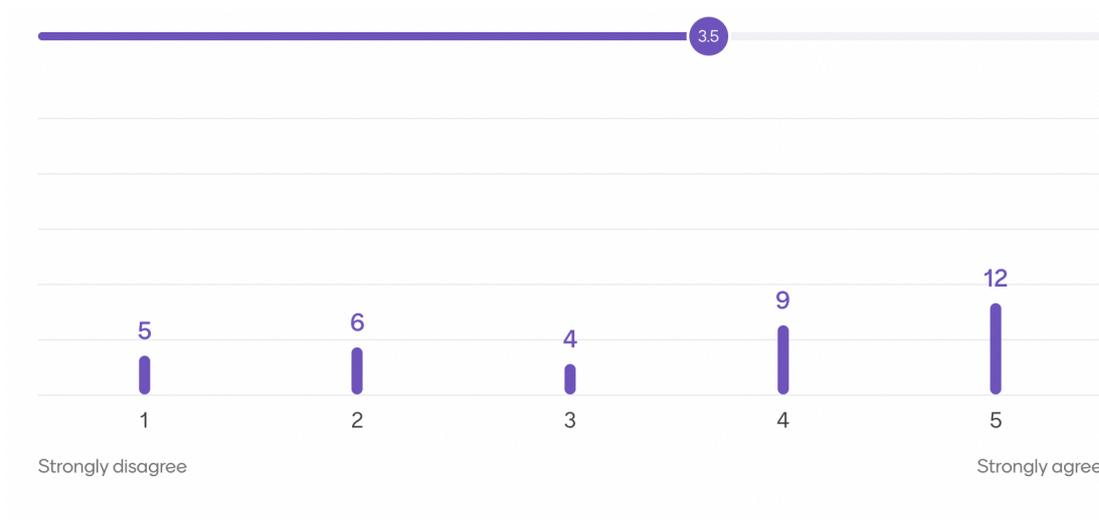
- the increase is too much in a short time especially with the cost-of-living increases
- they don't feel like other options have been properly considered and they feel the figures are misleading
- it's not fair
- they are not confident Council will achieve the goals outlined in the long-term financial plan.

Select quotes from workshop participants who disagreed

“The cost of living is too high now, I don’t think ask the residents to pay extra money out of pocket is fair.”

“That was not a solution We need to improve the inefficiency in the Council culture before we can talk about increase rate.”

Figure 3 - Do you agree with increasing the minimum rates to ensure a more equitable rating?



Participants were then asked whether they agree that Council should roll levies into one income stream. As shown in Figure 4, the majority of participants support rolling levies into one income stream.

Participants who agreed provided the following reasons:

- it’s fair and equitable between residents and businesses, and
- it is simple and easy.

Select quotes from workshop participants who agreed

“It simplifies and creates a more equitable collection of funds.”

“More equitable as businesses will pay more. More fair for residents.”

Participants who did not agree provided the following reasons:

- more details needed
- less transparent if it changes to one income stream and they want to know where money is going
- residents will pay more as costs are hidden, and

- the examples are misleading.

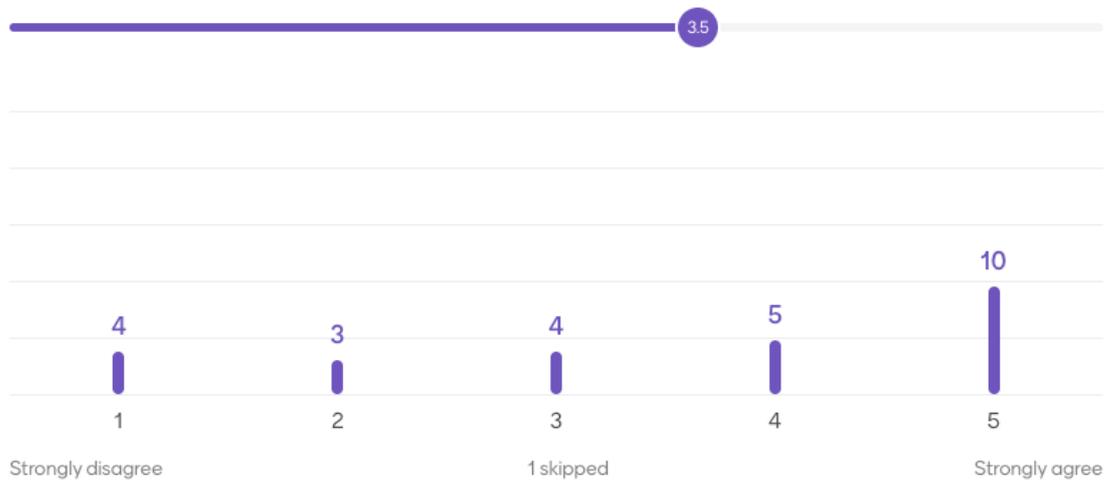
Select quotes from workshop participants who disagreed

"I think it's less transparent if it changes into one income stream."

"Levies should be explained more in detail."

"I disagreed because I need to know where my money is going."

Figure 4 - Do you agree that Council should roll levies into one income stream?



Preferred SRV option

Participants were asked to complete worksheets to identify what they see as the benefits and challenges of each SRV option presented, before deciding on their preferred choice. Three table groups completed the worksheet, while three did not. Some tables reached a consensus, while others had divergent opinions. Option 3 was typically the most preferred followed by option 1. Appendix 1 details the comments and breakdowns per table.

Option 1: Financial repair

Benefits

- cheaper for residents
- ensures financial repair without the extras
- maintains the current financial position

Challenges

- it would mean the engagement around the strategies was wasted
- it's a band-aid solution that doesn't solve long-term financial shortfall or lead to any progress, and
- there will be no adequate maintenance.

Option 2a: Strength and sustainability

Benefits

- it's a middle ground solution that maintains the current budget and some strategies
- community can see feedback implemented in strategies
- it is affordable and sustainable which is good for future growth, and
- provides succession planning.

Challenges

- it is a big jump for the community, especially those on the minimum rate
- need to ensure there is transparency across which strategies are implemented
- high cost of living and financial stress experienced by community.

Option 2b: Strength and sustainability

Benefits

- provides more planning and finance for strategies
- the 2026-2027 increases are not as drastic
- it is beneficial for the community and future growth

- it is fair to everyone, and
- it provides financial stability.

Challenges

- it is a big increase in the first year and some communities might not be able to pay

Option 3: Future growth

Benefits

- it allows us to get on top of the financial situation and move quickly, therefore it will be more sustainable in the future
- allows us to have the 'nice to haves', and
- allows income generated from buildings.

Challenges

- more expensive for ratepayers and residents may struggle, and
- no immediate benefits.

Additional options

One group suggested the following additional options:

- decrease staff pay
- increase efficiency and culture
- increase minimum to \$1,500 for everyone and business - pay minimum plus 50%
- decrease paid services and encourage volunteers
- big business (CBD tax) and tax for businesses with staff travelling to North Sydney LGA
- levies for private schools, hospitals and other businesses, and
- outsource admin to another council.

Questions

Participants were also given the opportunity to ask questions. Below is an overview of the key questions raised by the community:

- What is the interest rate on external borrowings? What percentage of external borrowing relates to pool and what relates to other issues?
- Why was none of this made public before the last election?
- How did we get into this situation with the North Sydney Pool?
- How will we avoid this in the future?
- If this was a commercial enterprise would have many lawyers taking further action. Is there any potential of recovery due to negligence?
- Is someone external going through finances?
- Is the selling of the pool being considered?
- What actions do other councils take in this situation?
- Is the selling of assets being considered?

3. Survey

3.1 About the survey

At the end of the workshop participants were asked to complete a survey. 39 participants completed the survey.

3.2 What we heard

Understanding of current and future financial challenges

The majority of survey participants (97%) indicated they understand the current and future financial challenges facing North Sydney Council. Some noted their understanding was still high-level and they would like more details. Some participants also indicated they felt surprised and disappointed by the current financial situation in North Sydney.

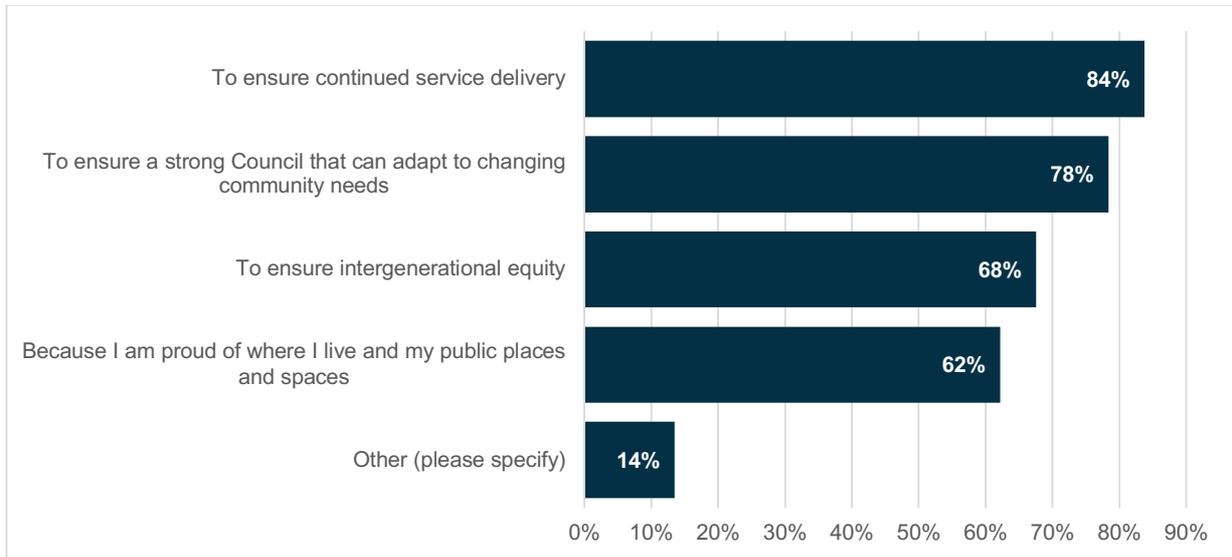
Importance of addressing key challenges

As shown in Participants want to see these challenges addressed for several reasons. These include a responsibility to future generations, protecting heritage and assets, ensuring that residents and businesses have their needs met, preserving North Sydney's social fabric and putting Council on a sustainable footing. Some participants mentioned that focusing on non-essential services is unnecessary.

Figure 5, the majority of survey participants believe it is important to address all the challenges listed. This includes continuing service delivery (84%), ensuring a strong Council (78%), ensuring intergenerational equity (68%) and being proud of where they live (62%).

Participants want to see these challenges addressed for several reasons. These include a responsibility to future generations, protecting heritage and assets, ensuring that residents and businesses have their needs met, preserving North Sydney's social fabric and putting Council on a sustainable footing. Some participants mentioned that focusing on non-essential services is unnecessary.

Figure 5 - Do you believe it is important for these challenges to be addressed? And if so, why?



Maintenance of infrastructure

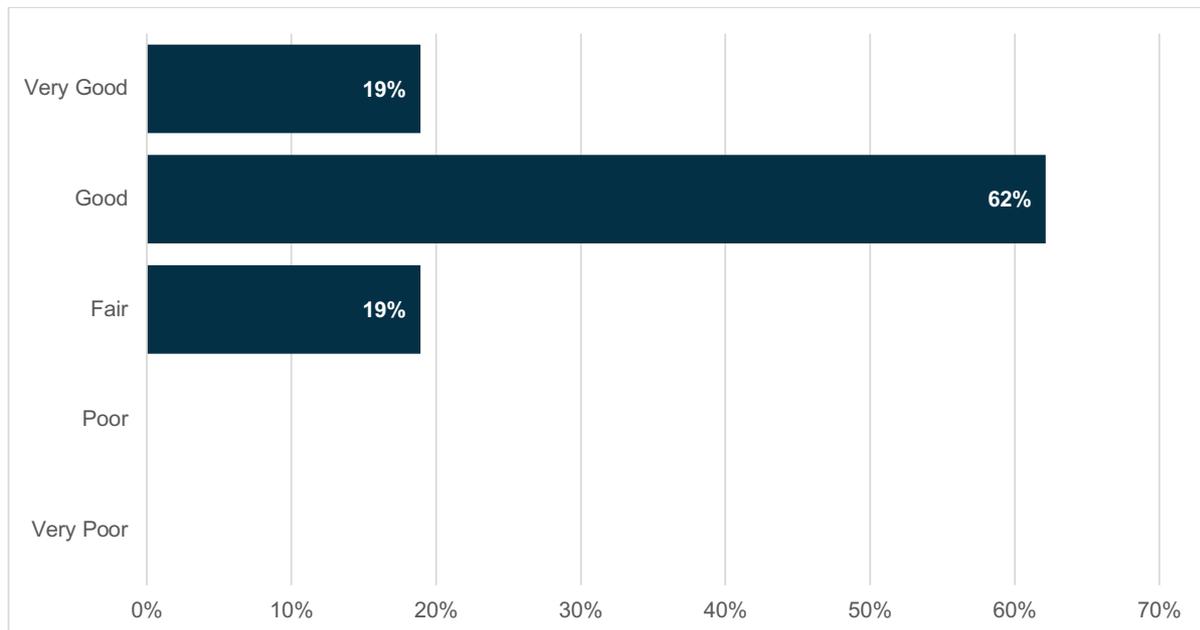
As shown in Figure 6, the majority of participants believe it is important to maintain Council infrastructure at a “good” level. No survey participants selected “poor” or “very poor”.

Select quotes from workshop participants

“Usable is sufficient when we need to be money conscious.”

“Aim to keep all infrastructure to at least fair with the majority of assets to at least good.”

Figure 6 - Do you believe it is important for Council to maintain its infrastructure? If so, to what level?



Participants suggested some heritage bus shelters could be replaced with slimline glass ones to reduce costs, though participants do want to preserve certain heritage bus shelters across the LGA. We also heard that slimline glass does not provide protection from the sun and may be unsuitable for people with health conditions or older people. Other infrastructure that participants told us can be reduced in quality include street gardens, North Sydney Oval, Milsons Point Swimming Pool and parking meters. Some participants indicated that any infrastructure that would reduce costs they would be happy to see reduced in quality.

Maintenance of services

In terms of services, they feel could be reduced, the overwhelming majority of participants would be happy for rubbish/waste collections to be reduced or paid for by residents who want them. Other ideas for potential reductions include arts, events, verge mowing, animal compliance, childcare, men's shed programs, in-person services and education.

Selling Council land

The majority of participants (64%) agree with selling Council land as a means to raise revenue. They suggested it should be sold on the following basis:

- not to certain organisations such as the Catholic Church or private schools
- providing it is not detrimental to the community
- when it can be leased back to Council
- if the land is not well utilised, and
- if it provides housing, especially affordable housing.

Commercialisation of public spaces

The majority of participants (89%) agree with the commercialisation of public spaces and places as a way to raise revenue. They suggested it should be commercialised on the following basis:

- sponsorship, advertising and naming rights
- when it's in the best interest of residents
- generates income and protects Council assets
- on a temporary basis and only for certain businesses (e.g. no alcohol or gambling), and
- commercialise North Sydney Oval similar to Olympic Park and Moore Park.

Select quotes from workshop participants

"This is a good idea. They're using it anyway so why not charge. Council pays for the clean-up."

"Sometimes bringing in extra money can help improve facilities and the appeal of spaces."

Widespread advertising

The majority of participants (92%) agree with widespread advertising within North Sydney LGA. However, they don't want it everywhere or in spaces where it will make the space feel unattractive and cheap. They also suggested careful thought needs to be given to the type of business, product or service that is advertised.

The importance of public open spaces and community facilities in high-density environments

Participants were asked to rate on a scale of one to ten how important public open spaces and community facilities are in high-density environments. The average rating across participants was 8.6, indicating that the community views open spaces and community facilities as very important in high-density living environments such as North Sydney.

Increase in minimum rate

The majority of participants (82%) indicated they feel a minimum rate of \$1,300 is appropriate. Those that did not agree felt that it was unfair to make residents pay for poor management by Council, and that it is a large increase without much warning.

Select quotes from workshop participants

"I feel it is an unfair rate hike and there is a lot of ill feeling around the pool."

"Too low, given the ability of residents to pay we are in an amazing and affluent precinct."

"I think it is high but appropriate as long as there is a way to bring it down in the future."

"If that is what needs to happen to assist with a better financial position and reduce later"

Council's approach to a strong future

Participants overwhelmingly supported a planned approach to financial management, emphasising the need for a well-informed and proactive approach to address current and future challenges. Many highlighted the importance of involving the community in shaping financial decisions. Some participants acknowledged that while planning is ideal, the current financial situation may require reactive measures in the short term to address certain issues.

Participants who did not specify a preference for a planned or reactive approach expressed a desire for more efficiency, transparency and accountability in Council's approach to financial management. Key suggestions from participants include selling assets like the North Sydney Pool, reducing staff numbers, addressing wasteful spending, learning from past failures, seeking specialist advice and accelerating debt reduction.

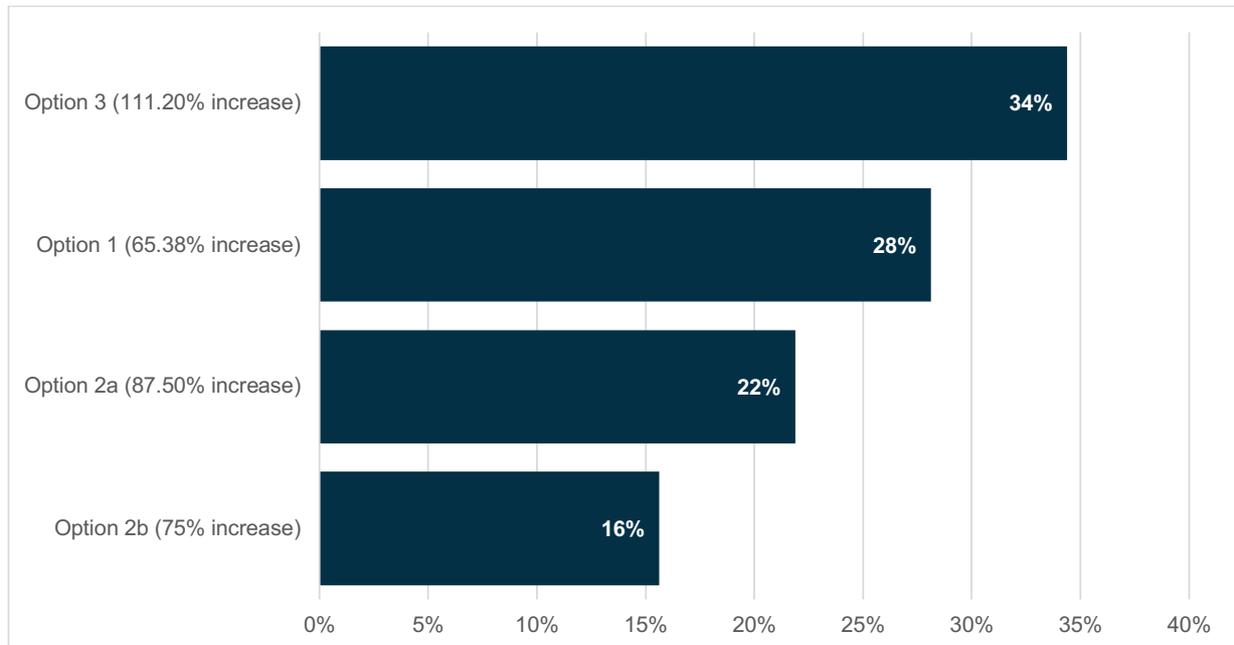
Proposed actions within the informing strategies

Participants were asked to rate on a scale of one to ten whether they believed the North Sydney community would benefit from the proposed actions within the informing strategies. The average rating was 7.3, indicating participants believe North Sydney would benefit from the proposed actions.

Preferred SRV options

As shown in Figure 7, survey participants have varied opinions on the preferred SRV option. The most commonly selected choice was option three (34%), followed by option one (28%), option 2a (22%) and option 2b (16%).

Figure 7 - In considering the SRV options presented, which would you prefer (if any)?



Some participants suggested the following alternative actions to address Council's financial challenges:

- Improving efficiency and accountability through reducing wasteful spending and improving internal efficiency and culture. Specific ideas included reducing staff by up to 50%, outsourcing management to more efficient operators and conducting independent audits to identify better financial strategies.
- Generating revenue by diversifying revenue streams, such as increasing business levies, raising rates, charging for certain events, leasing land for private functions, charging levies from private schools and exploring advertising opportunities.
- Reviewing potential assets that can be sold. Several participants also recommended halting work on the North Sydney Pool or selling it.
- Considering actions such as appointing administrators, liquidators or involving the Office of Local Government to investigate past mismanagement.

Some participants suggested Council should consider implementing a hardship waiver for vulnerable community members facing financial difficulty.

4. Appendix

Appendix 1: Table breakdown of SRV options

The data in this section is sourced from worksheets completed by participants in groups during the workshop. As a result, it may differ from the data shown in Figure 7, which reflects individual survey responses collected at the end of the workshop.

- Table 1 – all agreed on option 3
- Table 2 – split between an alternative option (FY26 75%, FY27 25% and FY28 25%) and option 3
- Table 3
 - Option 1: 4 votes
 - Option 2a or 2b: 2 votes
 - Option 3: 1 vote, however, would like to see less funding for the strategies

Three tables did not complete this worksheet.



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Appendix I: Councillor and MP communications

Letter from North Sydney Councillor

Dear Fellow Ratepayer

North Sydney Council is proposing to increase residential rates by up to 75% next year and over the following three years, rates are proposed to climb by up to a staggering 111%. This is at a time of unprecedented cost-of-living pressures, this proposal demands serious scrutiny.

Ratepayers should only be asked to take the burden of such an unprecedented rate rise as an absolute last resort.

After careful consideration, I **strongly oppose this proposed rate rise**—and I believe you should too. Here's why:

1. The Olympic Pool overrun doesn't justify such drastic increases

The Council claims the rate rise is needed to cover the cost overrun of the North Sydney Olympic Pool, which is now three years behind schedule and at least \$50 million over budget. Yet, the proposed rate increase is so excessive that it would recover the entire overrun in not much more than a year or two — clearly an unreasonable approach given the pool is designed to serve the community for 50+ years.

With the proposed rate rise, we are being asked to pay for the majority of the pool upfront. However, instead of burdening today's ratepayers, the pool could be funded through long-term, low-interest government loans. Annual user fees, which are expected to generate millions of dollars in revenue and will grow with inflation can cover these loans or if absolutely required, then a small increase in rates.

2. Council hasn't explored other financial options

Despite calling this a "financial crisis," Council has refused to consider viable alternatives;

- **Cost control / Spread projects out further:** Instead of tightening its belt, Council plans to increase spending by \$20 million (14%) next financial year, largely on salaries and new projects. This is hardly the behaviour of an organisation in financial distress. In addition, the justification for the excessive rate rise also includes a \$32 million upgrade for North Sydney oval, again paid for upfront by current ratepayers and contributing to the requirement for the unprecedented rate rise.
- **Government debt to spread out costs.** If we must spend this increase in costs, then don't be fooled by the argument that debt is just passing the buck to future councils, using debt for these projects is in fact responsible and equitable. It is matching the payment of the work closer to the period they'll be used. Simply put it is not asking us, the current ratepayers to pay upfront with 100% rate increases but it enables our rates to stay lower and for future rate-payers to also contribute fairly to the costs of these works and upgrades, ones they will also use and enjoy.
- **Asset sales:** Council owns over \$50-100 million worth of commercial investment property. Selling some of these non-community assets (like office space, luxury apartments and retail stores) these assets could offset the pool shortfall and reduce or eliminate the need for steep rate increases. This isn't a sale of community assets; you can't use them like a park or library but the sale of these offices and retail shops means the proceeds will go into true community assets and your rates can stay lower.
- **Business rates:** Multinational corporations and large businesses in the North Sydney CBD currently enjoy relatively low rates. The original concept from the 1980s—where residents accepted the high-rise CBD in exchange for lower residential rates—should be honoured. With ongoing high-density development boosting the rate base, Council could reasonably shift more of the burden to these businesses. Rate rises for businesses are fully tax deductible but for regular residents they are not.



3. Questionable financial projections

Council's justification for the rate rise is based on projections that include significant increase in salaries and projects from next year, but not only that, these projections include non-cash items such as depreciation and amortisation these are the calculations which are used as justification for the rate rise. These accounting entries do not represent actual cash outflows.

4. A sudden "crisis" after the election

This so-called financial crisis was not raised before the September 14 election. As a sitting councillor, I received no indication of such a requirement to raise rates. The June financial report gave no warning of an impending need for such drastic rate hikes.

Shockingly, Council engaged marketing consultants to prepare to promote this rate rise just five days after the election, with the results known but in fact while votes were still being counted. This timing raises serious questions about transparency. Not only that, it is also us the ratepayers that are paying for this marketing company to cleverly package this unprecedented rate rise to us.

5. Consultation is clearly a Hobsons choice,

Asking you to provide feedback on if you prefer a 65% or 111% rate increase is a no choice at all and is not transparent nor open community consultation. Unfortunately, my motion to include in the consultation a much lower option of 10%-15% and 20% was defeated. However, you can still have your say, and it doesn't have to be a preference for either 65% or 111%.

What you can do Take action now!

Unfortunately, a majority of councillors—being the Real Independents, Labor, and Greens—are backing this extraordinary rate hike and have been unwilling and in fact voted down my proposal and suggestion for lower rates increases along with alternative methods such those I've outlined in this letter.

If you agree that the 65-111% rate increase proposal is excessive and that more reasonable options should be explored using a Varsity of methods as I've outlined, I urge you to speak up:

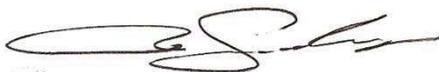
- Give your feedback at yoursay.northsydney.nsw.gov.au to demand a more balanced approach and suggest a choice between a 65% or 111% rate rises is not a choice or acceptable
- Share your views on social media and help raise awareness
- **Contact me directly**— This is very useful and will ensure your feedback is passed on to both Council and also to IPART (who must finally approve the rate increase)
- Tell your neighbours and friends who may not be aware of this rate increase or especially that there are alternatives, send them my email address for feedback.

The majority of councillors are supporting the proposed massive increases, so the power is only in your hands now. At a time when residents are already under financial strain, we need solutions that are fair, sustainable, and equitable and that does require your action.

Councils consultation process is unfortunately over the holidays and ends on Jan 10th. Before and after this date you can continue to submit your views and feedback to me at any time on this matter and it will very much assist with both Council deliberations and my submission to IPART.

Let's reject this unprecedented rate hike and push Council to explore the many options for a smarter and more common-sense alternative.

Sincerely,



James Spenceley
North Sydney Councillor
Cr.james.spenceley@northsydney.nsw.gov.au

Newsletter from NSW State Member

Source: <https://www.felicitywilson.com.au/nscrraterises>



North Sydney Council proposes to double your rates

[Register for updates](#)

[Click here to have your say on North Sydney Council's proposed rate rises here](#)

As you may know, **North Sydney Council is proposing to dramatically raise rates over the next three years.** Residents have reached out to me with their concerns on these rate hikes and their inability to oppose this proposal in Council's own consultation process.

Council reported a surplus in its budget in June 2024 and identified no financial risks in its 2024 Financial Statements. Mere months later it has stated that its "unsustainable financial position" has led to the proposal to more than double residential and business rates starting in 2025.

Locals have expressed concerns to me that **Council has not proposed any cost cutting or efficiency mechanisms.** In fact, it proposes maintaining existing spending along with **increased spending on new items of \$57.4 million over just the next three years.**

Families who are already balancing tight budgets and local businesses trying to stay afloat will bear the brunt of these rate hikes. Property owners and renters alike will feel these costs passed on even while interest rates are persistently high and rents have spiked at record rates.

WHAT IS NORTH SYDNEY COUNCIL PROPOSING?

Consultation is now underway on Council's proposal, with consultation occurring over Christmas and closing on 10 January 2025.

All rate scenarios propose at a minimum a 50% rate increase in 2025 alone, with the top cumulative three-year increase hitting 111.2%. These are not one-off increases and will be incorporated for perpetuity.

OTHER OPTIONS FOR FISCAL REPAIR

North Sydney Council has not proposed other options for fiscal repair, and in fact has proposed increased spending on a wide range of new initiatives.

North Sydney Council should instead be proposing other options such as:

- Internal efficiency programs and cost cutting
- Deferring new spending proposals which include an additional \$57.4 million in the first three years
- Exploring divestment of any underperforming assets that don't fulfil a core Council purpose within their \$53.7 million investment property portfolio
- Staging future capital works and infrastructure programs like IT upgrades
- Accessing low interest NSW Treasury loans

Council should be cutting its own spending first, and assessing the performance of its own assets, before asking residents and businesses to pay more.

HOW TO MAKE YOUR VOICE HEARD

North Sydney Council is currently undertaking consultation on this proposal, however its closed survey does not allow residents to oppose the rate rise or support a lower rate rise.

Thankfully, the full process will take a number of months and Council will need to compile community feedback and then make a proposal to IPART (the NSW regulator that assesses and approves Special Rate Variation applications) in early-2025 with a final determination by mid-2025.

It's my job to ensure that the NSW regulator and the NSW Minister for Local Government hear the views of residents and businesses in our community.

I am ensuring residents can have a say: please ensure you speak up even though consultation has been scheduled over Christmas and Summer holidays.

[Sign up here](#) to receive information on how to participate in each step of the process over the coming months.

These rate hikes, if implemented, will place an unnecessary and unfair financial burden on local households and businesses, many of whom are already struggling with the rising cost of living.

Yours sincerely

**Felicity Wilson MP
Member for North Shore**



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Community Engagement Key Themes and Responses

This document provides the key themes that were identified in the proposed special rate variation and increase to minimum rates community engagement undertaken between 27 November 2024 and 10 January 2025.

Each theme has a response provided and a key that links it to each response in the attachment containing all submissions.

A Concerns about Council's financial mismanagement regarding the North Sydney Pool project

The community's concerns regarding the escalation in time and cost associated with the North Sydney Olympic Pool project are valid.

These concerns were shared by Mayor Zoë Baker and Councillors during the 2021-2024 Council term, with the Mayor calling for an independent review into the project. This Mayoral Minute followed advice to Councillors, that cost escalation claims had been submitted on the project due to timing differences between building contract commitments and design completion.

The Independent Review made several findings including:

1. The decision to increase the Project Scope from Option 2 to Option 2 b was driven by Councillors' desire for a superior facility which did not fully align with the feedback from community. No additional community consultation was undertaken, instead consultation through the statutory DA exhibition was deemed satisfactory by the Council.
2. The construction contract negotiation and signing were expedited, creating issues for the project as design documentation was incomplete, and site investigations were ongoing.
3. That cost had been a primary driver of a number of decisions for the purposes of controlling the budget. Despite the intention to control the budget, these decisions created significant financial risks to the project which have been realised through a compounding effect throughout the project's life. These decisions included:
 - Removing external project managers and managing the project internally;
 - The decision to have separate design and construct contracts; and
 - Considerable reduction in the project contingency as the scope increased.

Novation agreements to reduce the risks associated with assuming responsibility for performance management and coordination of two separate but inter-reliant contracts. Such agreements often result in increased cost of contract but significantly reduce the financial risks associated with managing separate contracts.



The external environment at the time of contract execution was one experiencing an unprecedented pandemic and a multi-year La Nina weather event. These external factors were not factored into contingency planning nor was the risk shared through contract negotiations.

4. The business case submissions over the life of the project do not include all financial and non-financial data, including:
 - a. The cost of the project did not include costs associated with fit outs, equipment, program development, technology and other expenses associated with the commissioning and opening of a swimming pool and gymnasium.
 - b. Sufficient budgets were not included for project management and consultants to manage a project of this size and scale. Provision was not included for key consultants such as programmers and quantity surveyors to support project control.
 - c. Responsibility for contract insurance was taken by Council with no budget.

5. Late identification of latent conditions on site led to rework, additional scope and cost to the project, as access to the site for survey and testing was limited until the pool was closed.

It should be noted that there have been two changes in elected Council since the initiation of the North Sydney Olympic Pool project, with the most recent election occurring in September 2024.

In response to the review, to improve management and control of the project, external project managers have been engaged and are being supported by programming professionals and quantity surveyors, in addition to council staff. Unfortunately, risks accepted at project inception cannot be mitigated in full and are being managed with every effort of the project team.

Council has commenced legal proceedings in relation to contractual breach of contract in relation to design services for the North Sydney Olympic Pool redevelopment. Council also remains in dispute in relation to structural steel defect relating to the 25-metre pool.

In response to the North Sydney Olympic Pool project, and to improve future decision making in relation to infrastructure projects, among other improvements, a Draft Governance Strategy has been developed. This strategy aims to ensure improved governance and administration of the Council, and includes improvements to risk management, procurement, project management, asset management and reporting, along with a peer review of all projects exceeding 10% of annual ordinary rate revenue.



B Concerns over general financial mismanagement and calls for greater accountability and transparency in how funds are managed and spent

Accountability and transparency have been included as key principles of the Draft Governance Strategy. In relation to fiscal management, the following improvements have been or are being made to improve administration and rebuild community confidence:

- As part of the organisational restructure in 2024, a Chief Financial Officer was appointed to Council to enhance financial management, advice, process and reporting;
- In April 2024, Council developed a new Charter for the Independent Audit and Risk Committee to provide independent oversight of Council's operations. Three skills based independent members were appointed in May 2024 and meet quarterly.
- Council has undertaken a full review and redevelopment of its Integrated Planning and Reporting Framework, with a view to ensuring commitments made each term of Council are aligned with resources.
- A review of Council's financial systems are currently being undertaken with a view to improving financial reporting, which in turn will assist community in better understanding fund allocation and the cost of service delivery.
- Financial processes are being reviewed and mapped with a view to automation to ensure timeliness of reporting.
- Delegations (instrument for decision-making) are being reviewed and redeveloped to ensure decisions are being made at the right level of accountability within the organisation.
- Asset Management Plans have been reviewed and redeveloped, with continuous improvement including further consultation with the community in relation to service expectations.
- A new service review framework is being piloted to review services to ensure they are aligned with community expectations and are being delivered in the most effective manner.
- A draft Governance Strategy has been developed for adoption by the elected Council as a commitment towards improved governance and decision-making.

In addition, Council will continue to publish detailed financial reports, including annual budgets, quarterly financial updates, and the audited Annual Report, which are all publicly available on our website.



C Concerns about cost of living and affordability of rate increases

Council acknowledges the challenges associated with increased costs of living.

Council will review its Hardship Policy and procedures to ensure that those needing assistance can be supported where the proposed rate increase creates unmanageable financial pressure.

In their assessment of special rates variations, IPART requires an assessment of the community's capacity and willingness to pay. This assessment has been undertaken independently and is attached to the Council report.

D Consider selling assets including North Sydney Olympic Pool

The community feedback clearly demonstrated the differing values and priorities of the community.

For some in our community, short term financial inflows are of more value than the opportunities provided through an investment portfolio. Equally, others feel that it is important that Council retain this property in public hands, and are concerned that once property is sold, Council will not be in a position to build back its portfolio or purchase land for public use due to the high prices within the North Sydney LGA.

As at 30 June 2024, Council's audited Financial Statements under Note C1-6 Owned Investment Property provide a total valuation of \$53.698 million for Council's portfolio.

The average gross return of income against its value is currently estimated at 6.9% across the portfolio. All other Council investments – Term deposits, bond, FRN's, cash return a lower rate. Council currently holds approximately \$51M in loan funding with rates varying between 4.02% and 5.29%. Indicative loan rates as at December 2024 were 5.70%.

Strategic consideration - Selling publicly owned land now would result in an opportunity cost related to the provision of infrastructure and public domain improvements in the future. Approximately 57% of properties currently held by Council are located on sites that allow for future master planning and delivery of new public places and spaces, providing opportunities to respond to the needs of future generations.

Financial consideration - Selling publicly owned land now, will benefit this generation in the short term. Land sales result in a one-off cash inflow. The result of selling land would mean that the percentage rate increase would be minimised in the short term. In the longer term, the sale of publicly owned land would reduce investment income and future capital gains, which is likely to create a longer-term loss.

Timing considerations - Following the COVID pandemic, Council has experienced an overall reduction in portfolio value and rental incomes. In general, it is unadvisable to sell investments during a period of reduced value, unless the value of the investment is expected to continue to lose value or unless a loss would be beneficial for taxation purposes. Investment losses are only realised once an asset is sold. Council does not pay tax like an individual or private business, there is no tax benefit.



Economic conditions, such as interest rates and inflation significantly influence property prices and rental returns. As these conditions change, the property market is likely to improve from the current position.

Other Council assets – By nature of being Local Government owned, much of Council’s land is classified community land, restricted its usage and prohibiting it from being sold under Section 45 of the 1993 Local Government Act.

In response to calls for the North Sydney Olympic Pool to be sold, this facility is located on land zoned RE1 Public Recreation. This limits the usage to public open space or recreational, this would limit the value if it was to be sold. While some submitters called for the NSOP to be sold, others have indicated it is a valued community facility.

Car parks are another asset held by Council that facilitate integrated transport and economic development. Currently off street car parks return revenue in excess of \$7 million a year to Council. Many are located on strategically significant sites for future public open space and or public facilities.

Included within the Draft Governance Strategy is an action to further review Council’s commercial property portfolio and determine a strategy and policy position in relation to property holdings. This would include criterion in relation to what circumstances Council would consider both increasing and/or decreasing investment property portfolio.

Council’s organisational improvement plan targets one-off revenue of \$5M through property sales to strengthen Council’s financial position. This is subject to market conditions and Council decision once opportunities have been identified.

E Suggestions that North Sydney residents should receive free or discounted access once the North Sydney Olympic Pool is completed due to the impacts on rates

All fees and charges are subject to public exhibition prior to adoption. Any calls for discounted or free access to North Sydney Olympic Pool will be considered as part of the fees and charges process.

F Calls for Council to cut non-essential spending and reduce staff to avoid rate increases

Improvement efforts

There have been a number of submitters calling for reduced expenditure, including workforce reductions and general cost reduction.



Council has undergone significant change and improvement over a short period of time. This includes the introduction of an organisational performance function at no additional cost to ratepayers following the redirection of funds as part of an organisational restructure. This function has been created to review Council processes, services and planning to ensure that Council spending is effective.

The current Executive Leadership Team is committed to continued organisational review and improvement. Initiatives introduced over the past two years have included:

- Organisational restructure - focus on senior staff and management levels. In 2023, the senior staffing structure (tier 1 and 2) was reduced from a seven (7) to four (4). Further streamlining has also occurred at Tier three level management. In comparison to other Councils, this leadership structure is lean based upon the number of discreet services provided.
- New executive Leadership Team appointed with a new Charter.
- Chief Financial Officer Position created and appointed (at no additional cost to ratepayers following the redirection of funds as part of an organisational restructure)
- Community consultation and research undertaken to develop clear direction for the future.
- Strategy development and integration.
- Introduced process improvement framework and commenced process mapping to identify areas for improvement.
- Introduced service review framework to identify improvement and/or changes to service levels.
- Introduced performance and development framework to align workforce efforts towards organisational improvement goals.
- Systems review, and recommended replacement.

Each of these initiatives has either contributed savings or reduced financial risks and will continue to evolve and advance North Sydney's performance over the coming years.

An estimate of approximately \$2M in overhead savings has been incorporated into the Long-Term Financial Plan, with overheads associated with the North Sydney Olympic Pool being absorbed within current resources.

In addition, Council has developed an Organisational Improvement Plan to explore other areas for financial improvement, including through increased advertising, sponsorships and commercial partnerships and fleet review.

Salaries and wages are determined through both the Local Government (State) Award, and through market forces. The quality and culture of an organisation's workforce is the most contributing factor towards organisational performance. Reductions in workforce numbers will result in reduced services where they are not undertaken through organisational improvement efforts such as improved systems, processes and/or learning and development.

General Cost reduction

Since 2020, we have been operating in a high inflationary environment, which has seen our costs increase significantly above the rate peg (the maximum increase we can impose without a Special



Rate Variation application). In 2021/2022, inflation was approximately 6.6% and Council's rate peg was 2%. This impact is multiplied across several years where costs have increased more than the rate peg.

In addition to costs increasing faster than rates revenue, Council has seen a decline in fees and charges income (for example parking revenue) since the pandemic. This equates to approximately \$9.9m of inflation adjusted lost revenue.

Council's procurement policy and processes aim to ensure all goods and services are procured at the best possible price. This includes through joint contracts with other Councils, and via competitive processes. This has assisted Council in managing the inflationary pressures of inputs such as electricity costs, insurance and some contracted services.

Despite this, given Council's current financial position, Council's procurement function will be reviewed as part of the organisational improvement plan to consider any opportunities for further improvement.

Service reductions or cuts

Several submitters suggested Council should cut services and return to core-services such as roads and parks maintenance.

Outside a suggestion to return to core-services and reduce 'socially driven initiatives', the majority of suggestions for service reduction have been waste related services which are not funded by ordinary rates and therefore would not impact the recommended rate increase. However, these suggestions should be reviewed as Council develops its long-term waste management plan ahead of Food Organics and Garden Organics (FOGO) introduction.

Other suggestions included street cleaning, arts, Bushcare, urban design, events, garden and kerbside greenery and funding for community facilities.

Council currently provides a high level of service to the community and our engagement and community satisfaction surveys show this is appreciated by the community.

Approximately 4% of Council's budget is spent on events, community engagement and customer service, while approximately 6% is spent on community and library services. 5% is spent on environmental protection.

The majority of Council's budget is spent on renewing/upgrading local infrastructure, managing waste and cleaning within public places, roads and transport, buildings maintenance and operation, parks, sports fields and streetscapes, and planning, development and compliance.

Reducing service levels in planning, development and compliance will increase complaints. Development application times are under Ministerial Improvement Order. Increased development and density create high levels of complaints from neighbours and others in the community. Reducing resources would increase environmental impacts on the community and subsequently complaints.

Reducing waste and cleaning services, (excluding domestic waste services which are funded from domestic waste charge) or parks maintenance would result in a general reduction in public presentation. For some assets such as parks, when they are not maintained well for a period, they



require more work to bring them to standard at a future time. Reducing sports field services and maintenance is likely to reduce playing field times due to reduced condition.

Changes to services can be made through cutting service levels, such as reducing the number of times a park is mowed per year or reducing library opening hours, however given the breadth of services provided, small changes are likely to result in immaterial savings, and a much more significant reduction would be required.

The catalogue of services provided by Council includes over 48 service groups and 140 distinct services. Decisions in regard to what services are provided to the community have been developed over time in response to community needs and council decisions.

It is best practice for changes to service levels to be undertaken with full community consultation through the service review framework. This will be done over the coming years in a service-by-service format.

If Council wished to cut services without due consultation, these services would have to be nominated and costed for consideration. In the absence of community consultation, elected councillors, as representatives of the community would have to nominate specific services to be considered for reduction or removal. No nominations for service cuts have been made by the elected councillors throughout the SRV process.

There are risks associated with making decisions about individual services through a financial savings lens without taking a balanced approach, as experienced when Council attempted to remove a verge mowing service following the Global Financial Crisis. This decision was subsequently reversed in a short period of time following community backlash.

The service reduction/cut feedback from the community will be taken into consideration when further developing Council's service review schedule.

Within 2024/25 we are reviewing Street Sweeping, the North Sydney Oval and Development Assessments.

As per our Organisational Improvement Plan we are planning to review the following sections in the 2025/26 financial year: Legal Services, Procurement and Tree Management.

G Suggestions that the unsustainable financial situation was not revealed before the 2024 Council election

Council's financial position has been the subject of numerous reports, particularly in recent years as the North Sydney Olympic Pool project costs have increased.

This includes (but is not limited to) the following reports:

- The 2023/24 budget report presented to Council in June 2023 stated that 'The budget, as planned, demonstrates Council has capacity to fund its projects and services in the short



term. The ongoing and potentially permanent impact of Covid on revenues means Council will need to strategically consider its revenue sources’.

- In the Quarter 1 budget review of 2023/24 presented to Council in November 2023, it was stated that ‘While Council’s current financial position is considered sound, reductions in Council’s revenue base are placing pressure on this and will require consideration in the coming years’.
- In the Quarter 2 budget review of 2023/24 presented to Council in February 2024, it was stated that ‘While the financial position is adequate in the short-term, the forecast deficit, ongoing deterioration in income sources and the need to service additional debt for the North Sydney Olympic Pool project require close strategic attention’.
- In the Draft Operational Plan and Budget 2024/25 report presented to Council in April 2024 it was stated that ‘Council has sufficient funds to be able to operate into the future, but repeated deficits are not sustainable. Council’s financial goal is to fund existing service levels and infrastructure renewals whilst maintaining an operating surplus before capital grants and contributions. Council cannot maintain financial viability, fund the North Sydney Olympic Pool project, and manage its assets to an acceptable service level if similar operating results persist into future years. The budget must be carefully monitored and reviewed, and Council must consider long-term strategies for financial repair. In the short term, strong financial management and budget management and control are critical’.
- In the quarter 3 budget review of 2023/24 presented to Council in May 2024, it was stated that ‘Compared to the original budget, several previously reliable income sources have significantly decreased with no indication of recovery. Whilst Council has sufficient funds to operate into the future, repeated deficits of the forecast magnitude are not sustainable. Council cannot maintain financial viability, fund the pool project, and manage its other assets to an acceptable service level if similar operating results persist into future years. The budget must be carefully monitored and reviewed, and Council must consider long-term strategies for financial repair’.

In addition, the Council’s Chief Executive Officer delivered a presentation to the Combined Precinct Committee and to approximately 43 residents at the Wollstonecraft Precinct in April 2024, following budget preparations. This presentation outlined the financial challenges and position of Council.

H Calls for increased debt including use of ‘low-interest’ State Government loans

TCorp is the financial services partner to the NSW public sector and is a wholly owned entity of the state of NSW and part of the NSW Treasury cluster. Council has and continues to utilise TCorp for



loan purposes. Within the current market, some major banks offer interest rates competitive with TCorp rates.

The NSW Government has introduced a Low-Cost Loans (LCLI) to support local councils that borrow funds for infrastructure that enables new housing supply. New infrastructure projects contained within the special rate variation proposal would not meet the criteria for this loan incentive scheme. However, this scheme may apply to future infrastructure projects within the LGA once masterplanning has been complete.

In response to the immediate liquidity position of Council, Council proposes to seek an additional \$10 million loan funding in the quarter 4 of the 2024/25 financial year. This funding will be attributable to the North Sydney Olympic Pool, bringing total loan funding for the project to \$61 million.

Council loans are presented to Council monthly in the Investment and Loan Borrowings Report. At the time the loans are entered into, they are above the Reserve Bank of Australia (RBA) cash rate and are higher than the amount of interest we receive in bank deposits. If Council was to borrow large amounts of money, the cumulative impact of the interest payments over 10 to 20 years would represent a poor financial outcome for our community and would restrict future services and asset renewal.

Without a special rate variation, it is unlikely Council would be able to borrow significantly more as our Long-Term Financial Plan does not show sustainable finances.

The Long-Term Financial Plan recommending a special rate variation has taken a long-term strategic approach to setting of revenue levels to ensure a strong and sustainable local government for North Sydney. It does not provide funding for all future opportunities and needs. The plan aims to generate sufficient funds over the next ten years to:

Repair council's current financial deficits – financial deficits should not be funded from loans.

Rebuild council's unrestricted reserves – loans should not be used for this purpose.

Infrastructure renewals – renewals should be funded through annual revenue and are reflective of the use and enjoyment of infrastructure by the current community.

Infrastructure backlog – a backlog is reflective of use and enjoyment of infrastructure by the current and past community, without provision of adequate reserves/renewals to maintain at satisfactory level.

Strategic actions (operational costs) – operating costs should not be funded from loan funding.

Strategic actions – upgrade/new infrastructure – loans could be used to fast-track new infrastructure projects, however when considering loans, additional costs associated with interest must be factored into revenue strategies. Where the new infrastructure does not generate revenue to cover the interest cost, rate income would be required. The infrastructure included within Council's Informing Strategies is community infrastructure for public use and is not income generating.



For example, a \$20 million loan over 20 years (maximum term under TCorp loan), would require \$16.824M in repayment over the first ten-year period. This would provide net cashflow for the period of \$3.176M for the ten-year period or \$317K per year.

In addition, it would leave \$16.824M in loan repayments to the next generation (the 2035/36 - 2044/45 period). Over the twenty-year period, an additional \$13.648M in rating revenue would be required to fund interest.

I Questions as to whether Council could seek additional financial assistance for the North Sydney Olympic Pool from state or federal governments, given the pool's significance

Council will continue to seek and apply for grants where they are available. To date, Council has received \$15 million in grants funding for the North Sydney Olympic Pool, including \$10 million in Federal Government funding, and \$5 million in NSW State Government funding.

Given the low likelihood or certainty of receiving grants for the project, no additional grant funding has been included within the Long-Term Financial Plan.

J Calls for private schools and religious organisations pay rates

North Sydney is one of the densest education precincts in the country, with 21 primary and secondary schools and two universities within the 10.5km² boundary.

The NSW Local Government Act (1993) provides exemptions for land used for charitable, religious, or educational purposes. Section 555 of the Act outlines various categories of land exempt from rates, including land used for educational purposes by schools, colleges, or universities. Under the Act, Council is unable to charge rates to schools or universities.

At the Council meeting of 9 December 2024, Mayoral Minute MM01: Invitation to non-rateable educational institutions to voluntarily pay rates, and preparation of a policy to guide and regulate intensive "operational"/timetabled use of Council parks by private schools recommended that Council invite private schools and the Australian Catholic University to voluntarily pay rates (or an equivalent in-kind contribution) on their property holdings within the North Sydney local government area to contribute to maintenance of Council assets including roads, footpaths, and open space.

Under the Local Government Act Council has no authority to enforce schools or religious organisations to pay rates.



K Business rates – some felt that the rates were too high, and others felt business rates should be increased further to subsidise residential

Business rates can be difficult to compare between Local Government Areas due to the mix in relation to property size which in turn affects averages. North Sydney has a greater portion of businesses subject to Ad valorem rather than minimum which suggests many large business properties are held by property groups and rented rather than through individual stratum ownership.

Amongst the submissions, a number of business landlords expressed concern in relation to the level of rate increases, while other submitters called for business rates to be increased further to subsidise residential rates, noting that business rates are tax deductible.

As with residential households, Council appreciates the challenging operating conditions for businesses. In their assessment of special rates variations, IPART requires an assessment of the community's capacity and willingness to pay. This assessment has been undertaken independently and is attached to the Council report.

In future years, Council may consider reviewing its business rating structure and developing subcategories, however this has not been recommended for the 2025/26 year due to the continuing pressures in the commercial property market and ongoing construction creating a challenging environment as indicated by several submitters.

L Concern about not being presented with a 'no SRV' or no smaller SRV options

The Long Term Financial Plan in the report to the 25 November 2024 Council Meeting presented Council's finances in detail over the next 10 years.

This included a base case forecast without a special rate variation. This demonstrated that Council's finances are not sustainable without a special rate variation.

In developing the options presented as part of the consultation, Council's costs were forecast over 10-years based on a number of assumptions as outlined in the Long Term Financial Plan. This informed the value of the special rate variation options that were presented to the community.



M Calls for Council to seek more financial assistance from other levels of government

Council has considered and included other sources of revenue in developing the special rate variation proposals. This includes developer contributions, and the possibility of securing grant income for infrastructure upgrades. However, these income sources rarely provide for general operations or basic renewal of infrastructure and generally focus on new or upgraded infrastructure.

For example, North Sydney Oval needs considerable renewal work to keep the facility at a standard that is safe and functional for the community. Key users and stakeholders have also advocated for some time for upgrades including improvements to the changing room facilities, food and beverage facilities, and media functionality. Within the SRV proposal, the combined renewal and upgrade cost is estimated at \$32M. Of the \$32M, an expected \$16M (50%) will be achieved through grant funding. Of course, if grant funding is not secured, upgrades would not proceed.

The proposed increase to rates will not fund all future infrastructure requirements within the Local Government Area. Other projects which will be dependent upon other sources of revenue include bicycle paths, Miller Place, North Sydney CBD laneways project, Hume Street Park open space expansion, walking infrastructure improvements, Holterman Street car-parking/open space project.

To fund the informing strategies Council has forecast receipt of \$33.6 million of developer contributions and \$60.3 million of grants.

N Feedback and questions in relation to the standard levels of asset conditions and calls for the deferral or elimination of asset projects

Infrastructure provision and management is a core responsibility of Council and supports service delivery.

As at 30 June 2024 the cost to bring Council's assets to a 'satisfactory' standard was \$146.8 million. A 'satisfactory' level of service refers to infrastructure that continues to function but requires maintenance to sustain its operational capacity. If maintenance is insufficient, infrastructure in this category will deteriorate further, leading to service disruptions and potential public safety risks. Additional reactive maintenance costs place further pressure on Council operating budgets, increasing the overall lifecycle cost of the asset.

Council's financial performance over recent years, and the deferral of capital works to fund the North Sydney Olympic Pool project has placed additional pressure on infrastructure renewal backlogs which cannot be addressed through existing levels of revenue.

If Council were to renew all assets to a 'good' standard, which is a level of service defined as infrastructure that operates effectively with only minor maintenance required, it in many ways would be preferable (and is recommended by the Local Government Code of Accounting Practice). The cost



of this however was \$560.5 million on 30 June 2024. In recognition of this high cost, Council has proposed a 'satisfactory' standard for infrastructure as the appropriate option.

The community relies on and expects new or upgraded assets, and this increases the requirement for Council to undertake asset projects. There will be increased demand for new assets over the next 10 years as the population grows. This includes new open space and areas for recreation and new and improved transport projects.

A draft Asset Management Strategy was presented to the Council Meeting of 25 November 2024. As outlined in a separate report to the 10 February 2025 Council Meeting, this was exhibited for feedback and is now presented with the detailed Asset Management Plans.

There are Asset Management Plans for 6 different asset classes, and they contain information on the cost to bring each asset class to a satisfactory condition, and the risk ratings of assets and costs of individual projects. The need to undertake these projects is included in these Asset Management Plans.

Delaying asset renewals will lead to additional costs in the long term and is not reflective of intergenerational equity principles.

○ Concerns over increased services when finances are weak

A strong local government is one that plans for the future and adapts to changing community needs. The Integrated Planning and Reporting Framework was introduced into Local Government to ensure Councils are planned and proactive in meeting the needs of their community and ensuring appropriate resourcing over the long term. This Framework is particularly important given Councils infrastructure provision responsibilities.

Many of Council's long term strategies have not been reviewed for some time and are not fully integrated. Changes in society, the economic environment and forecast population growth and the associated challenges required the Council to review and redevelop its direction for the next ten years.

In May and June 2024, Council undertook the 'Have Your Say on Our Next Ten Years' engagement to identify the priorities and projects the community wanted Council to focus on over the next ten years. Based on the community's feedback, Council developed and costed the priorities. These are outlined in the draft Informing Strategies which are being presented to Council in a separate report on 10 February 2025.

To reduce the impact of the special rate variation in years 1 and 2, a review was undertaken with a view to reducing the impact in Year 1. The Special Rate Variation proposal is based on a long-term forecast. If Council chooses to reduce funding allocation for the operational initiatives included, this will impact its ability to respond to the challenges and opportunities identified.

The following SRV funding has been included within the Long-Term Financial Plan for operational actions:



Strategy	Average annual cost (over ten years)	Average % of total rates revenue (revised Option 2a)
Environment	\$104,000	0.08%
Integrated Transport	\$493,000	0.38%
Economic Development	\$610,000	0.47%
Culture and Creativity	\$1,117,000	0.86%
Social Inclusion	\$1,092,000	0.84%
Open Space and Recreation	\$384,000	0.30%
Housing	\$44,000	0.03%
Governance	\$2,207,000	1.70%

Many of the actions within these strategies are not new services but planning and initiatives to address challenges and opportunities associated with the changing and growing population.

Environmental operational objectives include: Initiatives to support increased renewables, protecting bushland and creating green corridors to support healthy corridors for biodiversity.

Integrated Transport operational objectives include: Completing concept designs for cycleways to allow for grant applications to be made. Investigating opportunities to increase pedestrian areas. Reviewing on-road parking management. Development of a travel behaviour shift program to assist community members, school students and parents, thereby reducing increasing congestion.

Economic Development operational objectives include: Increasing support for small business including information sharing, data analytics, and support towards activation of town centres and nightlife.

Culture and Creativity operational objectives include: Capturing and sharing local history, enhancing Council's website to help people know what's on in the area, developing a creative hoardings program, activating laneways and other public spaces, as well as the delivery of a new cultural and creative hub in St Leonards.

Social Inclusion operational objectives include: Expansion of streets alive program, a masterplan and feasibility for new community facilities and open space at Crows Nest, a masterplan for new community facilities and open space in the civic precinct in North Sydney, a new community facility at Berry's Bay, reviews of Bradfield Park and Kirribilli foreshore masterplans, expansion of library services.

Open Space and Recreation operational objectives include: additional parks maintenance responsibilities for new open space, play streets program, and masterplan for Cammeray Park and Blues Point Reserve.



P Calls for increased revenue elsewhere, including through fees and charges or developer contributions

Council has considered alternative revenue sources as part of its financial review.

To achieve the outcomes of the Informing Strategies, the following income will be actively sought:

Funding Source	Amount
Rates	\$192,234,042
Developer Contributions	\$33,614,516
Grants	\$60,276,267
Domestic Waste Management Reserve*	\$48,000,000
Total	\$334,124,825

*the Domestic Waste Management Reserve is expected to be used to fund implementation and operation of Council's Food Organics and Garden Organics waste service.

This rates income will be spent as follows:

How rates income will be spent	Amount
Upgraded and new infrastructure	\$85,600,059
Infrastructure renewals and backlog	\$41,926,976
Operating costs	\$58,707,006
Reserves for delivery of projects	\$6,000,000
Total	\$192,234,042

Please note the figures in the above tables are not adjusted for inflation.

Informing strategies have been amended to include an action to investigate additional revenue from the use of open space for activities such as private events and personal training. Council will also pursue additional income through private hire of the North Sydney Olympic Pool and through advertising within the Local Government area. Additional revenue through these sources is uncertain and unlikely to be generated within the first 1 – 2 years.

When a new development occurs within North Sydney, Council receives a percentage of the cost as a developer contribution. These contributions are also known as local infrastructure contributions. Council anticipates \$33.6 million in developer contributions will be required to achieve the objectives of the Informing Strategies as a minimum.

These are governed by NSW Government policy and can only be spent on certain things. The contributions must be used strictly for the infrastructure and services they were levied for, as specified in the developer contributions plan. Council cannot use these funds for unrelated purposes or general revenue.

Several of the projects included in the informing strategies are reliant on receipt of these funds to occur.



Due to the capital nature of the developer contribution funding, Council must find additional funding to pay for the ongoing maintenance and replacement of these assets, increasing the ongoing funding required through general revenue.

Council reviews its fees and charges annually. Some of these fees are set by other levels of government and Council is unable to change these. Others (such as car parking) are set at a market rate which both provides community value and a fair revenue to Council. Due to the increased revenue required to repair Council's financial sustainability, Council is unable to increase these fees sufficiently to make up the difference.

This fees and charges revenue has also fallen in real terms since the pandemic. It is a higher risk source of revenue for Council than rates, as it can fluctuate by year, leading to challenges in covering fixed costs within fluctuating revenue.

Q Calls for existing cash reserves to be used instead of increasing rates

Several submitters have questioned why Council's cash and investment balances are not being used to assist with the current financial position.

The exhibited Long-Term Financial Plan Base Case Forecast Cash Flow Statement showed cash, cash equivalents & investment balances at the end of 2024/25 of \$80.6M, increasing to \$154.7M over the ten-year period. Despite this, the unrestricted current ratio was forecast at 0.60, highlighting a liquidity problem. These two aspects when considered together have confused some members of the community and have been the subject of new Frequently Asked Question responses.

Legislation and local government accounting codes require that revenue generated for specific purposes such as domestic waste, government grants and developer contributions are to be restricted. This means that they cannot be used for any purpose other than what they have been generated for, and any funds not spent are classified externally restricted reserves. Any interest earned on restricted funds must also be transferred to this reserve.

Developer contributions can only be used for projects outlined within Council's Developer Contributions Plan. For many projects, these developer contributions only pay for a percentage of the project, and funding must be sourced through rates or other income to complete the project.

Within the updated Long Term Financial Plan (the Plan), a new line has been included within the Cash Flow Statement to outline the level of restricted reserves to assist readers understanding.

It is important that Council maintains a healthy balance of non-restricted cash and investment reserves to cover working funds, employee leave entitlements, bonds and deposits held, plant replacement, infrastructure renewal and to ensure Council's ability to withstand a financial shock, such as the recent COVID pandemic.



The balance of unrestricted reserves have been impacted by the ongoing reduction in fees and charges revenue (in real terms) since the pandemic and the ongoing impact of the North Sydney Olympic Pool project.

On page 13 of the Plan, the forecast Cash, cash equivalents and investments excluding externally restricted reserves enters negative balances in 2029/30, and considering working funds requirements, is at financial risk of unlawfully rules forbidding use of restricted funds in 2026/27. This has improved from the exhibited Plan due to a recommendation that Council take out an additional \$10M loan within the 2025/26 financial year.

Council reports on the value of these reserves monthly in the Investment and Loan Borrowings Report.

R Frustration over timing of consultation over the Christmas period

The deadline set by the Independent Pricing and Regulatory Tribunal (IPART) for receipt of special rate variations and increase to minimum rates applications is 3 February 2025. Council has been granted a short extension to allow for an additional week of consultation.

This deadline allows IPART enough time to review the application and exhibit it before it is implemented on 1 July.

Council acknowledges that a considerable volume of information was provided as part of the consultation process, and that this information is complex. In addition to community forums, Council continuously updated its frequently asked questions throughout the consultation period, with 34 responses published on Council's SRV website to aide community understanding.

S Support for the proposed special rate variation

While most did not like the fact that Council requires financial repair, many submitters acknowledged that it was needed to retain the services and infrastructure enjoyed to date, as well as responding to the needs of the future.

Frustration over the North Sydney Olympic Pool project was expressed, but some submitters were happy to see improvements in oversight and decision making and a focus on governance.

Some comments included:

'Agree we need this increase to remain viable'

'I appreciate that the Council needs to be financially sustainable into the foreseeable future and recognize the numerous challenges it confronts.'



'Council rates are too low for NSC to adequately meet its short and long-term financial responsibilities.'

'This needs to be done. We have to repair the financial situation existing and lay the foundations for a sound financial future, without affecting essential services or infrastructure'

'It's an unfortunate position to be in but to ensure that existing assets are fit for purpose and the opportunity to plan and fund new/upgraded assets is in place, I believe that option 3 is the best approach.'

LONG-TERM FINANCIAL PLAN



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CONTENTS

Introduction	4
Part 1	5
Part 2	6
Part 3	17
Part 4	22
Part 5	26
Part 6	47
Appendix 1	52

INTRODUCTION

In May and June 2024, Council engaged the community in an important conversation about the 'The Next Ten Years' for North Sydney. Through a series of thought-provoking discussion papers, panel sessions, surveys and workshops, the community considered where we are now and where we would like to be over the next decade.

This work, together with research in several key areas, has informed a number of enabling actions which have been included within Draft Informing Strategies and will inform Council's new Community Strategic Plan. A plan that aims to ensure the community of North Sydney continues to enjoy a quality of life and an improved sense of community supported by responsive services and high-quality infrastructure that support an evolving community.

Critical to these aspirations is Council's financial position. Council's financial strength and sustainability directly impact on our ability to deliver services and infrastructure at a level both needed and expected from our growing community.

Regrettably, Council's current financial position will not support the level of service and infrastructure enjoyed by the community in past decades. The costs associated with the North Sydney Olympic Pool Redevelopment Project have placed significant pressure on Council's reserves and infrastructure renewals. Ongoing operating costs, including the repayment of over \$51 million in debt will result in ongoing operating deficits. Other factors such as declining revenue streams associated with car parking, fines and advertising, along with cost shifting from other levels of government further exacerbate forecast deficits. This position is not sustainable and requires structural change.

It is an enabling document that considers Council's current financial position, along with economic factors that are expected to have an impact on our financial performance in the future, with a view to providing a path to both financial repair and the realisation of the community's aspirations for the future.

The Long-Term Financial Plan (LTFP) allows for a variety of assumptions, sensitivity analyses, and risk management procedures to:

- repair Council's overall financial position to ensure continued service delivery
- evaluate the financial viability of providing the service levels specified in the Delivery Program
- enable the quantification and discussion of the costs of long-term strategic decisions
- permit scenario testing of various policies and service levels
- enable testing of the sensitivity and robustness of our key assumptions

Council's LTFP is underpinned by its Financial Management Policy and Asset Management Policy. The Financial Management Policy outlines Council's guiding principles in preparing the plan and maintaining financial sustainability. The Asset Management Policy sets the framework for consistent asset management processes throughout the North Sydney Local Government Area and to ensure adequate long-term provision for the renewal of assets. Any plan for financial sustainability must address future provision of infrastructure and environmental sustainability.

PART 01

Financial strength and sustainability – Where do we want to be?

Principles and strategy

Legislated principles

In September 2016, the *Local Government Amendment (Governance and Planning) Act 2016* commenced. This legislated the approach that Councils should adopt in relation to their financial management.

In their 2013 report 'Financial Sustainability of the New South Wales Local Government Sector', IPART defined financial sustainability as: 'A local government will be financially sustainable over the long term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community'.

Legislated principles of sound financial management

Section 8B of the *Local Government Act 1993* states that the following principles of sound financial management apply to Councils.

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
 - (i) performance management and reporting
 - (ii) asset maintenance and enhancement
 - (iii) funding decisions
 - (iv) risk management practices

(d) Councils should have regard to achieving intergenerational equity, including ensuring the following:

- (i) policy decisions are made after considering their financial effects on future generations,
- (ii) the current generation funds the cost of its services

Financial strategy

To achieve our financial strategy, the LTFP has been developed with the following objectives over the ten-year time frame:

Deliver operating surpluses: Achieving a fully funded operating position resulting in a surplus operating bottom-line sufficient to fund asset backlogs, new infrastructure requirements and to service debt.

Build financial strength and stability: Strengthening financial stability by developing a strong cash position, reducing risks associated with own operating revenue, having sufficient assets to cover liabilities, and being in a position to withstand future financial shocks.

Fund existing service levels: Ensure existing service levels that Council currently provide continue to be fully funded when preparing budgets. Service levels should only change as a result of a full community consultation through the service review framework.

Ensure a financial position that allows responsiveness to changing community needs: Fund community priorities as outlined in the Ten-year Informing Strategies.

Fund improvements to governance and administration: Ensure good decision-making and efficiency and

effectiveness in service delivery through improved systems, processes and development and performance frameworks.

Strategic use of debt: Supporting capacity for growth and opportunity.

Fund infrastructure renewals: The funding allocated to infrastructure renewals programs (including reserves for this purpose) is at a minimum equivalent to the annual depreciation expense.

Infrastructure backlogs are reduced: To ensure expected levels of service are met and to avoid an excessive burden on future generations, funding is allocated to addressing the backlog.

Financial legacy: Ensuring that every financial decision that is made, by both the Council and Council management, creates and safeguards the financial legacy of North Sydney Council – a legacy of being prudent and responsible.

The financial management objectives establish a robust framework for developing Council's Long-Term Financial Plan (LTFP), facilitating consistent and informed decision-making. The LTFP is crafted to be a dynamic and adaptable model, regularly updated through formal budget reviews, quarterly budget statements, and ongoing year-to-date performance assessments. This approach guarantees that the LTFP remains both current and relevant, enabling the Council to respond effectively to changing circumstances and priorities.

PART 02

Our financial position– Where are we now, and why?

FINANCIAL PERFORMANCE

A Council with strong financial performance is one that maintains a revenue stream adequate to sustain existing service levels and infrastructure while also supporting the growing needs of an expanding population. Strong financial performance goes beyond generating sufficient revenue – it also involves effective financial management and strict cost control measures to ensure long-term sustainability.

Currently, the Council's financial outlook is unsustainable and requires significant structural reform. The existing revenue is insufficient to cover current service levels, loan repayments, asset maintenance backlogs, infrastructure renewals, upgrades, and the development of new assets to meet the demands of a growing and evolving population.

Council has recently introduced an organisational performance function to focus on review and improvement, which in turn will result in improved efficiency and cost control in Council's administration and operations. However, the measures are limited by outdated and ineffective systems. Investment in these systems will be critical to ensuring reduced administrative and operational overheads.

The financial challenges facing the Council began in 2019/2020, when the COVID-19 pandemic led to a sharp reduction in revenue streams. In 2020/2021, the Council committed to the North Sydney Olympic Pool redevelopment project. Through decisions made in the initial planning phase, including the contract strategy and the decision to proceed prior to designs being complete, significant risk was taken and has been realised, resulting in increased capital and operating costs, leaving Council in a weak financial position and with an unsustainable forecast.

In response to these pressures, the Council launched a comprehensive program of organisational review and transformation in late 2022. This initiative has identified key structural opportunities for improvement, particularly in the areas of financial management and prioritisation of resources. Key actions under this program include:

- **Organisational Structural Realignment**
- **Strategy Development**
- **Process Improvement**
- **System Replacement**
- **Service Review Framework**
- **Performance and Development Framework**

In 2024, the Council also resolved to develop a comprehensive governance strategy aimed at preventing future financial missteps, such as those experienced during the North Sydney Olympic Pool project. This strategy is designed to guide decision-making processes and mitigate the risks associated with major infrastructure projects and investments.

The Governance Strategy, now developed, is a critical part of the Council's broader effort to stabilise and improve its financial performance. However, despite the importance of this strategy, the current financial situation means that there are insufficient funds available to implement it. This underscores the urgency of addressing the structural financial issues to secure a sustainable future for the Council and its services.

The following table outlines Council's forecast performance from 2024/25 through to 2034/35. The commentary below the table provides background as to the worsening results.

Table 1. Forecast Income Statement

	2024/25 Budget (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Income from Continuing Operations											
Rates	\$61,961	\$64,662	\$66,830	\$69,069	\$71,382	\$73,773	\$76,242	\$78,793	\$81,428	\$84,151	\$86,964
Annual Charges	\$18,016	\$18,556	\$19,113	\$19,686	\$20,277	\$20,885	\$21,512	\$22,157	\$22,822	\$23,506	\$24,211
User Charges & Fees	\$33,803	\$41,394	\$43,726	\$46,108	\$47,722	\$49,392	\$51,121	\$52,910	\$54,762	\$56,679	\$58,662
Other Revenue	\$10,292	\$10,704	\$11,078	\$11,466	\$11,867	\$12,283	\$12,713	\$13,158	\$13,618	\$14,095	\$14,588
Grants and Contributions provided for Operating Purposes	\$5,027	\$5,102	\$5,179	\$5,257	\$5,335	\$5,416	\$5,497	\$5,579	\$5,663	\$5,748	\$5,834
Grants and Contributions provided for Capital Purposes	\$11,378	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444
Interest and Investment Revenue	\$3,165	\$3,723	\$3,960	\$4,211	\$4,477	\$4,748	\$5,001	\$5,246	\$5,489	\$5,731	\$6,003
Other Income	\$5,887	\$6,814	\$7,053	\$7,299	\$7,555	\$7,819	\$8,093	\$8,376	\$8,669	\$8,973	\$9,287
Total Income from Continuing Operations	\$149,528	\$158,399	\$164,383	\$170,540	\$176,060	\$181,759	\$187,621	\$193,663	\$199,896	\$206,326	\$212,994
Expenses from Continuing Operations											
Employee Benefits and On-Costs	\$54,406	\$60,373	\$62,939	\$65,614	\$68,402	\$71,309	\$74,340	\$77,499	\$80,793	\$84,227	\$87,806
Materials and Services	\$53,986	\$57,221	\$58,937	\$60,705	\$62,526	\$64,402	\$66,334	\$68,324	\$70,374	\$72,485	\$74,660
Borrowing Costs	\$2,511	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667
Depreciation and Amortisation	\$28,795	\$31,959	\$32,918	\$33,905	\$34,922	\$35,970	\$37,049	\$38,161	\$39,305	\$40,485	\$41,699
Other Expenses	\$4,783	\$4,926	\$5,074	\$5,227	\$5,383	\$5,545	\$5,711	\$5,882	\$6,059	\$6,241	\$6,428
Net Losses from the Disposal of Assets	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277
Total Expenses from Continuing Operations	\$144,758	\$157,478	\$162,645	\$167,993	\$173,547	\$179,335	\$185,324	\$191,525	\$197,948	\$204,599	\$211,537
Operating Result from Continuing Operations	\$4,771	\$921	\$1,737	\$2,546	\$2,513	\$2,424	\$2,298	\$2,138	\$1,947	\$1,727	\$1,457
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$6,607)	(\$6,523)	(\$5,707)	(\$4,898)	(\$4,931)	(\$5,020)	(\$5,146)	(\$5,306)	(\$5,497)	(\$5,717)	(\$5,987)

North Sydney Olympic Pool

The additional capital costs incurred during the redevelopment of the North Sydney Olympic Pool have weakened the financial position of the Council and are expected to place further pressure on its financial performance.

A business plan has been developed for the Pool with the goal of optimising visitation. This plan outlines projections for the first three years of operation, after which visitation growth is expected to plateau at a new steady state. The plan anticipates that by Year 2, the facility will generate enough income to cover operational costs and produce a small surplus. However, these surpluses will be insufficient to cover the interest and depreciation expenses associated with the facility. Additionally, the forecast does not account for Council overheads or the costs of internal support services, such as human resources. The North Sydney Olympic Pool Forecast is as follows:

Income (User Fees)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)
Gym Services	2,047	2,722	3,405
Aquatic Programs	2,108	2,502	2,900
Admin & CS	2,084	2,148	2,212
Sub-total:	6,239	7,372	8,517
<i>less expenses</i>			
Employee Benefits and on-costs	(4,924)	(5,134)	(5,332)
Material and Services	(1,635)	(1,684)	(1,735)
Operational Performance:	(320)	554	1,450
Depreciation	(2,300)	(2,369)	(2,440)
Interest on Pool Loans	(2,114)	(1,976)	(1,829)
Centre Performance	(4,734)	(3,791)	(2,819)

Reliance on user charges and other sources of revenue

For many years, North Sydney Council successfully diversified its income sources through avenues such as parking revenue and advertising, which helped supplement relatively low rates. However, the financial impact of the 2020 pandemic, along with broader societal shifts and the Council's sustainability initiatives, has significantly reduced these revenue streams.

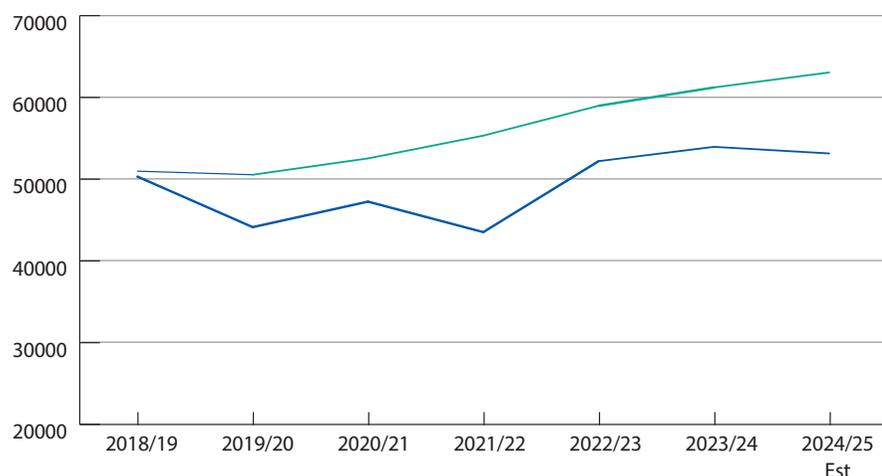
Historically, the Council adopted a diversified approach to revenue generation in order to reduce its reliance on rates. Traditionally, around 45% of total operating revenue has been generated through user charges fees, and other non-rate income. This includes on-street parking fees, fines, advertising revenue and commercial rental income. While this strategy has lessened the financial burden on residents and businesses, it has also exposed the Council to fluctuations in income, which are influenced by a range of social, economic, policy, and environmental factors. The 2020 COVID-19 pandemic highlighted the risks associated with this level of revenue diversification.

Adjusting for inflation and assuming no change in user behaviour since 2019, income from user charges, fees, and other revenue streams would be \$9.9 million higher than current levels. This includes \$4.5 million in on-street parking revenue, \$1.2 million in advertising fees, and \$1.8 million in rental income.

The reduction in revenue can be attributed to several social and economic shifts resulting from the pandemic. These include the widespread adoption of remote work, which has led to a decrease in demand for parking and office space, as well as changes in advertising practices. Digital technology has transformed the advertising landscape, and recent development approvals have led to the rejection of planned digital advertising sites, while traditional paper-based advertising has declined. Additionally, major transport projects by Transport for NSW (TfNSW) have reduced the availability of on-street parking, and the introduction of the Metro is expected to further reduce demand.

While the reduction in car use negatively impacts revenue, it aligns with Council's strategic goals to promote active transport and reduce reliance on motor vehicles.

Figure 1. Historical – total income (excluding rates, annual charges, NSOP income and one-off items)



	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 Est
Total income less rates and annual charges less NSOP	50,318	44,133	47,254	43,525	52,203	53,955	53,147
CPI inflated adjusted income	50,980	50,470	52,540	55,324	58,976	61,217	63,053

Other factors

Cost shifting and the additional financial burdens resulting from government decisions have further strained the Council’s finances, including a 214% increase in the Emergency Services Levy over the past two years.

Cost control measures

Council has initiated a comprehensive program of review and improvement to ensure the effective use of public funds. In 2023, a major realignment of the organisational structure was implemented, establishing a clear leadership and service unit framework designed to enhance role clarity, accountability, and communication, while reducing duplication and improving collaboration across the organisation. Additionally, over \$6.4 million in employee benefits and oncosts were reallocated to streamline leadership structures and address critical resource needs in areas such as risk management, commercial property management, parks and gardens maintenance, organisational improvement, technology, and strategic planning.

Ongoing and future review and improvement programs include the introduction of:

- **A process mapping initiative**, initially targeting 250 high-priority processes, with plans to expand to 1,000 over time. This effort aims to identify opportunities for greater operational efficiency.
- **A new service level review framework** to ensure that Council’s services are aligned with the evolving needs and expectations of the community.
- **Service unit planning** to identify workforce development priorities, opportunities for process improvement, and areas for financial review.
- **A development and performance framework** to support the creation of a high-performing workforce.
- **A new workforce strategy** aimed at positioning Council as a competitive employer in a challenging environment marked by skills shortages.

Despite these significant commitments to improve organisational efficiency, Council’s ability to generate efficiencies is constrained by its outdated technology systems. These systems are not integrated, require excessive manual intervention, and lack the sophistication needed to support timely decision-making. The inefficiencies caused by these systems are a major source of frustration for the workforce and, indirectly, for residents and customers, negatively impacting the overall customer experience.

FINANCIAL POSITION

A financially strong and resilient Council is one that can absorb financial shocks while maintaining the delivery of essential services and infrastructure at the levels expected by the community. This includes the ability to fund infrastructure renewals as they become due, as well as being able to adapt to the changing needs of a growing community.

Currently, however, Council's financial position is weak and requires significant structural repair.

The table below outline Council's projected financial position and cash flow from 2024/25 to 2034/35. The accompanying commentary provides further insight into the factors contributing to the deterioration of the Council's financial results.

Table 2. Forecast Balance Sheet

	2024/25 (\$'000) – FY2025 Approved Budget	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Current Assets											
Cash & Cash Equivalents	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Investments	\$69,278	\$74,730	\$80,885	\$86,988	\$93,915	\$100,244	\$106,231	\$112,160	\$118,030	\$123,838	\$131,211
Receivables	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547
Inventories	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Other	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626
Total Current Assets	\$101,511	\$106,963	\$113,118	\$119,221	\$126,148	\$132,477	\$138,464	\$144,393	\$150,263	\$156,071	\$163,444
Non-Current Assets											
Receivables	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770
Infrastructure, Property, Plant & Equipment	\$1,752,868	\$1,743,455	\$1,733,936	\$1,725,047	\$1,888,442	\$1,879,925	\$1,871,407	\$1,862,561	\$1,853,347	\$2,029,058	\$2,018,959
Investment Property	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698
Right of Use Assets	\$1,258	\$1,202	\$1,146	\$3,930	\$3,874	\$3,818	\$3,762	\$3,706	\$3,650	\$2,328	\$3,739
Investments Accounted for Using the Equity Method	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34
Total Non-Current Assets	\$1,808,628	\$1,799,159	\$1,789,584	\$1,783,479	\$1,946,818	\$1,938,245	\$1,929,671	\$1,920,769	\$1,911,499	\$2,085,888	\$2,077,200
TOTAL ASSETS	\$1,910,139	\$1,906,122	\$1,902,701	\$1,902,700	\$2,072,967	\$2,070,722	\$2,068,135	\$2,065,163	\$2,061,762	\$2,241,959	\$2,240,644
LIABILITIES											
Current Liabilities											
Payables	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,833	\$32,833
Contract Liabilities	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099
Lease Liabilities	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303
Borrowings	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879	\$1,872
Employee Benefit Provisions	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100
Total Current Liabilities	\$54,914	\$55,133	\$55,363	\$54,726	\$54,644	\$54,860	\$55,086	\$55,324	\$55,573	\$54,215	\$52,208

	2024/25 (\$'000) – FY2025 Approved Budget	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Non-Current Liabilities											
Lease Liabilities	\$750	\$391	\$32	\$2,513	\$2,154	\$1,795	\$1,436	\$1,077	\$718	\$359	\$0
Borrowings	\$55,805	\$51,006	\$45,978	\$41,586	\$37,276	\$32,751	\$27,999	\$23,010	\$17,771	\$12,625	\$12,220
Employee Benefit Provisions	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154
Total Non-Current Liabilities	\$57,709	\$52,551	\$47,164	\$45,253	\$40,584	\$35,700	\$30,589	\$25,241	\$19,643	\$14,138	\$13,374
TOTAL LIABILITIES	\$112,623	\$107,685	\$102,527	\$99,979	\$95,229	\$90,560	\$85,675	\$80,565	\$75,216	\$68,352	\$65,581
Net Assets	\$1,797,516	\$1,798,437	\$1,800,174	\$1,802,721	\$1,977,738	\$1,980,162	\$1,982,460	\$1,984,598	\$1,986,545	\$2,173,607	\$2,175,063
EQUITY											
Accumulated Surplus	\$981,087	\$982,008	\$983,745	\$986,292	\$988,804	\$991,228	\$993,526	\$995,664	\$997,611	\$999,338	\$1,000,795
IPPE Revaluation Reserve	\$816,429	\$816,429	\$816,429	\$816,429	\$988,934	\$988,934	\$988,934	\$988,934	\$988,934	\$1,174,269	\$1,174,269
Total Equity	\$1,797,516	\$1,798,437	\$1,800,174	\$1,802,721	\$1,977,738	\$1,980,162	\$1,982,460	\$1,984,598	\$1,986,545	\$2,173,607	\$2,175,063

Table 3. Forecast Cash Flow Statement

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Rates	61,383	64,662	66,830	69,069	71,382	73,773	76,242	78,793	81,428	84,151	86,964
Annual Charges	18,016	18,556	19,113	19,686	20,277	20,885	21,512	22,157	22,822	23,506	24,211
User Charges & Fees	33,803	41,394	43,726	46,108	47,722	49,392	51,121	52,910	54,762	56,679	58,662
Investment & Interest Revenue Received	3,165	3,723	3,960	4,211	4,477	4,748	5,001	5,246	5,489	5,731	6,003
Grants & Contributions	12,471	12,546	12,623	12,701	12,779	12,860	12,941	13,023	13,107	13,192	13,278
Bonds & Deposits Received	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Other	16,179	17,518	18,131	18,765	19,422	20,102	20,806	21,534	22,287	23,067	23,875
Payments											
Employee Benefits & On-Costs	(54,406)	(60,373)	(62,939)	(65,614)	(68,402)	(71,309)	(74,340)	(77,499)	(80,793)	(84,227)	(87,806)
Materials & Contracts	(53,986)	(57,221)	(58,937)	(60,705)	(62,526)	(64,402)	(66,334)	(68,324)	(70,374)	(72,485)	(74,660)
Borrowing Costs	(2,511)	(2,722)	(2,500)	(2,266)	(2,036)	(1,832)	(1,612)	(1,381)	(1,140)	(885)	(667)
Bonds & Deposits Refunded	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)
Other	(4,783)	(4,926)	(5,074)	(5,227)	(5,383)	(5,545)	(5,711)	(5,882)	(6,059)	(6,241)	(6,428)
Net Cash provided (or used in) Operating Activities	29,331	33,157	34,932	36,729	37,712	38,671	39,624	40,576	41,530	42,488	43,433
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Sale of Investment Securities											
Redemption of term deposits											
Sale of Infrastructure, Property, Plant & Equipment											
Payments											
Purchase of Investment Securities											
Purchase of Investment Property											
Purchase of Infrastructure, Property, Plant & Equipment	(92,444)	(22,822)	(23,676)	(25,294)	(26,090)	(27,729)	(28,809)	(29,592)	(30,368)	(31,138)	(31,877)
Contributions paid to joint ventures and associates	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(92,444)	(22,822)	(23,676)	(25,294)	(26,090)	(27,729)	(28,809)	(29,592)	(30,368)	(31,138)	(31,877)

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/3 4 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings & Advances	30,000										
Payments											
Repayment of Borrowings & Advances	(3,056)	(4,580)	(4,799)	(5,029)	(4,392)	(4,310)	(4,525)	(4,752)	(4,989)	(5,239)	(3,879)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	26,641	(4,883)	(5,102)	(5,332)	(4,695)	(4,613)	(4,828)	(5,055)	(5,292)	(5,542)	(4,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(36,472)	5,452	6,154	6,103	6,928	6,329	5,987	5,929	5,870	5,808	7,373
Plus: Cash & Cash Equivalents – beginning of year	22,849	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Cash & Cash Equivalents – end of the year	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments – end of the year	69,278	74,730	80,885	86,988	93,915	100,244	106,231	112,160	118,030	123,838	131,211
Cash, Cash Equivalents & Investments – end of the year	90,278	95,730	101,885	107,988	114,915	121,244	127,231	133,160	139,030	144,838	152,211
Externally restricted funds	69,099	80,129	91,340	102,734	114,311	126,074	138,022	150,157	162,481	174,993	187,697
Cash, Cash Equivalents & Investments excluding externally restricted funds	21,179	15,602	10,545	5,254	604	(4,829)	(10,791)	(16,997)	(23,451)	(30,155)	(35,485)

Table 4: Financial Performance Indicators

Indicator	Benchmark	2025/26	2026/27	2027/28	2028/29	2029/30	2031/32	2032/33	2033/34	2034/35	2035/36
Operating performance ratio	>0%	-4.32%	-3.64%	-3.00%	-2.92%	-2.88%	-2.86%	-2.85%	-2.86%	-2.87%	-2.91%
Own source operating revenue ratio	>60%	92.08%	92.32%	92.55%	92.74%	92.92%	93.10%	93.28%	93.44%	93.61%	93.77%
Unrestricted current ratio	>1.5	0.83	0.67	0.52	0.37	0.20	0.01	-0.18	-0.37	-0.61	-0.83
Debt service current ratio	>2	4.63	4.02	4.24	4.35	5.02	5.38	5.51	5.64	5.77	5.86
Cash expense cover ratio	> 3 months	8.08	8.29	8.54	8.82	9.09	9.28	9.42	9.53	9.63	9.78
Buildings and infrastructure renewal ratio	>100%	71%	72%	75%	75%	77%	78%	78%	77%	77%	76%
Infrastructure backlog ratio – condition 3	<2%	9%	9%	9%	9%	9%	9%	10%	10%	9%	10%
Infrastructure backlog ratio – condition 2	<2%	33%	34%	36%	33%	35%	36%	37%	38%	36%	37%
Asset maintenance ratio	>100%	90%	83%	77%	72%	68%	64%	60%	57%	54%	51%

Cash and investments

Internal borrowings required to fund the North Sydney Olympic Pool (NSOP) Redevelopment Project are projected to significantly deplete Council's unrestricted and internally restricted cash and investment reserves in the short term. A total of \$49.07 million – comprising \$14.88 million for asset renewal and capital works funding, and \$34.19 million from internal reserves – has been used to fund the project to its completion. These internal reserves include critical funds, such as employee leave entitlements, deposits, retentions and bonds.

External financing for the NSOP project has now reached \$51 million. In addition to the funding requirements for the NSOP, the reduction in Council revenue streams following the COVID-19 pandemic has further impacted the reserve balances.

After reviewing the financial risks associated with currently low liquidity levels, and the feedback from community consultation, it will be recommended within this plan that Council increases borrowings by \$10 million in the 2024/25 financial year. The post-pandemic decline in revenue has also limited the Council's ability to build reserves for infrastructure renewal. Had revenue levels remained consistent with pre-pandemic trends and adjusted for inflation, it is estimated that an additional \$29.2 million would have been available to bolster these reserves.

As of 30 June 2025, Council is forecast to have \$21 million in cash and investments that are not subject to external restrictions. Despite the measures taken by Council, the liquidity ratio will keep declining in the subsequent years and remains unsatisfactory. This amount is critically low and will result in internal reserves for outstanding liabilities shrinking to just \$8.1 million in the second year, representing only 35% of historically maintained reserve levels, without intervention.

Infrastructure, property, plant and equipment

Infrastructure provision and management are fundamental responsibilities of local government. Infrastructure, by its very nature, forms the foundation for essential service delivery, including transport networks, footpaths, open spaces and recreation assets, community halls, libraries, stormwater systems, and seawalls. Effective infrastructure management is crucial to the local government's role, and it must be adequately funded to prevent passing an excessive financial burden onto future generations.

Proper maintenance and timely renewal of infrastructure are essential to maintaining service levels and ensuring public safety. When infrastructure is not maintained or renewed in a timely manner, service quality deteriorates, and public safety risks may emerge.

The performance of local councils in providing adequate funding for infrastructure renewals is typically assessed using the renewal ratio. This ratio compares annual expenditure on renewals against total depreciation for the year. While this measure is useful, it has limitations. It is backward-looking and sensitive to factors such as future inflation and shifting community and customer expectations. Therefore, using depreciation values as a sole indicator of future infrastructure needs should be regarded as a minimum threshold, with actual renewal requirements likely exceeding these figures over time.

As of 30 June 2024, Council's infrastructure, property, plant, and equipment holdings were valued at \$2.18 billion, with accumulated depreciation amounting to \$571.6 million. The net carrying value after depreciation was \$1.6 billion.

Investment is crucial to effectively manage this infrastructure and ensure it meets community expectations. This includes:

- Timely completion of asset renewals.
- Provision of new infrastructure to accommodate a growing population.
- Upgrades to meet modern standards and evolving community needs.

Typically, councils aim to fund renewals equal to the annual depreciation amount. However, due to the uneven timing of asset renewals, along with budget pressures and inflationary factors, this approach is often insufficient to maintain infrastructure at a satisfactory standard.

Current estimates of infrastructure backlog indicate a history of underinvestment in asset renewal, which has compounded over time and further exacerbated funding challenges. Addressing this backlog will require targeted, sustained investment to bring infrastructure management up to a level that meets both current and future community expectations.

Council's financial statements as at 30 June 2024, provide the following assessment of infrastructure managed by Council.

This assessment is aligned with the accumulated consumption of assets, represented by accumulated depreciation, which totals \$571.6 million.

A **'satisfactory'** level of service refers to infrastructure that continues to function but requires maintenance to sustain its operational capacity. If maintenance is insufficient, infrastructure in this category will deteriorate further, leading to service disruptions and potential public safety risks.

Asset Class	Gross Replacement Cost \$,000	Percentage assessed as being less than 'Good'	Total cost to bring to 'Good' standard \$,000	Percentage assessed as being less than 'Satisfactory'	Total cost to bring to 'Satisfactory' standard \$,000
Buildings	\$347,015	62.32%	\$216,270	19.99%	\$69,378
Other structures	\$1,146	Nil	\$Nil	Nil	\$Nil
Roads	\$449,887	29.21%	\$131,416	5.80%	\$26,107
Footpaths	\$155,039	28.50%	\$44,183	5.94%	\$9,204
Stormwater drainage	\$270,451	13.00%	\$35,000	11.14%	\$30,140
Open space and recreational assets	\$47,756	26.05%	\$12,443	2.02%	\$964
Other infrastructure assets	\$303,917	39.87%	\$121,161	3.62%	\$11,001
Total	\$1,575,211		\$560,473		\$146,795

A 'good' level of service is defined as infrastructure that operates effectively with only minor maintenance required.

62.32% of building assets are currently below a good level of service, which has led to a range of service delivery issues, including:

- Low utilisation rates.
- Periods of closure for reactive maintenance.
- Increased frequency and cost of ongoing reactive maintenance.
- Public safety risks.

In addition to these infrastructure challenges, the increased capital expenditure associated with the North Sydney Olympic Pool project will have long-term implications for future operational and renewal costs, including an additional \$2.3 million in annual depreciation.

Given the current financial position, the Council does not have sufficient funds to adequately maintain its infrastructure, which further compounds the challenges in addressing the renewal backlog and maintaining service standards.

Receivables

As of 30 June 2024, the Council's outstanding rates and annual charges ratio was 3.74%, which is within the industry benchmark of less than 5.00%. This indicates a healthy level of receivables management.

Investment properties

As of 30 June 2024, Council's investment properties were valued at \$53.7 million. Like the Council's operational and community buildings, these properties are in need of renewal. In addition to current low rental market conditions, the physical condition of the buildings further hinders the Council's ability to attract tenants.

While Council may consider selling some of these investment properties as part of a broader financial strategy, many of the commercial assets hold long-term strategic value. Selling them to address short-term liquidity needs could significantly limit future opportunities to shape the local area, especially in response to the region's growing population. Moreover, asset sales would not resolve the underlying long-term revenue shortfalls faced by the Council.

Payables

As at 30 June 2024, Council recorded total payables of \$32.833 million. Historically, the majority of this liability is short-term and funded through working capital. This excludes security bonds, deposits, and retentions, of which the majority are not anticipated to be settled within the next twelve months. As at 30 June 2024, an internally restricted reserve of \$14.657 million was created for this liability.

As at 30 June 2025, this reserve is forecast to reduce to \$8.1 million. This is a short-term measure only and unsustainable moving forward.

Employee benefit provisions

As at 30 June 2024, Council's employee leave and gratuities liability totalled \$14.254 million. Historically, Council has held 50% of this liability in an internally restricted reserve to ensure liquidity.

Loan Borrowings

As at 30 June 2025, Council is forecast to have \$60.384m in loans outstanding, as follows:

Loan Purpose	Lender	Original loan value	Balance as at 30 June 2025	Annual repayment including interest 2025/26
North Sydney Olympic Pool	TCorp	\$31 million	\$27.836 million	\$2.31 million
North Sydney Olympic Pool	TCorp	\$20 million	\$19.228 million	\$2.56 million
Alexander Street carpark and on-street car parking management system	CBA	\$9.5 million	\$3.513 million	\$1.15 million
New Loan projected for last quarter of financial year 2024/25	Not available	\$10 million	\$9.807 million	\$1.29 million
Total		\$70.5 million	\$60.384 million	\$7.31 million

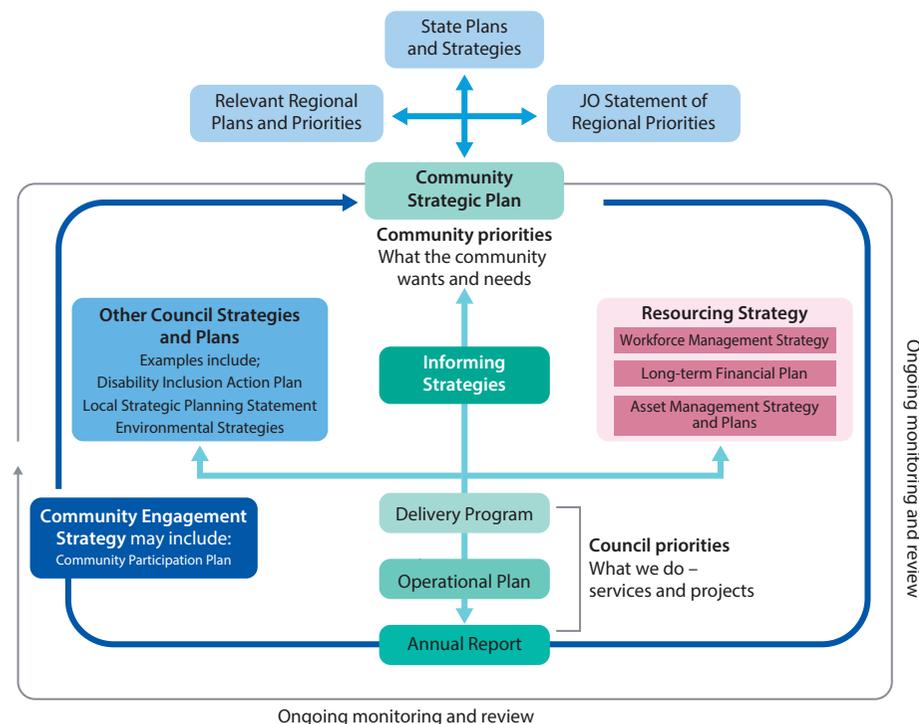
After consultation, an additional \$10 million loan is recommended to be taken out in the financial year 2024/25.

PART 03 A strong and sustainable financial future – How will we get there?

CLEAR STRATEGIC DIRECTION

The Integrated Planning and Reporting Framework, mandated by the *Local Government Act 1993*, outlines the minimum standards for strategic planning across NSW local governments.

Figure 2. Integrated Planning Framework



Long-Term Financial Plan: Ensuring a sustainable future for North Sydney

The Long-Term Financial Plan is a key strategic tool designed to ensure the Council can sustainably fund the services, infrastructure, and initiatives required by the community. It aims to align financial resources with the needs and priorities of the community, ensuring that we can continue to deliver high-quality services while addressing both current and future challenges.

Community Engagement: Shaping our future

Understanding the community's needs and aspirations is critical when developing financial strategies. In May and June 2024, the Council launched an extensive community engagement initiative, *'The Next Ten Years'*. This initiative included discussion papers, expert panels, workshops and information sessions. Over 1,000 surveys were completed, alongside significant feedback from in-person engagements.

In parallel, independent consultants conducted research into key areas of the Council's operations and areas of influence. These included open space and recreation, culture and creativity, social inclusion, integrated transport, and economic development. This research provided valuable insights that helped shape the priorities for North Sydney's future.

Balancing priorities and financial sustainability

The Council faces a significant challenge: balancing the need to address infrastructure shortfalls from the past with the demand for new services and infrastructure as the Local Government Area (LGA) evolves. The community's willingness to invest in these changes – through additional funding or by adjusting existing services – will be key to achieving this balance.

To respond to these challenges, the Council has developed a series of ten-year strategies, informed by community feedback and research, to guide decision-making and resource allocation. These strategies outline the key areas where the Council will focus its efforts in the coming decade.

Key Informing Strategies

The Informing Strategies focus on the following priority areas:

- Governance
- Economic Development
- Integrated Transport
- Environment
- Open Space and Recreation
- Culture and Creativity
- Social Inclusion
- Housing

These strategies are designed to address both current and future needs, ensuring that the Council is well-positioned to support growth and development while maintaining the quality of life for residents.

A comprehensive review of the funding requirements for these strategies has identified potential sources of revenue, including developer contributions and grants. However, additional revenue through local rates will be required to fully fund these initiatives. For the purposes of this Long-Term Financial Plan, only the costs requiring rating revenue have been included.

Financial options and strategic priorities

The Long-Term Financial Plan outlines several options for how these strategies can be funded, with varying levels of investment. The strategic priorities are included in **Options 2a, 2b, and 3** of this plan. These options provide different approaches to funding the strategies, with Option 3 representing the most ambitious level of investment.

If **Option 1** is selected, the progress towards the outcomes outlined in the Informing Strategies will be more limited. In this case, the Council will focus primarily on like-for-like renewal projects and those that are externally funded.

IMPROVED GOVERNANCE AND ADMINISTRATION

In October 2022, following a request for a significant contract variation, Mayor Zoë Baker called for an independent review of the North Sydney Olympic Pool project. The review highlighted several critical issues in the initial planning and decision-making processes, which contributed to significant project risks and cost overruns.

1. The original business case and project budget lacked comprehensive financial and non-financial data, leading to an underestimation of costs and scope.
2. The growth in project scope from Option 2 to Option 2b was driven by Councillors' desire for a superior facility which did not fully align with feedback from community consultation.
3. The decision to remove experienced external project managers after the concept design phase weakened oversight and control.
4. The governance framework was insufficient, particularly regarding the composition of steering committees and overall oversight.

5. Risk management practices were not robust enough to support decision-making for a project of this complexity and scale.
6. Latent site conditions were identified late in the process, resulting in additional work, expanded scope, and increased costs.
7. The Council did not establish a comprehensive contracting strategy, opting instead to enter into two separate contracts for design and construction. This approach significantly increased the project's risk.
8. The construction contract was expedited and signed before design documentation was complete and while site investigations were still ongoing, further compounding risks.

It is evident that the initial project budget for the North Sydney Olympic Pool was significantly underfunded. While the project's scope expanded, critical decisions made throughout the process, such as premature contracting and insufficient risk management, have resulted in substantial financial risks being realised.

In response to the review, the Council has made several key changes to improve project management, including the engagement of external project managers, quantity surveyors, and programmers. These specialists have helped improve control over variations and time extensions. However, despite these improvements, many risks remain unmitigated, leading to ongoing project disputes and legal action. Nevertheless, all parties are working collaboratively to deliver the project.

The North Sydney Olympic Pool project underscores the financial risks associated with lacking governance and administrative frameworks. Often, Council's prioritise funding for visible infrastructure projects, but failure to invest in strong governance can lead to significant long-term financial implications.

Following the appointment of the new CEO in November 2022, the Council initiated an organisational review to identify key limitations and structural issues within its governance and operations. The review, which has been ongoing through 2023 and 2024, has resulted in significant changes to the organisational structure. New development and performance frameworks are being implemented across the workforce to improve efficiency and accountability.

However, the primary challenge facing the workforce remains the lack of integrated processes and systems. These deficiencies lead to reduced efficiency, poor data quality, and reliance on manual interventions, all of which contribute to financial risk.

This Long-Term Financial Plan prioritises improvements in governance and administration across all options, recognising that a strong, integrated framework is essential to reducing financial risks and ensuring the successful prioritisation and delivery of future projects, services and initiatives.

STRUCTURAL CHANGE TO REVENUE POLICY

Historically low rates, coupled with declines in other revenue sources, highlight the need for structural changes to the Council's Revenue Policy. Relying on high levels of user charges, fees, and other income is no longer a sustainable strategy, as these sources have proven to be volatile and unpredictable.

The fluctuations in revenue over the past four years, combined with future forecasts, underscore the necessity of adjusting the rating levels. Without a significant correction to rating levels, the Council will face challenges in achieving long-term financial stability and sustainability.

This Long-Term Financial Plan presents four options for rating increases aimed at improving the Council's financial position. While each option illustrates the extent of the necessary correction, comparisons with other councils highlight that the proposed increases are still based on a relatively low starting point. In accordance with the requirements of special rate variation applications, a capacity to pay analysis has been undertaken in developing these options. In addition to reviewing the level of rating income required, a review of the distribution of rates has also been undertaken and recommends an increase in the minimum rate.

In addition to ordinary rates, Council levies two special levies for environmental and infrastructure purposes. Council calculates these levies using a base rate method of calculation rather than the minimum system used for ordinary rates. In all options presented in this Long-Term Financial Plan, Council proposes that these levies be rolled into the ordinary rate to increase efficiencies in relation to rates administration.

The 2024/25 average residential rate for North Sydney is \$1,040. This includes ordinary rates and special rates levied for environmental and infrastructure purposes.

Increases to rating revenue proposed within this plan

The following increases to Council's total permissible rating income are included within the options contained in this plan.

	2025/26	2026/27	2027/28
Option 1	50%	5%	5%
Option 2a - revised	45%	29%	Rate peg
Option 2b	75%	Rate peg	Rate peg
Option 3	60%	20%	10%

Council's 2024/25 average residential rate is \$1,040 [1]. Based upon the proposed increases, combined with an adjustment to the minimum rate from \$715 to \$1,200 the average residential rate is estimated as follows:

	2025/26	2026/27	2027/28
Option 1	\$1,511	\$1,586	\$1,665
Option 2a - revised	\$1,460	\$1,884	\$1,940 (assuming 3% rate peg)
Option 2b	\$1,762	\$1,815 (assuming 3% rate peg)	\$1,870 (assuming 3% rate peg)
Option 3	\$1,611	\$1,933	\$2,127
Rate peg (base case)	\$1,048 [2]	\$1,080	\$1,112

Council's 2024/25 average business rate is \$6,724 [3]. Based upon the proposed increases, combined with an adjustment to the minimum rate from \$715 to \$1,400, the average business rate is estimated as follows:

	2025/26	2026/27	2027/28
Option 1	\$10,601	\$11,131	\$11,687
Option 2a - revised	\$10,247	\$13,219	\$13,616 (assuming 3% rate peg)
Option 2b	\$12,367	\$12,739 (assuming 3% rate peg)	\$13,121 (assuming 3% rate peg)
Option 3	\$11,307	\$13,569	\$14,926
Rate peg (base case)	\$7,396[4]	\$7,618	\$7,847

- [1] Average Residential Rate for 2024-25 includes infrastructure and environmental levies, current average residential ordinary rates (excluding levies) are \$915.
- [2] The Average Residential Rate for 2025/26 reflects Council's intention to remove the levies and raise total permissible rates entirely through ordinary rates. This will re-distribute the revenue collected by total levies (approximately 90% of levies are currently paid by residential rate payers) across the ordinary rate category split of 60%/40% Residential/Business respectively.
- [3] Average Business Rate for 2024/25 includes the infrastructure, environmental and main street levies, current average business ordinary rates (excluding levies) are \$6,455.
- [4] The Average Business Rate for 2025/26 reflects Council's intention to remove the levies and raise total permissible rates entirely through ordinary rates. This will redistribute the revenue collected by levies (approximately 10% of total levies are currently paid by business rate payers) across the ordinary rate category split of 60%/40% Residential/Business respectively.

Review of rates distribution between residential and business categories

A review has been conducted to evaluate the distribution of rates contributions between the residential and business categories, based on the relative benefits of services and infrastructure provided to each. The assessment concluded that the current split – 60% residential and 40% business – remains appropriate.

Business rates comparison

Comparing average business rates across different Local Government Areas (LGAs) can be challenging due to the varying characteristics of each area's business environment and industry.

Both Waverley Council and the City of Sydney apply a dual category system for business rates: one for their Central Business Districts (CBD) and another for suburban centres. These rates are as follows:

Council	Ad valorem (rate in \$ land value)
City of Sydney – CBD	0.00777792
City of Sydney – Ordinary business	0.003010200
Waverley – Bondi	0.00824189
Waverley – Ordinary business	0.00404844
North Sydney – Current	0.00437084

Council may consider introducing a sub-categorisation within its business rates, though it is important to note that such a change would not affect the total revenue collected from business rates. Instead, it would simply alter how the total levy is distributed among different business categories.

However, given the current economic climate – particularly in the North Sydney CBD, which, despite recent support from the new Metro, is still recovering from the impacts of the pandemic, with commercial vacancy rates remaining higher than pre-pandemic levels – it is not recommended to implement any sub-categorisation for the 2025/26 financial year.

Impact of special levies

Council has introduced an environment levy and an infrastructure levy to secure funding for initiatives and projects in these areas. These levies have been introduced using a different rating methodology to the 'minimum rates' methodology used for ordinary rates. A 'base rate' methodology has been used, which has resulted in residential ratepayers paying 90% of these special levies, despite benefits assessments suggesting a 60%/40% split is appropriate.

In addition, Council has two small levies for the purposes of streetscape upgrades which are charged to ratepayers in two local centres. The size of these levies does not warrant the cost of separate administration, with the income and expenditure being immaterial as compared to Council's broader budget and responsibilities.

Council's Informing Strategies aim to prioritise funding for all services, infrastructure and initiatives within the Local Government Area. Prioritising funding through Council's overarching strategic framework will ensure funding priorities are made in line with community expectations.

As part of the structural change proposal for rating, it is proposed that all levies be removed, with the total permissible income currently raised through levies rolled into ordinary rates and levied based upon the 'minimum rates' methodology, ensuring a 60%/40% contribution split between residential and business.

In removing the levies, Council commits to improving financial reporting to ensure the community is clear on where funds are being spent.

Limitations on Council's revenue generation and the role of new housing

Councils are restricted in their ability to generate additional income due to rate caps imposed by the State Government. While individual land values may increase periodically, as determined by the Valuer General, the total revenue generated by Council remains largely fixed. Instead, any increases in land values result in a redistribution of revenue, rather than a net increase.

An exception to this limitation is new housing development.

When new housing is built, it increases Council's revenue based on the difference between the pre-development rating assessment and the new, higher rating assessment. For example, if a property originally contained an apartment block with 20 units, Council would receive \$14,300 in rating revenue (\$715 x 20 units). If the site were redeveloped into an apartment block with 200 units, Council would then receive \$143,000 in rating revenue – an increase of \$128,700.

Impact of the minimum rates structure

Council's current rating structure for ordinary rates is based on a minimum rate, with each property paying a minimum of \$715. Of the 36,871 residential assessments, 77.26% of ratepayers currently pay the minimum rate. This is largely due to the high density within the Local Government Area and the practice of levying rates on unimproved land values. However, maintaining low minimum rates limits Council's ability to generate sufficient revenue to meet the demands of a growing population.

Potential impact of increased minimum rates

New housing within North Sydney Local Government area is expected to come from new apartments. As rates are calculated based upon unimproved land value, it is expected that all future housing will be subject to minimum rates. Council's current minimum rate is low at \$715. An additional 3,000 homes over 10 years, would generate an additional \$2.9m in new revenue per annum by Year 10.

Council's Long-Term Financial Plan has been modelled based upon the minimum rate increasing to \$1,200, with an additional 3,000 homes expected to generate \$5.8m in new revenue per annum by Year 10.

The difference in annual income generated by new ratepayers based on a comparison between the current minimum rate of \$715 and the recommended increases within revised option 2a would be \$2.9m. Raising the minimum rate would help alleviate the financial burden on existing ratepayers by generating additional revenue to support the growing infrastructure and services required for the expanding population.

PART 04

Financial planning assumptions

Cash and investments

Given that the projected level of unrestricted cash and investments for Council as of 1 July 2025 was critically low, in this long-term financial plan the Council has projected a new \$10m loan to be taken in the last quarter of the financial year 2024/25. The immediate priority across all options proposed in this plan is to repay internal borrowings. Following the repayment of these borrowings, the focus will shift towards rebuilding unrestricted cash reserves to ensure Council has the financial resilience needed to withstand future financial shocks, unforeseen events, and realised financial risks.

Receivables

North Sydney Council has consistently maintained low levels of outstanding rates and annual charges compared to industry benchmarks. These low levels contribute positively to Council's liquidity position, and it is assumed that this trend will continue throughout the planning period.

Infrastructure, property, plant and equipment

Council is the custodian of infrastructure, property, plant and equipment valued at \$2.18 billion. The financial management of these assets is guided by Council's Asset Management Plans, which make assessments in relation to asset valuations, condition and renewal timeframes.

Provisions

Council has made provisions for the payment of employee leave entitlements, primarily annual leave and long service leave. The balance of these provisions is influenced by Council's Annual and Long Service Leave Management Policy, retirements, and staff leave plans. When determining the value of these provisions, factors such as wage and salary increases, cash rate forecasts, and discounting rates are carefully considered.

Borrowings

As of 30 June 2025, Council's projected external borrowings total \$60.4 million. This includes a \$10 million borrowing projected to be taken in the last quarter of the 2024/25 financial year. This plan assumes repayment of these borrowings in accordance with the agreed terms, which will reduce the debt by 77% over a 10-year period, and allow capacity for strategic borrowings in the future. The plan also assumes no further borrowings will be taken on during this ten-year period.

Any borrowing would adhere to the guidelines set forth in the Borrowing Order under section 624 of the *Local Government Act 1993*, with security for these loans being secured against Council's rating income, as required under section 229 of the Local Government (General) Regulation.

Revenue and Expenses

When preparing the budget, Council carefully considers a range of economic factors that influence its financial position. Financial planning assumptions are critical to effectively managing finances and allocating resources to meet the needs of the community. Councils must make informed assumptions regarding factors such as population growth, revenue sources, inflation, and broader economic trends in order to develop a sound financial plan. These assumptions guide Council in key areas, including resource allocation, long-term financial sustainability, infrastructure planning, revenue forecasting, debt management, risk management, and performance monitoring.

Based on a range of information sources, the following assumptions have been made in the development of the Long-Term Financial Plan (LTFFP) and its balanced budget:

- **Population Growth:** Expected growth trends that will influence demand for services, infrastructure, and resources.
- **Revenue Sources:** Projections for rates, grants, and other revenue streams based on economic conditions and Council's revenue-generating capacity.
- **Inflation:** Assumptions regarding inflation rates and their impact on costs, particularly in relation to wages, materials, and capital projects.
- **Economic Trends:** Broader national and regional economic conditions that may affect Council's financial performance and planning.

These assumptions will assist Council in achieving long-term financial sustainability while effectively managing the needs of the community and ensuring a balanced budget.

The plan does not include provision for the introduction of Food Organics collection by 2030. Domestic waste collection is funded through domestic waste charges and not general rates. Council is currently reviewing long term plans for domestic waste services. Due to the uncertainty of market conditions and costs associated with this new service, financial impacts will be considered in future reviews of this long-term financial plan. No adjustment has been made to income and expenditure in this plan.

Scenario 1 Financial Assumptions

Table 5. Scenario 1 Financial Assumptions

	Year 1 2025/26	Year 2 2026/27	Year 3 2027/28	Year 4 2028/29	Year 5 2029/30	Year 6 2030/31	Year 7 2031/32	Year 8 2032/33	Year 9 2033/34	Year 10 2034/35
Rate pegging limit (excl SRV)	4.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Annual charges	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
User charges and fees	4.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Investment return rates	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Other revenues	4.00%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Employee Costs – Award	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Employee Costs – Step increases	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Materials and contracts	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Other expenses	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Depreciation	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Depreciation increase due to NSOP	\$2,300									
Superannuation (as % of salaries and wages)	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
NSOP – Additional user charges and fees (\$,000, then % increase)	\$6,239	\$883	\$851	4%	4%	4%	4%	4%	4%	4%
NSOP – Employee Costs (\$,000, then % increase)	\$3,001	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%	4.25%
NSOP – Materials and contracts (\$,000, then % increase)	\$981.75	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Governance improvements (\$,000)	\$635.00	\$2,680.00	\$3,385.00	\$3,265.00	\$2,525.00	\$1,595.00	\$1,575.00	\$1,515.00	\$1,575.00	\$1,515.00
Housing Growth (new dwellings)	300	300	300	300	300	300	300	300	300	300
Principal loan repayments	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879
Interest loan repayments	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667

Scenario 2 Financial Assumptions

Scenario 2 Financial Assumption include all of Scenario 1 assumptions, plus the following new and expanded services and infrastructure.

Table 6. Expanded operational services and initiatives budgets (not inflated)

	Year 1 2025/26 \$,000	Year 2 2026/27 \$,000	Year 3 2027/28 \$,000	Year 4 2028/29 \$,000	Year 5 2029/30 \$,000	Year 6 2030/31 \$,000	Year 7 2031/32 \$,000	Year 8 2032/33 \$,000	Year 9 2033/34 \$,000	Year 10 2034/35 \$,000
Environment initiatives	90	377	152	97	57	63	43	63	43	55
Integrated transport initiatives	683	912	412	412	412	452	412	412	412	412
Economic development initiatives	630	530	810	590	590	590	590	590	590	590
Culture and creativity initiatives	415	905	1,135	1,235	1,455	1,205	1,205	1,205	1,205	1,205
Social inclusion initiatives	885	1,335	750	1,050	1,800	1,200	950	1,050	950	950
Open space and recreation initiatives	460	570	570	320	320	320	320	320	320	320
Housing initiatives	290	150	0	0	0	0	0	0	0	0
TOTAL	3,453	4,779	3,829	3,704	4,634	3,830	3,520	3,640	3,520	3,532

Table 7. New and upgraded infrastructure budgets (not inflated)

	Year 1 2025/26 \$,000	Year 2 2026/27 \$,000	Year 3 2027/28 \$,000	Year 4 2028/29 \$,000	Year 5 2029/30 \$,000	Year 6 2030/31 \$,000	Year 7 2031/32 \$,000	Year 8 2032/33 \$,000	Year 9 2033/34 \$,000	Year 10 2034/35 \$,000
Environment initiatives	272	397	304	258	2,309	705	639	293	120	80
Integrated transport initiatives	300	1,013	1,275	1,288	1,302	1,316	1,330	1,344	1,359	1,418
Economic development initiatives	2,600	2,785	385	1,582	1,582	285	1,482	1,482	185	1,482
Culture and creativity initiatives	200	380	80	710	100	400	100	400	100	400
Social inclusion initiatives	600	500	1,500	6,000	4,500	-	-	-	-	-
Open space and recreation initiatives	3,435	3,369	12,723	3,804	6,287	5,681	592	792	392	482
TOTAL	7,407	8,444	16,267	13,643	16,080	8,387	4,143	4,311	2,156	3,863
Total Governance	300	300	300	0						
TOTAL STRATEGIES	7,707	8,744	16,567	13,643	16,080	8,387	4,143	4,311	2,156	3,863

Table 8. Scenario 3 Financial Assumptions (inflated)

Scenario 3 Financial Assumption include all of Scenario 1 and 2 assumptions, plus the following additional funding to improve the standard of building assets to a 'good' condition. These renewals will be prioritised based upon Council's Asset Management Plans.

	Year 1 2025/26 \$,000	Year 2 2026/27 \$,000	Year 3 2027/28 \$,000	Year 4 2028/29 \$,000	Year 5 2029/30 \$,000	Year 6 2030/31 \$,000	Year 7 2031/32 \$,000	Year 8 2032/33 \$,000	Year 9 2033/34 \$,000	Year 10 2034/35 \$,000
Building renewals	0	0	0	15,500	15,965	16,444	16,937	17,445	17,969	18,508

Efficiency gains

The plan assumes no additional corporate administration costs associated with increased services (including North Sydney Olympic Pool) and increased capital works programs. The plan assumes efficiency gains will be achieved through improved governance and administration measures to absorb these costs. These efficiencies are estimated at between \$2 million and \$3 million per annum. The plan also incorporates actions within the Council's Organisational Improvement Plan.

PART 05

Financial future – Securing a strong financial future

Council has undertaken a process of financial modelling to explore structural change in revenue to improve the financial strength and sustainability of Council. These models also aim to address current inefficiencies in administration and operations.

OPTION 1

This option is focused on financial repair only and does not provide financial resources for the future-focused projects, planning and initiatives outlined in Council's Ten-year Informing Strategies, with the exception of governance improvements. This option includes:

- Rates revenue is increased by 50% in the first year, 5% in the second year and 5% in the third year (inclusive of rate peg).
- From Year 4, rate revenue is increased in line with rate peg.
- 'Minimum Residential Rates' are increased to \$1,200 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- 'Minimum Business Rates' are increased to \$1,400 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- Internal borrowings are repaid.
- Additional borrowings of \$10 million are secured in the 2024/25 financial year.
- 80% infrastructure renewal rate and critical backlog in years 1 and 2.
- 100% infrastructure renewal from Years 3 to 10, to bring infrastructure to a 'satisfactory' condition over a ten-year period.
- Required improvements to governance and administration are included.
- No allowance has been made for costs associated with new/expanded services, initiatives and projects outlined in the Informing Strategies.

Under this option, the average ordinary rates would be as follows:

Financial Year	Average residential rate
Year 1	\$1,511
Year 2	\$1,586
Year 3	\$1,665

Financial Year	Average business rate
Year 1	\$10,601
Year 2	\$11,131
Year 3	\$11,687

Table 9. Option 1: Financial Performance Indicators

Indicator	Benchmark	2025/26	2026/27	2027/28	2028/29	2029/30	2031/32	2032/33	2033/34	2034/35	2035/36
Operating performance ratio	>0%	12.21%	12.87%	14.08%	14.37%	14.98%	15.71%	15.94%	16.19%	16.37%	16.59%
Own source operating revenue ratio	>60%	93.31%	93.60%	93.87%	94.04%	94.20%	94.36%	94.52%	94.67%	94.82%	94.96%
Unrestricted current ratio – adjusted		1.62	2.16	2.29	2.48	2.70	2.98	3.27	3.60	4.14	4.94
Debt service current ratio	>2	9.32	8.11	8.73	9.05	10.71	11.82	12.28	12.76	13.24	13.66
Cash expense cover ratio	> 3 months	8.04	10.27	12.27	13.09	14.11	15.20	16.27	17.34	18.37	19.58
Buildings and infrastructure renewal ratio	>100%	82%	94%	148%	144%	144%	144%	144%	144%	144%	144%
Infrastructure backlog ratio – condition 3	<2%	8.89%	8.90%	8.17%	6.80%	6.14%	5.44%	4.72%	3.95%	2.87%	2.12%
Infrastructure backlog ratio – condition 2	<2%	34.01%	34.82%	34.62%	31.37%	31.25%	31.10%	30.92%	30.71%	27.73%	27.52%
Asset maintenance ratio	>100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 10. Option 1 – Income Statement

	2024/25 Budget (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Income from Continuing Operations											
Rates	\$61,961	\$93,331	\$98,407	\$103,757	\$107,313	\$110,989	\$114,788	\$118,716	\$122,776	\$126,972	\$131,310
Annual Charges	\$18,016	\$18,556	\$19,113	\$19,686	\$20,277	\$20,885	\$21,512	\$22,157	\$22,822	\$23,506	\$24,211
User Charges & Fees	\$33,803	\$41,394	\$43,726	\$46,108	\$47,722	\$49,392	\$51,121	\$52,910	\$54,762	\$56,679	\$58,662
Other Revenue	\$10,292	\$10,704	\$11,078	\$11,466	\$11,867	\$12,283	\$12,713	\$13,158	\$13,618	\$14,095	\$14,588
Grants & Contributions provided for Operating Purposes	\$5,027	\$5,102	\$5,179	\$5,257	\$5,335	\$5,416	\$5,497	\$5,579	\$5,663	\$5,748	\$5,834
Grants & Contributions provided for Capital Purposes	\$11,378	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444
Interest & Investment Revenue	\$3,165	\$4,216	\$5,387	\$6,250	\$6,883	\$7,599	\$8,398	\$9,259	\$10,167	\$11,120	\$12,152
Other Income	\$5,887	\$6,814	\$7,053	\$7,299	\$7,555	\$7,819	\$8,093	\$8,376	\$8,669	\$8,973	\$9,287
Total Income from Continuing Operations	\$149,528	\$187,561	\$197,388	\$207,268	\$214,397	\$221,827	\$229,564	\$237,599	\$245,921	\$254,537	\$263,489
Expenses from Continuing Operations											
Employee Benefits & On-Costs	\$54,406	\$60,373	\$62,939	\$65,614	\$68,402	\$71,309	\$74,340	\$77,499	\$80,793	\$84,227	\$87,806
Materials & Services	\$53,986	\$57,221	\$58,937	\$60,705	\$62,526	\$64,402	\$66,334	\$68,324	\$70,374	\$72,485	\$74,660
Materials & Services – Strategy		\$654	\$2,843	\$3,699	\$3,675	\$2,927	\$1,905	\$1,937	\$1,919	\$2,055	\$2,036
Borrowing Costs	\$2,511	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667
Depreciation & Amortisation	\$28,795	\$31,959	\$32,918	\$33,905	\$34,922	\$35,970	\$37,049	\$38,161	\$39,305	\$40,485	\$41,699
Other Expenses	\$4,783	\$4,926	\$5,074	\$5,227	\$5,383	\$5,545	\$5,711	\$5,882	\$6,059	\$6,241	\$6,428
Net Losses from the Disposal of Assets	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277
Total Expenses from Continuing Operations	\$144,758	\$158,132	\$165,488	\$171,692	\$177,222	\$182,262	\$187,228	\$193,462	\$199,867	\$206,654	\$213,573
Operating Result from Continuing Operations	\$4,771	\$29,429	\$31,899	\$35,575	\$37,175	\$39,564	\$42,336	\$44,137	\$46,053	\$47,882	\$49,916
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$6,607)	\$21,985	\$24,455	\$28,131	\$29,731	\$32,120	\$34,892	\$36,693	\$38,609	\$40,438	\$42,472

Table 11. Option 1 – Cashflow Statement

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Rates	61,383	93,331	98,407	103,757	107,313	110,989	114,788	118,716	122,776	126,972	131,310
Annual Charges	18,016	18,556	19,113	19,686	20,277	20,885	21,512	22,157	22,822	23,506	24,211
User Charges & Fees	33,803	41,394	43,726	46,108	47,722	49,392	51,121	52,910	54,762	56,679	58,662
Investment & Interest Revenue Received	3,165	4,216	5,387	6,250	6,883	7,599	8,398	9,259	10,167	11,120	12,152
Grants & Contributions	12,471	12,546	12,623	12,701	12,779	12,860	12,941	13,023	13,107	13,192	13,278
Bonds & Deposits Received	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Other	16,179	17,518	18,131	18,765	19,422	20,102	20,806	21,534	22,287	23,067	23,875
Payments											
Employee Benefits & On-Costs	(54,406)	(60,373)	(62,939)	(65,614)	(68,402)	(71,309)	(74,340)	(77,499)	(80,793)	(84,227)	(87,806)
Materials & Contracts	(53,986)	(57,875)	(61,780)	(64,404)	(66,201)	(67,329)	(68,239)	(70,261)	(72,293)	(74,540)	(76,696)
Borrowing Costs	(2,511)	(2,722)	(2,500)	(2,266)	(2,036)	(1,832)	(1,612)	(1,381)	(1,140)	(885)	(667)
Bonds & Deposits Refunded	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)
Other	(4,783)	(4,926)	(5,074)	(5,227)	(5,383)	(5,545)	(5,711)	(5,882)	(6,059)	(6,241)	(6,428)
Net Cash provided (or used in) Operating Activities	29,331	61,665	65,094	69,758	72,374	75,811	79,662	82,575	85,636	88,644	91,892
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Sale of Investment Securities											
Redemption of term deposits											
Sale of Infrastructure, Property, Plant & Equipment											
Payments											
Purchase of Investment Securities											
Purchase of Investment Property											
Purchase of Infrastructure, Property, Plant & Equipment	(92,444)	(26,057)	(30,919)	(50,095)	(50,372)	(51,883)	(53,440)	(55,043)	(56,694)	(58,395)	(60,147)
Contributions paid to joint ventures and associates	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(92,444)	(26,057)	(30,919)	(50,095)	(50,372)	(51,883)	(53,440)	(55,043)	(56,694)	(58,395)	(60,147)

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings and Advances	30,000										
Payments											
Repayment of Borrowings and Advances	(3,056)	(4,580)	(4,799)	(5,029)	(4,392)	(4,310)	(4,525)	(4,752)	(4,989)	(5,239)	(3,879)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	26,641	(4,883)	(5,102)	(5,332)	(4,695)	(4,613)	(4,828)	(5,055)	(5,292)	(5,542)	(4,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(36,472)	30,725	29,073	14,331	17,307	19,315	21,394	22,477	23,649	24,706	27,563
plus: Cash & Cash Equivalents – beginning of year	22,849	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Cash & Cash Equivalents – end of the year	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments – end of the year	69,278	100,004	129,077	143,407	160,715	180,029	201,423	223,900	247,549	272,255	299,818
Cash, Cash Equivalents & Investments – end of the year	90,278	121,004	150,077	164,407	181,715	201,029	222,423	244,900	268,549	293,255	320,818
Externally restricted funds	69,099	80,129	91,340	102,734	114,311	126,074	138,022	150,157	162,481	174,993	187,697
Cash, Cash Equivalents & Investments excluding externally restricted funds	21,179	40,875	58,737	61,674	67,404	74,956	84,401	94,743	106,068	118,262	133,122

Table 12. Option 1 – Balance Sheet

	2024/25 (\$'000) - FY2025 Approved Budget	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Current Assets											
Cash & Cash Equivalents	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Investments	\$69,278	\$100,004	\$129,077	\$143,407	\$160,715	\$180,029	\$201,423	\$223,900	\$247,549	\$272,255	\$299,818
Receivables	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547
Inventories	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Other	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626
Total Current Assets	\$101,511	\$132,237	\$161,310	\$175,640	\$192,948	\$212,262	\$233,656	\$256,133	\$279,782	\$304,488	\$332,051
Non-Current Assets											
Receivables	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770
Infrastructure, Property, Plant & Equipment	\$1,752,868	\$1,746,689	\$1,744,413	\$1,760,326	\$1,951,532	\$1,967,168	\$1,983,282	\$1,999,888	\$2,017,000	\$2,236,333	\$2,254,504
Investment Property	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698
Right of Use Assets	\$1,258	\$1,202	\$1,146	\$3,930	\$3,874	\$3,818	\$3,762	\$3,706	\$3,650	\$2,328	\$3,739
Investments Accounted for Using the Equity Method	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34
Total Non-Current Assets	\$1,808,628	\$1,802,393	\$1,800,061	\$1,818,758	\$2,009,908	\$2,025,488	\$2,041,546	\$2,058,096	\$2,075,152	\$2,293,163	\$2,312,745
TOTAL ASSETS	\$1,910,139	\$1,934,629	\$1,961,371	\$1,994,399	\$2,202,855	\$2,237,750	\$2,275,202	\$2,314,229	\$2,354,934	\$2,597,651	\$2,644,796
LIABILITIES											
Current Liabilities											
Payables	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832
Contract Liabilities	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099
Lease Liabilities	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303
Borrowings	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879	\$1,872
Employee Benefit Provisions	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100
Total Current Liabilities	\$54,914	\$55,133	\$55,363	\$54,726	\$54,644	\$54,860	\$55,086	\$55,324	\$55,573	\$54,214	\$52,207
Non-Current Liabilities											
Lease Liabilities	\$750	\$391	\$32	\$2,513	\$2,154	\$1,795	\$1,436	\$1,077	\$718	\$359	\$0
Borrowings	\$55,805	\$51,006	\$45,978	\$41,586	\$37,276	\$32,751	\$27,999	\$23,010	\$17,771	\$12,625	\$12,220
Employee Benefit Provisions	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154
Total Non-Current Liabilities	\$57,709	\$52,551	\$47,164	\$45,253	\$40,584	\$35,700	\$30,589	\$25,241	\$19,643	\$14,138	\$13,374
TOTAL LIABILITIES	\$112,623	\$107,685	\$102,527	\$99,979	\$95,229	\$90,560	\$85,675	\$80,565	\$75,216	\$68,351	\$65,580
Net Assets	\$1,797,516	\$1,826,945	\$1,858,844	\$1,894,419	\$2,107,627	\$2,147,191	\$2,189,527	\$2,233,664	\$2,279,717	\$2,529,300	\$2,579,216
EQUITY											
Accumulated Surplus	\$981,087	\$1,010,515	\$1,042,415	\$1,077,990	\$1,115,165	\$1,154,729	\$1,197,065	\$1,241,202	\$1,287,256	\$1,335,138	\$1,385,054
IPPE Revaluation Reserve	\$816,429	\$816,429	\$816,429	\$816,429	\$992,462	\$992,462	\$992,462	\$992,462	\$992,462	\$1,194,162	\$1,194,162
Total Equity	\$1,797,516	\$1,826,945	\$1,858,844	\$1,894,419	\$2,107,627	\$2,147,191	\$2,189,527	\$2,233,664	\$2,279,717	\$2,529,299	\$2,579,216

REVISED OPTION 2A (recommended option)

This option is future focused, and includes improvement of Council's financial position, along with funding for planning and delivery of new and upgraded infrastructure and increases to services and initiatives to achieve the desired outcomes within the Ten-year Informing Strategies, including governance improvements. This option includes:

- Rates revenue is increased by 45% in the first year, 29% in the second year and rate peg for future years.
- From year 3, rate revenue is increased in line with rate peg.
- 'Minimum Residential Rates' are increased to \$1,200 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- 'Minimum Business Rates' are increased to \$1,400 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- Initiatives outlined in the Informing Strategies are included.
- Internal borrowings are repaid.
- Additional borrowings of \$10 million are secured in the 2024/25 financial year.
- 80% infrastructure renewal rate and critical backlog in years 1 and 2.
- 100% Infrastructure renewal from Years 3 to 10, to bring infrastructure to a 'satisfactory' condition over a ten-year period.
- Level 3 infrastructure backlog (asset conditions 4 and 5) is reduced by \$15m per year.

Under this option, the average ordinary rates would be as follows:

Financial Year	Average residential rate	Financial Year	Average business rate
Year 1	\$1,460	Year 1	\$10,247
Year 2	\$1,884	Year 2	\$13,219
Year 3	\$1,940	Year 3	\$13,616

Table 13. Option 2A: Financial Performance Indicators (45%, 29%)

Indicator	Benchmark	2025/26	2026/27	2027/28	2028/29	2029/30	2031/32	2032/33	2033/34	2034/35	2035/36
Operating performance ratio	>0%	8.27%	17.51%	17.82%	17.70%	17.29%	18.07%	18.36%	18.48%	18.72%	18.89%
Own source operating revenue ratio	>60%	93.19%	94.14%	94.32%	94.47%	94.61%	94.76%	94.90%	95.05%	95.19%	95.32%
Unrestricted current ratio	>1.5	1.14	1.77	1.65	1.65	1.53	1.76	2.18	2.61	3.32	4.20
Debt service current ratio	>2	8.17	9.84	10.38	10.75	12.48	13.84	14.45	15.01	15.64	16.16
Cash expense cover ratio	> 3 months	7.84	8.71	10.97	11.19	11.70	12.07	13.10	14.46	15.78	17.42
Buildings and infrastructure renewal ratio	>100%	82%	94%	146%	142%	141%	140%	140%	140%	140%	139%
Infrastructure backlog ratio – condition 3	<2%	8.85%	8.82%	8.01%	6.61%	5.92%	5.22%	4.51%	3.78%	2.74%	2.02%
Infrastructure backlog ratio – condition 2	<2%	33.86%	34.48%	33.93%	30.52%	30.12%	29.84%	29.60%	29.34%	26.46%	26.21%
Asset maintenance ratio	>100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 14. Option 2A – Income Statement

	2024/25 Budget (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Income from Continuing Operations											
Rates	\$61,961	\$90,203	\$116,826	\$120,809	\$124,926	\$129,182	\$133,580	\$138,126	\$142,824	\$147,680	\$152,698
Annual Charges	\$18,016	\$18,556	\$19,113	\$19,686	\$20,277	\$20,885	\$21,512	\$22,157	\$22,822	\$23,506	\$24,211
User Charges & Fees	\$33,803	\$41,394	\$43,726	\$46,108	\$47,722	\$49,392	\$51,121	\$52,910	\$54,762	\$56,679	\$58,662
Other Revenue	\$10,292	\$10,704	\$11,078	\$11,466	\$11,867	\$12,283	\$12,713	\$13,158	\$13,618	\$14,095	\$14,588
Grants & Contributions provided for Operating Purposes	\$5,027	\$5,102	\$5,179	\$5,257	\$5,335	\$5,416	\$5,497	\$5,579	\$5,663	\$5,748	\$5,834
Grants & Contributions provided for Capital Purposes	\$11,378	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444
Interest & Investment Revenue	\$3,165	\$3,912	\$4,828	\$5,583	\$5,938	\$6,302	\$6,824	\$7,707	\$8,736	\$9,866	\$11,093
Other Income	\$5,887	\$6,814	\$7,053	\$7,299	\$7,555	\$7,819	\$8,093	\$8,376	\$8,669	\$8,973	\$9,287
Total Income from Continuing Operations	\$149,528	\$184,129	\$215,247	\$223,652	\$231,065	\$238,722	\$246,783	\$255,456	\$264,538	\$273,990	\$283,818
Expenses from Continuing Operations											
Employee Benefits & On-Costs	\$54,406	\$61,093	\$63,877	\$66,435	\$69,259	\$72,202	\$75,271	\$78,470	\$81,805	\$85,282	\$88,906
Materials & Services	\$53,986	\$57,221	\$58,937	\$60,705	\$62,526	\$64,402	\$66,334	\$68,324	\$70,374	\$72,485	\$74,660
Materials & Services – Strategy		\$3,469	\$6,959	\$7,063	\$7,000	\$7,430	\$5,582	\$5,344	\$5,580	\$5,669	\$5,775
Borrowing Costs	\$2,511	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667
Depreciation & Amortisation	\$28,795	\$32,356	\$33,790	\$35,709	\$37,548	\$39,607	\$41,296	\$42,789	\$44,346	\$45,817	\$47,451
Other Expenses	\$4,783	\$4,926	\$5,074	\$5,227	\$5,383	\$5,545	\$5,711	\$5,882	\$6,059	\$6,241	\$6,428
Net Losses from the Disposal of Assets	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277
Total Expenses from Continuing Operations	\$144,758	\$162,065	\$171,415	\$177,683	\$184,029	\$191,295	\$196,084	\$202,468	\$209,581	\$216,656	\$224,164
Operating Result from Continuing Operations	\$4,771	\$22,065	\$43,832	\$45,970	\$47,036	\$47,427	\$50,699	\$52,988	\$54,957	\$57,334	\$59,654
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$6,607)	\$14,621	\$36,388	\$38,526	\$39,592	\$39,983	\$43,255	\$45,544	\$47,513	\$49,890	\$52,210

Table 15: Option 2A – Cashflow Statement

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Rates	61,383	90,741	116,826	120,809	124,926	129,182	133,580	138,126	142,824	147,680	152,698
Annual Charges	18,016	18,556	19,113	19,686	20,277	20,885	21,512	22,157	22,822	23,506	24,211
User Charges & Fees	33,803	41,394	43,726	46,108	47,722	49,392	51,121	52,910	54,762	56,679	58,662
Investment & Interest Revenue Received	3,165	3,912	4,828	5,583	5,938	6,302	6,824	7,707	8,736	9,866	11,093
Grants & Contributions	12,471	12,546	12,623	12,701	12,779	12,860	12,941	13,023	13,107	13,192	13,278
Bonds & Deposits Received	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Other	16,179	17,518	18,131	18,765	19,422	20,102	20,806	21,534	22,287	23,067	23,875
Payments											
Employee Benefits & On-Costs	(54,406)	(61,093)	(63,877)	(66,435)	(69,259)	(72,202)	(75,271)	(78,470)	(81,805)	(85,282)	(88,906)
Materials & Contracts	(53,986)	(60,690)	(65,896)	(67,769)	(69,526)	(71,832)	(71,917)	(73,668)	(75,954)	(78,155)	(80,435)
Borrowing Costs	(2,511)	(2,722)	(2,500)	(2,266)	(2,036)	(1,832)	(1,612)	(1,381)	(1,140)	(885)	(667)
Bonds & Deposits Refunded	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)
Other	(4,783)	(4,926)	(5,074)	(5,227)	(5,383)	(5,545)	(5,711)	(5,882)	(6,059)	(6,241)	(6,428)
Net Cash provided (or used in) Operating Activities	29,331	55,235	77,900	81,956	84,861	87,311	92,272	96,054	99,580	103,428	107,382
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Sale of Investment Securities											
Redemption of Term Deposits											
Sale of Infrastructure, Property, Plant & Equipment											
Payments											
Purchase of Investment Securities											
Purchase of Investment Property											
Purchase of Infrastructure, Property, Plant & Equipment	(92,444)	(34,408)	(41,055)	(70,236)	(68,577)	(74,377)	(67,874)	(64,939)	(67,382)	(66,740)	(71,311)
Contributions paid to joint ventures and associates	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(92,444)	(34,408)	(41,055)	(70,236)	(68,577)	(74,377)	(67,874)	(64,939)	(67,382)	(66,740)	(71,311)

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings & Advances	30,000										
Payments											
Repayment of Borrowings & Advances	(3,056)	(4,580)	(4,799)	(5,029)	(4,392)	(4,310)	(4,525)	(4,752)	(4,989)	(5,239)	(3,879)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	26,641	(4,883)	(5,102)	(5,332)	(4,695)	(4,613)	(4,828)	(5,055)	(5,292)	(5,542)	(4,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(36,472)	15,944	31,637	6,389	11,589	8,320	19,570	26,061	26,906	31,146	31,889
plus: Cash & Cash Equivalents – beginning of year	22,849	21,000									
Cash & Cash Equivalents – end of the year	21,000										
Investments – end of the year	69,278	85,222	116,965	123,354	134,943	143,263	162,833	188,893	215,799	246,945	278,834
Cash, Cash Equivalents & Investments – end of the year	90,278	106,222	137,965	144,354	155,943	164,263	183,833	209,893	236,799	267,945	299,834
Externally restricted funds	69,099	80,129	91,340	102,734	114,311	126,074	138,022	150,157	162,481	174,993	187,697
Cash, Cash Equivalents & Investments excluding externally restricted funds	21,179	26,094	46,625	41,620	41,632	38,189	45,811	59,736	74,318	92,951	112,137

Table 16. Option 2A – Balance Sheet

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Current Assets											
Cash & Cash Equivalents	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Investments	\$69,278	\$85,222	\$116,965	\$123,354	\$134,943	\$143,263	\$162,833	\$188,893	\$215,799	\$246,945	\$278,834
Receivables	\$10,547	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009
Inventories	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Other	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626
Total Current Assets	\$101,511	\$116,917	\$148,660	\$155,049	\$166,638	\$174,958	\$194,528	\$220,588	\$247,494	\$278,640	\$310,529
Non-Current Assets											
Receivables	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770
Infrastructure, Property, Plant & Equipment	\$1,752,868	\$1,754,644	\$1,761,632	\$1,795,881	\$2,006,221	\$2,040,715	\$2,067,016	\$2,088,889	\$2,111,648	\$2,343,458	\$2,367,040
Investment Property	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698
Right of Use Assets	\$1,258	\$1,202	\$1,146	\$3,930	\$3,874	\$3,818	\$3,762	\$3,706	\$3,650	\$2,328	\$3,739
Investments Accounted for Using the Equity Method	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34
Total Non-Current Assets	\$1,808,628	\$1,810,348	\$1,817,280	\$1,854,313	\$2,064,597	\$2,099,035	\$2,125,280	\$2,147,097	\$2,169,800	\$2,400,288	\$2,425,281
TOTAL ASSETS	\$1,910,139	\$1,927,265	\$1,965,940	\$2,009,362	\$2,231,235	\$2,273,993	\$2,319,808	\$2,367,685	\$2,417,294	\$2,678,927	\$2,735,810
LIABILITIES											
Current Liabilities											
Payables	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832
Contract Liabilities	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099
Lease Liabilities	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303
Borrowings	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879	\$1,872
Employee Benefit Provisions	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100
Total Current Liabilities	\$54,914	\$55,133	\$55,363	\$54,726	\$54,644	\$54,860	\$55,086	\$55,324	\$55,573	\$54,214	\$52,207
Non-Current Liabilities											
Lease Liabilities	\$750	\$391	\$32	\$2,513	\$2,154	\$1,795	\$1,436	\$1,077	\$718	\$359	\$0
Borrowings	\$55,805	\$51,006	\$45,978	\$41,586	\$37,276	\$32,751	\$27,999	\$23,010	\$17,771	\$12,625	\$12,220
Employee Benefit Provisions	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154
Total Non-Current Liabilities	\$57,709	\$52,551	\$47,164	\$45,253	\$40,584	\$35,700	\$30,589	\$25,241	\$19,643	\$14,138	\$13,374
TOTAL LIABILITIES	\$112,623	\$107,685	\$102,527	\$99,979	\$95,229	\$90,560	\$85,675	\$80,565	\$75,216	\$68,351	\$65,580
Net Assets	\$1,797,516	\$1,819,580	\$1,863,413	\$1,909,382	\$2,136,006	\$2,183,433	\$2,234,132	\$2,287,121	\$2,342,078	\$2,610,576	\$2,670,230
EQUITY											
Accumulated Surplus	\$981,087	\$1,003,151	\$1,046,983	\$1,092,953	\$1,139,989	\$1,187,416	\$1,238,115	\$1,291,103	\$1,346,060	\$1,403,394	\$1,463,048
IPPE Revaluation Reserve	\$816,429	\$816,429	\$816,429	\$816,429	\$996,017	\$996,017	\$996,017	\$996,017	\$996,017	\$1,207,182	\$1,207,182
Total Equity	\$1,797,516	\$1,819,580	\$1,863,413	\$1,909,382	\$2,136,006	\$2,183,433	\$2,234,132	\$2,287,121	\$2,342,077	\$2,610,576	\$2,670,230

OPTION 2B

This option is future focused, and includes improvement of Council's financial position, along with funding for planning and delivery of new and upgraded infrastructure and increases to services and initiatives to achieve the desired outcomes within the Ten-year Informing Strategies, including governance improvements. This option includes:

- Rates revenue is increased by 75% in the first year, with rate peg to applied in future years.
- From year 4, rate revenue is increased in line with rate peg.
- 'Minimum Residential Rates' are increased to \$1,200 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- 'Minimum Business Rates' are increased to \$1,400 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- Initiatives outlined in the Draft Informing Strategies are included.
- Internal borrowings are repaid.
- Additional borrowings of \$10 million are secured in the 2024/25 financial year.
- 80% infrastructure renewal rate and critical backlog in years 1 and 2.
- 100% infrastructure renewal from Years 3 to 10, to bring infrastructure to a 'satisfactory' condition over a ten-year period.
- Level 3 infrastructure backlog is reduced by \$15m per year (indexed) from years 3 to 10.

Under this option, the average ordinary rates would be as follows:

Financial Year	Average residential rate	Financial Year	Average business rate
Year 1	\$1,762	Year 1	\$12,367
Year 2	\$1,815	Year 2	\$12,739
Year 3	\$1,870	Year 3	\$13,121

Table 17. Option 2B: Performance indicators (75% upfront)

Indicator	Benchmark	2025/26	2026/27	2027/28	2028/29	2029/30	2031/32	2032/33	2033/34	2034/35	2035/36
Operating performance ratio	>0%	17.11%	15.89%	16.03%	15.80%	15.25%	15.93%	16.12%	16.12%	16.25%	16.31%
Own source operating revenue ratio	>60%	93.82%	94.02%	94.21%	94.35%	94.49%	94.63%	94.77%	94.91%	95.05%	95.18%
Unrestricted current ratio	>1.5	1.73	2.23	1.97	1.82	1.52	1.56	1.78	1.99	2.42	2.95
Debt service current ratio	>2	11.27	9.30	9.76	10.06	11.63	12.87	13.38	13.85	14.37	14.79
Cash expense cover ratio	> 3 months	7.84	10.25	12.13	11.97	12.08	12.04	12.63	13.55	14.42	15.58
Buildings and infrastructure renewal ratio	>100%	82%	94%	146%	142%	141%	140%	140%	140%	140%	139%
Infrastructure backlog ratio – condition 3	<2%	8.85%	8.82%	8.01%	6.61%	5.92%	5.22%	4.51%	3.78%	2.74%	2.02%
Infrastructure backlog ratio – condition 2	<2%	33.86%	34.48%	33.93%	30.52%	30.12%	29.84%	29.60%	29.34%	26.46%	26.21%
Asset maintenance ratio	>100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Table 18. Option 2B – Income Statement

	2024/25 Budget (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Income from Continuing Operations											
Rates	\$61,961	\$108,821	\$112,488	\$116,276	\$120,190	\$124,235	\$128,414	\$132,732	\$137,194	\$141,804	\$146,567
Annual Charges	\$18,016	\$18,556	\$19,113	\$19,686	\$20,277	\$20,885	\$21,512	\$22,157	\$22,822	\$23,506	\$24,211
User Charges & Fees	\$33,803	\$41,394	\$43,726	\$46,108	\$47,722	\$49,392	\$51,121	\$52,910	\$54,762	\$56,679	\$58,662
Other Revenue	\$10,292	\$10,704	\$11,078	\$11,466	\$11,867	\$12,283	\$12,713	\$13,158	\$13,618	\$14,095	\$14,588
Grants & Contributions provided for Operating Purposes	\$5,027	\$5,102	\$5,179	\$5,257	\$5,335	\$5,416	\$5,497	\$5,579	\$5,663	\$5,748	\$5,834
Grants & Contributions provided for Capital Purposes	\$11,378	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444
Interest & Investment Revenue	\$3,165	\$4,124	\$5,166	\$5,707	\$5,799	\$5,883	\$6,112	\$6,679	\$7,368	\$8,130	\$8,961
Other Income	\$5,887	\$6,814	\$7,053	\$7,299	\$7,555	\$7,819	\$8,093	\$8,376	\$8,669	\$8,973	\$9,287
Total Income from Continuing Operations	\$149,528	\$202,959	\$211,246	\$219,243	\$226,190	\$233,357	\$240,905	\$249,035	\$257,540	\$266,378	\$275,554
Expenses from Continuing Operations											
Employee Benefits & On-Costs	\$54,406	\$61,093	\$63,877	\$66,435	\$69,259	\$72,202	\$75,271	\$78,470	\$81,805	\$85,282	\$88,906
Materials & Services	\$53,986	\$57,221	\$58,937	\$60,705	\$62,526	\$64,402	\$66,334	\$68,324	\$70,374	\$72,485	\$74,660
Materials & Services – Strategy		\$3,469	\$6,959	\$7,063	\$7,000	\$7,430	\$5,582	\$5,344	\$5,580	\$5,669	\$5,775
Borrowing Costs	\$2,511	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667
Depreciation & Amortisation	\$28,795	\$32,356	\$33,790	\$35,709	\$37,548	\$39,607	\$41,296	\$42,789	\$44,346	\$45,817	\$47,451
Other Expenses	\$4,783	\$4,926	\$5,074	\$5,227	\$5,383	\$5,545	\$5,711	\$5,882	\$6,059	\$6,241	\$6,428
Net Losses from the Disposal of Assets	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277
Total Expenses from Continuing Operations	\$144,758	\$162,065	\$171,415	\$177,683	\$184,029	\$191,295	\$196,084	\$202,468	\$209,581	\$216,656	\$224,164
Operating Result from Continuing Operations	\$4,771	\$40,895	\$39,832	\$41,561	\$42,161	\$42,062	\$44,821	\$46,567	\$47,959	\$49,722	\$51,390
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$6,607)	\$33,451	\$32,388	\$34,117	\$34,717	\$34,618	\$37,377	\$39,123	\$40,515	\$42,278	\$43,946

Table 19. Option 2B – Cashflow Statement

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Rates	61,383	109,359	112,488	116,276	120,190	124,235	128,414	132,732	137,194	141,804	146,567
Annual Charges	18,016	18,556	19,113	19,686	20,277	20,885	21,512	22,157	22,822	23,506	24,211
User Charges & Fees	33,803	41,394	43,726	46,108	47,722	49,392	51,121	52,910	54,762	56,679	58,662
Investment & Interest Revenue Received	3,165	4,124	5,166	5,707	5,799	5,883	6,112	6,679	7,368	8,130	8,961
Grants & Contributions	12,471	12,546	12,623	12,701	12,779	12,860	12,941	13,023	13,107	13,192	13,278
Bonds & Deposits Received	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Other	16,179	17,518	18,131	18,765	19,422	20,102	20,806	21,534	22,287	23,067	23,875
Payments											
Employee Benefits & On-Costs	(54,406)	(61,093)	(63,877)	(66,435)	(69,259)	(72,202)	(75,271)	(78,470)	(81,805)	(85,282)	(88,906)
Materials & Contracts	(53,986)	(60,690)	(65,896)	(67,769)	(69,526)	(71,832)	(71,917)	(73,668)	(75,954)	(78,155)	(80,435)
Borrowing Costs	(2,511)	(2,722)	(2,500)	(2,266)	(2,036)	(1,832)	(1,612)	(1,381)	(1,140)	(885)	(667)
Bonds & Deposits Refunded	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)
Other	(4,783)	(4,926)	(5,074)	(5,227)	(5,383)	(5,545)	(5,711)	(5,882)	(6,059)	(6,241)	(6,428)
Net Cash provided (or used in) Operating Activities	29,331	74,066	73,899	77,547	79,986	81,946	86,394	89,633	92,582	95,816	99,118
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Sale of Investment Securities											
Redemption of term deposits											
Sale of Infrastructure, Property, Plant & Equipment											
Payments											
Purchase of Investment Securities											
Purchase of Investment Property											
Purchase of Infrastructure, Property, Plant & Equipment	(92,444)	(34,408)	(41,055)	(70,236)	(68,577)	(74,377)	(67,874)	(64,939)	(67,382)	(66,740)	(71,311)
Contributions paid to joint ventures and associates	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(92,444)	(34,408)	(41,055)	(70,236)	(68,577)	(74,377)	(67,874)	(64,939)	(67,382)	(66,740)	(71,311)

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Proceeds from Borrowings & Advances	30,000										
Payments											
Repayment of Borrowings & Advances	(3,056)	(4,580)	(4,799)	(5,029)	(4,392)	(4,310)	(4,525)	(4,752)	(4,989)	(5,239)	(3,879)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	26,641	(4,883)	(5,102)	(5,332)	(4,695)	(4,613)	(4,828)	(5,055)	(5,292)	(5,542)	(4,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(36,472)	34,775	27,742	1,980	6,714	2,955	13,691	19,640	19,907	23,534	23,626
plus: Cash & Cash Equivalents – beginning of year	22,849	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Cash & Cash Equivalents – end of the year	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments – end of the year	69,278	104,053	131,795	133,774	140,488	143,444	157,135	176,775	196,682	220,217	243,842
Cash, Cash Equivalents & Investments – end of the year	90,278	125,053	152,795	154,774	161,488	164,444	178,135	197,775	217,682	241,217	264,842
Externally restricted funds	69,099	80,129	91,340	102,734	114,311	126,074	138,022	150,157	162,481	174,993	187,697
Cash Equivalents & Investments excluding externally restricted funds	21,179	44,924	61,455	52,041	47,177	38,370	40,113	47,618	55,202	66,223	77,146

Table 20. Option 2B – Balance Sheet

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Current Assets											
Cash & Cash Equivalents	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Investments	\$69,278	\$104,053	\$131,795	\$133,774	\$140,488	\$143,444	\$157,135	\$176,775	\$196,682	\$220,217	\$243,842
Receivables	\$10,547	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009	\$10,009
Inventories	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Other	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626
Total Current Assets	\$101,511	\$135,748	\$163,490	\$165,469	\$172,183	\$175,139	\$188,830	\$208,470	\$228,377	\$251,912	\$275,537
Non-Current Assets											
Receivables	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770
Infrastructure, Property, Plant & Equipment	\$1,752,868	\$1,754,644	\$1,761,632	\$1,795,881	\$2,006,221	\$2,040,715	\$2,067,016	\$2,088,889	\$2,111,648	\$2,343,458	\$2,367,040
Investment Property	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698
Right of Use Assets	\$1,258	\$1,202	\$1,146	\$3,930	\$3,874	\$3,818	\$3,762	\$3,706	\$3,650	\$2,328	\$3,739
Investments Accounted for Using the Equity Method	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34
Total Non-Current Assets	\$1,808,628	\$1,810,348	\$1,817,280	\$1,854,313	\$2,064,597	\$2,099,035	\$2,125,280	\$2,147,097	\$2,169,800	\$2,400,288	\$2,425,281
TOTAL ASSETS	\$1,910,139	\$1,946,095	\$1,980,769	\$2,019,783	\$2,236,781	\$2,274,174	\$2,314,110	\$2,355,567	\$2,398,178	\$2,652,199	\$2,700,818
LIABILITIES											
Current Liabilities											
Payables	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832
Contract Liabilities	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099
Lease Liabilities	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303
Borrowings	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879	\$1,872
Employee Benefit Provisions	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100
Total Current Liabilities	\$54,914	\$55,133	\$55,363	\$54,726	\$54,644	\$54,860	\$55,086	\$55,324	\$55,573	\$54,214	\$52,207
Non-Current Liabilities											
Lease Liabilities	\$750	\$391	\$32	\$2,513	\$2,154	\$1,795	\$1,436	\$1,077	\$718	\$359	\$0
Borrowings	\$55,805	\$51,006	\$45,978	\$41,586	\$37,276	\$32,751	\$27,999	\$23,010	\$17,771	\$12,625	\$12,220
Employee Benefit Provisions	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154
Total Non-Current Liabilities	\$57,709	\$52,551	\$47,164	\$45,253	\$40,584	\$35,700	\$30,589	\$25,241	\$19,643	\$14,138	\$13,374
TOTAL LIABILITIES	\$112,623	\$107,685	\$102,527	\$99,979	\$95,229	\$90,560	\$85,675	\$80,565	\$75,216	\$68,351	\$65,580
Net Assets	\$1,797,516	\$1,838,411	\$1,878,242	\$1,919,803	\$2,141,552	\$2,183,614	\$2,228,435	\$2,275,003	\$2,322,961	\$2,583,848	\$2,635,238
EQUITY											
Accumulated Surplus	\$981,087	\$1,021,981	\$1,061,813	\$1,103,374	\$1,145,534	\$1,187,597	\$1,232,418	\$1,278,985	\$1,326,944	\$1,376,666	\$1,428,056
IPPE Revaluation Reserve	\$816,429	\$816,429	\$816,429	\$816,429	\$996,017	\$996,017	\$996,017	\$996,017	\$996,017	\$1,207,182	\$1,207,182
Total Equity	\$1,797,516	\$1,838,411	\$1,878,242	\$1,919,803	\$2,141,552	\$2,183,614	\$2,228,435	\$2,275,003	\$2,322,961	\$2,583,848	\$2,635,238

OPTION 3

This option is future focused, and includes improvement of Council's financial position, along with funding for planning and delivery of new and upgraded infrastructure, and increases to services and initiatives to achieve the desired outcomes within the Ten-year Informing Strategies, including governance improvements. This option includes:

- Rates revenue is increased by 60% in the first year, 20% in the second year and 10% in the third year (inclusive of rate peg).
- From year 4, rate revenue is increased in line with rate peg.
- 'Minimum Residential Rates' are increased to \$1,200 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- 'Minimum Business Rates' are increased to \$1,400 per annum, with the ad valorem rate adjusted to achieve the permissible income based upon the above increases.
- Internal borrowings are repaid.
- Additional borrowings of \$10 million are secured for the 2024/25 financial year.
- Initiatives outlined in the Draft Informing Strategies are included, including new and upgraded infrastructure.
- 80% infrastructure renewal rate and critical backlog in years 1 and 2.
- 100% infrastructure renewal from Years 3 to 10, to bring infrastructure to a 'satisfactory' condition over a ten-year period.
- Level 3 infrastructure backlog is reduced by \$15m per year (indexed) from years 3 to 10.
- From year 4, an additional \$15.5m per year (indexed) has been allocated to bring building infrastructure to a 'good' condition over a ten-year period.

Under this option, the average ordinary rates would be as follows:

Financial Year	Average residential rate
Year 1	\$1,611
Year 2	\$1,933
Year 3	\$2,127

Financial Year	Average business rate
Year 1	\$11,307
Year 2	\$13,569
Year 3	\$14,926

Table 21. Option 3: Financial Performance Indicators

Indicator	Benchmark	2025/26	2026/27	2027/28	2028/29	2029/30	2031/32	2032/33	2033/34	2034/35	2035/36
Operating performance ratio	>0%	12.96%	18.89%	22.25%	22.18%	21.74%	22.42%	22.64%	22.69%	22.85%	22.96%
Own source operating revenue ratio	>60%	93.52%	94.23%	94.62%	94.76%	94.89%	95.03%	95.16%	95.29%	95.42%	95.55%
Unrestricted current ratio	>1.5	1.19	1.79	2.01	1.95	1.78	1.88	2.15	2.41	2.89	3.48
Debt service current ratio	>2	9.74	10.32	12.06	12.49	14.49	16.00	16.66	17.27	17.95	18.51
Cash expense cover ratio	> 3 months	7.84	9.44	11.96	13.11	13.36	13.50	14.27	15.36	16.43	17.81
Buildings and infrastructure renewal ratio	>100%	82%	94%	146%	183%	181%	180%	179%	179%	179%	178%
Infrastructure backlog ratio – condition 3	<2%	8.85%	8.82%	8.01%	6.56%	5.83%	5.10%	4.38%	3.63%	2.62%	1.91%
Infrastructure backlog ratio – condition 2	<2%	33.86%	34.48%	33.93%	29.52%	28.12%	26.83%	25.56%	24.26%	20.90%	19.68%
Asset maintenance ratio	>100%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Table 22. Option 3 – Income Statement

	2024/25 Budget (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Income from Continuing Operations											
Rates	\$61,961	\$99,527	\$119,901	\$132,405	\$136,908	\$141,561	\$146,371	\$151,341	\$156,478	\$161,787	\$167,274
Annual Charges	\$18,016	\$18,556	\$19,113	\$19,686	\$20,277	\$20,885	\$21,512	\$22,157	\$22,822	\$23,506	\$24,211
User Charges & Fees	\$33,803	\$41,394	\$43,726	\$46,108	\$47,722	\$49,392	\$51,121	\$52,910	\$54,762	\$56,679	\$58,662
Other Revenue	\$10,292	\$10,704	\$11,078	\$11,466	\$11,867	\$12,283	\$12,713	\$13,158	\$13,618	\$14,095	\$14,588
Grants & Contributions provided for Operating Purposes	\$5,027	\$5,102	\$5,179	\$5,257	\$5,335	\$5,416	\$5,497	\$5,579	\$5,663	\$5,748	\$5,834
Grants & Contributions provided for Capital Purposes	\$11,378	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444	\$7,444
Interest & Investment Revenue	\$3,165	\$4,103	\$5,282	\$6,320	\$6,827	\$7,068	\$7,461	\$8,199	\$9,074	\$10,041	\$11,098
Other Income	\$5,887	\$6,814	\$7,053	\$7,299	\$7,555	\$7,819	\$8,093	\$8,376	\$8,669	\$8,973	\$9,287
Total Income from Continuing Operations	\$149,528	\$193,644	\$218,775	\$235,986	\$243,935	\$251,868	\$260,210	\$269,164	\$278,530	\$288,272	\$298,398
Expenses from Continuing Operations											
Employee Benefits & On-Costs	\$54,406	\$61,093	\$63,877	\$66,435	\$69,259	\$72,202	\$75,271	\$78,470	\$81,805	\$85,282	\$88,906
Materials & Services	\$53,986	\$57,221	\$58,937	\$60,705	\$62,526	\$64,402	\$66,334	\$68,324	\$70,374	\$72,485	\$74,660
Materials & Services – Strategies		\$3,469	\$6,959	\$7,063	\$7,000	\$7,430	\$5,582	\$5,344	\$5,580	\$5,669	\$5,775
Borrowing Costs	\$2,511	\$2,722	\$2,500	\$2,266	\$2,036	\$1,832	\$1,612	\$1,381	\$1,140	\$885	\$667
Depreciation & Amortisation	\$28,795	\$32,356	\$33,790	\$35,709	\$37,548	\$39,607	\$41,296	\$42,789	\$44,346	\$45,817	\$47,451
Other Expenses	\$4,783	\$4,926	\$5,074	\$5,227	\$5,383	\$5,545	\$5,711	\$5,882	\$6,059	\$6,241	\$6,428
Net Losses from the Disposal of Assets	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277	\$277
Total Expenses from Continuing Operations	\$144,758	\$162,065	\$171,415	\$177,683	\$184,029	\$191,295	\$196,084	\$202,468	\$209,581	\$216,656	\$224,164
Operating Result from Continuing Operations	\$4,771	\$31,580	\$47,361	\$58,303	\$59,905	\$60,573	\$64,126	\$66,696	\$68,949	\$71,616	\$74,235
Net Operating Result before Grants and Contributions provided for Capital Purposes	(\$6,607)	\$24,136	\$39,917	\$50,859	\$52,461	\$53,129	\$56,682	\$59,252	\$61,505	\$64,172	\$66,791

Table 23. Option 3 – Cashflow Statement

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Cashflow from Operating Activities											
Receipts											
Rates	61,383	99,527	119,901	132,405	136,908	141,561	146,371	151,341	156,478	161,787	172,056
Annual Charges	18,016	18,556	19,113	19,686	20,277	20,885	21,512	22,157	22,822	23,506	24,211
User Charges & Fees	33,803	41,394	43,726	46,108	47,722	49,392	51,121	52,910	54,762	56,679	58,662
Investment & Interest Revenue Received	3,165	4,103	5,282	6,320	6,827	7,068	7,461	8,199	9,074	10,041	11,098
Grants & Contributions	12,471	12,546	12,623	12,701	12,779	12,860	12,941	13,023	13,107	13,192	13,278
Bonds & Deposits Received	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950
Other	16,179	17,518	18,131	18,765	19,422	20,102	20,806	21,534	22,287	23,067	23,875
Payments											
Employee Benefits & On-Costs	(54,406)	(61,093)	(63,877)	(66,435)	(69,259)	(72,202)	(75,271)	(78,470)	(81,805)	(85,282)	(88,906)
Materials & Contracts	(53,986)	(60,690)	(65,896)	(67,769)	(69,526)	(71,832)	(71,917)	(73,668)	(75,954)	(78,155)	(80,435)
Borrowing Costs	(2,511)	(2,722)	(2,500)	(2,266)	(2,036)	(1,832)	(1,612)	(1,381)	(1,140)	(885)	(667)
Bonds & Deposits Refunded	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)	(3,950)
Other	(4,783)	(4,926)	(5,074)	(5,227)	(5,383)	(5,545)	(5,711)	(5,882)	(6,059)	(6,241)	(6,428)
Net Cash provided (or used in) Operating Activities	29,331	64,213	81,428	94,289	97,731	100,457	105,699	109,762	113,572	117,710	121,963
Cashflow from Investing Activities											
Receipts											
Sale of Investment Securities											
Redemption of term deposits											
Sale of Infrastructure, Property, Plant & Equipment											
Payments											
Purchase of Investment Securities											
Purchase of Investment Property											
Purchase of Infrastructure, Property, Plant & Equipment	(92,444)	(34,408)	(41,055)	(70,236)	(84,077)	(90,342)	(84,318)	(81,876)	(84,827)	(84,708)	(89,818)
Contributions paid to joint ventures and associates	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(92,444)	(34,408)	(41,055)	(70,236)	(84,077)	(90,342)	(84,318)	(81,876)	(84,827)	(84,708)	(89,818)

	2024/25 (\$'000)	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Cashflow from Financing Activities											
Receipts											
Proceeds from Borrowings & Advances	30,000										
Payments											
Repayment of Borrowings & Advances	(3,056)	(4,580)	(4,799)	(5,029)	(4,392)	(4,310)	(4,525)	(4,752)	(4,989)	(5,239)	(3,879)
Repayment of lease liabilities (principal repayments)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)	(303)
Net Cash Flow provided (used in) Financing Activities	26,641	(4,883)	(5,102)	(5,332)	(4,695)	(4,613)	(4,828)	(5,055)	(5,292)	(5,542)	(4,182)
Net Increase/(Decrease) in Cash & Cash Equivalents	(36,472)	24,922	35,271	18,722	8,959	5,501	16,553	22,831	23,452	27,460	27,962
plus: Cash & Cash Equivalents – beginning of year	22,849	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Cash & Cash Equivalents – end of the year	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Investments – end of the year	69,278	94,200	129,471	148,192	157,151	162,653	179,205	202,036	225,489	252,948	280,911
Cash, Cash Equivalents & Investments – end of the year	90,278	115,200	150,471	169,192	178,151	183,653	200,205	223,036	246,489	273,948	301,911
Externally restricted funds	69,099	80,129	91,340	102,734	114,311	126,074	138,022	150,157	162,481	174,993	187,697
Cash, Cash Equivalents & Investments excluding externally restricted funds	21,179	35,071	59,131	66,459	63,840	57,579	62,183	72,879	84,008	98,955	114,214

Table 24. Option 3 – Balance Sheet

	2024/25 (\$'000) - FY2025 Approved Budget	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Current Assets											
Cash & Cash Equivalents	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000
Investments	\$69,278	\$94,200	\$129,471	\$148,192	\$157,151	\$162,653	\$179,205	\$202,036	\$225,489	\$252,948	\$280,911
Receivables	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547	\$10,547
Inventories	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60
Other	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626	\$626
Total Current Assets	\$101,511	\$126,433	\$161,704	\$180,425	\$189,384	\$194,886	\$211,438	\$234,269	\$257,722	\$285,181	\$313,144
Non-Current Assets											
Receivables	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770	\$770
Infrastructure, Property, Plant & Equipment	\$1,752,868	\$1,754,644	\$1,761,632	\$1,795,881	\$2,021,721	\$2,072,180	\$2,114,925	\$2,153,735	\$2,193,940	\$2,451,947	\$2,494,038
Investment Property	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698	\$53,698
Right of Use Assets	\$1,258	\$1,202	\$1,146	\$3,930	\$3,874	\$3,818	\$3,762	\$3,706	\$3,650	\$2,328	\$3,739
Investments Accounted for Using the Equity Method	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34
Total Non-Current Assets	\$1,808,628	\$1,810,348	\$1,817,280	\$1,854,313	\$2,080,097	\$2,130,500	\$2,173,189	\$2,211,943	\$2,252,092	\$2,508,777	\$2,552,279
TOTAL ASSETS	\$1,910,139	\$1,936,780	\$1,978,983	\$2,034,739	\$2,269,482	\$2,325,385	\$2,384,627	\$2,446,213	\$2,509,814	\$2,793,959	\$2,865,422
LIABILITIES											
Current Liabilities											
Payables	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832	\$32,832
Contract Liabilities	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099	\$4,099
Lease Liabilities	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303	\$303
Borrowings	\$4,580	\$4,799	\$5,029	\$4,392	\$4,310	\$4,525	\$4,752	\$4,989	\$5,239	\$3,879	\$1,872
Employee Benefit Provisions	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100	\$13,100
Total Current Liabilities	\$54,914	\$55,133	\$55,363	\$54,726	\$54,644	\$54,860	\$55,086	\$55,324	\$55,573	\$54,214	\$52,207
Non-Current Liabilities											
Lease Liabilities	\$750	\$391	\$32	\$2,513	\$2,154	\$1,795	\$1,436	\$1,077	\$718	\$359	\$0
Borrowings	\$55,805	\$51,006	\$45,978	\$41,586	\$37,276	\$32,751	\$27,999	\$23,010	\$17,771	\$12,625	\$12,220
Employee Benefit Provisions	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154	\$1,154
Total Non-Current Liabilities	\$57,709	\$52,551	\$47,164	\$45,253	\$40,584	\$35,700	\$30,589	\$25,241	\$19,643	\$14,138	\$13,374
TOTAL LIABILITIES	\$112,623	\$107,685	\$102,527	\$99,979	\$95,229	\$90,560	\$85,675	\$80,565	\$75,216	\$68,351	\$65,580
Net Assets	\$1,797,516	\$1,829,096	\$1,876,456	\$1,934,759	\$2,174,253	\$2,234,826	\$2,298,952	\$2,365,648	\$2,434,597	\$2,725,607	\$2,799,842
EQUITY											
Accumulated Surplus	\$981,087	\$1,012,666	\$1,060,027	\$1,118,330	\$1,178,236	\$1,238,808	\$1,302,935	\$1,369,631	\$1,438,580	\$1,510,196	\$1,584,431
IPPE Revaluation Reserve	\$816,429	\$816,429	\$816,429	\$816,429	\$996,017	\$996,017	\$996,017	\$996,017	\$996,017	\$1,215,411	\$1,215,411
Total Equity	\$1,797,516	\$1,829,096	\$1,876,456	\$1,934,759	\$2,174,253	\$2,234,826	\$2,298,952	\$2,365,648	\$2,434,597	\$2,725,607	\$2,799,842

PART 06

Sensitivity analysis

SENSITIVITY ANALYSIS

The assumptions contained within this plan are current informed estimates based on a range of sources; however, long-term financial plans are inherently uncertain. They contain a wide range of assumptions about interest rates and the potential effect of inflation on revenues and expenditures which are largely outside our control.

In developing the LTFP, it is important to acknowledge risks that could have an effect on the Council’s financial viability, cash flow, or negatively impact revenue, which would have an impact on service delivery. Through sensitivity analysis, consideration can be given to the financial risks of potential changes in key assumptions and inputs used to develop the plan, along with strategies to mitigate these risks where possible.

This allows councils to make informed decisions based on a range of potential outcomes, rather than relying on a single set of assumptions.

The sensitivity analysis includes a risk assessment for each item based upon Council’s enterprise risk management framework.

As part of its governance framework, the Council will proactively monitor both existing and emerging risks through a variety of key initiatives, including internal audit programs, business continuity risk assessments, and oversight by the Audit, Risk, and Improvement Committee (ARIC), along with continuous financial performance reporting.

The Council’s Risk Analysis framework comprehensively identifies, evaluates, and categorises risks based on their potential impact and severity using a detailed risk matrix. This process serves several critical functions:

- **Enhancing Risk Awareness:** Ensures a thorough understanding of potential risks across the organisation.
- **Determining Acceptable Risk Levels:** Clarifies the level of risk the Council is willing to accept, both individually and collectively.
- **Evaluating Risk Mitigation Capacity:** Assesses the Council’s ability to control, manage, and reduce identified risks.

- **Supporting Risk Framework Reviews:** Provides a crucial tool for ongoing evaluations and improvements to the Council’s Enterprise Risk Management Framework.

Through this robust approach, the Council strengthens its ability to manage uncertainty and safeguard its strategic objectives.

Figure 6. Risk matrix

		CONSEQUENCE LEVEL			
		Low	Medium	High	Critical
LIKELIHOOD LEVEL	Almost certain	10	11	15	16
	Likely	4	9	13	14
	Possible	3	7	8	12
	Rare	1	2	5	6

Risk levels	
12-16	Extreme
5-11	Moderate
1-4	Low

Council’s financial position and forecasts are subject to the following risks. Council’s current financial position is not able to mitigate these risks. Each of the three scenarios within this Long-Term Financial Plan strengthen Council’s financial position and allow some flexibility in managing risks.

Special rate variation

Risk: That SRV application is not approved by IPART.
Current risk rating: Extreme

As outlined in this Long-Term Financial Plan, Council’s financial position is unsustainable in the short-term. Additional loan borrowings would need to be taken and/or strategically held properties needing sale to pay short-term liabilities as and when they fall due.

Service levels require substantial cuts and over time, and infrastructure would be subject to failure due to lack of maintenance or renewal.

North Sydney Olympic Pool Operations

Risk: That target operational results are not achieved.
Current risk rating: Extreme
Future risk rating: Low

Business modelling has been undertaken to plan for the opening and operation of the North Sydney Olympic Pool.

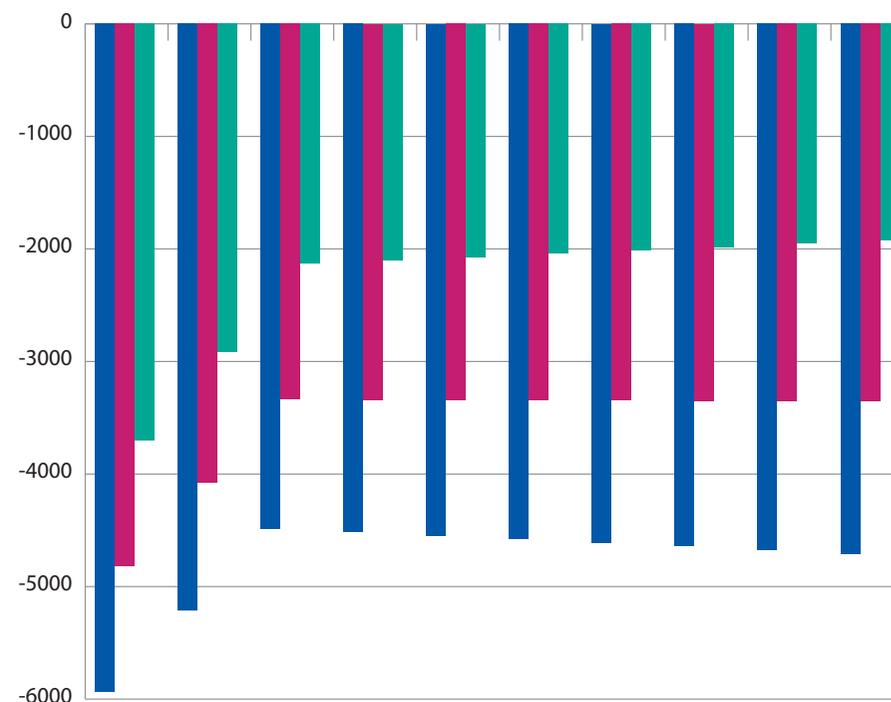
The target scenario included within Council’s Long-Term Financial Plan is based upon attendance of 500,000 persons in Year 1, expanding to 520,000 by Year 3. This scenario also assumes 1,700 registered learn- to-swim participants and 1,200 gym users within Year 1 expanding to 2,250 learn to swim participant and 1,900 gym users by Year 3.

In addition to the business modelling undertaken, to reduce the financial impact of the facility on Council’s overall financial position, Council will explore commercial opportunities that may result in temporary interruptions to pool users, such as hiring the facility on particular occasions throughout the year. As these opportunities are uncertain, they have not been included within the financial modelling.

Should risks associated with less than forecast attendance and memberships eventuate, Council would have to reduce its expenditure on services or asset backlogs accordingly.

Based upon Council’s current financial position and projections, this would create an extreme risk. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk.

Figure 7. North Sydney Olympic Pool scenario analysis



Scenario	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Pessimistic	-5,938	-5,214	-4,489	-4,518	-4,548	-4,579	-4,610	-4,643	-4,676	-4,710
Target	-4,820	-4,080	-3,338	-3,340	-3,342	-3,344	-3,346	-3,348	-3,351	-3,353
Optimistic	-3,702	-2,915	-2,127	-2,099	-2,072	-2,043	-2,014	-1,985	-1,954	-1,924

Car parking revenue

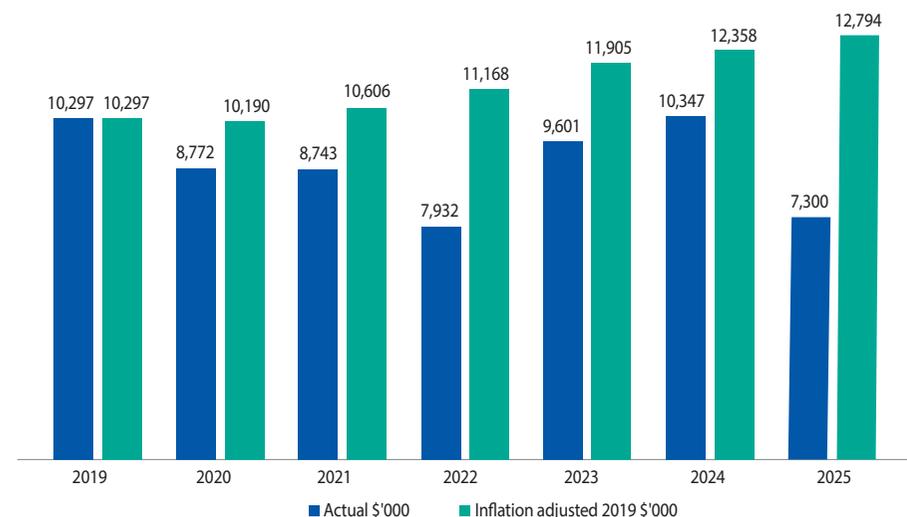
Risk: That car parking revenue continues to decline.

Current risk rating: Extreme

Future risk rating: Moderate

The following chart demonstrates the volatility in on-street car parking revenue following the 2020 COVID pandemic.

Figure 8. On-street car parking



The following factors have and may continue to reduce this income source:

1. Changes to societal behaviours following the pandemic, with increased prevalence of work-from-home arrangements reducing car ownership.
2. TfNSW major road projects have reduced the availability of on-street car parks which have previously been subject to car parking user charges.
3. The opening of the new Sydney Metro has reduced travel time for public transport to North Sydney, thereby reducing car travel to the area.
4. New technology through car parking payment options allows users to better manage their car parking, resulting in reduced income associated with previously used block pricing.

More holistically, Council's Integrated Transport Strategy encourages active transport and reduced car ownership, and includes actions to achieve this. While improving the public amenity, reducing congestion, and providing health benefits, this strategy will over time further reduce on-street parking revenue.

A review of car-parking income expected within 2024/25 has been undertaken and it is expected that it will reduce by a minimum of \$1 million as a result of the factors above. For the purposes of modelling the Long-Term Financial Plan, estimated income from 2024/25 of \$7.3m has been included. No further reduction in on-street car parking included in the projections as this is difficult to predict at this time.

Should the usage of on-street car parking reduce by a further 20%, this would result in a further loss of approximately \$1.46m in revenue.

Should risks associated with reduced on-street car parking eventuate, Council would have to reduce its expenditure on services or asset backlogs accordingly.

Based upon Council's current financial position and projections, this would create an extreme risk. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk.

Infringement income – sensitivity of changes to fine delivery

Risk: That infringement income declines or costs increase.

Current risk rating: Extreme

Future risk rating: Moderate

After volatility in this income stream since the 2020 COVID pandemic, income levels have recently returned to pre-pandemic levels. In 2024/25, Council has budgeted to receive \$9m in revenue from infringements. Most of these infringements are parking related.

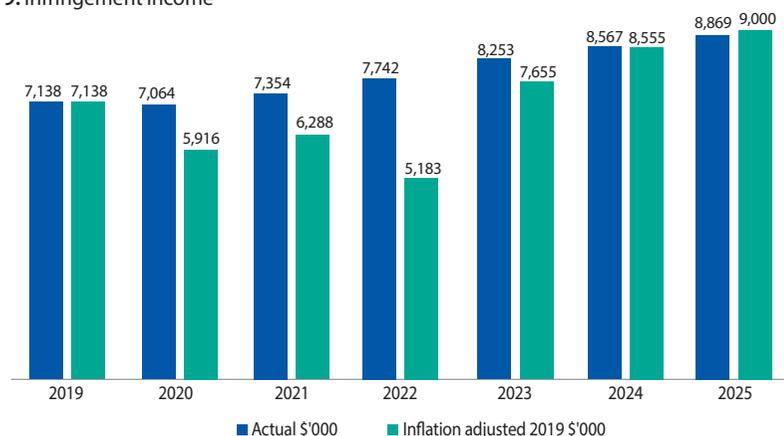
The NSW Government has recently introduced changes to the method of delivery for parking fines, and it is anticipated that this will impact Council's overall revenue. Instead of electronic delivery of parking fines, as is the practice with other vehicle related fines such as speeding, mobile phone use, changes will require council parking rangers to issue paper-based fines manually.

There is a risk that this change could result in either a drop in revenue, with less parking tickets issued, or increased expenses associated with the increased cost of safety measures required.

A 15% reduction in infringement revenue would result in a reduction in income of \$1.35m.

Should risks associated with reduced infringement revenue eventuate, Council would have to reduce its expenditure on services or asset backlogs accordingly. Based upon Council's current financial position and projections, this would create an extreme risk. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk.

Figure 9. Infringement income



Reduction of Financial Assistance Grants

Risk: That the model for distribution of financial assistance grants reduces Council's grant to nil.

Current risk rating: Moderate

Future risk rating: Low

Council currently receives \$2.4m in Financial Assistance Grants from the Federal Government. While there is no suggestion that this funding source will change, there has been ongoing advocacy through the industry towards a change in distribution which would favour smaller regional councils with less ability to generate won sourced income.

Should this risk eventuate, Council would have to reduce its expenditure on services or asset backlogs accordingly. Based upon Council's current financial position and projections, the risk is measured at moderate as the likelihood is low. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk further.

Development – housing increases

Risk: That annual dwelling increases fall below 300.

Current risk rating: Moderate

Future risk rating: Low

The NSW Housing Reforms are aimed at increasing housing within Greater Sydney. Targets provided to Council require an additional 5,900 in new homes over the next 5 years. As the population grows, demand on Council services also increases, and it is therefore important that new revenue is able to be generated. While this equates to 1,200 new dwellings per annum, the Long-Term Financial Plan has been modelled conservatively based upon an increase in housing of 300 per year, and an increase in minimum rates from \$715 to \$1,200 in Year 1.

Ensuring a revenue policy that generates additional income sufficient to meet the service and infrastructure needs of a growing population is important to future sustainability and responsiveness. There are two factors that influence increases in rate income outside the rate peg. This includes the net increase in dwellings and the value of the minimum rate.

A moderate risk is assessed that housing completions do not meet the 300 new dwellings per year including within the assumptions of this plan. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk to low.

However, should Council decide not to increase the value of minimum rates, this would have a significant impact on projected revenue within this plan.

Capital works costs

Risk: That costs of construction increase above the assumptions within this plan.

Current risk rating: Extreme

Future risk rating: Moderate

Council's financial strategy aims to reduce current infrastructure backlogs, undertake renewals in a timely manner and provide new infrastructure for a growing population. There are a number of factors that may impact the capital works estimates included within the Long-Term Financial Plan.

Forecasts provided for capital renewals and new assets are based on high level estimates and will require detailed design and scoping prior to construction. This may result in either additional costs or savings. All project costing will be reported to Council as they are developed. Should additional funds be required, Council may have to re-prioritise projects and this may impact the desired reduction in backlog renewals.

The Long-Term Financial Plan includes indexing based upon 3%. Should the indexes fluctuate due to market or economic conditions, this will impact the volume of renewals Council is able to complete.

Increases in building indexes over and above the assumptions in this Long-Term Financial Plan will also affect Council's operating surplus, as infrastructure is revalued and depreciation increases. Typically, financial provision is made for asset renewals based upon depreciation, however as depreciation is backward facing, it is often not sufficient to cover the cost of future renewals.

Based upon Council's current financial position, increased costs of construction will place pressure on already low funds available for critical renewals. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk.

Skills shortages

Risk: That employee costs increase above Award due to market skills shortages.

Current risk rating: Extreme

Future risk rating: Low

Local Government is currently experiencing skills shortages in increasingly more professions and trades. Changes to societal values have further challenged recruitment efforts, with a general reluctance of employees to travel the distances to work that they once would have. The high cost of living in North Sydney means the majority of Council's workforce is located in other parts of Sydney.

While part of the local government industry, councils compete with other levels of government, the private sector and not-for-profits when it comes to recruiting. State Government wages are generally high, the private sector is competitive and also offers bonus/commission-based incentives that Local Government cannot.

To attract high quality employees, market allowances over and above Award conditions are increasingly required. Council's Long-Term Financial Plan does not include provision for additional market allowances. Should these allowances be required to fill positions, this would have an impact on Council's operating result.

Based upon Council's current financial position, coupled with poor systems and processes, increases to employee costs is a critical risk. Based upon the three scenarios in this plan, the risk would reduce to low, as costs may be offset by efficiencies created through system improvement. In addition, improving systems within Council will assist in retaining quality employees.

Award increases

Risk: That the new Award, to be implemented 1 July 2026 includes increases above the assumptions allowed for within the assumptions of this plan.

Current risk rating: Critical

Future risk rating: Moderate

The current Local Government (State) Award expires 30 June 2025.

Based upon Council's current financial position, increased Award increases above the assumptions made in this plan will be critical. Based upon the three scenarios in this plan, the risk would reduce to low, as costs may be offset by efficiencies created through system improvement.

Build to Rent

Risk: Build to Rent applications approved without changes to rating legislation that allow charging rates based upon dwelling numbers.

Current risk rating: Extreme

Future risk rating: Moderate

Introduced by the NSW Government in 2021, Build-to-rent housing is large-scale, purpose-built rental housing that is held in single ownership and professionally managed.

Council is aware of three applications for 'Build to Rent' developments within the Local Government Area.

By nature of the development being held in one ownership, the property would be rated as one assessment based upon the unimproved land value, rather than each apartment contributing a minimum rate towards Council's rating revenue.

Without changes to legislation allowing for rates to be charged per dwelling for 'Build to Rent', there is a risk that rating revenue from these sites will significantly reduce.

Based upon Council's current financial position, any reduction in revenue is considered a critical risk. Based upon the three scenarios provided within this plan, the strengthened overall position of Council would reduce this risk.

Monitoring and reporting

The financial forecasts presented in the Long-Term Financial Plan (LTFP) are based on a set of assumptions that may change due to shifts in economic conditions or Council priorities. As such, the LTFP will be reviewed annually during the development of the Operational Plan and Budget.

Each review will assess the accuracy of previous year's projections by comparing the plan's forecasts with actual results. This evaluation will inform updates to estimates and scenarios, helping to refine the accuracy of the plan for the long term.

Throughout the year, the Quarterly Budget Review Statement (QBRs) will monitor year-to-date performance against budgeted figures and forecasts. Additionally, Council will conduct a comprehensive review of the LTFP as part of the periodic review of the Community Strategic Plan, in accordance with the Integrated Planning and Reporting (IP&R) process. This review will take place within nine months of each local government election.


APPENDIX

The following table outlines capital works identified within the Draft Informing Strategies for 2024/25 to 2034/35, along with proposed funding sources. All other infrastructure renewals will be determined through Council's asset management planning process taking a risk based approach.

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST	CLASSIFICATION				
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
OPEN SPACE AND RECREATION						
Progress the design and delivery of the Hume Street Park expansion project that includes removal of the childcare centre, closure of part of Hume Street, and improvements to the quality of open space in Hume Street Park.	\$10,000,000	\$–	\$–	\$–	\$5,000,000	\$5,000,000
Work with the NSW Government to convert the under-utilised deck of the tramway viaduct near North Sydney Train Station into a 4,650m ² active recreation space.	\$14,000,000	\$–	\$–	\$–	\$–	\$14,000,000
Deliver new public space through completion of the Balls Head Quarantine Depot site redevelopment project, including advocating for ownership of the lower section.	\$3,000,000	\$3,000,000	\$–	\$–	\$–	\$–
Renew and upgrade the North Sydney Indoor Sports Centre to increase capacity and useability, including exploring opportunities with Northern Suburbs Basketball Association for equitable multi-use.	\$5,500,000	\$2,361,832	\$3,138,168	\$–	\$–	\$–
Upgrade the tennis courts and associated amenities in Green Park to create a multi-use facility.	\$500,000	\$500,000	\$–	\$–	\$–	\$–
In consultation with the community and key stakeholders, identify sportsfield(s) that would be suitable for alternative playing surfaces such as hybrid and synthetic turf, to increase capacity.	\$2,500,000	\$2,500,000	\$–	\$–	\$–	\$–
Develop and implement a program for increasing the capacity and utilisation of sportsfields and courts through infrastructure improvements. This includes reconstruction and lighting of the St Leonards Park netball courts, and drainage improvements to Primrose Park and Tunks Park.	\$5,150,000	\$4,241,176	\$–	\$–	\$908,824	\$–
Identify opportunities and implement projects to improve accessibility of parks and playgrounds across the LGA.	\$1,800,000	\$1,800,000	\$–	\$–	\$–	\$–
Refurbish the existing facilities building at North Sydney Oval and incorporate gender-neutral amenities and change rooms.	\$3,150,000	\$3,150,000	\$–	\$–	\$–	\$–
Refurbish the existing facilities building at Primrose Park and incorporate gender-neutral amenities and change rooms.	\$1,150,000	\$1,114,410	\$35,590	\$–	\$–	\$–
Demolish building housing public amenities, change rooms and storage area in Tunks Park and replace with a new facility that incorporates gender-neutral facilities.	\$3,150,000	\$2,574,807	\$575,193	\$–	\$–	\$–

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST	CLASSIFICATION				
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
Renew the following playgrounds in accordance with the Neighbourhood Parks Plan of Management 2022 and the Playgrounds Plan of Management 2022: <ul style="list-style-type: none"> • Green Park Senior Playground* • Phillips Street Playground • Euroka Street Playground • Victoria Street Playground • Refurbish Mary French Reserve Playground • W H Brothers Memorial Reserve Playground • Cremorne Reserve Playground • Milson Park Playground • Bradfield Park Playground* • Cahill Playground • Blues Point Reserve Playground • Tunks Park Playground • Berrys Island Playground • Ilbery Playground • Hodgsons Reserve Playground • Brightmore Reserve Playground* • Grassmere Reserve Playground *Potential inclusion of adventure and challenge equipment for older children.	\$4,700,000	\$–	\$4,700,000	\$–	\$–	\$–
Upgrade Cammeray Skate Park	\$350,000	\$350,000	\$–	\$–	\$–	\$–
Deliver a park enhancement program for provision of infrastructure to improve the amenity of parks such as shelter, shade, water fountains and seating.	\$1,000,000	\$1,000,000	\$–	\$–	\$–	\$–
Deliver additional active recreation facilities such as basketball half courts, outdoor table tennis tables and multi-use games areas in selected larger parks, including: <ul style="list-style-type: none"> • Forsyth Park • Waverton Park • Bradfield Park • Brightmore Reserve 	\$550,000	\$550,000	\$–	\$–	\$–	\$–
Design and construct new public amenities in St Leonards Park.	\$3,200,000	\$–	\$–	\$–	\$3,200,000	\$–
Renew and upgrade the public amenities at the following parks: <ul style="list-style-type: none"> • Brennan Park • Forsyth Park • Waverton Park • Kesterton Park 	\$2,400,000	\$1,794,330	\$605,670	\$–	\$–	\$–

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST	CLASSIFICATION				
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
Explore opportunities to enhance outdoor fitness equipment across LGA.	\$180,000	\$180,000	\$–	\$–	\$–	\$–
Review and upgrade the North Sydney LGA foreshore walk (identified as a priority project in the North District Green Grid strategy), with a view to improving accessibility.	\$4,415,252	\$–	\$–	\$–	\$–	\$4,415,252
Deliver improved drainage in St Leonards Park to increase the resilience of this highly used park.	\$1,100,000	\$1,100,000	\$–	\$–	\$–	\$–
Deliver the following park/reserve upgrades in accordance with the Foreshore Parks & Reserves Plan of Management 2023: - Blues Point Reserve landscape and lighting upgrade - Walker Street Steps renewal (linking Lavender Street with Quibaree Reserve) - Watt Park footpath and associated lighting upgrade - Waverton Oval perimeter path project - Dowling Street Reserve upgrade - Lady Gowie Lookout restoration works	\$1,050,000	\$1,050,000	\$–	\$–	\$–	\$–
Renew the Walker Street Steps (linking Lavender St with Quibaree Reserve)	\$2,500,000	\$–	\$2,500,000	\$–	\$–	\$–
Renew and upgrade the footpath and associated lighting in Watt Park	\$200,000	\$200,000	\$–	\$–	\$–	\$–
Construct perimeter path around Waverton Oval suitable for recreational cycling, jogging etc.	\$250,000	\$250,000	\$–	\$–	\$–	\$–
Upgrade Dowling Street Reserve.	\$350,000	\$350,000	\$–	\$–	\$–	\$–
Restore Lady Gowie Lookout.	\$500,000	\$–	\$–	\$–	\$–	\$500,000
Complete the Cremorne Reserve Pathway Improvements project.	\$1,200,000	\$1,200,000	\$–	\$–	\$–	\$–
Replace the synthetic turf at Cammeray Park .	\$1,200,000	\$1,086,000	\$114,000	\$–	\$–	\$–
Reconstruct the Tunks Park turf cricket wicket table.	\$150,000	\$–	\$150,000	\$–	\$–	\$–
Renew and upgrade the North Sydney Oval complex to comply with current standards for the benefit of all users (clubs and the community). This includes removing the asset maintenance backlog as well as providing improved seating, corporate facilities and public toilets.	\$32,000,000	\$6,906,102	\$9,093,899	\$–	\$–	\$16,000,000
Repair the retaining wall in Wendy's Secret Garden below Harbourview Crescent and undertake drainage improvements.	\$300,000	\$300,000	\$–	\$–	\$–	\$–
Replace brick ties at the North Sydney Olympic Swimming Pool	\$1,000,000	\$–	\$1,000,000	\$–	\$–	\$–
INTEGRATED TRANSPORT						
Deliver walking infrastructure projects identified in the North Sydney Walking Action Plan.	\$4,000,000	\$2,000,000	\$–	\$–	\$–	\$2,000,000

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST		CLASSIFICATION			
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
Develop a wayfinding guide and implement wayfinding signage across the LGA to increase awareness of safe, convenient and accessible walking and cycling routes between key destinations.	\$2,040,676	\$2,040,676	\$–	\$–	\$–	\$–
Apply for grant funding and progressively deliver cycling infrastructure identified in the North Sydney Bike Plan.	\$18,000,000	\$4,500,000	\$–	\$–	\$–	\$13,500,000
Rebuild and renew heritage style bus shelters across the LGA.	\$3,300,000	\$43,985	\$3,256,015	\$–	\$–	\$–
Review and implement the Local Area Transport Management (LATM) projects, focusing on highly walkable areas, to widen footpaths, enhance the place experience, and install new pedestrian crossings. Projects include: <ul style="list-style-type: none"> • continuous footpath treatment across Woolcott Street at Larkin Street, Waverton • pedestrian refuge across River Road at Carlyle Street, Wollstonecraft • raised pedestrian crossing across Parraween Street at Winnie Street, Cremorne • raised pedestrian crossing across Myrtle Street at Pacific Highway, North Sydney • raised pedestrian crossing across Crows Nest Road at Pacific Highway, Waverton • raised pedestrian crossing across Myrtle Street at the Pacific Highway, North Sydney • raised pedestrian crossing across Blue Street at North Sydney Station, North Sydney • raised pedestrian crossing across Cammeray Road at Park Avenue, Cammeray • raised pedestrian crossing across Grasmere Road at Young Street, Cremorne • continuous footpath treatment across Shellcove Road at Wycombe Road, Neutral Bay • raised pedestrian crossing across Carabella Street at Willoughby Street, Kirribilli • raised pedestrian crossing across Gillies Street at Morton Street, Wollstonecraft • raised pedestrian crossing across Blues Point Road at Princes Street, McMahons Point 	\$6,722,029	\$3,361,015	\$–	\$–	\$–	\$3,361,015
ENVIRONMENT STRATEGY						
Undertake bushland walking track upgrades in Badangi Reserve.	\$200,000	\$127,282	\$32,718	\$–	\$40,000	\$–
Undertake bushland walking track upgrades in Balls Head Reserve.	\$246,000	\$196,800	\$–	\$–	\$49,200	\$–
Undertake bushland walking track upgrades in Brightmore Reserve.	\$130,000	\$104,000	\$–	\$–	\$26,000	\$–
Undertake bushland walking track upgrades in Primrose Park.	\$222,630	\$178,104	\$–	\$–	\$44,526	\$–
Undertake bushland walking track upgrades in Gore Cove/Smoothie Park.	\$227,550	\$182,040	\$–	\$–	\$45,510	\$–
Undertake bushland walking track upgrades in Tunks Park.	\$70,000	\$56,000	\$–	\$–	\$14,000	\$–
Undertake bushland walking track upgrades in Berry Island Reserve.	\$210,000	\$168,000	\$–	\$–	\$42,000	\$–
Increase Council's renewable energy capacity (panels and batteries) on new and existing council infrastructure, to help achieve 100% real time renewable energy for all Council's operations.	\$720,000	\$720,000	\$–	\$–	\$–	\$–

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST	CLASSIFICATION				
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
Electrify Council operations, excluding plant and fleet, by 2030. This will require replacement of the remaining two gas boilers at Stanton Library and Council Chambers with electric heat pumps.	\$200,000	\$–	\$200,000	\$–	\$–	\$–
Electrify Council operations, excluding plant and fleet, by 2030. This will require replacement of the remaining two gas boilers at Stanton Library and Council Chambers with electric heat pumps.	\$200,000	\$–	\$200,000	\$–	\$–	\$–
Transition all Council plant and fleet to electric by 2035.	\$3,257,500	\$3,257,500	\$–	\$–	\$–	\$–
Expand existing stormwater harvesting and water reuse systems at Primrose Park.	\$120,000	\$120,000	\$–	\$–	\$–	\$–
Expand existing stormwater harvesting and water reuse systems at Bon Andrews Oval/North Sydney Oval.	\$145,000	\$145,000	\$–	\$–	\$–	\$–
Expand existing stormwater harvesting and water reuse systems at Tunks Park.	\$120,000	\$120,000	\$–	\$–	\$–	\$–
Develop a reserve for delivery of priorities identified in the Coal loader Strategic plan.	\$4,000,000	\$–	\$–	\$4,000,000	\$–	\$–
Reduce the amount pollution/debris entering the harbour by expanding the Gross Pollutant Trap (GPT) network through the installation of at least three new GPTs by 2035.	\$1,500,000	\$–	\$–	\$–	\$–	\$1,500,000
SOCIAL INCLUSION STRATEGY						
Deliver a pilot program in Civic Park to trial the replacement of existing physical noticeboards with digital community information screens.	\$100,000	\$100,000	\$–	\$–	\$–	\$–
Work with Transport for NSW to deliver new accessible public space through the Berrys Bay project. This project includes fit out of Woodleys Shed as a community facility.	\$1,000,000	\$1,000,000	\$–	\$–	\$–	\$–
Work with Neutral Bay Village land owners to deliver a new Neutral Bay Community Centre.	\$1,200,000	\$–	\$–	\$–	\$1,200,000	\$–
Upgrade the existing library and expand the floorspace into the adjoining James Place development.	\$12,000,000	\$12,000,000	\$–	\$–	\$–	\$–
Upgrade the existing library and expand the floorspace into the adjoining James Place development.	\$12,741,181	\$–	\$12,741,181	\$–	\$–	\$–
CULTURE AND CREATIVITY STRATEGY						
Develop and deliver a program of dual signage and place naming for key public spaces such as Stanton Library, North Sydney Council offices, the Coal Loader and major walkways such as Miller Street.	\$150,000	\$150,000	\$–	\$–	\$–	\$–
Replace existing BP site signage and include links to First Nations heritage on site.	\$100,000	\$1100,000	\$–	\$–	\$–	\$–
Commission First Nations artists to create First Nations public art.	\$400,000	\$400,000	\$–	\$–	\$–	\$–
Deliver a new sign for the entry point to the Waverton Peninsula Parklands, and provide interpretive signage celebrating 100 years of community action on the peninsula.	\$200,000	\$4200,000	\$–	\$–	\$–	\$–

PROJECT DESCRIPTION	ESTIMATED TOTAL PROJECT COST	CLASSIFICATION				
		Rates funding – New and Upgraded infrastructure	Rates funding – Backlog and Depreciation	Reserves movements	Developer Contribution funded	Grant funded (not guaranteed)
Improve the War Memorial surrounds at St Leonards Park as detailed in the St Leonards Park Plan of Management.	\$500,000	\$–	\$–	\$–	\$500,000	\$–
Refurbish the Brothers Memorial in Brothers Park, Cremorne.	\$30,000	\$–	\$30,000	\$–	\$–	\$–
Deliver a variety of public art installations across the LGA.	\$320,000	\$320,000	\$–	\$–	\$–	\$–
Deliver public art in Little Walker Street and Gas Lane in accordance with the North Sydney CBD Public Domain Strategy.	\$200,000	\$200,000	\$–	\$–	\$–	\$–
Develop and implement a street art program to create vibrant public places.	\$1,500,000	\$1,500,000	\$–	\$–	\$–	\$–
Develop a reserve to implement projects identified through the cultural infrastructure study.	\$2,000,000	\$–	\$–	\$2,000,000	\$–	\$–
ECONOMIC DEVELOPMENT STRATEGY						
Work with NSW Government agencies to deliver the Miller Place project which includes a major public plaza, as well as recreation and entertainment space for the North Sydney CBD.	\$9,000,000	\$–	\$–	\$–	\$9,000,000	\$–
Design and deliver new 1,675m ² plaza outside the iconic North Sydney Post Office.	\$5,000,000	\$–	\$–	\$–	\$5,000,000	\$–
Deliver North Sydney CBD laneway upgrades to improve walkability in Little Spring, Spring, Mount and Denison Streets.	\$8,750,000	\$–	\$–	\$–	\$8,750,000	\$–
Deliver a program of public domain improvement projects across town centres, including undergrounding of power lines.	\$11,000,000	\$8,151,000	\$2,849,000	\$–	\$–	\$–
Deliver the Cremorne Plaza and Langley Place upgrade project in accordance with the Neutral Bay and Cremorne Public Domain Upgrade Master plan 2015.	\$5,200,000	\$5,200,000	\$–	\$–	\$–	\$–
Provide a visible entrance to the LGA through clear signage.	\$500,000	\$500,000	\$–	\$–	\$–	\$–
GOVERNANCE STRATEGY						
Review Council accommodation and technology to ensure an effective workplace environment and alignment with new ways of working following the COVID pandemic.	\$900,000	\$900,000	\$–	\$–	\$–	\$–

ORGANISATIONAL IMPROVEMENT PLAN



Organisational Improvement Plan

Council's current financial position will not support the level of service and infrastructure enjoyed by the community in past decades. The costs associated with the North Sydney Olympic Pool Redevelopment Project have placed significant pressure on Council's reserves and infrastructure renewals. Ongoing operating costs, including the repayment of over \$50 million in debt will result in ongoing operating deficits. Other factors such as declining revenue streams associated with car parking, fines and advertising, along with cost shifting from other levels of government further exacerbate forecast deficits. This position is not sustainable and requires structural change.

This organisational improvement plan forms one of the key elements to support a proposed special rate variation (SRV) application. Council has undertaken a review of the organisation to identify and implement savings initiatives. Council is also undertaking service reviews to identify further improvement opportunities that will deliver further cost savings and/or revenue increases.

Council has been on an improvement journey and remains committed to continuing with savings, productivity and revenue generation initiatives. This improvement plan and the ongoing service reviews focus on cost containment and productivity improvements that have been implemented by Council in the past or presently, as well as further opportunities for improvement in the future.

The objectives of this organisational improvement plan and ongoing service reviews are:

- long-term financial sustainability for Council
- a range of productivity improvements
- demonstrate to the Independent Pricing and Regulatory Tribunal (IPART) and the community that Council has considered a range of productivity improvements, cost savings and revenue increase measures
- demonstrate to IPART and the Office of Local Government (OLG) that Council has a prioritised program of ongoing service reviews aimed at continuous improvement and optimisation of its services
- productivity improvements as a means of reducing the amount of any SRV affecting the community.

This report outlines the initiatives that have been undertaken or are being considered by Council. It specifies what the cost saving is likely to be and whether this is a recurring or one-off saving.

Some initiatives may not lead to a cost saving but provide productivity or efficiency gains for the organisation.

Service Review Framework

The service review framework is a structured approach used by Council to assess and improve the efficiency, effectiveness and relevance of the services we provide to the community.

This framework guides regular evaluations of our operations, ensuring they align with community expectations, statutory obligations and strategic priorities.

Each review assesses current performance, explores cost-saving opportunities, and considers alternative delivery options to enhance service quality.

Benchmarking with similar councils, conducting cost-benefit analyses, and engaging stakeholders are integral to the process.

Through this framework, we are committed to optimising resources and delivering value as we pursue continuous improvement.

As part of our Integrated Planning and Reporting framework, these are reported through our four-year Delivery Program and one-year Operational Plan.

Over time, all Council services will be reviewed. We are initially targeting a review of three services each financial year.

This year we have reviewed Street Sweeping, the North Sydney Oval and Development Assessment. The review of the North Sydney Oval is particularly expected to improve efficiency and revenue from the venue.

In 2025/26 we are planning to review:

- Legal Services
- Procurement
- Tree Management

Improvement Plan

The below tables outline improvements initiatives. They are grouped into:

- past improvements, largely implemented in the last two years
- current improvements, in progress to be implemented in the next year
- future improvements, under evaluation to be implemented in next two years

Further details on each initiative are provided below in each table.

Past Improvements

Past improvement	Efficiency gains / productivity improvements	Cost saving / revenue gain prior to 2024/25	Cost saving / revenue gain post 2024/25
Organisational realignment		\$2,300,000	
Solar power		\$117,000	\$100,000
Digital rates notices		\$25,000	
Digital business papers		\$5,000	
Internal borrowing to reduce ongoing borrowing costs		\$835,725	
Excess leave management		\$101,000	
Heat pump upgrades		\$50,000	
Cybersecurity system consolidation		\$101,000	
Mobile telephone network provision		\$60,000	
TOTAL		\$3,594,725	\$100,000

The above costs all represent ongoing annual savings.

Organisational realignment

Starting in early 2023, Council reviewed its operating model with a view to implementing a new structure that streamlined leadership and created more positions in areas where they were needed.

In total, over 17% or \$6.39m of the total salaries and wages budget for the Council was refocused. Reducing the spend on management-level salaries has allowed \$2.3m for new resources in areas of need including compliance, parks and gardens, sustainability, community development, organisational improvement, risk management, information technology and customer experience.

Solar power

Council has implemented 560kw of solar panels across its sites with a plan to implement a further 260kw, resulting in savings to our electricity expense.

Digital rates notices

Council currently delivers 35% of rates notices digitally. We anticipate this will increase to 50% with the introduction of improved online systems and a general societal trend towards digital. This results in a cost saving to Council with the printing and posting of rates notices.

Digital business papers

Council no longer physically prints Council meeting business papers, saving on printing expenses, staff time and petrol costs for driving and delivering the papers to Councillors. Business papers are now available digitally online.

Internal borrowing to reduce ongoing borrowing costs

Where Council requires funds to pay for projects or other costs, responsible borrowing from internal reserves is used first before other forms of debt to reduce the cost of borrowing to the community.

Excess leave management

Council is currently reviewing excess leave across the organisation and ensuring staff are taking this leave. Reducing excess leave reduces the financial burden of high leave liabilities, particularly excess leave being indexed with the Local Government Award salary increase each financial year, and encourages staff wellbeing.

Heat pump upgrades

Council is progressively upgrading heat pumps to more efficient models, resulting in operational savings from the increase in energy efficiency.

Cybersecurity system consolidation

In early 2024, Council moved several cybersecurity systems to a single vendor through a managed detection and response (MDR) service. MDR provides continuous monitoring, threat detection and incident response to protect organisations from advanced cyber threats.

The consolidation of services and systems to a single vendor provided a cost saving to Council.

Mobile telephone network provision

In August 2022, Council switched its mobile phone and data services to a new vendor at a lower price. This included a review of accounts and a deactivation of those no longer in use.

Present Improvements

Present improvement	Efficiency gains / productivity improvements	Cost saving / revenue gain prior to 2024/25	Cost saving / revenue gain post 2024/25
North Sydney Olympic Pool business plan			\$1,080,000
LED streetlights			\$80,000
Process mapping	✓		
Development Services process improvements	✓		
Process improvements – onboarding	✓		
Rangers and Parking – electronic reporting	✓		
Greater use of Local Government Procurement and State contracts	✓		
Review of Community Transport service	✓		
Introduction of electronic delegations system	✓		
TOTAL			\$1,160,000

The above costs all represent ongoing annual savings or increases to revenue.

North Sydney Olympic Pool business plan

The new North Sydney Olympic Pool management team has reviewed operations of the pool before it was closed for redevelopment. The newly proposed business plan for the redeveloped facility forecasts an increase in revenue through increasing the number of learn to swim spaces, as well as a larger gym and improved facility.

LED streetlights

North Sydney Council has been working with Ausgrid to upgrade all streetlights across the LGA to more energy efficient lights which, following an upfront cost, will deliver substantial ongoing annual savings.

Process mapping

Council is capturing high-priority processes across all service areas in a process mapping system to enable knowledge transfer between staff, consistency, quality of processes, and improved communication and collaboration. In the future, identification of process bottlenecks and redundancies will lead to opportunities for improvement and increased efficiencies.

Development Services process improvements

Initial enhancements have been made to the lodgement and preliminary assessment processes. A major project is currently underway to review and map all processes within Development Services, with the aim of improving productivity, development application (DA) processing times and enhancing the customer experience.

Process improvements – onboarding

A gap analysis identified bottlenecks in the onboarding workflow leading to delays in recruiting and finalising the onboarding of staff. Mapping of the process into our process mapping system has allowed gaps to be addressed and the workflow streamlined.

Rangers and Parking – electronic reporting

The introduction of a new application has provided an effective way to report on various service responsibilities, such as park patrols, unattended vehicles and dumped rubbish. This e-reporting system has led to increased transparency and accountability, consistent reporting, reduced need for printing, and enhanced productivity.

Greater use of Local Government Procurement and State contracts

Council currently runs tenders for many of its procurement activities. This includes high value but low complexity areas such as the hiring of infrastructure for New Year's Eve, and ongoing Microsoft licensing. Tender preparation and evaluation take Council staff significant time to prepare, organise and assess. The contract development and negotiation take additional time after the tender review.

By using Local Government Procurement, NSW Buy or Procurement Australia contracts, Council can procure services from pre-qualified vendors without tendering. This will save staff significant time each year.

Review of Community Transport service

Council funds the delivery of a Community Transport service via contracted services. The current contract is due for renewal on 1 July 2025. This service uses three Council-owned buses and provides free or heavily subsidised transport services to community members.

Council's current community transport arrangement is unique among similarly sized and located councils. Given changes in ridership since the pandemic and the upcoming contract renewal, Council proposes reviewing the operations of this service to determine if it represents maximum value to the community.

Introduction of electronic delegations system

Delegations are the formal assignment of decision-making powers from a Council to the CEO and staff. The introduction of an electronic delegations system enhances productivity and efficiency by streamlining processes and reducing administrative burdens. Centralising delegations in a digital platform ensures real-time updates, easy access, and automated workflows, saving time and minimising errors. The system improves compliance by aligning delegations with current legislation, providing audit trails, and sending alerts for legislative changes or deadlines. It allows faster decision-making while reducing paperwork and associated costs. By mitigating risks, enhancing collaboration, and ensuring regulatory alignment, the system enables Council to operate more effectively.

Future Improvements

Future improvement	Efficiency gains / productivity improvements	Cost saving / revenue gain prior to 2024/25	Cost saving / revenue gain post 2024/25
Continuous Improvement Framework Development	✓		
Service reviews	✓		
Property review	✓		
Systems review	✓		\$1,000,000
Advertising			\$400,000
Sponsorships and commercial partnerships			\$500,000
Fleet review	✓		\$500,000
Events review	✓		
Consider sales of land			\$5,000,000 (one off)
Corporate overheads	✓		
TOTAL			\$2,400,000 (ongoing) \$5,000,000 (one off)

The above costs represent ongoing annual savings or increases to revenue, unless indicated otherwise.

Continuous Improvement Framework Development

The Framework, encompassing service reviews and targeted process improvements, will enhance Council's operational effectiveness and efficiency by systematically ensuring that resources are used, processes are streamlined, and services remain aligned to community needs.

We are working towards benefit realisation of \$20m through continuous improvement initiatives by 2035.

Service reviews

Council has drafted a service review framework that guides systematic reviews of services as part of the continuous improvement cycle to ensure quality and cost effectiveness of services continue to meet community needs.

This will iteratively go through each section of the organisation to recommend and implement improvement initiatives.

Property review

Council has approximately \$53.7m of investment properties that, in the 2023/24 financial year, produced revenue of \$4.6m. Council proposes to review this investment property with the intent of increasing revenue. This may involve the sale of some property or the acquisition of new investment property.

System review

Council currently uses several business systems to support our operations. The systems in use are not contemporary and do not enable the organisation to be efficient and offer a high-quality customer or user experience.

Several processes are done manually, limiting staff ability to increase productivity. Data quality is limited with manual entry across multiple systems, and customer experience is challenged with limited self-service and no customer relationship management (CRM) system.

Implementing a modern business system and CRM will enable Council to be more productive and provide a better-quality experience to our employees and customers. There will be an implementation cost to doing this, but the system will enable several ongoing benefits to the organisation.

Advertising

Council currently generates limited revenue through advertising on its assets (primarily bus shelters). There is potential to increase this revenue by implementing digital signage, but this requires development applications and has had mixed support from the community.

Council will consult with the community on the potential to increase revenue gained from advertising.

Sponsorships and commercial partnerships

Council will consider sponsorships and commercial partnerships where appropriate to generate additional revenue. This could help to pay for the cost of community events or awards, or to offset some of the expenses of running parks and other facilities.

Fleet review

The fleet review will help improve fleet efficiency by optimising vehicle usage, reducing maintenance costs, and minimising environmental impact.

Streamlining operations, upgrading to electric vehicles, and ensuring an appropriate fleet size will improve service delivery and reduce operational expenses. Having switched several vehicles to electric, Council is already saving money on petrol expenses.

To date, Council has reduced its light fleet by 10 vehicles. It is proposed to further reduce our fleet of pool cars as we encourage greater use of active and public transport options.

Events review

Council will review its events program to ensure events are contemporary and reflective of our community, while improving the strategic approach to ensure that the event program creates meaningful connections and engagement and enhances the public space.

Council will consider discontinuing events that provide low value to the community.

Consider sales of land

Council holds some parcels of land with limited community value. To fund renewal of Council's asset backlog and projects, some of this land will be considered for sale.

Corporate Overheads

The Long-Term Financial Plan assumes no additional corporate administration costs associated with increased services (including North Sydney Olympic Pool) and increased capital works programs. The plan assumes efficiency gains will be achieved through improved governance and administration measures to absorb these costs.

Improvement Plan Summary

Time horizon	Value
Past	\$3,694,725
Present	\$1,160,000
Future	\$2,400,000 (ongoing) \$5,000,000 (one off)
Total	\$7,254,725/year plus \$5,000,000 (one off)

Council will continue to maintain this organisational improvement plan as additional improvement initiatives are identified.



Capacity to Pay Report

North Sydney Council

January 2025



Document status

Job #	Version	Written	Reviewed	Approved	Report Date
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Contents

Executive summary	1
About this report	1
About the North Sydney LGA	2
Grouping analysis for residential ratepayers	2
Business rates	3
Rate rise choice	3
Introduction	4
Background	4
Methodology	6
Areas of social disadvantage	7
Service age groups	7
Household types	8
Housing tenure	10
Equivalised household income	11
Socio-economic index	13
Vulnerable groups or individuals	16
Workforce status	16
Pensioners	17
Core assistance	17
Housing stress	18
Trends in cost of living	20
Industry	21
Discussion	23
Proposed rating changes	25
Residential rates – impact analysis by scenario	26
Business rates – impact analysis by scenario	28
Other rating considerations	30
Conclusion	33



Figures

Figure 1 North Sydney Council area map	5
Figure 2 Service age groups	7
Figure 3 Household composition	9
Figure 4 Equivalised household income	12
Figure 5 Actual (2023) rates as a percentage of operating expenses for OLG Group 3 metropolitan councils	31

Tables

Table 1 North Sydney Council area grouping summary	4
Table 2 Service age rankings	8
Table 3 North Sydney Council housing tenure	10
Table 4 Comparison of equivalised household income	12
Table 5 Comparison SEIFA scores and percentiles	14
Table 6 Grouping-level SEIFA scores and percentiles	14
Table 7 Suburb SEIFA rankings	15
Table 8 Community workforce status – 2021	16
Table 9 Number of pensioner assessments	17
Table 10 Number of people requiring core assistance	18
Table 11 Households where mortgage costs exceed 30% of income	18
Table 12 Households where rental costs exceed 30% of income	19
Table 13 Five-year comparison of cost of living in North Sydney Council LGA	20
Table 14 Value added by industry sector	22
Table 15 SV options	25
Table 16 Option 1 residential average rates impact analysis	26
Table 17 Option 2a residential average rates impact analysis	26
Table 18 Option 2b residential average rates impact analysis	27
Table 19 Option 3 residential average rates impact analysis	27
Table 20 Option 1 business average rates impact analysis	28
Table 21 Option 2a business average rates impact analysis	28
Table 22 Option 2b business average rates impact analysis	29
Table 23 Option 3 business average rates impact analysis	29
Table 24 Estimated average actual rates for comparison councils	30
Table 25 Comparison of average rates (prior to SV) and socio-economic indicators	31
Table 26 Actual outstanding rates and charges for OLG Group 3 metropolitan councils	32



Executive summary

North Sydney Council ('Council') is currently considering an application for a special variation ('SV') to rates, and Council has released four rate rise options to the community (which excludes the base case of rate peg only). These options are designed to help improve Council's financial strength and sustainability, with options 2a, 2b and 3 also providing additional funding for planning and delivering of new and upgraded infrastructure and increases to services.

The options it is considering, which all include a rate peg for 2025/26 of 4%, and a rate peg of 3% in both 2026/27 and 2027/28, are:

- Option 1 proposes a 50% increase in 2025/26 and 5% increases in 2026/27 and 2027/28, and results in a cumulative increase of 65.38% by 2027/28, including rate peg.
- Option 2a proposes a 45% increase in 2025/26, 29% increase in 2026/27 and the rate peg in 2027/28, and results in a cumulative increase of 87.05% over the two-year SRV implementation period.
- Option 2b proposes a 75% increase in 2025/26, inclusive of the rate peg, and then rate peg only increases for 2026/27 and 2027/28. The cumulative rate for the one-year SRV implementation period is 75%.
- Option 3 proposes a 60% increase in 2025/26, 20% increase in 2026/27 and a 10% increase in 2027/28, and results in a cumulative increase of 111.20% by 2027/28, including rate peg.
- Base case (do nothing) consists of rate peg increases only, resulting in a cumulative increase of 10.3% by 2027/28. This is not considered to be a financially sustainable option.

It is noted that option 2a is the staff recommended option.

About this report

This report provides an analysis of a wide range of socio-economic factors and other data and evaluates the general financial capacity of ratepayers to pay the proposed rate changes. It also considers the financial vulnerability and exposure of different community groups within the local government area (LGA).

It analyses both LGA-wide data along with resident-specific data from four geographic groupings within the North Sydney LGA. These groupings have been selected because they have aligned geographic and socio-economic characteristics - utilising data from the North Sydney Council Community Profile.¹

These groupings are:

- Cammeray-Cremorne
- Kirribilli-Milsons Point-McMahons Point
- Neutral Bay-Cremorne Point-Kurraba Point
- North Sydney-Crows Nest
- Wollstonecraft-Waverton.

A breakdown of the suburbs included within each grouping is detailed on pages 5 and 6 of this report.

¹.id (informed decisions), October 2024. North Sydney Council - Community Profile, Social Atlas, Economic Profile. (Sourced from: <https://profile.id.com.au/north-sydney>)



About the North Sydney LGA

North Sydney Council is predominantly a residential area, but also has substantial commercial areas. Over two-thirds of housing is medium-density (units, townhouses, semi-detached dwellings and terrace houses). The Council area encompasses a total land area of about 10.5 square kilometres. Major features of the Council area include the North Sydney CBD, Admiralty House, Kirribilli House, Luna Park, HMAS Waterhen, Cammeray Golf Course, North Sydney Olympic Pool, North Sydney Oval, Primrose Park, Waverton Park, North Sydney Circle Walk, TAFE NSW Northern Sydney Institute (Bradfield Senior College), The Northern Sydney Institute (Crows Nest Campus), Australian Catholic University (North Sydney - MacKillop Campus), The Mater Hospital, Coal Loader Centre for Sustainability and the Sydney Harbour Bridge.

The LGA is characterised by a relatively high socioeconomic status, low unemployment rate, lower residential and business rates, and low levels of outstanding rates. All suburbs in the LGA have lower disadvantage levels, and greater advantage levels, compared to the Greater Sydney, NSW and Australian results.

Grouping analysis for residential ratepayers

All groupings have significant levels of advantage, as demonstrated by high levels of household income, high socio-economic scores and high levels of home ownership. Each grouping is ranked within the top 1% of areas in Australia for advantage according to the Socio-Economic Indexes for Areas (SIEFA) and Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD).

At the end of 2027/28, residential ratepayers in the Kirribilli-Milsons Point-McMahons Point and Cremorne-Cammeray groupings would be paying an average, depending on the SV option, between \$201 and \$377 per year (for three years) more than they would have under the normal rate increases. Noting that for option 2a the increases are focused in the first two years, with the third year a rate peg increase only. For option 2b, which is a one-year SV option, the increase would be between \$844 and \$827 in the first year and then would increase at the rate peg for the remaining two comparison years. North Sydney-Crows Nest and Wollstonecraft-Waverton would be paying between \$171 and \$314 each year for three years (or \$704 to \$741 for option 2b over one-year). Neutral Bay-Cremorne Point-Kurraba Point sits at the median of the groupings for average residential rates and would see an increase between \$197 and \$361 each year for three years (or \$810 under option 2b).

Due to the high levels of advantage and relatively low potential for mortgage and rental stress, in addition to comparably low levels of pensioners and individuals requiring core assistance, it is considered that there is capacity to pay across all groupings. The application of an appropriate hardship policy remains an important consideration in the implementation of any rate increase, to ensure that vulnerable ratepayers are not marginalised.



Business rates

On average, business ratepayers across the LGA will receive an increase between \$3,840 and \$7,079 over three years (with option 2a focused over two years and option 2b a \$5,274 increase over one year), depending on the SV option selected. From all the groupings, North Sydney-Crows Nest would receive the highest average increase in rates of between \$4,645 and \$8,512 over three years (with a \$6,948 increase over two years under option 2a and a \$6,357 increase over one year under option 2b). This grouping contains 55% of the LGA's business ratepayers, however, due to the very positive indicators for the business community within the LGA, particularly within the suburb of North Sydney, as outlined below, it is considered that there is capacity to pay within this grouping.

At an overall level, North Sydney's average business rates currently sit towards the higher end (using 2023 OLG time series data) when compared against comparable councils. Under the proposed scenarios, business rates will move to the top end of this grouping of comparable councils. The substantial increase in jobs (19,061 FTE) and value added by industry (\$6.14 billion) within the LGA over the past ten years, in addition to the high business rents per square metre in North Sydney and St Leonards, indicate a very healthy, competitive and vibrant economy within the North Sydney LGA. We would therefore consider that there is capacity within the business community to absorb the potential rate rises.

Rate rise choice

Council is considering two permanent three-year SV options from 2025/26 to 2027/28, one two-year SV option for 2025/26 and 2026/27, and one one-year SV option for 2025/26, in addition to not applying an SV (base case or do nothing – rate peg only). The four proposed SV increases are, for the one-year option 2b a 75% increase (with rate peg increases for the following two years), for the two-year option 2a an 87.05% cumulative increase over two years (with rate peg increase for the following year), and for the three-year options, 65.38% for option 1 and 111.2% for option 3, both as cumulative over three-years.

Option 2a is the staff recommended option, and it is considered that ratepayers have the capacity to pay the rate increases proposed under this option. However, Council will need to consider the community feedback, the need to improve financial sustainability and a wide range of other factors in making its final decision on its preferred SV option.



Introduction

This report provides an analysis and evaluation of relative wealth and financial capacity; it looks at the financial vulnerability and exposure of different community groups within the LGA.

Key considerations include:

- regions of social disadvantage
- particularly vulnerable groups of individuals
- patterns of household expenditure.

These findings will then be compared to proposed changes in rates to identify whether there are any groups or individuals that are being particularly impacted and/or marginalised.

Data for this review was obtained from the following sources:

- Australian Bureau of Statistics 2016 and 2021 Census Data – Data by Regions.
- Profile ID – North Sydney Council Community/Social/Economic Profiles.
- February 2016 – Housing and Homelessness Policy Consortium (ACT Shelter, ACTCOSS, Women’s Centre for Health Matters, Youth Coalition of Act) – Snapshot: Housing stress and its effects.

Background

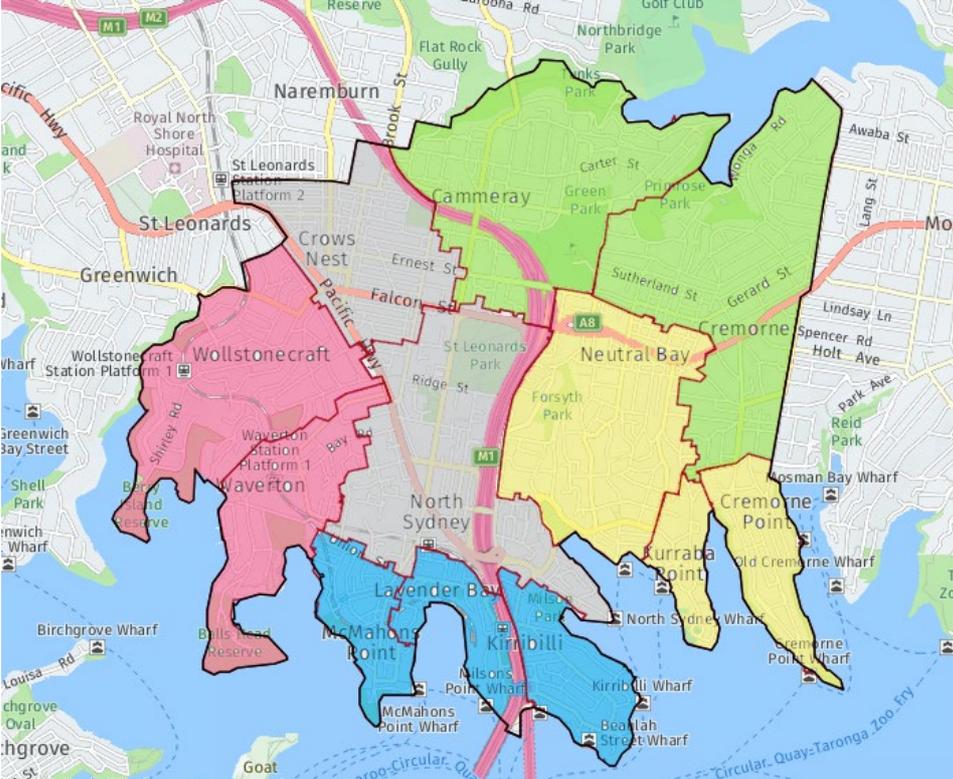
For the purposes of this report, the North Sydney LGA is divided into five groupings. Council is looking to ensure that equity is maintained between areas, as each area has differing economic and socio-economic profiles. A summary of the groupings and the suburbs they encompass has been provided in the following table 2 and figure 1.

Table 1 North Sydney Council area grouping summary

Grouping	Population	Suburbs
Cammeray-Cremorne (identified green on map)	18,351	Cammeray, Cremorne
Kirribilli-Milsons Point-McMahons Point (blue)	14,891	Kirribilli, McMahon's Point, Milsons Point - Lavender Bay
Neutral Bay-Cremorne Point-Kurraba Point (yellow)	13,337	Cremorne Point, Kurraba Point, Neutral Bay
North Sydney-Crows Nest (grey)	11,279	Crows Nest - St Leonards, North Sydney
Wollstonecraft-Waverton (pink)	11,096	Waverton, Wollstonecraft
North Sydney Council total	68,954	



Figure 1 North Sydney Council area map





Methodology

Our methodology in examining the relative wealth between the different areas focuses on the following:

- **Areas of social disadvantage**

We will first investigate the different characteristics and make up of each area to determine whether there are any particular areas of social disadvantage. This will include an investigation into:

- the age structure of each region
- the typical make up of each household
- household income, including the effect of dependants
- SEIFA rankings.

- **Particularly vulnerable groups of individuals**

We will then investigate whether there are any particular groups within each area that, despite the overall wealth of the area, would be particularly vulnerable and affected by a change in rates. These include:

- persons who have or need core assistance
- individuals who are currently unemployed
- households currently under housing stress
- pensioners.

- **Patterns in household expenditure**

We will then examine trends in household expenditure and discuss what impacts they may have on an individual's ability to pay.

- **Industry**

We will then compare employment by industry type, as well as value added by industry sector and the key productive sectors.

We will then compare these findings to the proposed rating changes, to determine whether there are any particular groups or individuals that would be significantly impacted. Our analysis will also compare with the average rates of other Group 3 and neighbouring councils, in addition to outstanding rates ratios and other factors that can help indicate whether the North Sydney community has a willingness to pay increased rates.



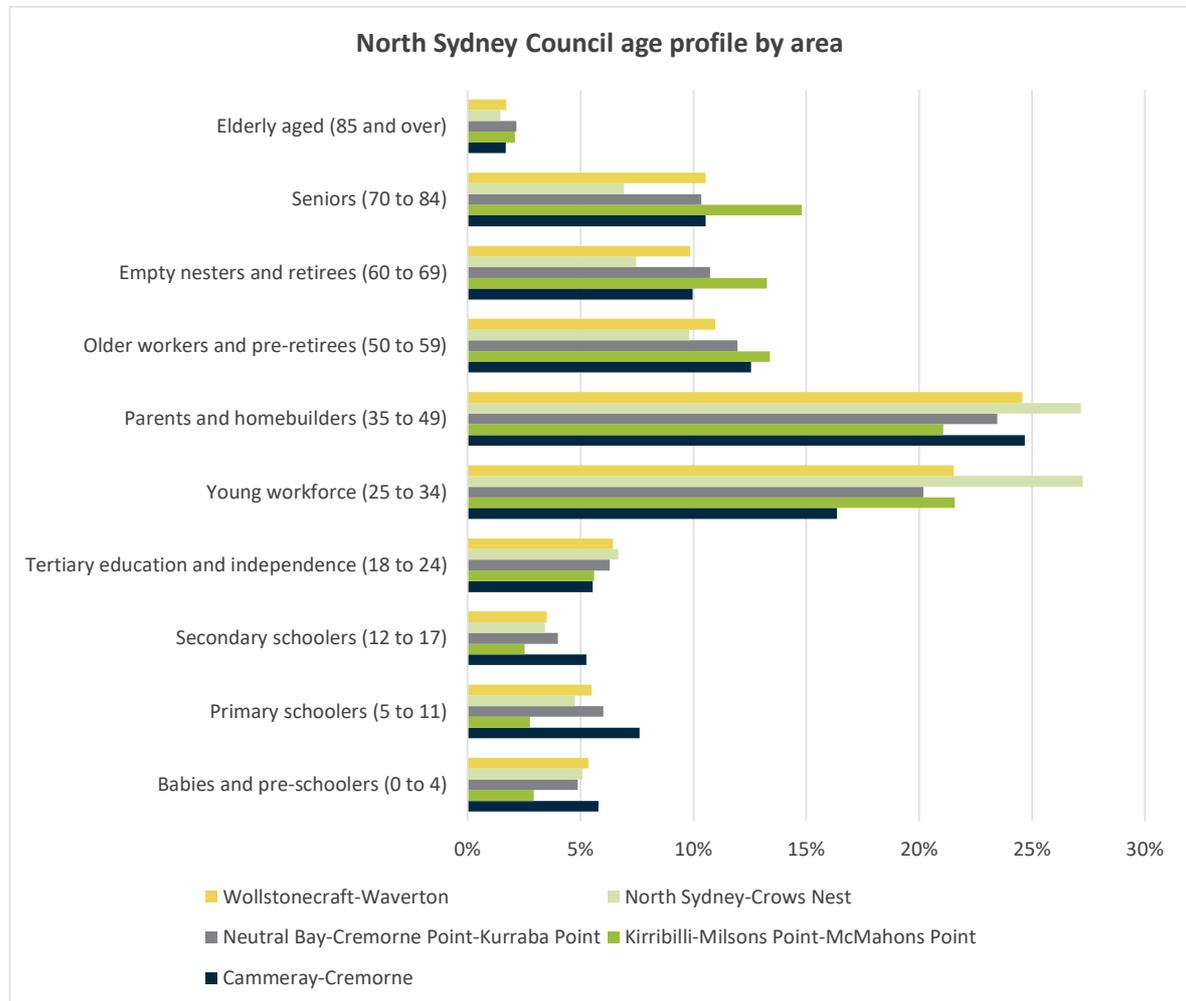
Areas of social disadvantage

Each area has differing demographic characteristics, and we first want to identify ‘who are the people’ that make up each area, ‘what do they do’ and ‘how do they live’.

Service age groups

Age profiles are used to understand the demand for age-based services as well as the income-earning status of the population. Data has been broken into groups that are reflective of typical life stages. This provides insight into the number of dependants, size of the workforce and number of retirees in each area.

Figure 2 Service age groups



Grouping these results in terms of the following categories, dependants (0-17 years), workforce (18-59 years), and retirees (60-85+ years), and ranking them in terms of proportion of population (with one representing the largest proportion) generates the following results.



Table 2 Service age rankings

Rank	Cammeray-Cremorne	Kirribilli-Milsons Point-McMahons Point	Neutral Bay-Cremorne Point-Kurraba Point	North Sydney-Crows Nest	Wollstonecraft-Waverton
Dependents	1	5	2	4	3
Working age	5	4	3	1	2
Retirees	3	1	2	5	4

At an LGA level, there is a notably higher proportion in the working age group (64%), compared with the Greater Sydney average of 58% and North Sydney Regional Organisation of Councils (NSROC) average of 56%. This is particularly due to a higher percentage of young workforce (25 to 34) at 21% compared to the NSROC average of 13% and greater Sydney of 16%. Conversely there is a much lower proportion in the dependents age group (15%), compared to the NSROC average (21%) and Greater Sydney and NSW averages (both 22%). This is mainly caused by a lower proportion in the primary schooler and secondary schooler groupings.

Looking into specific areas, we observe the following:

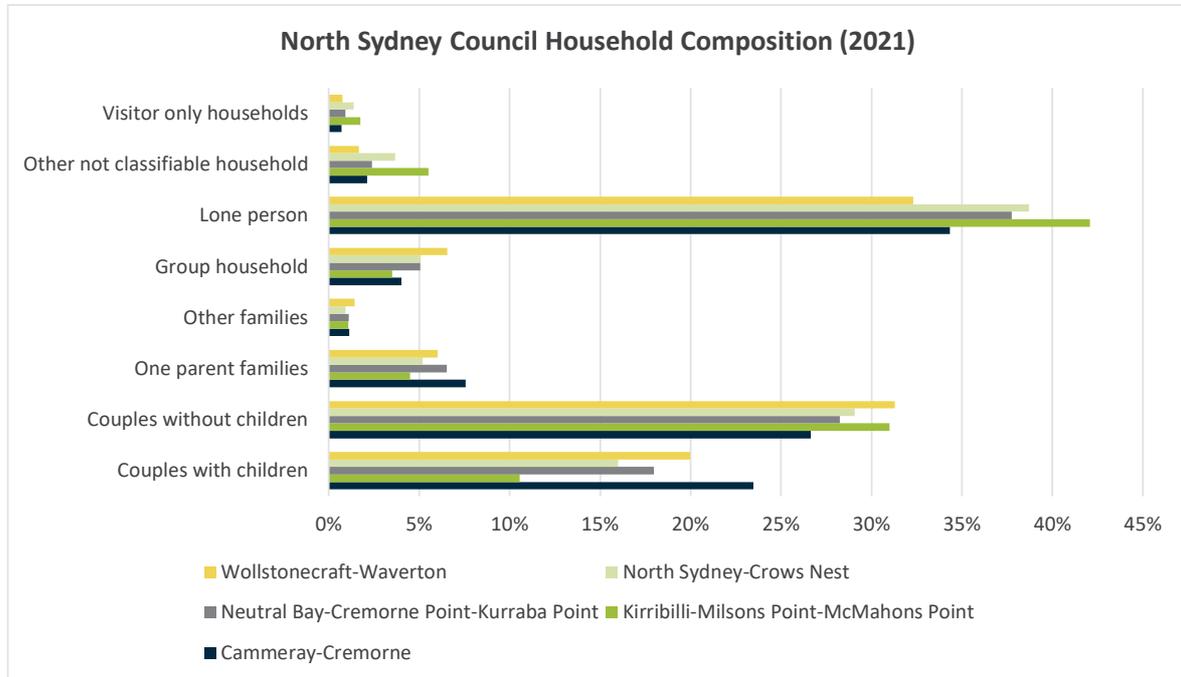
- Cammeray-Cremorne – has the highest proportion of dependents (19%), however this is still below the NSROC and Greater Sydney averages (21% and 22% respectively), and it has the lowest proportion of working age (59%), however this is still above NSROC and Greater Sydney averages (56% and 58% respectively).
- Kirribilli-Milsons Point-McMahons Point – has the lowest proportion of dependents (8%) and the highest proportion of retirees (30%), which is notably above the North Sydney LGA, NSROC and Greater Sydney averages (22%, 23% and 20% respectively).
- Neutral Bay-Cremorne Point-Kurraba Point – second highest for dependents (15%) and retirees (23%).
- North Sydney-Crows Nest – has the highest proportion of working age (71%) and lowest proportion of retirees (16%), which is notable lower than NSROC and Greater Sydney (23% and 20%).
- Wollstonecraft-Waverton – has the second highest proportion of working age (64%) and second lowest proportion of retirees (22%).

Household types

Alongside the age structure of each region, it is important to determine the typical trends in the make-up of households. This provides a complete picture of the people, families and communities in each area. A summary of household type is provided in the following figure.



Figure 3 Household composition



Overall, the proportion of one parent households in the LGA (6%) is lower than the NSROC and Greater Sydney averages, at 8% and 10% respectively. The proportion of couples with children in the LGA (37%) is significantly lower than the NSROC and Greater Sydney averages (36% and 34%) and higher than the Greater Sydney average (34%), this is predominantly a result of the very low proportion in Kirribilli-Milsons Point-McMahons Point (11%).

The 'lone person' and 'one parent family' households are considered to be more vulnerable to the impacts of rate increases due to a reduced/singular income stream. Combining these categories together into an 'at risk' group shows that across the LGA as a whole, the at-risk group makes up 43% of the population, this notably higher than the average for the NSROC (32%), Greater Sydney (33%) and NSW (34%). It is the lone person grouping that causes this increase within the North Sydney LGA, as it forms a 37% proportion of households. There is a higher proportion of 'at risk' households in the Kirribilli-Milsons Point-McMahons Point grouping at 47%, particularly when compared to the Wollstonecraft-Waverton grouping which has 38% in this category.



Housing tenure

Analysis of housing tenure levels within the LGA allows us to identify which areas are most impacted by changes in council rates. For example, the direct impact of a change in rates will be felt by homeowners, whereas renters are not expected to experience such a direct increase due to the nature of lease agreements, however there is a likelihood of rate increases being passed onto tenants by property owners over the longer term. Furthermore, individuals in social housing will not be immediately impacted by a change in rates, however there is potential for the social housing provider to pass some of these costs on over time.

Table 3 North Sydney Council housing tenure

Housing Tenure - % of households	Cammeray-Cremorne	Kirribilli-Milsons Point-McMahons Point	Neutral Bay-Cremorne Point-Kurraba Point	North Sydney-Crows Nest	Wollstonecraft-Waverton	North Sydney LGA
Fully owned	29%	25%	26%	17%	28%	25%
Mortgage	24%	12%	20%	19%	21%	20%
Renting - Total	43%	54%	50%	58%	48%	50%
Renting - Social housing	1%	6%	0%	1%	2%	2%
Renting - Private	42%	48%	49%	57%	46%	49%
Renting - Not stated	0%	0%	0%	0%	0%	0%
Other tenure type	1%	2%	1%	2%	2%	2%
Not stated	3%	7%	3%	4%	2%	4%
Total households	8,416	5,122	6,640	8,324	5,263	33,790

The North Sydney LGA resident ratepayer (fully owned plus mortgaged) average of 44% is significantly lower than the NSROC (62%), Greater Sydney (59%) and NSW (61%) averages. When reviewing at an area level, the proportion of resident ratepayers ranges widely from North Sydney-Crows Nest (36%), which is well below all comparison averages, up to Cammeray-Cremorne (53%), which although higher is still below comparable region averages.

The LGA has notably lower households with a mortgage (20%) compared to NSROC (31%) and Greater Sydney (32%) – this is particularly noticeable in Kirribilli-Milsons Point-McMahons Point, which has 12% of households with a mortgage. North Sydney-Crows Nest has the lowest proportion of fully owned homes, at 17%, whereas the overall LGA average (25%) is more inline with the Greater Sydney average (27%). Higher levels are generally indicative of higher household wealth and therefore increased capacity to pay; however, it is worth noting that property ownership is not always indicative of higher income or excess disposable income.

The LGA overall has very high levels of private renters (49%), however there is a range when groupings are compared, with Cammeray-Cremorne having a 42% proportion of private renters and North Sydney-Crows Nest 58%. The overall LGA private renter average is well above the NSROC and Greater Sydney averages (33% and 35% respectively). It is important to note that generally, the impact of these rates rises will not be immediately passed onto renters due to the longer-term nature of rental agreements, however the likelihood of longer-term rental increases, due to the increase in rates, does become more likely.



Kirribilli-Milsons Point-McMahons Point contains the majority of the LGA's social housing (52%) as 6% of its households fall into this category; this is driven by Kirribilli which has a 12% proportion of its households living in social housing. Residents in social housing do not pay rates and will not be immediately impacted by the proposed SV, however it is important to acknowledge that accommodation costs may be increased by the social housing provider over the longer term.

Equivalised household income

Equivalised household income can be viewed as an indicator of the economic resources available to a standardised household. It is calculated by dividing total household income by an equivalence factor. The factor is calculated in the following way:

- first adult = 1
- each additional adult + child over 15 = + 0.5
- each child under 15 = + 0.3.

Dividing by the equivalence factor, household income becomes comparable to that of a lone individual, thereby making households with dependants and multiple occupants comparable to those without. By factoring in dependants into household incomes, we are provided with a better indicator of the resources available to a household.

As this is a relative comparison, data has been presented in quartiles; regions of disadvantage will have a higher proportion of households in the bottom two quartiles than those of greater wealth and advantage. These quartiles were determined by reviewing the distribution of household incomes within NSW and then dividing them into four equal groups or quartiles.

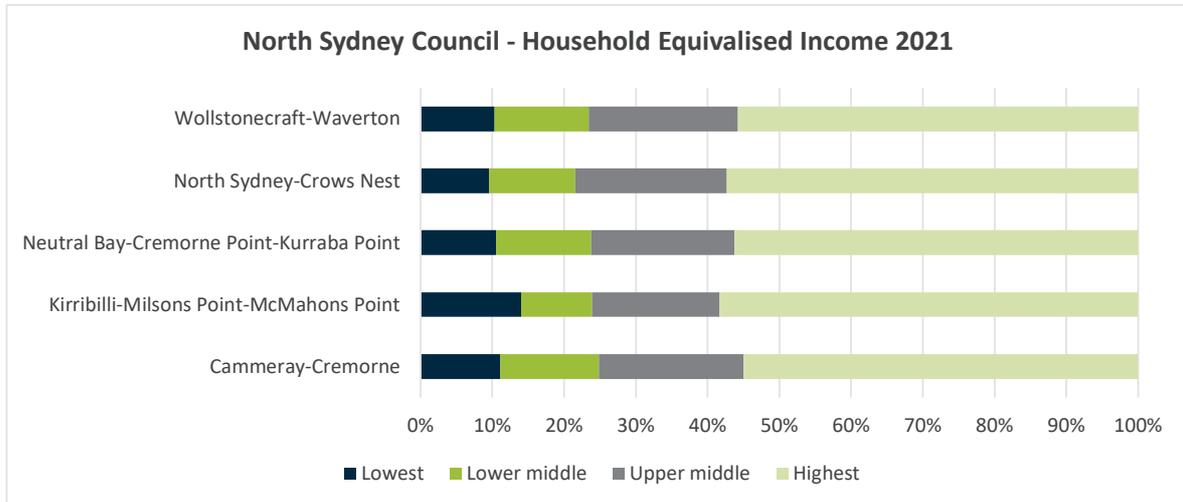
The data has been presented in ranges for the following equivalised weekly income levels for 2021:

- Lowest: \$0 - \$603 – this range is representative of the bottom 25% of all equivalised household incomes in NSW.
- Medium lowest: \$604 - \$1,096 – this range is representative of the bottom 25% - 50% of all equivalised household incomes in NSW.
- Medium highest: \$1,097 - \$1,770 – this range is representative of the top 25% - 50% of all equivalised household incomes in NSW.
- Highest: \$1,771 and over – this range is representative of the top 25% of all equivalised household incomes in NSW.

Figure 4 summarises the equivalised household income ranges for each area.



Figure 4 Equivalised household income



The LGA as a whole has significantly higher proportions in the upper two income quartiles, at 77% compared to 55% for Greater Sydney and 67% for NSROC. All profile areas within the LGA also have at least 75% of their households in the highest two quartiles. The LGA also has notably lower proportions in the lowest two quartiles, at 23% compared to 45% for Greater Sydney and 33% for NSROC.

There does not appear to be much income disparity across the LGA, as shown in the following observations from the data:

- Cammeray-Cremorne has the highest proportion of in the lowest two income quartiles (25%), whereas North Sydney-Crows Nest has the lowest proportion (22%).
- North Sydney-Crows Nest has the highest proportion (78%) in the highest two income quartiles, whereas Cammeray-Cremorne has the lowest proportion (75%).

Table 4 Comparison of equivalised household income

Equivalised income quartiles (2021)	Cammeray-Cremorne	Kirribilli-Milsons Point-McMahons Point	Neutral Bay-Cremorne Point-Kurraba Point	North Sydney-Crows Nest	Wollstonecraft-Waverton	North Sydney LGA	NSROC	Greater Sydney
Lowest two quartiles	25%	24%	24%	22%	23%	23%	33%	45%
Middle two quartiles	34%	28%	33%	33%	34%	33%	41%	48%
Highest two quartiles	75%	76%	76%	78%	77%	77%	67%	55%



Socio-economic index

The Socio-Economic Indexes for Areas (SEIFA) is an economic tool developed by the ABS to rank areas in Australia according to their relative socio-economic advantage and disadvantage. It takes into consideration a broad range of variables such as income, education, employment, occupation, housing, etc. and is standardised such that the average Australian represents a score of 1000.

In our research, we explored two of the indexes published by the ABS:

- **Index of Relative Socio-Economic Disadvantage (IRSD)**

This index ranks areas from most disadvantaged to least disadvantaged, i.e. a lower score will have a greater proportion of relatively disadvantaged people in the area.

From this score, however you cannot conclude whether a high-ranking area will have a large portion of relatively advantaged people, just that it has a low proportion of disadvantage.

- **Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD)**

This index considers variables of both advantage and disadvantage and, as such, scores and ranks areas from most disadvantaged to most advantaged.

The ABS has also published the variables which have the most impact on both indices, these include:

- IRSD variables of disadvantage:
 - low equivalised household incomes
 - households with children and unemployed parents
 - percentage of occupied dwellings with no internet connection
 - percentage of employed people classified as labourers.
- IRSAD variables of advantage only (disadvantage similar to IRSD):
 - high equivalised household incomes
 - percentage of households making high mortgage repayments
 - percentage of employed people classified as professionals
 - percentage of employed people classified as managers.

Further analysis of these factors is provided in the discussion section. A comparison summary, including related comparison metro and national percentiles, is provided in the table on the following page.



Table 5 Comparison SEIFA scores and percentiles

Area	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Mosman Council area	1,109.50	98	1,169.0	100
Ku-ring-gai Council area	1,108.10	98	1,164.8	100
Lane Cove Council area	1,104.90	98	1,161.9	100
Hunters Hill Municipality	1,100.60	97	1,155.6	100
North Sydney Council area	1,096.00	96	1,164.1	100
NSROC Region	1,085.40	92	1,136.5	99
Hornsby Shire	1,082.20	91	1,115.7	97
Willoughby City	1,074.70	88	1,142.4	99
City of Ryde	1,055.20	76	1,098.9	95
Greater Sydney	1,010.00	48	1,045.0	82
Australia	1,001.20	42	1,002.6	60
New South Wales	1,000.00	42	1,016.0	67

North Sydney Council's IRSD score of 1,096.0 is well above the NSW and Greater Sydney rankings, and slightly above the NSROC ranking. The ranking places the LGA in the 96th percentile, meaning approximately 4% of Australian suburbs have a SEIFA IRSD ranking higher than this area (less disadvantaged), while 96% are lower (more disadvantaged).

IRSAD includes levels of both advantage and disadvantage. North Sydney Council's score of 1,164.1 places the LGA into the 100th percentile, meaning it is in the top 1% of areas for advantage. A higher IRSAD score compared to IRSD score is indicative of more opportunities within the LGA, e.g. higher equivalised incomes, higher education levels, more employment opportunities within the area or more skilled jobs. The LGA therefore ranks notably higher than Greater Sydney and NSW and is slightly above the percentile ranking for the NSROC Region.

A grouping-level summary is provided in the following table.

Table 6 Grouping-level SEIFA scores and percentiles

Area	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Cammeray-Cremorne	1,100.50	97	1,162.35	100
Kirribilli-Milsons Point-McMahons Point	1,082.10	88	1,161.27	100
Neutral Bay-Cremorne Point-Kurraba Point	1,104.73	97	1,168.73	100
North Sydney-Crows Nest	1,093.25	95	1,169.25	100
Wollstonecraft-Waverton	1,110.75	99	1,170.45	100

Analysis at the grouping level demonstrates some slight inequity between different areas of the LGA in relation to disadvantage. Wollstonecraft-Waverton is in the 99th percentile for IRSD scores, compared to Kirribilli-Milsons Point-McMahons Point which is slightly lower in the 88th percentile. Both groupings, however, are in the 100th percentile for IRSAD, meaning that no other areas in Australia have higher levels of advantage. All other groupings sit within the 95th percentile or above for IRSD and all groupings are in the 100th percentile for IRSAD.



Table 7 Suburb SEIFA rankings

Suburb	SEIFA IRSD	Percentile	SEIFA IRSAD	Percentile
Kurraba Point	1118.4	99	1178.7	100
Wollstonecraft	1112	99	1170.9	100
Waverton	1109.5	98	1170	100
Cremorne Point	1108.3	98	1174.5	100
McMahons Point	1104.2	97	1172.5	100
Cammeray	1103.2	97	1164.2	100
Cremorne	1097.8	96	1160.5	100
Crows Nest - St Leonards	1097.3	96	1172.8	100
Milsons Point - Lavender Bay	1092.3	95	1175.9	100
North Sydney	1089.2	94	1165.7	100
Neutral Bay	1087.5	93	1153	99
Kirribilli	1049.8	72	1135.4	99

When scoring is considered at a suburb level, as can be seen above, it identifies that one suburb (Kirribilli) scores lower than other suburbs within the LGA in relation to IRSD, however this is still well above the Greater Sydney average. When advantage is also considered, Kirribilli sits within the 99th percentile, with all suburbs sitting within either the 99th or 100th percentile. Kirribilli can therefore be considered to have some pockets of disadvantage, however, overall is considered an extremely advantaged suburb, with substantial opportunity and wealth.

Overall, the LGA as a whole can be considered an area with significant advantage, with all suburbs within the LGA sitting within the top 1% or 2% of all areas within Australia.



Vulnerable groups or individuals

This section of the report considers whether there are any spatial patterns of individuals or groups who either need additional community services or are more sensitive to a change in rates.

Workforce status

The levels of full or part-time employment and unemployment are indicative of the strength of the local economy and social characteristics of the population.

Table 8 Community workforce status – 2021

Workforce status	Cammeray-Cremorne	Kirribilli-Milsons Point-McMahons Point	Neutral Bay-Cremorne Point-Kurraba Point	North Sydney-Crows Nest	Wollstonecraft-Waverton	North Sydney LGA
Employed	97%	96%	96%	97%	97%	97%
Employed full-time	66%	68%	67%	71%	70%	68%
Employed part-time	24%	22%	22%	19%	21%	21%
Employed, away from work	7%	6%	7%	7%	6%	7%
Unemployed (Unemployment rate)	3%	4%	4%	3%	3%	3%
Looking for full-time work	2%	3%	2%	2%	2%	2%
Looking for part-time work	1%	1%	2%	1%	1%	1%
Total labour force	10,799	5,644	8,468	10,763	6,980	42,668

Note: Pensioners and other non-participants are not included in the total labour force.

In 2021, unemployment within the LGA (3%) was slightly below the averages for the NSROC (4%), Greater Sydney and NSW (both 5%). The unemployment rate average is relatively consistent across all groupings, with Kirribilli-Milsons Point-McMahons Point and Neutral Bay-Cremorne Point-Kurraba Point both more in line with the NSROC average at 4%.



Pensioners

A distinction is made between retirees, and eligible pensioners. To be classified as a pensioner for the purposes of receiving rates rebates, ratepayers must be receiving Centrelink payments such as the age pension or have partial capacity to work such as having a disability, being a carer or being a low-income parent. These individuals have reduced income streams and can be vulnerable to financial shocks and price rises. The following table shows the number of assessments receiving pensioner rebates compared to the total number of assessments for that area.

Table 9 Number of pensioner assessments

Number of pensioner properties	Total assessments	Statutory pensioner assessments	Statutory pensioner assessments %
Cammeray-Cremorne	8,970	571	6%
Kirribilli-Milsons Point-McMahons Point	5,814	126	2%
Neutral Bay-Cremorne Point-Kurraba Point	7,402	351	5%
North Sydney-Crows Nest	9,390	323	3%
Wollstonecraft-Waverton	5,698	282	5%
North Sydney LGA	37,274	1653	4%

It is observed that the grouping with the largest proportion of pensioners is Cammeray-Cremorne (6%), which has almost 35% of the LGA's pensioners (571 individuals). Kirribilli-Milsons Point-McMahons Point has the lowest proportion and number of pensioner rebates, at 2% or 126 individuals, which is lower than the LGA average of 4%. The Group 3 council average proportion of residential pensioners is 10%, with a range from 21% to 4%,² therefore North Sydney sits at the lowest end for proportion of pensioners when compared to other similar councils.

Eligible pensioners have access to mandatory rebates (up to a maximum of \$250 per year) on their rates. North Sydney Council also offers a voluntary rebate on the domestic waste charge, which is separate to the mandatory rebate offered on general rates.

Core assistance

Table 12 highlights the areas within the LGA that have higher concentrations of people who need assistance in their day-to-day lives with self-care, body movements or communication – because of a disability, long-term health condition or old age.

² Office of Local Government, 'Time Series Data 2022-2023'. Retrieved from: <https://www.olg.nsw.gov.au/public/about-councils/comparative-council-information/your-council-report/>.

**Table 10** Number of people requiring core assistance

Assistance required (2021)	Number	Percentage
Cammeray-Cremorne	419	2%
Kirribilli-Milsons Point-McMahons Point	301	3%
Neutral Bay-Cremorne Point-Kurraba Point	310	2%
North Sydney-Crows Nest	394	2%
Wollstonecraft-Waverton	301	3%
North Sydney LGA	1,713	2%

We observe that Kirribilli-Milsons Point-McMahons Point and Wollstonecraft-Waverton have a slightly higher proportion (3%) of individuals requiring assistance compared to the remaining three groupings (2%). The LGA overall is below the NSROC (4%), Greater Sydney (5%) and NSW (6%) averages.

Housing stress

The National Centre for Social and Economic Modelling (NATSEM) defines households experiencing 'housing stress' as those that satisfy both of the following criteria:

- equivalised household income is within the lowest 40% of the state's income distribution
- housing costs (i.e. mortgage and/or rent repayments) are greater than 30% of household income.

Research funded by the ACT Government on housing and homelessness issues in the ACT found that due to financial pressures:

- 19% of households facing housing stress compromised a lot on their grocery spend over a 12-month period
- 24% of households facing housing stress found rent/mortgage repayments quite/very difficult in the last three months.

Households facing housing stress are highly likely to be under significant financial stress and vulnerable to sudden increases in council rates.

Mortgage stress

A comparison of households where mortgage costs exceed 30% of income is as follows.

Table 11 Households where mortgage costs exceed 30% of income

Households with mortgage costs >30% of income (2021)	Number	Number of households with a mortgage	Percent %
Cammeray-Cremorne	353	2,063	17%
Kirribilli-Milsons Point-McMahons Point	128	605	21%
Neutral Bay-Cremorne Point-Kurraba Point	209	1,311	16%
North Sydney-Crows Nest	307	1,539	20%
Wollstonecraft-Waverton	161	1,080	15%
North Sydney LGA	1,169	6,597	18%



Overall, 1,169 (18%) households have mortgage costs exceeding 30% of their household income, below the NSROC and Greater Sydney averages (both 20%). Kirribilli-Milsons Point-McMahons Point has the highest proportion of all groupings at 21% (605 households) followed by North Sydney-Crows Nest at 20%. Both groupings, however, have more than 75% of households within the top two equivalised income groupings, therefore there is not a substantial concern of potential mortgage stress in either grouping.

Rental stress

Although renters are not usually immediately directly affected by an increase to council rates, there is generally considered to be a flow-on effect whereby landlords can pass on rate increases to the tenant via an increase in rental payments. It is therefore important to also consider rental stress and any areas within the LGA where this may be higher.

The following table compares the proportion of households with rental payments greater than 30% of household income.

Table 12 Households where rental costs exceed 30% of income

Households with rental costs >30% of income (2021)	Number	Number of households renting	Percent %
Cammeray-Cremorne	1,031	3,562	29%
Kirribilli-Milsons Point-McMahons Point	835	2,728	31%
Neutral Bay-Cremorne Point-Kurraba Point	947	3,289	29%
North Sydney-Crows Nest	1,202	4,756	25%
Wollstonecraft-Waverton	564	2,497	23%
North Sydney LGA	4,589	16,824	27%
NSROC	25,780	78,747	33%
Greater Sydney	231,957	657,317	35%
NSW	335,404	944,585	36%

Across the LGA, 16,824 (27%) households have rental costs exceeding 30% of their household income, which is below the NSROC and Greater Sydney averages (33% and 35% respectively). Kirribilli-Milsons Point-McMahons Point has the highest proportion of all groupings at 31% (2,728 households), however it also has 76% of households in the highest two income quartiles, therefore it does not suggest that there would be a significant concern of rental stress within this grouping.



Trends in cost of living

The cost of living can best be described as the cost of maintaining a certain standard of living. Identifying trends in future costs, particularly with regards to discretionary and non-discretionary income. The following table presents the changes in typical household expenditure throughout the North Sydney LGA over a five-year period.

Table 13 Five-year comparison of cost of living in North Sydney Council LGA³

Household expenditure (totals)	2022/23		2017/18		Change		
	\$ per household	% of expenditure	\$ per household	% of expenditure	\$ per household	% of expenditure	%
Food	\$16,670	9%	\$16,525	9%	\$145	0%	1%
Alcoholic beverages & tobacco	\$7,127	4%	\$8,700	5%	-\$1,573	-1%	-18%
Clothing & footwear	\$7,412	4%	\$6,278	3%	\$1,134	1%	18%
Furnishings & equipment	\$8,371	4.7%	\$8,132	4.4%	\$239	0%	3%
Health	\$10,592	6%	\$9,034	5%	\$1,558	1%	17%
Transport	\$18,428	10%	\$21,705	12%	-\$3,277	-1%	-15%
Communications	\$3,372	2%	\$2,944	2%	\$429	0%	15%
Recreation & culture	\$18,501	11%	\$18,222	10%	\$279	1%	2%
Education	\$5,457	3%	\$5,344	3%	\$113	0%	2%
Hotels, cafes & restaurants	\$14,622	8%	\$15,386	8%	-\$764	0%	-5%
Miscellaneous goods & services	\$23,193	13%	\$24,400	13%	-\$1,206	0%	-5%
Housing	\$38,256	22%	\$42,226	23%	-\$3,970	-1%	-9%
Utilities	\$4,788	3%	\$4,997	3%	-\$209	0%	-4%
Total expenditure	\$176,790	100%	\$183,894	100%	-\$7,104	0%	-4%
Net savings	\$38,778	18%	\$30,699	14%	\$8,080	4%	26%
Total disposable income	\$215,568	0%	\$214,592	0%	\$976	0%	0%
Non discretionary	\$104,407	59%	\$105,741	57%	-\$1,334	2%	-1%
Discretionary	\$73,319	41%	\$79,646	43%	-\$6,327	-2%	-8%

*Non-discretionary spending includes the following categories: food, clothing and footwear, health, transport, communications, housing and utilities.

³ National Institute of Economic and Industry Research (NIEIR), 2021. Compiled and presented in economy.id by. Data based on 2016-17 price base for all years. NIEIR-ID data are inflation adjusted each year to allow direct comparison, and annual data releases adjust previous years' figures to a new base year.



Table 14 shows over the five-year period, total disposable income across the LGA has increased by an average of \$976 (0.5%) and net annual savings have increased by \$8,080 (26%). Total expenditure has reduced by 4% with an 8% decrease in discretionary spending. This is mirrored across Greater Sydney and NSW, where discretionary spending has also reduced by 5% for both regions. However total disposable income has decreased in both NSROC and Greater Sydney, by \$1,640 or a reduction of 1% for Greater Sydney and \$2,372 or a reduction of 1.1% for the NSROC region. In NSW total disposable income has increased by 1% or \$1,179.

Industry

In 2023, the main industries in order of employment (as full-time equivalent - FTE) remain professional, scientific and technical services (36.1%), information media and telecommunications (11.9%), financial and insurance services (10.9%), construction (7.0%) and health care and social assistance (5.3%). Since 2013, information media and telecommunications has moved ahead of financial and insurance services to become the second highest employing sector within the LGA. This differs to Greater Sydney, where health care and social assistance has become the second highest employing industry for 2023 (also behind professional, scientific and technical services). The most recent data indicates the following trends, over the ten years from 2013 to 2023, in these core sectors:

- professional, scientific and technical services jobs have increased by 9,564 FTE
- information media and telecommunications jobs have increased by 5,831 FTE
- construction roles have increased by 3,045 FTE
- financial and insurance services jobs have increased by 1,885 FTE
- health care and social assistance roles have increased by 1,066 FTE
- additionally, the largest decrease has been seen in accommodation and food services, where jobs have decreased by 1,160 FTE
- overall, there are 19,061 more jobs within the LGA in 2023 when compared to 2013.

It is noted that 28.7% of North Sydney Council's resident workers work within the LGA, with 71.3% (or 29,347 resident workers) travelling outside the LGA to work - mainly to City of Sydney, Willoughby, Ryde and Northern Beaches LGAs.

Professional, scientific and technical services remain the most productive industry for the North Sydney LGA, generating 27% of the region's value (as value added) which is double the proportion it generates for Greater Sydney (12.9%). This is an increase of \$1.78 billion since 2012/13, when it contributed 26.2% for the North Sydney LGA. Information Media and Telecommunications is now the second most valuable industry for the area, at 20.5% compared to 6.5% in 2012/13, with an increase of \$3.42 billion in value added to the economy. Financial and insurance services (+\$101.7 million) and construction (+\$476.4 million) have both dropped from second and third respectively in 2012/13, to third and fourth respectively in 2022/23. Administrative and Support Services has dropped from fourth to fifth place, with a gain of \$128.2 million value added.



The overall value added by industries for the North Sydney LGA has increased by \$6.14 billion since 2012/13, which, when combined with the significant increase in full-time equivalent jobs of 19,061, highlights a significant level of increasing opportunity and advantage within the area. The increasing number of local jobs also makes North Sydney the fastest growing local economy within Greater Sydney.⁴ It is also notable that the suburbs of North Sydney and St Leonards have the second and third highest average business rents in Greater Sydney (behind the City of Sydney), at \$8,552 and \$6,453 per square metre respectively.

Table 14 Value added by industry sector⁵

Industry	2022/23			2012/13			Change (\$m)
	North Sydney \$m	North Sydney %	Greater Sydney %	North Sydney \$m	North Sydney %	Greater Sydney %	2012/13 - 2022/23
Agriculture, Forestry and Fishing	28.60	0.1	0.5	18.90	0.1	0.4	9.70
Mining	335.00	1.6	0.8	385.10	2.5	0.7	-50.00
Manufacturing	453.20	2.1	6.4	532.10	3.5	8.7	-78.90
Electricity, Gas, Water and Waste Services	107.10	0.5	1.7	281.30	1.8	2.4	-174.20
Construction	1,891.90	8.8	7.8	1,415.50	9.2	7.6	476.40
Wholesale Trade	629.90	2.9	5.5	513.30	3.3	5.8	116.60
Retail Trade	429.20	2.0	4.6	291.20	1.9	5.0	138.00
Accommodation and Food Services	279.80	1.3	2.6	289.60	1.9	2.7	-9.80
Transport, Postal and Warehousing	364.40	1.7	6.7	485.60	3.1	7.7	-121.20
Information Media and Telecommunications	4,421.10	20.5	5.7	1,003.80	6.5	3.8	3,417.30
Financial and Insurance Services	2,591.90	12.0	14.5	2,490.20	16.1	15.3	101.70
Rental, Hiring and Real Estate Services	931.20	4.3	4.6	704.00	4.6	4.3	227.20
Professional, Scientific and Technical Services	5,827.80	27.0	12.9	4,047.50	26.2	10.6	1,780.30
Administrative and Support Services	1,336.40	6.2	5.2	1,208.20	7.8	4.9	128.20
Public Administration and Safety	520.70	2.4	5.1	502.10	3.3	5.0	18.70
Education and Training	501.90	2.3	5.3	505.70	3.3	5.7	-3.90
Health Care and Social Assistance	590.10	2.7	7.6	441.90	2.9	6.4	148.20
Arts and Recreation Services	124.40	0.6	0.9	105.10	0.7	1.0	19.30
Other Services	197.50	0.9	1.5	201.60	1.3	2.0	-4.00
Total industries	21,562.20	100.0	100.0	15,422.70	100.0	100.0	6,139.60

⁴ SGS Economics and Planning (2024), 'Discussion Paper Economic Development - North Sydney's next ten years'. Retrieved at: <https://yoursay.northsydney.nsw.gov.au/economic-development-study>.

⁵ NIEIR, 2021. Compiled and presented in economy.id by.



Council's Gross Regional Product was \$23.37 billion in the year ending June 2023, growing 7.2% since the previous year and increasing a substantial 36.4% since 2013. The local industry to resident's ratio has increased from 1.6 in 2012/13 to 1.85 in 2023, which is the highest it has been. This indicates that generally most residents are contributing their economic productivity within the LGA, and that more residents may be working within the LGA than in previous years.

Discussion

Our analysis shows that North Sydney Council is an extremely advantaged area, with very similar levels of advantage across the LGA and one pocket of slightly increased disadvantage within the suburb of Kirribilli (although noting it still has an IRSAD score in the 99th percentile). There are some differences emerging between the different areas, however we do not observe any notable differences in advantage across the groupings.

Key aspects of the Cammeray-Cremorne grouping, which has an IRSD ranking in the 97th percentile, and an IRSAD ranking (including factors of advantage) in the 100th percentile, included:

- highest proportion of dependents (19%) and lowest proportion of working age (59%), with the lowest proportion of young workforce (16%)
- second lowest percentage of vulnerable households (42%) which are either 'lone person' or 'single parent' households, however the highest proportion of one parent families (8%)
- a 3% unemployment rate and is below the averages for NSROC and Greater Sydney as a whole
- highest proportion of resident ratepayers (fully owned and mortgaged) at 53%
- highest proportion in the lowest two equivalised income quartiles (25%) and lowest proportion in the highest two quartiles (75%) – however both proportions are significantly improved when compared to the NSROC and Greater Sydney averages
- joint lowest proportion of residents requiring assistance (2%)
- highest proportion of pensioners (6%).

Key aspects of the Kirribilli-Milsons Point-McMahons Point grouping, with an IRSD ranking in the 88th percentile, and IRSAD ranking in the 100th percentile, are:

- lowest proportion of dependents (8%) and second lowest proportion of working age (62%), with the highest proportion of retirees (30%)
- highest proportion of vulnerable households (47%), with the highest proportion of lone person households (42%)
- joint highest unemployment rate (4%) which is in line with the average for the NSROC region
- second lowest proportion of resident ratepayers (37%)
- second highest proportion in the lowest two equivalised income quartiles (24%) and second lowest proportion in the highest two quartiles (76%) – however both proportions are significantly improved when compared to the NSROC and Greater Sydney averages
- joint highest proportion of residents requiring assistance (3%), however this is still below the NSROC average
- lowest proportion of pensioners (2%)



- highest proportion of households with both mortgage costs and rental costs exceeding 30% of income, however there is not a significant concern of potential mortgage stress due to the high levels of equivalised income.

Key aspects of the Neutral Bay-Cremorne Point-Kurraba Point grouping, with an IRSD ranking in the 97th percentile, and IRSAD ranking in the 100th percentile, are:

- second highest percentage of dependents (15%) and retirees (23%)
- second highest proportion of one-parent families (7%)
- joint highest unemployment rate (4%) which is in line with the average for the NSROC region.

Key aspects of the North Sydney-Crows Nest grouping, with an IRSD ranking in the 95th percentile, and IRSAD ranking in the 100th percentile, are:

- highest proportion of working age (71%) and lowest proportion of retirees (16%)
- joint lowest proportion of one parent families (5%)
- lowest proportion of resident ratepayers (36%) and lowest proportion of fully owned homes (17%)
- highest proportion of private renters (57%)
- highest proportion in highest two equivalised income quartiles (78%) and lowest proportion in bottom two quartiles (22%).

Key aspects of the Wollstonecraft-Waverton grouping, with an IRSD ranking in the 99th percentile, and IRSAD ranking in the 100th percentile, are:

- second highest proportion of working age (64%) and second lowest proportion of retirees (22%)
- lowest proportion of vulnerable households (38%) and lowest proportion of lone person (32%)
- second highest proportion of resident ratepayers (49%)
- second highest proportion in top two equivalised income quartiles (77%) and second lowest in the bottom two quartiles (23%)
- joint highest proportion of residents requiring assistance (3%), however this is still below the NSROC average
- lowest proportion of households with both mortgage costs and rental costs exceeding 30% of income.



Proposed rating changes

North Sydney Council is considering four SV options in addition to the base case or 'do nothing' (which is not considered to be financially sustainable). These options are all permanent, and all include a rate peg for 2025/26 of 4%, and a rate peg of 3% in both 2026/27 and 2027/28, are:

- Option 1 proposes a 50% increase in 2025/26 and 5% increases in 2026/27 and 2027/28, and results in a cumulative increase of 65.38% by 2027/28, including rate peg.
- Option 2a proposes a 45% increase in 2025/26, 29% increase in 2026/27 and the rate peg in 2027/28, and results in a cumulative increase of 87.05% over the two-year SRV implementation period (with a comparison 3-year cumulative rate of 92.66% including the 2027/28 rate peg). It is noted that option 2a is the staff recommended option.
- Option 2b proposes a 75% increase in 2025/26, inclusive of the rate peg, and then rate peg only increases for 2026/27 and 2027/28. The cumulative rate for the SRV implementation period is 75.00% (with a comparison 3-year cumulative rate of 85.66% including the 2026/27 and 2027/28 rate pegs)
- Option 3 proposes a 60% increase in 2025/26, 20% increase in 2026/27 and a 10% increase in 2027/28, and results in a cumulative increase of 111.2% by 2027/28, including rate peg.
- Minimum rates for all the above options are the same. Proposed minimum rates for 2024/25 are residential \$1300 and business \$1400. The following years minimum rates will increase by the approved rate path, being either one of the proposed SV options or the rate peg.
- Base case (do nothing) consists of rate peg increases only, resulting in a cumulative increase of 10.3% by 2027/28.

We have reviewed average rates by grouping and rate category (noting that these do not allow for proposed changes to minimum rates). We compare the average rates for each scenario against the "do nothing" scenario (base case - rates to increase as normal, with rate peg only applied and no SV). The table below summarises the four scenarios and our analysis of each scenario follows.

Table 15 SV options

Option	2025/26	2026/27	2027/28
Option 1 is a cumulative increase of 65.38% at the end of 2027/28 Minimum Rate: Residential/Business	50% \$1,200/\$1,400	5% \$1,260/\$1,470	5% \$1,323/\$1,544
Option 2a is cumulative increase of 87.05% at the end of 2026/27* Minimum Rate: Residential/Business	45% \$1,200/\$1400	29% \$1,548/\$1,806	rate peg (3%) \$1,594/\$1,860
Option 2b is cumulative increase of 75% at the end of 2025/26* Minimum Rate: Residential/Business	75% \$1,200/\$1,400	rate peg (3%) \$1,236/\$1,442	rate peg (3%) \$1,273/\$1,485
Option 3 is cumulative increase of 111.2% at the end of 2027/28 Minimum Rate: Residential/Business	50% \$1,200/\$1,400	20% \$1,440/\$1,680	20% \$1,584/\$1,848
Base case (do nothing)	rate peg (4%)	rate peg (3%)	rate peg (3%)

*For comparative purposes in the following tables, we have included the rate-peg only years for option 2a and 2b to provide a three-year comparative increase (at a cumulative increase over three years of 92.66% for 2a and 85.66% for 2b).



Residential rates – impact analysis by scenario

Table 16 Option 1 residential average rates impact analysis⁶

Residential - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 1 average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	1,098	1,211	1,816	201	3.87	604
Kirribilli-Milsons Point-McMahons Point	1,120	1,236	1,852	205	3.95	616
Neutral Bay-Cremorne Point-Kurraba Point	1,075	1,186	1,778	197	3.79	592
North Sydney-Crows Nest	934	1,031	1,545	171	3.30	514
Wollstonecraft-Waverton	984	1,086	1,627	181	3.47	542

The impact of increases in rates will be unequal across the LGA due to the variance in land value from area to area. Those in the higher land value areas of Kirribilli-Milsons Point-McMahons Point (average to increase to \$1,852, an increase of \$3.95 per week by the end of 2027/28 when compared to the base case 'do nothing') as well as Cremorne-Cammeray (average to increase to \$1,816, an increase of \$3.87 per week by the end of 2027/28) are expected to see larger increases in average rates compared to the slightly lower land value area of North Sydney-Crows Nest (average to increase to \$1,545, an increase of \$3.30 per week by the end of 2027/28).

Table 17 Option 2a residential average rates impact analysis⁷

Residential - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 2a average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	1,098	1,211	2,115	301	5.79	904
Kirribilli-Milsons Point-McMahons Point	1,120	1,236	2,158	307	5.91	922
Neutral Bay-Cremorne Point-Kurraba Point	1,075	1,186	2,071	295	5.67	885
North Sydney-Crows Nest	934	1,031	1,799	256	4.93	769
Wollstonecraft-Waverton	984	1,086	1,896	270	5.19	810

⁶ Group averages are estimates based on current level of ordinary rates.

⁷ Group averages are estimates based on current level of ordinary rates.



As with option 1, residential ratepayers in the slightly higher land value areas of Kirribilli-Milsons Point-McMahons Point and Cremorne-Cammeray (averages to increase by \$922 and \$904 respectively, when compared to the base case - do nothing, over three years) are expected to see larger increases in average rates, under option 2a, compared to the lower land value areas of North Sydney-Crows Nest (total average increase over three years of \$769 or \$4.93 per week) and Wollstonecraft-Waverton (average increase of \$810 over three years or \$5.19 per week).

Table 18 Option 2b residential average rates impact analysis

Residential - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 2b average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	1,098	1,211	2,039	276	5.30	827
Kirribilli-Milsons Point-McMahons Point	1,120	1,236	2,079	281	5.41	844
Neutral Bay-Cremorne Point-Kurraba Point	1,075	1,186	1,996	270	5.19	810
North Sydney-Crows Nest	934	1,031	1,734	235	4.51	704
Wollstonecraft-Waverton	984	1,086	1,827	247	4.75	741

Under option 2b, as with both options above, there will be slightly unequal increases, with residential ratepayers in the higher land value areas of Kirribilli-Milsons Point-McMahons Point (average to increase to \$2,079 by end of 2027/28, noting this is an increase that will mainly be seen in one-year, with remaining years rate peg only) and Cremorne-Cammeray (average to increase to \$2,039, an increase of \$827 by the end of 2027/28) expected to see slightly larger increases in average rates. The median land value area of Neutral Bay-Cremorne Point-Kurraba Point will see an average increase to \$1,186, an increase of \$810 by the end of 2027/28.

Table 19 Option 3 residential average rates impact analysis

Residential - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 3 average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	1,098	1,211	2,319	369	7.10	1,108
Kirribilli-Milsons Point-McMahons Point	1,120	1,236	2,365	377	7.24	1,130
Neutral Bay-Cremorne Point-Kurraba Point	1,075	1,186	2,270	361	6.95	1,084
North Sydney-Crows Nest	934	1,031	1,973	314	6.04	942
Wollstonecraft-Waverton	984	1,086	2,078	331	6.36	993



Under option 3, as with all options above, there will be slightly unequal increases, with residential ratepayers in the higher land value areas of Kirribilli-Milsons Point-McMahons Point (average to increase to \$2,365, an increase of \$377 per year by end of 2027/28) and Cremorne-Cammeray (average to increase to \$2,319, an increase of \$369 per year by the end of 2027/28) expected to see slightly larger increases in average rates. The lower land value area of North Sydney-Crows Nest will see an average increase to \$1,973, an increase of \$314 per year by the end of 2027/28.

Business rates – impact analysis by scenario

Table 20 Option 1 business average rates impact analysis

Business - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 1 average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	3,787	4,178	6,263	695	13.36	2,084
Kirribilli-Milsons Point-McMahons Point	4,952	5,464	8,189	909	17.47	2,726
Neutral Bay-Cremorne Point-Kurraba Point	5,266	5,810	8,709	966	18.58	2,898
North Sydney-Crows Nest	8,439	9,311	13,956	1,548	29.78	4,645
Wollstonecraft-Waverton	1,987	2,192	3,286	365	7.01	1,094

The impact of increases in rates will be unequal across the LGA due to the wide variance in land value from area to area, with those in the higher business land value areas of North Sydney-Crows Nest (average to increase to \$13,956, an increase of \$29.78 per week by the end of 2027/28) as well as Neutral Bay-Cremorne Point-Kurraba Point (average to increase to \$8,709, an increase of \$18.58 per week by the end of 2027/28) expected to see larger increases in average rates compared to the lower business land value area of Wollstonecraft-Waverton (average to increase to \$3,286, an increase of \$7.01 per week by the end of 2027/28). It is observed that North Sydney-Crows Nest has the highest number of business ratepayers (1,904) and accounts for 55% of business ratepayers.

Table 21 Option 2a business average rates impact analysis

Business - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 2a average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	3,787	4,178	7,296	1,039	19.99	3,118
Kirribilli-Milsons Point-McMahons Point	4,952	5,464	9,541	1,359	26.13	4,077
Neutral Bay-Cremorne Point-Kurraba Point	5,266	5,810	10,146	1,445	27.79	4,335
North Sydney-Crows Nest	8,439	9,311	16,259	2,316	44.54	6,948
Wollstonecraft-Waverton	1,987	2,192	3,828	545	10.49	1,636



As with option 1, business ratepayers in the higher land value areas of North Sydney-Crows Nest and Neutral Bay-Cremorne Point-Kurraba Point (averages to increase by \$6,948 and \$4,335 respectively, when compared to the base case, over three years) are expected to see larger increases in average rates, under option 2a, compared to the lower land value area of Wollstonecraft-Waverton (total average increase over three years of \$1,636 or \$10.49 per week).

Table 22 Option 2b business average rates impact analysis

Business - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 2b average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	3,787	4,178	7,031	951	18.29	2,853
Kirribilli-Milsons Point-McMahons Point	4,952	5,464	9,194	1,243	23.91	3,730
Neutral Bay-Cremorne Point-Kurraba Point	5,266	5,810	9,777	1,322	25.43	3,967
North Sydney-Crows Nest	8,439	9,311	15,668	2,119	40.75	6,357
Wollstonecraft-Waverton	1,987	2,192	3,689	499	9.59	1,497

As with option 1 and 2a, business ratepayers in the higher land value areas of North Sydney-Crows Nest and Neutral Bay-Cremorne Point-Kurraba Point (averages to increase by \$6,357 and \$3,967 respectively, by end of 2027/28, noting this is an increase that will mainly be seen in one-year, with remaining years rate peg only) are expected to see larger increases in average rates, under option 2b. The lower land value area of Wollstonecraft-Waverton (total average increase over three years of \$1,497) will see lower average increases.

Table 23 Option 3 business average rates impact analysis

Business - average rates	2024/25 average rate by grouping	2027/28 Base case - do nothing (\$)	2027/28 Option 3 average (\$)	Annual increase (above rate peg) by end of 2027/28 (\$)	Weekly increase above rate peg (\$)	Total average increase (above rate peg) over 3 years
Cremorne-Cammeray	3,787	4,178	7,998	1,273	24.49	3,820
Kirribilli-Milsons Point-McMahons Point	4,952	5,464	10,459	1,665	32.02	4,995
Neutral Bay-Cremorne Point-Kurraba Point	5,266	5,810	11,122	1,771	34.05	5,312
North Sydney-Crows Nest	8,439	9,311	17,823	2,837	54.56	8,512
Wollstonecraft-Waverton	1,987	2,192	4,197	668	12.85	2,004



Under option 3, as with all options above, business ratepayers in the higher land value areas of North Sydney-Crows Nest (average to increase to \$17,823, an increase of \$2,837 per year by the end of 2027/28) as well as Neutral Bay-Cremorne Point-Kurraba Point (average to increase to \$11,122, an increase of \$1,771 per year by the end of 2027/28) are expected to see larger increases in average rates compared to the lower land value area of Wollstonecraft-Waverton (average to increase to \$4,197, an increase of \$668 per year by the end of 2027/28) and Cremorne-Cammeray (average to increase to \$7,998, an increase of \$1,273 per year by the end of 2027/28).

Other rating considerations

Table 24 Estimated average actual rates for comparison councils

Estimated average rates for 2027/28*				
Council	Est. average residential (\$)	Residential rank	Est. average business (\$)	Business rank
Burwood	1,904	3	8,997	4
City of Canada Bay	1,386	11	4,410	12
Hunters Hill	2,739	1	1,788	14
Ku-ring-gai	1,845	6	5,232	9
Lane Cove	1,526	9	6,152	8
Mosman	1,869	4	4,063	13
North Sydney (base case - no SV)	1,112	14	7,847	6
North Sydney - SV option 1	1,665	8	11,687	2
North Sydney - SV option 2a	1,940	3	13,648	2
North Sydney - SV option 2b	1,870	4	13,121	2
North Sydney - SV option 3	2,127	2	14,926	2
Northern Beaches	1,868	5	5,014	10
Parramatta	1,245	13	15,125	1
Randwick	1,790	7	11,388	2
Strathfield	1,650	8	7,582	7
Waverley	1,413	10	8,483	5
Willoughby	1,367	12	9,053	3
Woollahra	2,014	2	4,995	11

*using a rate peg for 2026/27 and 2027/28 of 3%.

Table 24 shows estimated average rates for the 2027/28 financial year (extrapolated using rate pegs from 2023 OLG published time series data) for councils similar to North Sydney that are used for comparison. Within this group, Council's average residential rates under the four proposed SV options will rank between eighth and second depending on the option, with the average residential rate \$1,781 across all comparable councils (excluding North Sydney). For business rates, North Sydney would rank second across all options, among these comparable councils.



Table 25 Comparison of average rates (prior to SV) and socio-economic indicators

Council	Average residential rate 2024/25 (\$)	Average business rate 2024/25 (\$)	Median annual household income (\$)	Average annual residential rates to median household income ratio (%)	Outstanding rates ratio 2023/24 (%)	SIEFA IRSAD ranking
North Sydney	1,040	6,724	131,248	0.41	3.74	1,164
Waverley	1,283	7,703	148,408	0.45	6.31	1,163
Willoughby	1,241	8,221	165,984	0.39	2.70	1,142
Woollahra	1,824	4,522	132,912	0.71	4.16	1,176

Table 25 provides a comparison of councils similar to North Sydney in relation to median annual household income and SIEFA IRSAD scores. North Sydney has the lowest current average residential rate (2024/25) of the four councils and the second lowest average business rate, before the application of any proposed SV. North Sydney also has the second lowest average residential rate to median household income ratio, and the second lowest outstanding rates ratio. This would indicate that there is potential to increase rates within the LGA when compared with similarly advantaged councils.

Figure 5 Actual (2023) rates as a percentage of operating expenses for OLG Group 3 metropolitan councils

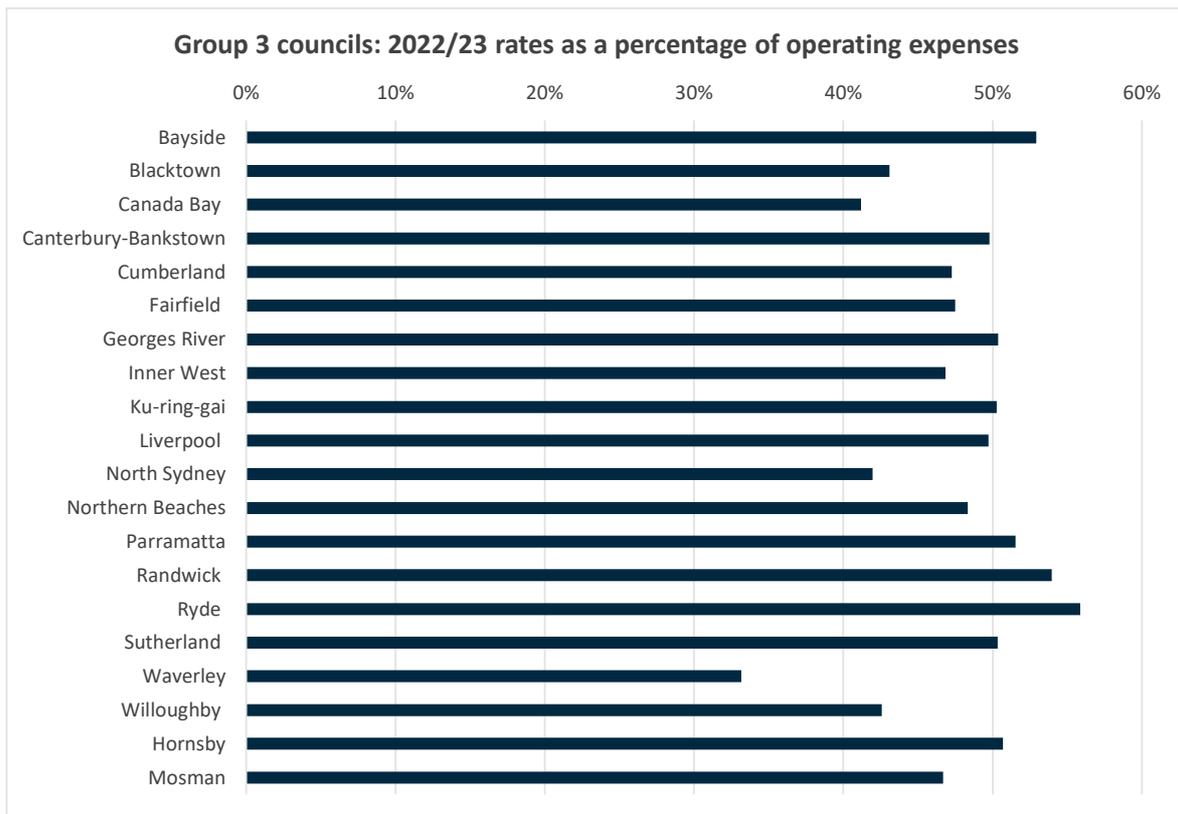


Figure 5 above shows total council rates as a percentage of operating expenditure for group 3 metropolitan councils. North Sydney is well below most of these comparable group 3 councils in 2023, having a below average level of rates revenue as a percentage of operating expenditure. This is a strong indication that Council’s rates are below the level required to service the community.



Table 26 Actual outstanding rates and charges for OLG Group 3 metropolitan councils

Rates and annual charges outstanding (%)	2022/23	2021/22	2020/21
Bayside	7.2%	7.4%	8.3%
Blacktown	5.0%	4.8%	5.1%
Canada Bay	4.1%	3.9%	4.4%
Canterbury-Bankstown	6.4%	6.2%	6.3%
Cumberland	6.0%	5.6%	6.4%
Fairfield	4.2%	4.5%	4.0%
Georges River	4.4%	4.3%	4.5%
Inner West	8.6%	7.9%	8.5%
Ku-ring-gai	4.5%	4.3%	3.6%
Liverpool	7.5%	6.8%	6.2%
North Sydney	2.8%	2.9%	2.8%
Northern Beaches	3.6%	3.6%	3.9%
Parramatta	7.2%	9.7%	8.6%
Randwick	2.9%	4.5%	3.8%
Ryde	3.3%	5.0%	4.6%
Sutherland	4.7%	4.4%	4.7%
Waverley	4.4%	4.8%	4.2%
Willoughby	2.5%	2.6%	2.2%

Table 26 shows outstanding rates and charges ratios over the past three reporting years for Group 3 metropolitan councils. North Sydney's percentage for 2023/24 is 3.74%, an increase from 2.8% in 2022/23. The NSW benchmark for metropolitan councils is 5%, and North Sydney has consistently been below this percentage for the past four financial years and has remained at the lowest end of the rankings, for the last four years, when compared to similar councils – this is therefore a partial indicator of capacity and willingness to pay.



Conclusion

From our analysis it is apparent that there is significant advantage across the LGA, with some slightly increased disadvantage within the suburb of Kirribilli, although this is still much lower than Greater Sydney averages and the level of advantage within this suburb is still in the top 2% of suburbs across Australia.

All groupings have notable levels of advantage, as demonstrated by high levels of household income, high socio-economic scores and high levels of home ownership. Each grouping is ranked within the top 1% of areas in Australia for advantage according to the Socio-Economic Indexes for Areas (SIEFA) and Index of Relative Socio-Economic Advantage and Disadvantage (IRSAD).

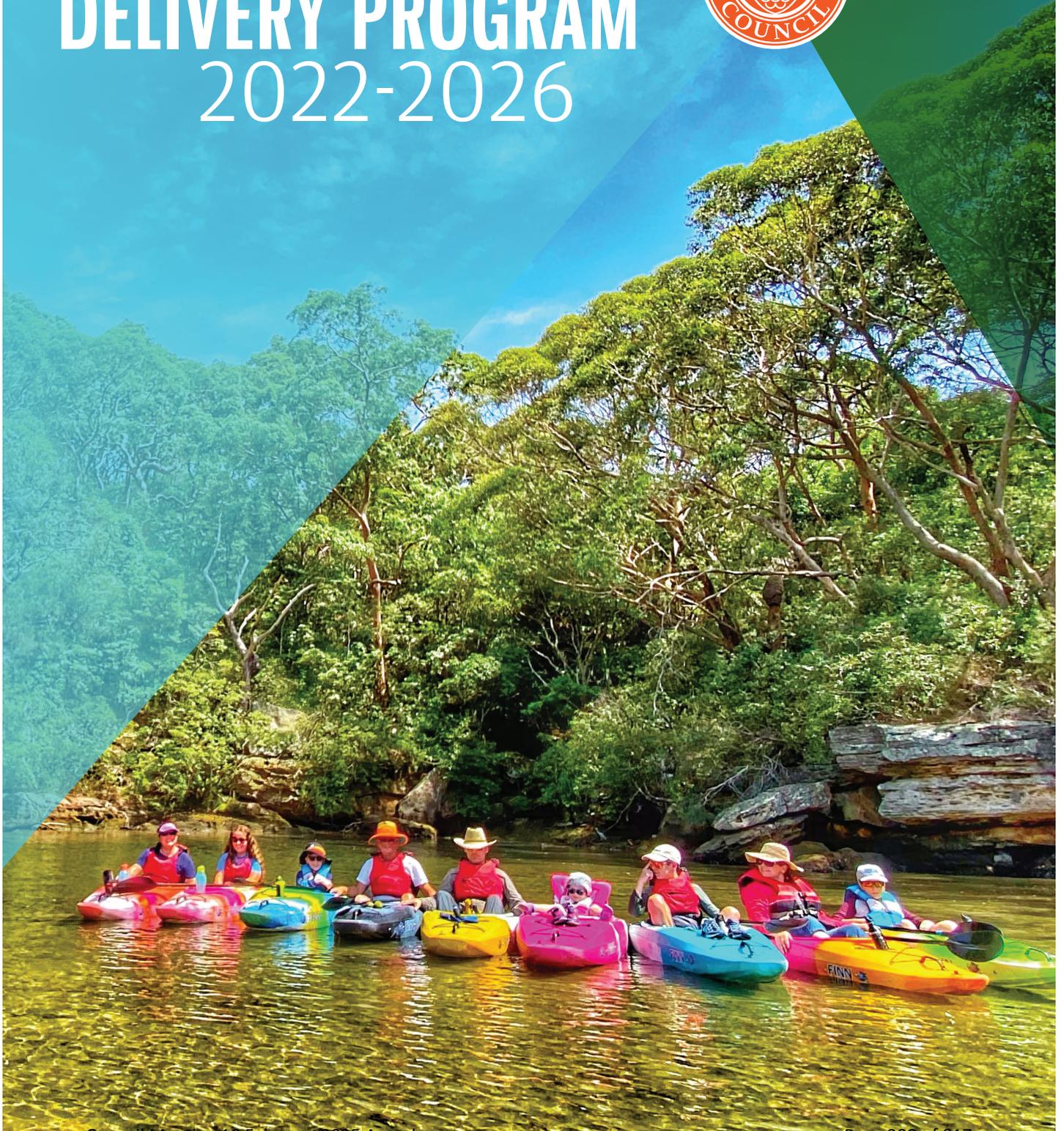
At the end of 2027/28, residential ratepayers in the Kirribilli-Milsons Point-McMahons Point and Cremorne-Cammeray groupings would be paying an average, depending on the SV option, between \$201 and \$377 per year (for three years) more than they would have under the normal rate increases. Noting that for option 2a the increases are focused in the first two years, with the third year a rate peg increase only. For option 2b, which is a one-year SV option, the increase would be between \$844 and \$827 in the first year and then would increase at the rate peg for the remaining two comparison years. North Sydney-Crows Nest and Wollstonecraft-Waverton would be paying between \$171 and \$314 each year for three years (or \$704 to \$741 for option 2b over one-year). Neutral Bay-Cremorne Point-Kurraba Point sits at the median of the groupings for average residential rates and would see an increase between \$197 and \$361 each year for three years (or \$810 in one-year under option 2b).

Due to the high levels of advantage and relatively low potential for mortgage and rental stress, in addition to comparably low levels of pensioners and individuals requiring core assistance, it is considered that there is capacity to pay across all groupings. The application of an appropriate hardship policy remains an important consideration in the implementation of any rate increase, to ensure that vulnerable ratepayers are not marginalised.

At an overall level, North Sydney's average residential rates currently sit at the very lower end (using 2023 OLG time series data) when compared against comparable councils. North Sydney's business rates currently sit towards the higher end. Under the proposed scenarios, both residential and business rates will move to the top end of this grouping of comparable councils. The substantial increase in jobs (19,061 FTE) and value added by industry (\$6.14 billion) within the LGA over the past ten years, in addition to the high business rents per square metre in North Sydney and St Leonards, indicate a very healthy, competitive and vibrant economy within the North Sydney LGA. We would therefore consider that there is capacity within the business community to absorb the potential rate rises.

Further, compared to these councils, North Sydney has low levels of rates income as a percentage of operating expenses when compared to similar councils, and also low levels of outstanding rates (constantly below the average of all comparable councils for the past four years), and has been consistently below metropolitan benchmarks (5%), which indicates that there is capacity and some potential willingness from ratepayers to absorb rises. Overall, it is therefore considered that there is capacity to absorb the proposed increase in rates, particularly if this is supported by an appropriate hardship policy for vulnerable ratepayers.

North Sydney Council
DELIVERY PROGRAM
2022-2026



January 2025 updates

This Delivery Program was updated in January 2025 to consider the revised 2025-35 Long-Term Financial Plan (LTFP) and address Council's declining financial situation. Refer to the updated 'Resourcing the Plan' section on page 63 for details.

The financial information in the revised LTFP supersedes financial details included in this Delivery Program.

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

Adopted June 2022

CONTENTS

Recognition of the Cammeraygal People	1
Mayor's Message	2
Acting General Manager's Foreword	3
Our Elected Representatives	4
Our North Sydney	5
Our Community Vision, Mission and Values	7
Organisational Chart	8
Introduction	9
Budgeted Income Statement	13
Financial Estimates	14
Our Strategic Directions	
Our Living Environment	15
Our Built Infrastructure	23
Our Innovative City	32
Our Social Vitality	39
Our Civic Leadership	47
Community Engagement	58
Service Reviews	62
Resourcing the Plan	63
Reporting Progress	65
Appendix 1. Capital Works Program	66
Appendix 2. Supporting Plans and Strategies	70
Appendix 3. New and expanded projects and services funded (or partially funded) through the Special Rate Variation in 2025/26	75





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 as the first owners of the area known today as North Sydney. We acknowledge that the alienation of their country occurred with a land grant in 1794 without consultation, treaty or compensation.

We are committed to showing respect for Cammeraygal and all First Nations Peoples through the acknowledgement of country at ceremonies, meetings, functions and events.

Archaeological evidence shows that Aboriginal people have been in North Sydney at least 5,800 years, probably for thousands more. We treasure and seek to preserve the evidence of their presence here.

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 indigenous heritage of this place.

In recent years the spelling of Cammeraygal has varied to include Gammerraigal and Gai-maragal as our community has sought to more accurately reflect and honour the heritage of our First Nations people.



MAYOR'S MESSAGE

Since the start of the COVID pandemic in 2020, Council's open space has had a significant increase in use. Even as we have returned to more normal patterns of life, this increased use has continued, with residents and visitors using our parks and reserves for exercise, family activities and social catch ups. As the North Sydney Council area has significantly less open space per person than any other northern Sydney council, our open space is feeling the impact of this additional use.

Not surprisingly, open space is a focus for this Delivery Program, with expenditure directed to upgrading our parks and playgrounds to ensure they can cope with community demands. Where possible, we seek to increase our open space and sporting facilities and with this in mind we are allocating \$1.47m to reconfigure Primrose Park and construct an additional full-sized playing field. Another \$1m has been allocated to the Quarantine Launch Depot, so that we can improve access to the site and open it to public use and \$1.4m will be spent to convert 1 Henry Lawson Avenue to parkland.

I believe we have reached a good balance between progressing our long-term priorities, investment in premium parks and new open space, with improvements to the local facilities that we know you use and love. I hope you enjoy the improvements we have planned. I encourage you to get involved and have your say on the projects that matter to you when they go on exhibition.

Our focus in the coming years also includes implementing some of the excellent strategies we have recently developed including the Visitor Economy Strategy, the Ward Street Masterplan and the North Sydney Oval Plan of Management. We are also committed to ambitious environmental targets, including increasing our tree canopy, moving all of Council's property to renewable energy and progressing our cycling and pedestrian infrastructure.

We will do all of this with an eye to being sustainable - environmentally, financially, socially and in our governance. We will consider inclusivity in all our projects and we undertake to do everything with integrity and transparency. I am confident the projects and directions we have set will stand North Sydney in good stead for the years to come.

Zoë Baker

Cr Zoë Baker
Mayor of North Sydney

ACTING GENERAL MANAGER'S FOREWORD



It is always challenging for Council to determine the priorities in our Delivery Program. All the projects put up for consideration are worthy and it is not only difficult to choose one over another, but sometimes even to place one project ahead of another.

In allocating our scarce resources for this Delivery Program, we have aimed to progress work across a wide range of strategic areas. We're continuing our commitment to upgrade essential infrastructure such as seawalls and footpaths and will progress public domain upgrades in the CBD and improved lighting in our village centres.

Council's largest project for Year 1 of the Program will be the redevelopment of the North Sydney Olympic Pool which is currently under construction. With open space at a premium, we're also investing in improvements to parks and sporting facilities.

We've earmarked \$1.2m in Year 2 to continue the improvements to St Leonards Park and \$2.5m in Year 4 to upgrade the Bradfield Park foreshore. At the same time, we've allocated funding for the smaller improvements that can make a real difference, such as outdoor fitness equipment for Brennan Park, kayak storage in Milson Park and additional public toilets at the Coal Loader.

Over the next four years, Council will also be looking to the future. We will develop Masterplans for Cammeray Park and Public Art, undertake a comprehensive heritage review and develop a new planning framework for the Military Road corridor.

This Delivery Program also lays a strong foundation for maintaining and improving our existing services. Council is committed to delivering high quality outcomes and customer service, to finding innovative ways to deliver these services more efficiently and effectively and to using our resources wisely.

We are entering a challenging time. External factors such as the pandemic, climate change and world unrest have had unexpected impacts on everything from interest rates, to labour shortages and changes in community attitudes and behaviours. Council has proved itself to be flexible and innovative over the past few years and I am confident that we will continue to adapt to meet changing circumstances and maintain our services to the community.

A handwritten signature in black ink, appearing to read 'Rob Emerson'.

Rob Emerson
Acting General Manager

OUR ELECTED REPRESENTATIVES

We look forward to working alongside our community to bring this plan to fruition.

ST LEONARDS WARD



Mayor
Cr Zoë Baker



Deputy Mayor
Cr William Bourke



Cr Dr Alanya Drummond



Cr Godfrey Santer



Cr James Spenceley

CAMMERAYGAL WARD



Cr MaryAnn Beregi



Cr Jilly Gibson



Cr Georgia Lamb



Cr Ian Mutton



Cr Shannon Welch

OUR NORTH SYDNEY



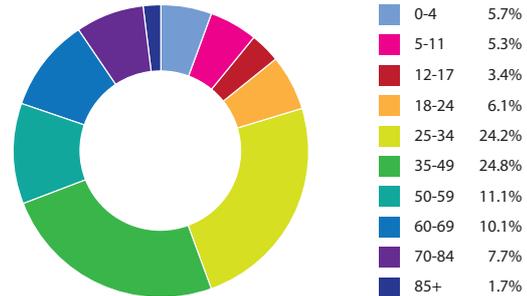
Population Growth (ERP)

2016	72,037
2021	79,094
2036	84,422
2041	89,900

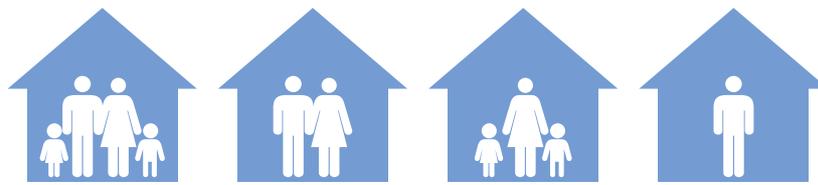
Population Density - People per hectare (PPH)

North Sydney LGA	64.50
NSROC	9.35
Greater Sydney	3.90

Age Range



Family Structure



North Sydney LGA	18%	28.5%	5.3%	32.4%
NSROC	36.7%	24.5%	7.8%	21.5%
Greater Sydney	35.3%	22.4%	10.4%	20.4%

Housing



North Sydney LGA	18%	89.2%	23.3%	19.9%	47.4%
NSROC	36.7%	49.5%	32%	30.7%	30.6%
Greater Sydney	35.3%	43.8%	27.7%	31.5%	32.6%

Source: Australian Bureau of Statistics, Census of Population and Housing 2016 and National Economics (NEIR) - compiled by .id (informed decisions). Correct as at 6 April 2021
Note: the 2021 ABS Census data is not available until late 2022

Transport to Work				
North Sydney LGA	32.6%	39.8%	12%	5.9%
NSROC	47.1%	30.5%	5.5%	6.2%
Greater Sydney	56.6%	22.7%	4.8%	4.4%

Median Household Income \$	
North Sydney LGA	2,356
NSROC	2,218
Greater Sydney	1,745

0.3% ATSI origin

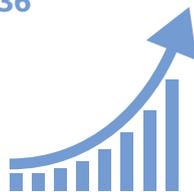
411 Homeless Persons (No.)

115,376 Local Jobs (NEIR 2021)

Job Targets by 2036

+15,600 to 21,000
North Sydney

+6,900 to 16,400
St Leonards/Crows Nest



Gross Regional Product (GRP) (NEIR 2021)

\$22.87 billion

15,382 Local Businesses (ABS 2021)

Top 5 Industries

27.3% Professional, Scientific and Technical Services

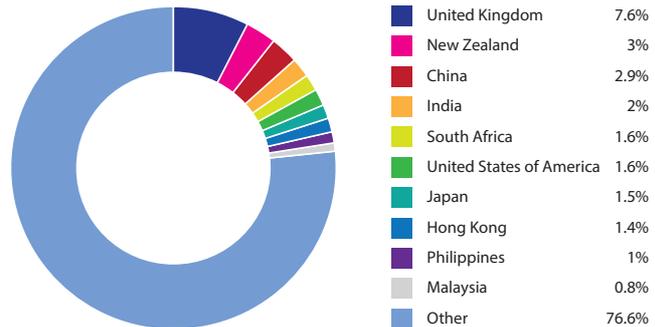
14.7% Rental, Hiring and Real Estate Services

13.9% Financial and Insurance Services

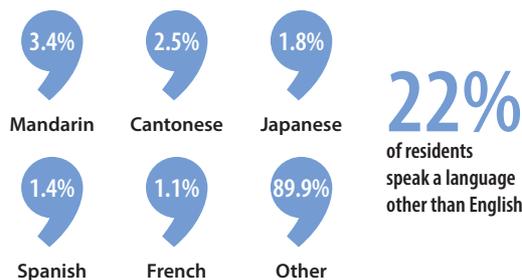
6.9% Construction

6.8% Health Care and Social Assistance

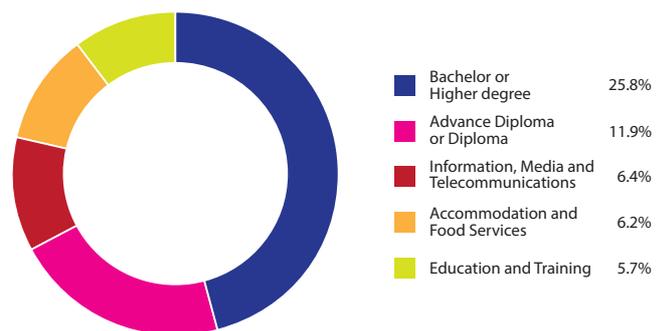
Born Overseas (Country of Origin)



Languages Spoken other than English



Qualifications



Schools
 11 primary schools
 10 secondary schools
 2 tertiary institutions

Volunteering
 21.5% of the North Sydney LGA population engage in some form of voluntary work

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 MISSION

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

OUR CORPORATE VALUES

Sustainability

equity, preservation, justice and precaution

Community service

efficiency, effectiveness and responsiveness

Open government

transparency and accountability

Community participation

consultation and involvement

Ethical conduct

honesty and integrity

Justice

fairness and equity

Quality

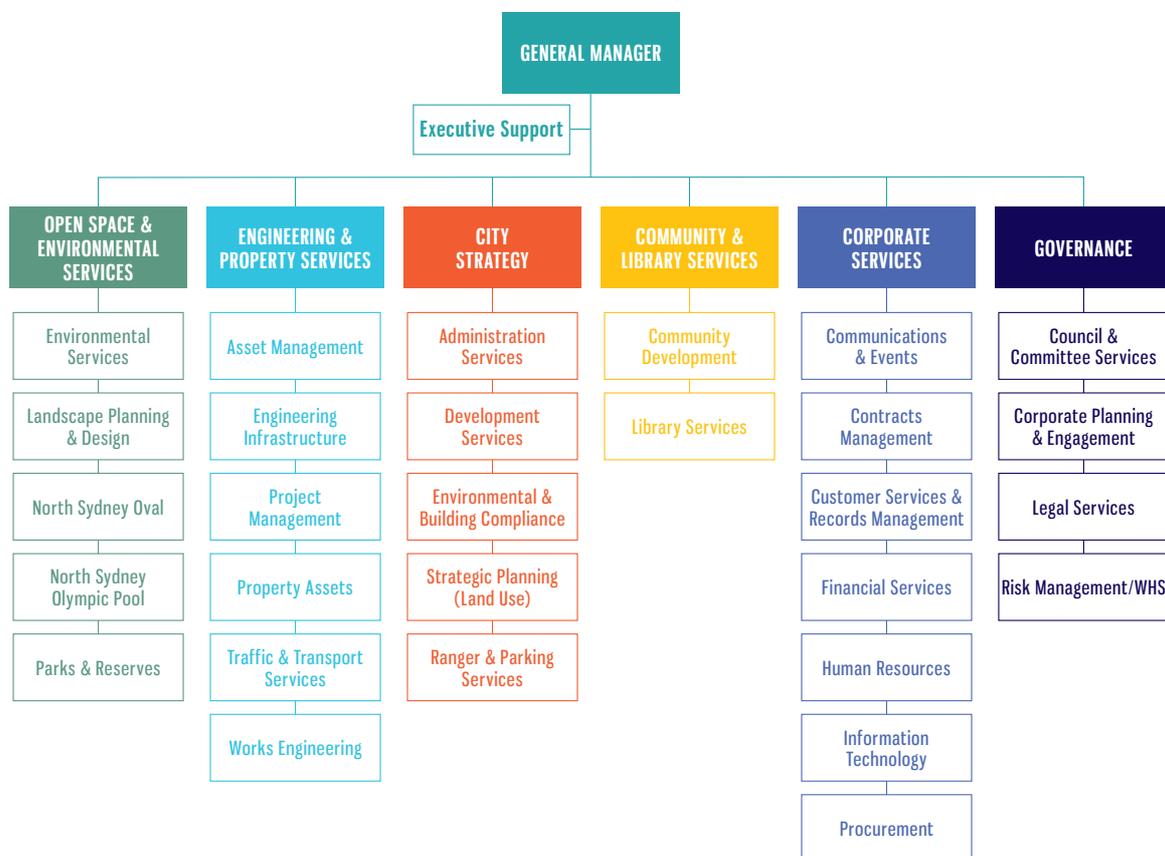
innovation and excellence

Teamwork

cooperation and respect

ORGANISATIONAL CHART

The organisational structure consists of six directorates (known as Divisions) and has seven senior staff including the General Manager.

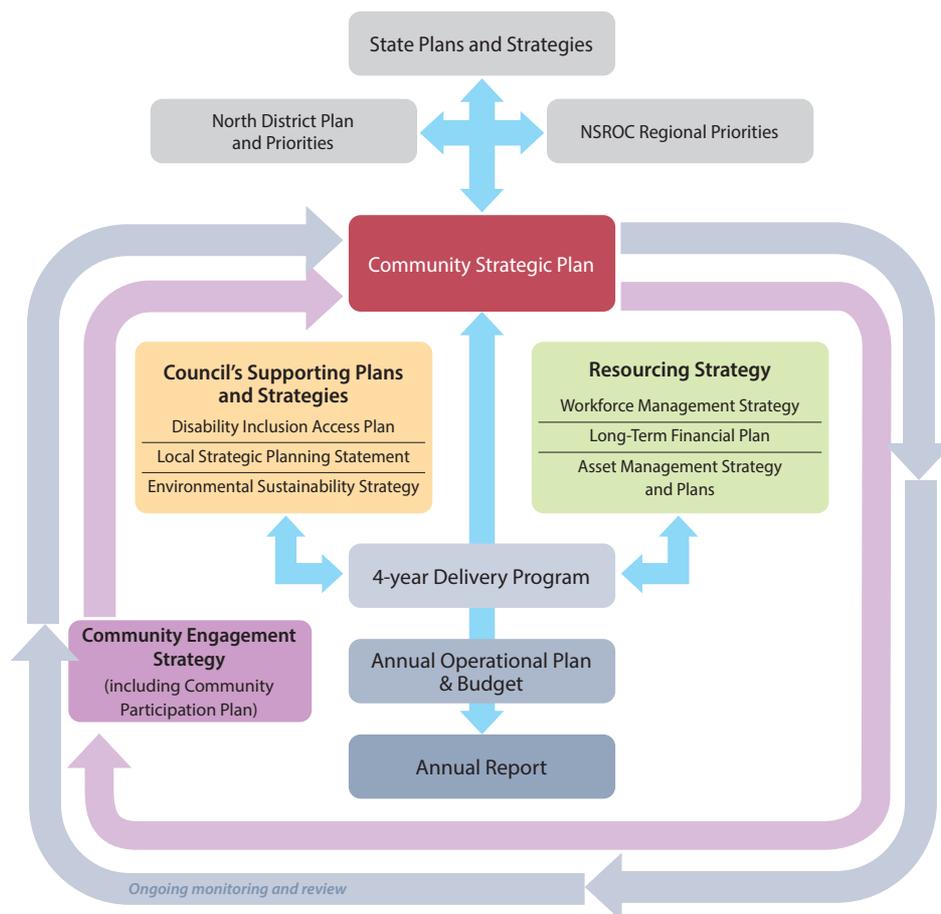


INTRODUCTION

The North Sydney Community Strategic Plan - *North Sydney Vision 2040* - is Council's most important strategic document, and part of its suite of Integrated Planning and Reporting (IP&R) documents. Council uses the Community Strategic Plan to guide and inform its planning and decision making for the next ten years.

While Council is the key driver of the Community Strategic Plan, its implementation is the shared responsibility of all

community stakeholders. Council does not have full responsibility for implementing or resourcing all the community's aspirations. Other stakeholders, including government agencies, non-government organisations, community groups and individuals also have a role to play in delivering these outcomes. All supporting plans, activities and funding allocations are directly linked to the Community Strategic Plan as outlined in the following diagram.

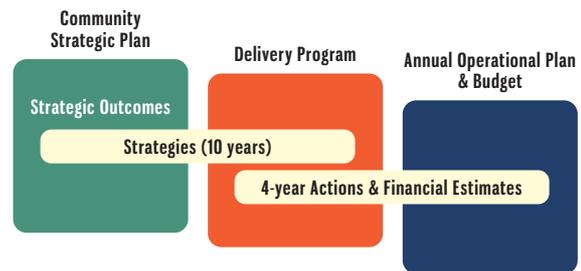


About the Delivery Program

Council outlines the actions it will undertake during its electoral term to contribute to the long-term strategies and desired outcomes of the Community Strategic Plan in the *Delivery Program 2022-2026*.

The Delivery Program covers the period 1 July 2022 to 30 June 2026 detailing the projects and services Council plans to undertake and the required budget and expenditure. It has been prepared by Council in accordance with Section 404 of the *Local Government Act 1993*. Council has drawn from stakeholder feedback in the preparation of the Community Strategic Plan including the *2020 Customer Satisfaction Survey* and project-based community consultation. The Delivery Program is also informed by Council's ten-year Resourcing Strategy.

The Resourcing Strategy focuses on long-term financial planning, long-term asset management planning and medium-term workforce management planning. It is the critical link between the Community Strategic Plan and the Delivery Program, detailing the provision of resources required to implement strategies established by the Community Strategic Plan for which Council is responsible.

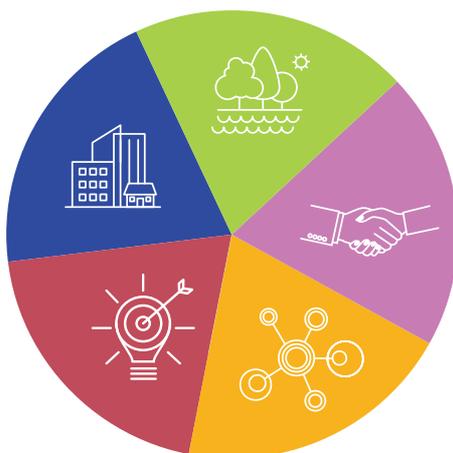


STRATEGIC DIRECTIONS

The Delivery Program follows the same structure as the Community Strategic Plan. It includes five interrelated key themes known as Strategic Directions. Each Strategic Direction details the desired outcomes, and strategies that will be implemented to address the community's aspirations for its future. The Strategic Directions (not listed in any priority order) are:

1. Our Living Environment
2. Our Built Infrastructure
3. Our Innovative City
4. Our Social Vitality
5. Our Civic Leadership

The majority of activities contribute to a number of directions, however for the purpose of the Delivery Program activities have been allocated to the direction they contribute to the most. Each project and service is linked to one of the elements of the quadruple bottom line (QBL).



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.



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.



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 an important part of the Eastern Economic Corridor. The character of our local centres are enhanced to maximise vitality and tourism are 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.



Our community enjoys a healthy and active lifestyle, improved accessibility, wellbeing and safety, 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, 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.



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 service.

Linking the Vision to Action

Strategic Directions - these are the big picture results that the community would like to achieve.

Outcomes - desired outcomes for each Direction. They are specific, focusing on the end result rather than how to get there i.e. they are the realisation of the Direction.

Strategies - guide the specific actions related to this plan, defining how to achieve the Outcomes. All stakeholders, including Council, are responsible for working towards the vision by achieving the long-term strategies. For its part, Council outlines what its responsible for and how it will achieve the vision through the provision of projects and services, as outlined in our Delivery Program and Resourcing Strategy.

Projects - are specific initiatives that Council proposes to implement to achieve each Strategy. Projects have a short-term focus, generally within a set budget and finite duration defined by planned start and finish dates.

Services - are the functions that Council carries out on an ongoing basis.

Financial Estimates - are the budget forecasts for the period of the plan. These are subject to review each year in accordance with preparation of each Operational Plan.

How to read the Plan

Each project is identified in a table as demonstrated below:

Code	4-digit number showing linkage to the strategies (3-digit) and outcomes (2-digit) of the Community Strategic Plan
Project	Description of each project
QBL Link	The quadruple bottom line (QBL) element the project relates to
Department	The Department (business unit) responsible for implementation of the project
Timing	The year the project will commence/ continue and conclude

Each service is identified in a table as demonstrated below:

Code	Each service has been assigned a number (listed consecutively) and allocated under the outcomes (2-digit) of the Community Strategic Plan they most relate
Service	Name of each service
Description	Description of each service

BUDGETED INCOME STATEMENT

The information below shows the overall budget allocated to delivery of the plan. Over the page, the financial estimates are summarised by Direction.

	2022/23 Budget (\$,000)	2023/24 Budget (\$,000)	2024/25 Budget (\$,000)	2025/26 Budget (\$,000)
Income from continuing operations				
Revenue				
Rates and annual charges	72,409	73,800	75,226	76,688
Users fees and charges	29,592	33,996	34,847	35,718
Other revenue	9,087	9,810	10,118	10,356
Grants and contributions provided for operating purposes	5,457	5,462	4,955	5,061
Grants and contributions provided for capital purposes	8,024	3,058	14,659	3,060
Interest and investment income	1,384	1,339	1,289	1,289
Other income	5,881	6,714	6,883	7,056
Total income from continuing operations	131,834	134,179	147,977	139,228
Expenses from continuing operations				
Employee benefits and on-costs	49,083	51,704	52,686	54,004
Materials and services	45,225	47,615	48,502	49,124
Borrowing costs	1,533	1,452	1,367	1,279
Depreciation and amortisation	23,937	25,387	25,588	25,790
Other expenses	3,475	3,560	3,648	3,740
Net losses from the disposal of assets	547	547	547	547
Total expenses from continuing operations	123,800	130,265	132,338	134,484
Net operating result	8,034	3,914	15,639	4,744
Net operating result before grants and contributions provided for capital purposes¹	10	856	980	1,684

FINANCIAL ESTIMATES

	2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
Direction 1: Our Living Environment				
Capital expenditure	6,447,500	3,850,000	5,253,000	4,246,000
Operating expenditure	33,230,178	36,638,858	37,555,500	38,496,102
Expenditure total	39,677,678	40,488,858	42,808,500	42,742,102
Capital income	-1,967,110	-	-	-
Operating income	-21,755,300	-25,481,300	-25,726,300	-25,975,800
Income total	-23,722,410	-25,481,300	-25,726,300	-25,975,800
Net income/Expenditure	15,955,268	15,007,558	17,082,200	16,766,302
Direction 2: Our Built Infrastructure				
Capital expenditure	61,897,972	20,246,078	18,922,000	18,913,900
Operating expenditure	16,559,978	16,938,541	17,227,978	17,658,632
Expenditure total	78,457,950	37,184,619	36,149,978	36,572,532
Capital income	-4,000,000	-	-	-
Operating income	-33,995,361	-35,826,735	-36,297,200	-37,143,500
Income total	-37,995,361	-35,826,735	-36,297,200	-37,143,500
Net income/Expenditure	40,462,589	1,357,884	-147,222	-570,968
Direction 3: Our Innovative City				
Capital expenditure	30,000	15,000	30,000	16,000
Operating expenditure	15,880,180	16,264,883	15,805,352	16,024,548
Expenditure total	15,910,180	16,279,883	15,835,352	16,040,548
Capital income	-	-	-	-
Operating income	-11,367,723	-11,779,477	-11,891,600	-12,189,100
Income total	-11,367,723	-11,779,477	-11,891,600	-12,189,100
Net income/Expenditure	4,542,457	4,500,406	3,943,752	3,851,448
Direction 4: Our Social Vitality				
Capital expenditure	628,500	641,100	673,700	689,700
Operating expenditure	9,011,151	9,338,121	9,469,304	9,812,642
Expenditure total	9,639,651	9,979,221	10,143,004	10,502,342
Capital income	-56,700	-58,000	-59,000	-60,000
Operating income	-1,176,786	-1,205,959	-1,235,259	-1,265,759
Income total	-1,233,486	-1,263,959	-1,294,259	-1,325,759
Net income/Expenditure	8,406,165	8,715,262	8,848,745	9,176,583
Direction 5: Our Civic Leadership				
Capital expenditure	1,439,198	594,200	608,700	624,100
Operating expenditure	22,463,246	23,015,669	23,955,885	23,909,776
Expenditure total	23,902,444	23,609,869	24,564,585	24,533,876
Capital income	-	-	-	-
Operating income	-55,515,110	-56,827,400	-58,168,000	-59,593,900
Income total	-55,515,110	-56,827,400	-58,168,000	-59,593,900
Net income/Expenditure	-31,612,666	-33,217,531	-33,603,415	-35,060,024

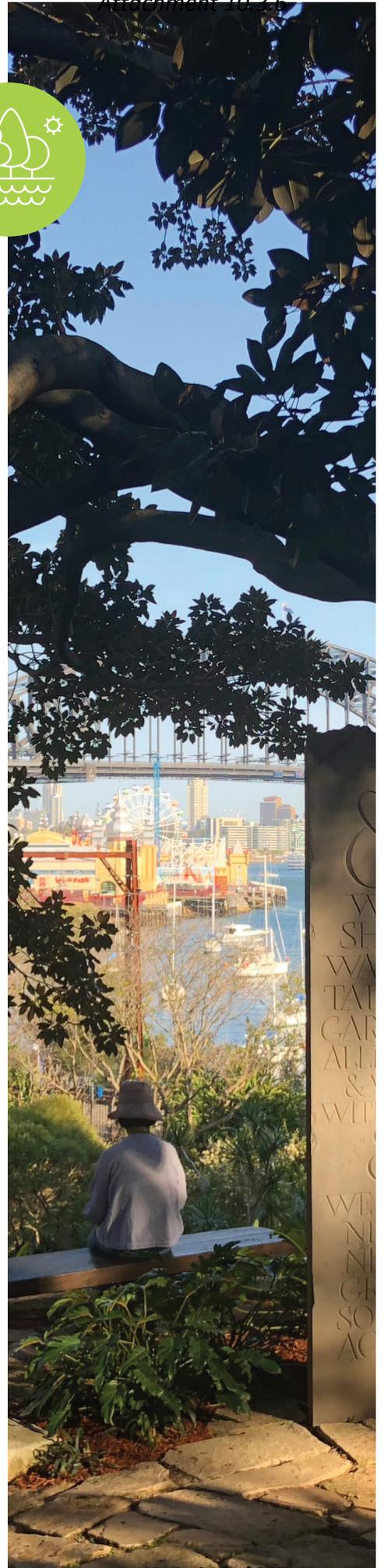


DIRECTION 1: OUR LIVING ENVIRONMENT

WHERE DO WE WANT TO BE IN 2040?

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.



FINANCIAL SUMMARY

Direction 1: Our Living Environment					
		2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
1.1 Protected, enhanced and biodiverse natural environment					
Expenditure	Capital	-	-	-	-
	Operating	1,547,425	1,586,676	1,626,576	1,667,435
Expenditure Total		1,547,425	1,586,676	1,626,576	1,667,435
Income	Capital	-	-	-	-
	Operating	-4,830	-5,000	-5,100	-5,200
Income Total		-4,830	-5,000	-5,100	-5,200
Total		1,542,595	1,581,676	1,621,476	1,662,235
1.2 Environmentally sustainable community					
Expenditure	Capital	-	-	-	-
	Operating	20,304,771	20,761,502	21,281,138	21,814,719
Expenditure Total		20,304,771	20,761,502	21,281,138	21,814,719
Income	Capital	-	-	-	-
	Operating	-20,328,922	-20,441,800	-20,558,200	-20,678,000
Income Total		-20,328,922	-20,441,800	-20,558,200	-20,678,000
Total		-24,151	319,702	722,938	1,136,719
1.3 Clean and green places					
Expenditure	Capital	200,000	-	-	-
	Operating	1,927,980	1,976,313	2,026,086	2,077,003
Expenditure Total		2,127,980	1,976,313	2,026,086	2,077,003
Income	Capital	-	-	-	-
	Operating	-	-	-	-
Income Total		-	-	-	-
Total		2,127,980	1,976,313	2,026,086	2,077,003
1.4 Well utilised open space and recreational facilities					
Expenditure	Capital	6,247,500	3,850,000	5,253,000	4,246,000
	Operating	9,450,002	12,314,367	12,621,700	12,936,945
Expenditure Total		15,697,502	16,164,367	17,874,700	17,182,945
Income	Capital	-1,967,110	-	-	-
	Operating	-1,421,548	-5,034,500	-5,163,000	-5,292,600
Income Total		-3,388,658	-5,034,500	-5,163,000	-5,292,600
Total		12,308,844	11,129,867	12,711,700	11,890,345
Grand Total					
Total Expenditure	Capital	6,447,500	3,850,000	5,253,000	4,246,000
	Operating	33,230,178	36,638,858	37,555,500	38,496,102
Expenditure Total		39,677,678	40,488,858	42,808,500	42,742,102
Income	Capital	-1,967,110	-	-	-
	Operating	-21,755,300	-25,481,300	-25,726,300	-25,975,800
Income Total		-23,722,410	-25,481,300	-25,726,300	-25,975,800
Total		15,955,268	15,007,558	17,082,200	16,766,302

OUTCOME 11: PROTECTED, ENHANCED AND BIODIVERSE NATURAL ENVIRONMENT

Strategy 1.1.1: Rehabilitate native bushland areas and fauna habitats to enhance biodiversity

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.1.1.01	Implement the Native Havens, Wildlife Watch and Adopt a Plot community participation programs	ENV	Environmental Services	●	●	●	●
1.1.1.02	Implement the Bushcare community workshops and events program	ENV	Environmental Services	●	●	●	●
1.1.1.03	Implement the Bushland Plan of Management	ENV	Environmental Services	●	●	●	●
1.1.1.04	Implement the Bushland Rehabilitation Plans	ENV	Environmental Services	●	●	●	●
1.1.1.05	Review the Natural Area Survey	ENV	Environmental Services	●	●	●	●

Strategy 1.1.2: Increase awareness of biodiversity conservation through education and community partnerships

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.1.2.01	Implement the Coal Loader Centre for Sustainability Business Plan	ENV	Environmental Services	●	●	●	●
1.1.2.02	Manage the Streets Alive Program	ENV	Environmental Services	●	●	●	●

Strategy 1.1.3: Implement strategies that encourage healthy local waterways

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.1.3.01	Support the HarbourCare volunteer program	ENV	Environmental Services	●	●	●	●
1.1.3.02	Implement water quality improvement programs	ENV	Environmental Services	●	●	●	●

Code	Service	Description
S1	Bushland Program	Management of the Bushcare Program, e-newsletter and tree planting events
S2	Environment community news	Production of a Green, Streets Alive and Bushcare newsletter



OUTCOME 1.2: ENVIRONMENTALLY SUSTAINABLE COMMUNITY

1.2.1 Reduce strain on natural resources through sustainable energy, water and waste reduction practices

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.2.1.01	Explore options for improved resource recovery and alternative waste treatment	ENV	Environmental Services	●	●	●	●
1.2.1.02	Implement the Green Events and Community Workshops Program	ENV	Environmental Services	●	●	●	●
1.2.1.03	Trial and assess the viability of the community tool library at the Coal Loader Sustainability Centre	ENV	Environmental Services	●			
1.2.1.04	Implement energy and water conservation community and business education programs	ENV	Environmental Services	●	●	●	●
1.2.1.05	Implement the Community Waste Education Program	ENV	Environmental Services	●	●	●	●
1.2.1.06	Reduce energy and water use to reach reduction goals	ENV	Environmental Services	●	●	●	●
1.2.1.07	Increase Council's renewable energy capacity	ENV	Environmental Services	●	●	●	●
1.2.1.08	Participate in the NSROC Waste Strategy	ENV	Environmental Services	●	●	●	●
1.2.1.09	Support the Fire Service in the management of bushfire risk	ENV	Environmental Services	●	●	●	●
1.2.1.10	Contribute to the development of the Mosman-North Sydney Local Emergency Management Plan	ENV	Environmental Services	●	●	●	●

Strategy 1.2.2: Deliver the declaration to reduce the drivers of climate change and to prepare for the inevitable impacts to come

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.2.2.01	Implement the Environmental Sustainability Strategy Action Plan	ENV	Environmental Services	●	●	●	●
1.2.2.02	Coordinate a Sustainability Festival at the Coal Loader	ENV	Environmental Services	●			

Code	Service	Description
S3	Environmental grant program administration	Administer and project manage the environmental grant programs to local schools
S4	Waste management	Removal of dumped rubbish, emptying public bins, managing clean up bookings and subsequent removal
S5	Pest management	Management of pest animals through appropriate control measures
S6	Street cleaning	Cleaning streets in accordance with the approved schedule, service level agreements and budgets

OUTCOME 1.3: CLEAN & GREEN PLACES

Strategy 1.3.1: Expand urban tree canopy incorporating sustainable native management

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.3.1.01	Implement the Street Tree Strategy	ENV	Parks & Reserves	●	●	●	●
1.3.1.02	Implement the Urban Forest Strategy	ENV	Parks & Reserves	●	●	●	●

Strategy 1.3.2: Encourage community gardening and hard surface greening, including rooftop gardens

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.3.2.01	Support the development of community gardens, rooftop and hard surface greening	ENV	Environmental Services	●	●	●	●

Strategy 1.3.3: Advocate for infrastructure that assists with greening initiatives, including powerline undergrounding

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.3.3.01	Underground overhead powerlines as opportunities arise	ENV	Environmental Services	●	●	●	●

Code	Service	Description
S7	Tree preservation order administration	Assessment of pruning and tree removal applications in accordance with policy and service level agreements



OUTCOME 1.4: WELL UTILISED OPEN SPACE AND RECREATIONAL FACILITIES

Strategy 1.4.1: Protect, enhance and expand public open space and foreshore access

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.4.1.01	Install additional public toilets at the Coal Loader	SOC	Environmental Services	●	●	●	
1.4.1.02	Finalise Plans of Management in line with the new Department of Crown Lands process	ENV	Landscape Planning & Design	●	●	●	●
1.4.1.03	Install a pop-up bar, shade system and resurface tunnel number 2 at the Coal Loader	SOC	Landscape Planning & Design	●			
1.4.1.04	Review the St Leonards Park Plan of Management	ENV	Landscape Planning & Design	●	●	●	●
1.4.1.05	Upgrade the amenities block at Berry Island	SOC	Landscape Planning & Design	●	●	●	●
1.4.1.06	Upgrade the Prior Avenue Playground	SOC	Landscape Planning & Design	●			
1.4.1.07	Implement the Hume Street Park Expansion Project	SOC	Landscape Planning & Design	●			
1.4.1.08	Convert 1 Henry Lawson Ave to community parkland	SOC	Landscape Planning & Design	●	●		
1.4.1.09	Replace existing step tower in Sawmillers Reserve	SOC	Parks & Reserves		●		
1.4.1.10	Install a new irrigation system at Bon Andrews Oval	ENV	Parks & Reserves		●		
1.4.1.11	Install drainage improvements to all sports fields at Primrose Park	ENV	Landscape Planning & Design		●		
1.4.1.12	Upgrade Dowling Street Reserve	SOC	Landscape Planning & Design			●	
1.4.1.13	Restore Lady Gowrie Lookout	SOC	Landscape Planning & Design		●		
1.4.1.14	Upgrade Bradfield Park foreshore	SOC	Landscape Planning & Design			●	
1.4.1.15	Renovate the Waverton Park amenities building	SOC	Landscape Planning & Design			●	
1.4.1.16	Implement the St Leonards Park Masterplan	SOC	Landscape Planning & Design	●	●		
1.4.1.17	Upgrade Grasmere Reserve Playground	SOC	Landscape Planning & Design			●	
1.4.1.18	Upgrade Lodge Road Cremorne playground	SOC	Landscape Planning & Design		●		
1.4.1.19	Upgrade St Leonards Park Playground	SOC	Landscape Planning & Design	●			
1.4.1.20	Upgrade parks pathways, fences, furniture and signs	SOC	Parks & Reserves	●	●	●	●
1.4.1.21	Prepare the Cammeray Park Masterplan	SOC	Landscape Planning & Design	●			

Strategy 1.4.2: Provide infrastructure to encourage and support participation in healthy, physical activity and recreation for all

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.4.2.01	Install outdoor fitness equipment in Brennan Park	SOC	Parks & Reserves	●			
1.4.2.02	Install kayak storage facilities in Milson Park	SOC	Parks & Reserves	●			
1.4.2.03	Install kayak storage facilities and associated access in John St open space	SOC	Parks & Reserves		●		
1.4.2.04	Install kayak storage facilities and associated access at Tunk's Park	SOC	Parks & Reserves		●		
1.4.2.05	Install small watercraft storage facilities and associated access at Anderson Park	SOC	Parks & Reserves			●	
1.4.2.06	Install a new cricket wicket at Forsyth Park	SOC	Parks & Reserves	●			
1.4.2.07	Install outdoor fitness equipment in Berry Island Reserve	SOC	Parks & Reserves		●		
1.4.2.08	Install outdoor fitness equipment in Bradfield Park	SOC	Parks & Reserves			●	
1.4.2.09	Upgrade the senior playground in Green Park	SOC	Parks & Reserves		●		
1.4.2.10	Upgrade synthetic surface in Bradfield Park	SOC	Parks & Reserves		●		
1.4.2.11	Reconstruct the Tunks Park turf cricket wicket table	SOC	Parks & Reserves			●	
1.4.2.12	Replace synthetic turf at Cammeray Park	SOC	Parks & Reserves			●	
1.4.2.13	Undertake community consultation and install an additional full-size playing field at Primrose Park	SOC	Parks & Reserves	●	●		
1.4.2.14	Recommence operations at North Sydney Olympic Pool	SOC	North Sydney Olympic Pool	●	●		

Strategy 1.4.3: Attract a variety of sporting and community events to North Sydney, including North Sydney Oval

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.4.3.01	Identify major regional and sporting events suited to North Sydney and prepare bids to secure them	SOC	North Sydney Oval	●	●	●	●
1.4.3.02	Implement the North Sydney Oval Business Plan	SOC	North Sydney Oval	●	●	●	●
1.4.3.03	Improve media equipment at the Mollie Dive Centre for conferences and events	SOC	North Sydney Oval	●			
1.4.3.04	Refurbish public toilets at North Sydney Oval	SOC	North Sydney Oval			●	
1.4.3.05	Replace seats at North Sydney Oval	SOC	North Sydney Oval			●	

Code	Service	Description
S8	Recreation and sport facilities and programs	Administration and project management of capital works programs. Provision of recreational, and sporting facilities
S9	Recreation planning	Provision of planning and advice on the management of Council's open space
S10	North Sydney Pool fitness centre and swim school programs	Provision of health and fitness programs; Learn to Swim and swimming development programs at North Sydney Olympic Pool
S11	Mollie Dive Function Centre	Management of the Mollie Dive Function Centre
S12	MacCallum Pool	Provision of outdoor ocean pool for public recreational and fitness use
S13	Open space, facilities and streetscape maintenance	Maintenance of open space, recreation facilities and streetscapes
S14	Weed control	Monthly treatment of weeds in footpaths and roundabouts across the LGA

Strategy 1.4.4: Advocate for new visionary and quality open and green spaces

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.4.4.01	Improve access to the Quarantine Boat Depot site and prepare for public use	SOC	Landscape Planning & Design	●			
1.4.4.02	Reintegrate the former Waverton Bowling Club site into Waverton Park (subject to land claim)	SOC	Landscape Planning & Design	●	●		

Strategy 1.4.5: Advocate on behalf of the community at all levels of government against negative impacts on our environment arising from development and major infrastructure projects

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
1.4.5.01	Work with TfNSW to ensure the Western Harbour Tunnel Beaches Link project does not reduce open space at Cammeray Park	SOC	Landscape planning & Design	●	●	●	●

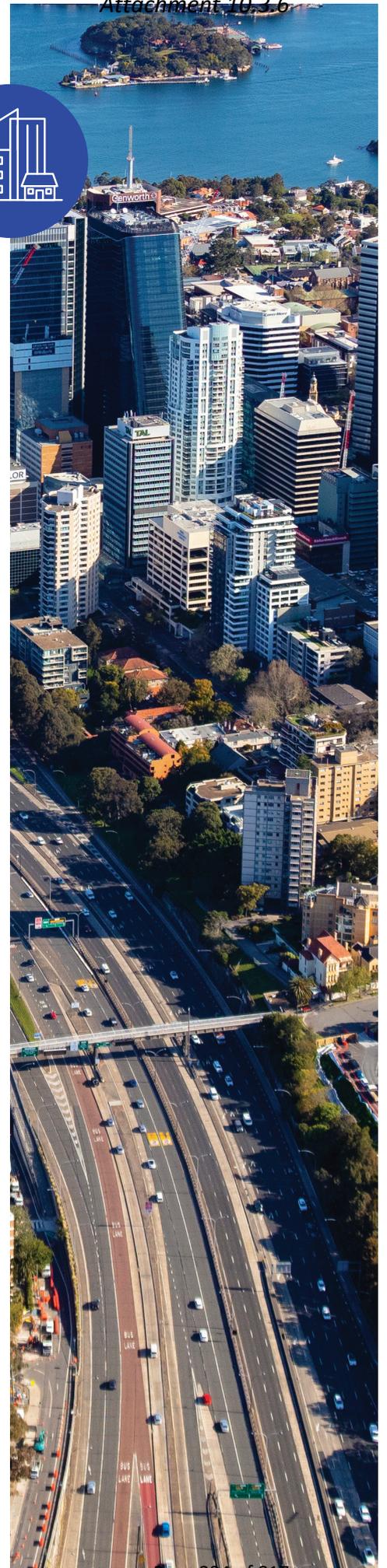


DIRECTION 2: OUR BUILT INFRASTRUCTURE

WHERE DO WE WANT TO BE IN 2040?

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.



FINANCIAL SUMMARY

Direction 2: Our Built Infrastructure					
		2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
2.1 Infrastructure and assets meet diverse community needs					
Expenditure	Capital	57,292,972	16,243,478	15,315,000	15,684,500
	Operating	12,856,912	13,144,565	13,469,768	13,807,219
Expenditure Total		70,149,884	29,388,043	28,784,768	29,491,719
Income	Capital	-4,000,000	-	-	-
	Operating	-25,044,586	-26,866,910	-27,256,900	-27,891,500
Income Total		-29,044,586	-26,866,910	-27,256,900	-27,891,500
Total		41,105,298	2,521,133	1,527,868	1,600,219
2.2 Vibrant public domains and villages					
Expenditure	Capital	3,180,000	2,577,600	2,182,000	1,921,400
	Operating	1,114,500	1,141,100	1,168,800	1,197,500
Expenditure Total		4,294,500	3,718,700	3,350,800	3,118,900
Income	Capital	-	-	-	-
	Operating	-763,000	-769,600	-776,300	-783,000
Income Total		-763,000	-769,600	-776,300	-783,000
Total		3,531,500	2,949,100	2,574,500	2,335,900
2.3 Prioritise sustainable and active transport					
Expenditure	Capital	300,000	300,000	300,000	154,000
	Operating	113,719	116,649	119,560	122,544
Expenditure Total		413,719	416,649	419,560	276,544
Income	Capital	-	-	-	-
	Operating	-64,000	-64,000	-64,000	-64,000
Income Total		-64,000	-64,000	-64,000	-64,000
Total		349,719	352,649	355,560	212,544
2.4 Efficient traffic mobility and parking					
Expenditure	Capital	1,125,000	1,125,000	1,125,000	1,154,000
	Operating	2,474,847	2,536,227	2,469,850	2,531,369
Expenditure Total		3,599,847	3,661,227	3,594,850	3,685,369
Income	Capital	-	-	-	-
	Operating	-8,123,775	-8,126,225	-8,200,000	-8,405,000
Income Total		-8,123,775	-8,126,225	-8,200,000	-8,405,000
Total		-4,523,928	-4,464,998	-4,605,150	-4,719,631
Grand Total					
Total Expenditure	Capital	61,897,972	20,246,078	18,922,000	18,913,900
	Operating	16,559,978	16,938,541	17,227,978	17,658,632
Expenditure Total		78,457,950	37,184,619	36,149,978	36,572,532
Income	Capital	-4,000,000	-	-	-
	Operating	-33,995,361	-35,826,735	-36,297,200	-37,143,500
Income Total		-37,995,361	-35,826,735	-36,297,200	-37,143,500
Total		40,462,589	1,357,884	-147,222	-570,968

OUTCOME 2.1: INFRASTRUCTURE AND ASSETS MEET DIVERSE COMMUNITY NEEDS

Strategy 2.1.1 Expand and adapt our community's infrastructure to meet future needs

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.1.1.01	Review the Asset Management Plans per asset class	SOC	Asset Management	●	●	●	●
2.1.1.02	Implement the Asset Management Plans per asset class	SOC	Asset Management	●	●	●	●
2.1.1.03	Review the Asset Management Strategy	SOC	Asset Management			●	
2.1.1.04	Implement the Asset Management Strategy	SOC	Asset Management	●	●	●	●
2.1.1.05	Redevelop the North Sydney Olympic Pool complex	SOC	Project Management	●			
2.1.1.06	Identify commercial opportunities on Council's land and building assets	SOC	Property Assets	●	●	●	●
2.1.1.07	Undertake property renewal projects	SOC	Property Assets	●	●	●	●
2.1.1.08	Implement transport and traffic infrastructure capital works program	SOC	Works Engineering	●	●	●	●

Strategy 2.1.2: Promote resilience and plan for and respond to large scale emergencies

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.1.2.01	Prepare the Flood Study	SOC	Engineering Infrastructure	●	●	●	●
2.1.2.02	Review the Joint Emergency Plans	SOC	Property Assets	●	●	●	●

Code	Service	Description
S15	Local Emergency Management Committee	Chairing the Local Emergency Management Committee.
S16	SES facilities management	Maintenance of SES headquarters and equipment in an operational condition.
S17	Respond to emergencies	Respond to emergencies as they arise

Strategy 2.1.3: Advocate for and increase community access to public and private infrastructure

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.1.3.01	Advocate for improved state infrastructure and funding for maintenance and improvement of community assets	SOC	Asset Management	●	●	●	●

Code	Service	Description
S18	Asset management system management and maintenance	Maintain Council's asset management system, and all asset reporting through Council's fully integrated Corporate Asset Management System (CAMs).
S19	Banner program	Management of seasonal banners and event banners and installation of banner poles

Code	Service	Description
S20	Bus shelters	Provision of bus shelters
S21	Capital Renewal Program - building construction	Overseeing the resourcing, budgeting, staff skill sets, planning, project management and contract management services for Council's Engineering Infrastructure assets
S22	Car parking stations maintenance and management	Maintenance and management of Council's car parks including capital works projects, equipment, contract management and revenue in accordance with the adopted fees and charges
S23	Community facilities management	Provision and maintenance of community facilities
S24	Council building cleaning and maintenance	Cleaning and Maintenance of Council owned buildings and facilities in accordance with contract cleaning arrangements
S25	Council buildings lease management	Management of Council's commercial property portfolio through a third party service provider to maximise return with minimum risk to Council. Oversee the management of revenue raised through the property portfolio in accordance with the adopted fees and charges
S26	Footpaths, stairs and cycleways maintenance	Inspection, maintenance and renewal of Council's Footpaths, Stairs and Cycleways
S27	Gateway treatments	Investigation and renewal of gateway treatments
S28	Graffiti removal	Removal of reported graffiti from public and private property and identified priority sites in accordance with Council's Graffiti Removal Policy
S29	Infrastructure levy program administration	Administration and project management of all capital works programs that are funded through the infrastructure levy
S30	Infrastructure maintenance	Implementation of the infrastructure maintenance program in accordance with Council's Asset Management Plans
S31	Infrastructure management and construction	Planning, project management and renewal of infrastructure in accordance with Council's Asset Management Plans and the adopted Delivery Program and capital works budgets
S32	Infrastructure requests	Investigation and response to infrastructure requests in line with service level agreements
S33	Kerb and Gutter	Inspection, maintenance and renewal of Council's kerb and gutter infrastructure in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets

Code	Service	Description
S34	Marine Structures	Inspection, maintenance and renewal of Council's Marine Structures (timber boardwalks, jetties, boat ramps and seawalls) in accordance with Asset Management Plans, adopted Delivery Program and capital works budgets
S35	Outdoor dining and trading	Assessment of outdoor dining applications in accordance with Council's Outdoor Dining Policy and Council's Outdoor Licence Agreements
S36	Plant and fleet management	Management of Council's plant, equipment and fleet
S37	Pollution control device cleaning and maintenance	Inspection, cleaning, maintenance and renewal of Council's GPTs network in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets
S38	Project Management	Coordinate preparation of concept design briefs and plans in the program. Management of internal staff, stakeholders, consultants and contractors responsible for project delivery
S39	Retaining Walls	Inspection, maintenance and renewal of Council's Retaining Walls in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets
S40	Roads construction and maintenance	Planning, building and maintenance of local roads in accordance with Council's Asset Management Plans, the Delivery Program and capital works budgets
S41	Safety Barriers	Inspection, maintenance and renewal of Council's safety barriers in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets
S42	Signage and street sign and lines replacement	Maintenance of street and traffic lines and signs in accordance with the LATMs and Council's Asset Management Plans, Delivery Program and capital works budgets
S43	Stormwater/drainage management	Inspection, cleaning, maintenance and renewal of Council's stormwater and drainage network in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets
S44	Street furniture and Road infrastructure cleaning, maintenance and replacement	Cleaning, maintenance and replacement of Council owned street furniture and road infrastructure in accordance with Council's Asset Management Plans, Delivery Program and capital works budgets
S45	Vehicle and plant replacement and maintenance	Servicing and replacement of all Council vehicles and items of plant in accordance with the Asset Management Plans. Managing Council's Fleet and Plant Replacement Program

OUTCOME 2.2: VIBRANT PUBLIC DOMAINS AND VILLAGES

Strategy 2.2.1: Enhance public domains and village streetscapes

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.2.1.01	Implement the Crows Nest Public Domain Masterplan	SOC	Engineering Infrastructure	●	●	●	●
2.2.1.02	Implement the Neutral Bay and Cremorne Public Domain Masterplan	SOC	Engineering Infrastructure	●	●	●	●
2.2.1.03	Implement the Kirribilli Village Centre Public Domain Masterplan	SOC	Engineering Infrastructure	●	●		
2.2.1.04	Implement the Blues Point Road McMahons Point Public Domain Masterplan	SOC	Engineering Infrastructure	●	●	●	●
2.2.1.05	Implement the St Leonards Public Domain Masterplan	SOC	Engineering Infrastructure	●	●	●	●
2.2.1.06	Implement the Public Amenities Strategy	SOC	Engineering Infrastructure	●	●	●	●

Strategy 2.2.2: Improve lighting and surveillance to make our public spaces safer

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.2.2.01	Prepare the Lighting Strategy	SOC	Engineering Infrastructure	●	●	●	●
2.2.2.02	Upgrade streetscape lighting in North Sydney CBD	SOC	Engineering Infrastructure	●	●	●	●
2.2.2.03	Upgrade lighting in village centres	SOC	Engineering Infrastructure	●	●	●	●
2.2.2.04	Upgrade lighting at pedestrian crossings	SOC	Traffic & Transport Operations	●	●	●	●

Code	Service	Description
S46	Streetscape Committees	Engagement with local businesses and Mainstreet Committee representatives for the preparation of capital works programs for the villages



OUTCOME 2.3: PRIORITISE SUSTAINABLE AND ACTIVE TRANSPORT

Strategy 2.3.1: Incentivise use of sustainable and innovative public transport

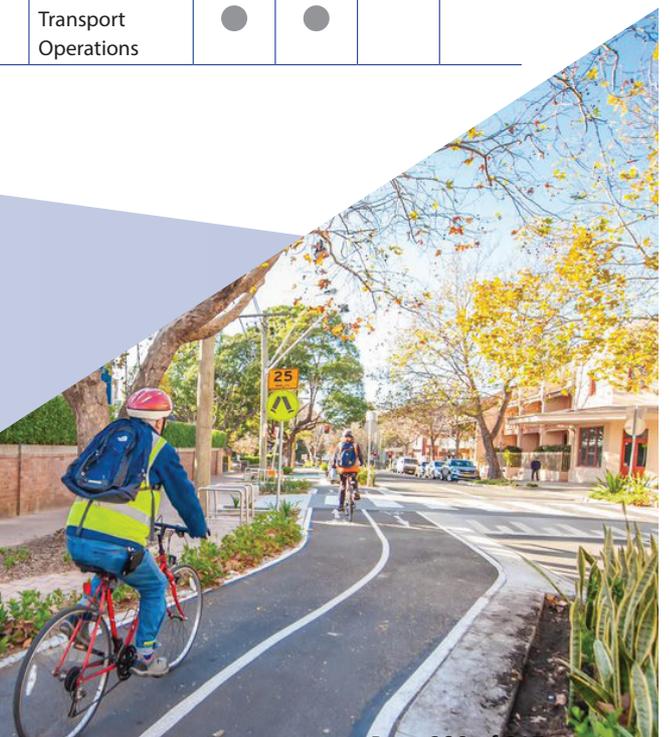
Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.3.1.01	Implement the Road Safety Action Plan including education and awareness programs	SOC	Traffic & Transport Operations	●	●	●	●
2.3.1.02	Participate in TfNSW Travel Choices Program	SOC	Traffic & Transport Operations	●	●	●	●

Strategy 2.3.2: Provide infrastructure to support sustainable, innovative and active transport

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.3.2.01	Investigate and apply for grant funding for new and upgraded traffic, pedestrian and cycling facilities	SOC	Traffic & Transport Operations	●	●	●	●
2.3.2.02	Implement community education campaigns that encourage use of active, public and other alternative modes of transport	SOC	Traffic & Transport Operations	●	●	●	●

Strategy 2.3.3: Provide a connected walking and cycling network for people of all ages and abilities

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.3.3.01	Review the Integrated Cycling Strategy (ICS)	SOC	Traffic & Transport Operations	●			
2.3.3.02	Implement the ICS Priority Route 2 - Active Transport at Young Street	SOC	Traffic & Transport Operations	●			
2.3.3.03	Implement the ICS Priority Route 3 - Active Transport pedestrian/cycleway program	SOC	Traffic & Transport Operations	●	●		



OUTCOME 2.4: EFFICIENT TRAFFIC MOBILITY AND PARKING

Strategy 2.4.1: Reduce traffic through improved active and public transport

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.4.1.01	Implement the Local Area Traffic Management Action Plans	SOC	Traffic & Transport Operations	●	●	●	●

Strategy 2.4.2: Integrate on-street and off-street parking options in residential and commercial areas

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.4.2.01	Manage car share parking	SOC	Traffic & Transport Operations	●	●	●	●
2.4.2.02	Review the Council's Residents Parking Scheme	SOC	Traffic & Transport Operations	●	●		
2.4.2.03	Expand the parking meter network	SOC	Traffic & Transport Operations	●	●	●	●
2.4.2.04	Replace parking meters	SOC	Traffic & Transport Operations	●	●	●	●
2.4.2.05	Prepare the Parking Strategy	SOC	Strategic Planning			●	

Strategy 2.4.3: Better integrate major transport infrastructure into the local built environment

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
2.4.3.01	Partner with TfNSW and other agencies on the North Sydney Integrated Transport Program	SOC	Strategic Planning	●	●	●	●
2.4.3.02	Liaise with State Government Agencies to deliver Miller Place	SOC	Strategic Planning	●	●	●	●

Code	Service	Description
S47	Parking management	Oversee the management of on-street parking provisions in the North Sydney LGA
S48	Road and traffic permits	Assess, issue and regulate road and traffic permits for temporary third-party works. Manage road and traffic permit revenue in accordance with adopted fees and charges
S49	Street Lighting Improvement Program (SSROC)	Pursuit of improvements to North Sydney's street lighting network through the SSROC Street Lighting Improvement Program

Code	Service	Description
S50	Traffic Committee	Management and facilitation of North Sydney Council's Traffic Committee meetings, agendas and reports to Council
S51	Traffic Facilities - LATMs	Inspection, maintenance and renewal of Council's traffic facilities identified in LATMs and Council's Asset Management Plans for Traffic Facilities, adopted Delivery Program and capital works budgets
S52	Traffic grant applications	Preparation of funding grant submissions to TfNSW and federal government agencies for traffic and road safety projects
S53	Traffic investigations	Undertaking traffic investigations in accordance with the Traffic Committee and projects in Council's adopted LATMs
S54	Traffic management designs	Preparation of traffic management designs and documentation in accordance with the resolutions of Council's Traffic Committee and with the projects identified in Council's adopted LATMs



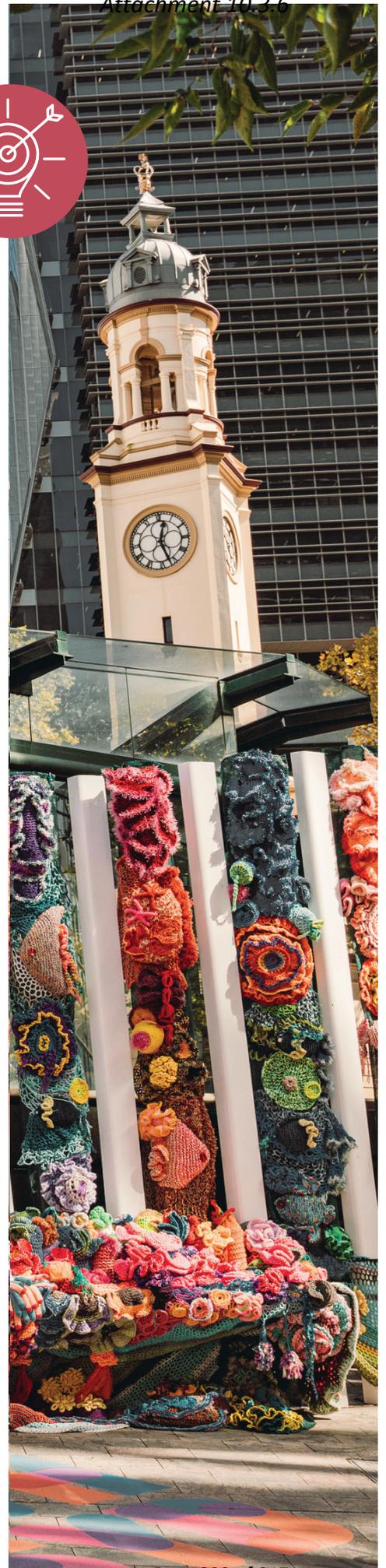


DIRECTION 3: OUR INNOVATIVE CITY

WHERE DO WE WANT TO BE IN 2040?

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 an important part of the Eastern Economic Corridor. The character of our local centres are enhanced to maximise vitality and tourism are 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.



FINANCIAL SUMMARY

Direction 3: Our Innovative City					
		2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
3.1 Our commercial centres are prosperous and vibrant					
Expenditure	Capital	-	-	-	-
	Operating	121,917	215,040	148,236	131,507
Expenditure Total		121,917	215,040	148,236	131,507
Income	Capital	-	-	-	-
	Operating	-	-	-	-
Income Total		-	-	-	-
Total		121,917	215,040	148,236	131,507
3.2 North Sydney is smart and innovative					
Expenditure	Capital	-	-	-	-
	Operating	-	-	-	-
Expenditure Total		-	-	-	-
Income	Capital	-	-	-	-
	Operating	-	-	-	-
Income Total		-	-	-	-
Total		-	-	-	-
3.3 Distinctive sense of place and design excellence					
Expenditure	Capital	30,000	15,000	30,000	16,000
	Operating	15,758,263	16,049,843	15,657,116	15,893,041
Expenditure Total		15,788,263	16,064,843	15,687,116	15,909,041
Income	Capital	-	-	-	-
	Operating	-11,367,723	-11,779,477	-11,891,600	-12,189,100
Income Total		-11,367,723	-11,779,477	-11,891,600	-12,189,100
Total		4,420,540	4,285,366	3,795,516	3,719,941
Grand Total					
Total Expenditure	Capital	30,000	15,000	30,000	16,000
	Operating	15,880,180	16,264,883	15,805,352	16,024,548
Expenditure Total		15,910,180	16,279,883	15,835,352	16,040,548
Income	Capital	-	-	-	-
	Operating	-11,367,723	-11,779,477	-11,891,600	-12,189,100
Income Total		-11,367,723	-11,779,477	-11,891,600	-12,189,100
Total		4,542,457	4,500,406	3,943,752	3,851,448

OUTCOME 3.1: OUR COMMERCIAL CENTRES ARE PROSPEROUS AND VIBRANT

Strategy 3.1.1: Support existing and attract new and diverse businesses

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.1.1.01	Conduct the Business Network event series	ECO	Strategic Planning		●	●	●
3.1.1.02	Support the local Chambers of Commerce and peak bodies representing local businesses	ECO	Strategic Planning	●	●	●	●
3.1.1.03	Review the Economic Development Strategy	ECO	Strategic Planning		●		
3.1.1.04	Participate in the State Government's Easy to Do Business Program	ECO	Strategic Planning		●	●	●

Strategy 3.1.2: Enhance the night time and weekend economy

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.1.2.01	Identify achievable measures and strategies to enhance after hours activity	ECO	Strategic Planning		●	●	●

Strategy 3.1.3: Deliver sustainable tourism activity

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.1.3.01	Implement the Visitor Economy Strategy	ECO	Strategic Planning	●	●	●	●
3.1.3.02	Review the Visitor Economy Strategy	ECO	Strategic Planning		●		
3.1.3.03	Seek opportunities to engage in joint venture promotional initiatives with tourism industry operators	ECO	Strategic Planning	●	●	●	●

Strategy 3.1.4: Strengthen the North Sydney CBD's competitiveness and identity

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.1.4.01	Promote commercial centre activity in Council publications	ECO	Strategic Planning		●	●	●
3.1.4.02	Develop and implement North Sydney CBD land use and infrastructure plans	SOC	Strategic Planning	●	●	●	●
3.1.4.03	Implement the North Sydney CBD marketing campaign through targeted events, activations and communications	SOC	Communications & Events	●	●	●	●
3.1.4.04	Implement the North Sydney CBD Upgrade Program	SOC	Engineering Infrastructure	●	●	●	●

Code	Service	Description
S55	Business support	Council develops business capability to aid economic development through information sharing
S56	Economic development	Promotion and management of economic development in the LGA

OUTCOME 3.2: NORTH SYDNEY IS SMART AND INNOVATIVE

Strategy 3.2.1: Deliver Smart City Strategies

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.2.1.01	Implement the Smart City Strategy	ECO	Information Technology	●	●	●	●

Strategy 3.2.2: Deliver and support smart, innovative services to the community

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.2.2.01	Trial free wifi in the CBD	ECO	Information Technology		●	●	●



OUTCOME 3.3: DISTINCTIVE SENSE OF PLACE AND DESIGN EXCELLENCE

Strategy: 3.3.1 Leading strategic land use planning

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.3.1.01	Implement the Transport Strategy	SOC	Strategic Planning	●	●	●	●
3.3.1.02	Liaise and coordinate with TfNSW on the Western Harbour Tunnel and Beaches Link project	SOC	Strategic Planning	●	●	●	●
3.3.1.03	Advance land use projects and proposals	SOC	Strategic Planning	●	●	●	●
3.3.1.04	Respond to reforms in planning process and advocate on behalf of community	SOC	Strategic Planning	●	●	●	●
3.3.1.05	Respond to NSW Government and Greater Cities Commission planning reforms and initiatives	SOC	Strategic Planning	●	●	●	●
3.3.1.06	Prepare a new development framework and strategy for the Military Road Corridor	SOC	Strategic Planning	●	●	●	●
3.3.1.07	Update planning instruments in response to Council led local planning studies and strategies	SOC	Strategic Planning	●	●	●	●

Strategy 3.3.2: Improve urban design, amenity, accessibility, liveability and public domain

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.3.2.01	Monitor and review CBD and North Sydney Public Domain Strategies	SOC	Strategic Planning			●	
3.3.2.02	Undertake a Comprehensive Heritage Review	SOC	Strategic Planning		●	●	●
3.3.2.03	Implement the Ward Street Masterplan	SOC	Strategic Planning		●	●	●
3.3.2.04	Conduct the Design Excellence Panel	SOC	Development Services	●	●	●	●

Strategy 3.3.3: Advocate for and provide affordable housing

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.3.3.01	Partner with other levels of government and developers to improve the policy basis to increase affordable housing in North Sydney	SOC	Strategic Planning		●	●	●

Strategy 3.3.4: Manage and promote compliance

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
3.3.4.01	Manage the smoking ban in the CBD and the Chambers Precinct with education and enforcement	SOC	Ranger & Parking Services		●		

Code	Service	Description
S57	Abandoned trailers, trolleys and vehicles	Ensuring compliance with the compounding act, managing abandoned items in the LGA
S58	Acceptance of development applications	Acceptance and registration of development applications
S59	Companion animal management	Monitoring companion animal behaviours and action in accordance with the Companion Animal Act. Delivery of companion animal education. Resolving complaints about animals and inspection of premises with dangerous or restricted breed dogs
S60	Boarding house inspection program	Inspection of places for shared accommodation for occupant safety
S61	Building compliance investigations	Enforcement of building legislation. Investigating and monitoring development on private land to determine requirements for development approval, or legal action
S62	Building consents	Ensure building works meet approved building consents. Administering the occupancy provision of the Building Code of Australia. Issuing building certificates
S63	Commercial swimming pool inspection program	Commercial swimming pool inspection to ensure safety and hygiene
S64	Construction approvals	Issuing of construction certificates as a certifying authority as part of the building certification process including construction certificates, complying development certificates, occupation certificates, subdivision certificates, building certificates, swimming pool certificates
S65	Construction noise management program	Administering the provisions set out in Council's construction works management strategy
S66	Cooling tower inspection program	Inspection of all cooling towers and other warm water systems to ensure they are maintained appropriately
S67	Development assessment	Assessment and determination of applications for development consent. Administration of developer contributions
S68	Engineering approvals - driveway crossings	Assessment and determination of driveway crossing applications
S69	Environment and health investigations and audits	Responding to health or safety matters and unauthorised uses of land. Monitoring air and noise pollution compliance. Undertaking environmental audits and preparation of detailed reports on audits

Code	Service	Description
S70	Footpath approvals	Assessment and determination of footpaths and other works associated with development
S71	Heritage maintenance approvals	Assess and determine applications for heritage maintenance exemptions
S72	Hoarding permits	Issuing of hoarding permits on application
S73	North Sydney Local Planning Panel	State-mandated determining body authorised to determine development applications and other planning matters
S74	Parking enforcement	Provision of parking patrols and enforcement of laws relating to road rules. Education of public regarding road rules
S75	Compliance inspections	Inspection of public entertainment spaces and shared accommodation to ensure they are safe
S76	Planning codes and publications	Preparation of planning codes and publications
S77	Planning information and policy analysis	Provision of technical and strategic planning expertise to the public and councillors to support decision making
S78	Planning proposals	Consideration and preparation of planning proposals
S79	Pre-lodgement service	Provision of development application advice to development applicants prior to lodgement
S80	Regulatory approvals	Processing building, land use and subdivision consents in accordance with legislation
S81	Residential swimming pool inspection program	Inspection of residential swimming pools. Monitoring of compliance with legislation
S82	Section 10.7 planning certificates	Preparation and issuing of section 10.7 planning certificates on application
S83	Skin penetration premise inspection program	Inspection of all skin penetration premises
S84	Stormwater drainage connections	Assessment and determination of stormwater drainage connections with Council's system
S85	Strategic land use planning and advice	Development and implementation of strategies, policies and plans, such as the Local Environmental Plan, to guide land use and development. Preparation of strategic planning advice, plans and documents that control the use and development of land
S86	Transport planning	Advocacy and preparation of strategies and policies relating to transport
S87	Urban Design	Preparation of urban design studies and review of significant proposals
S88	Wastewater on-site systems inspection program	Monitoring of compliance with legislation



DIRECTION 4: OUR SOCIAL VITALITY

WHERE DO WE WANT TO BE IN 2040?

Our community enjoys a healthy and active lifestyle, improved accessibility, wellbeing and safety, 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, 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.



FINANCIAL SUMMARY

Direction 4: Our Social Vitality					
		2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
4.1 North Sydney is connected, inclusive, healthy and safe					
Expenditure	Capital	139,000	140,000	161,000	165,100
	Operating	3,433,288	3,520,061	3,607,090	3,698,254
Expenditure Total		3,572,288	3,660,061	3,768,090	3,863,354
Income	Capital	-	-	-	-
	Operating	-936,586	-960,159	-983,859	-1,008,759
Income Total		-936,586	-960,159	-983,859	-1,008,759
Total		2,635,702	2,699,902	2,784,231	2,854,595
4.2 A centre for creativity and learning					
Expenditure	Capital	489,500	501,100	512,700	524,600
	Operating	5,143,073	5,372,111	5,404,859	5,645,402
Expenditure Total		5,632,573	5,873,211	5,917,559	6,170,002
Income	Capital	-56,700	-58,000	-59,000	-60,000
	Operating	-237,000	-242,600	-248,200	-253,800
Income Total		-293,700	-300,600	-307,200	-313,800
Total		5,338,873	5,572,611	5,610,359	5,856,202
4.3 North Sydney's history is preserved and recognised					
Expenditure	Capital	-	-	-	-
	Operating	434,790	445,949	457,355	468,986
Expenditure Total		434,790	445,949	457,355	468,986
Income	Capital	-	-	-	-
	Operating	-3,200	-3,200	-3,200	-3,200
Income Total		-3,200	-3,200	-3,200	-3,200
Total		431,590	442,749	454,155	465,786
Grand Total					
Total Expenditure	Capital	628,500	641,100	673,700	689,700
	Operating	9,011,151	9,338,121	9,469,304	9,812,642
Expenditure Total		9,639,651	9,979,221	10,143,004	10,502,342
Income	Capital	-56,700	-58,000	-59,000	-60,000
	Operating	-1,176,786	-1,205,959	-1,235,259	-1,265,759
Income Total		-1,233,486	-1,263,959	-1,294,259	-1,325,759
Total		8,406,165	8,715,262	8,848,745	9,176,583

OUTCOME 4.1: NORTH SYDNEY IS CONNECTED, INCLUSIVE, HEALTHY AND SAFE

Strategy 4.1.1: Increase, celebrate and foster community connectedness, health, inclusivity and safety through services and programs

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.1.1.01	Review the Disability Inclusion Action Plan	SOC	Community Development	●			
4.1.1.02	Implement the Disability Inclusion Action Plan	SOC	Community Development	●	●	●	●
4.1.1.03	Explore partnership opportunities between Family Day Care and a local aged care facility	SOC	Community Development	●	●	●	●
4.1.1.04	Participate in Lower North Shore Child and Family Interagency	SOC	Community Development	●	●	●	●
4.1.1.05	Implement the Family and Children's Services Strategy	SOC	Community Development	●	●	●	●
4.1.1.06	Expand the Family Day Care service	SOC	Community Development	●	●	●	●
4.1.1.07	Support the local community centres	SOC	Community Development	●	●	●	●
4.1.1.08	Coordinate and promote multi-cultural activities	SOC	Community Development	●	●	●	●
4.1.1.09	Participate in the Lower North Shore Domestic Violence Network	SOC	Community Development	●	●	●	●
4.1.1.10	Provide access to translated information to the community	SOC	Community Development	●	●	●	●
4.1.1.11	Implement the Young People's Strategy	SOC	Community Development	●	●	●	●
4.1.1.12	Upgrade facilities and equipment at Planet X Youth Centre	SOC	Community Development	●	●	●	●
4.1.1.13	Provide services and activities to older people through community centres	SOC	Community Development	●	●	●	●
4.1.1.14	Implement the Older Persons Plan	SOC	Community Development	●	●	●	●
4.1.1.15	Provide social and affordable housing	SOC	Community Development	●	●	●	●
4.1.1.16	Promote health and wellbeing activities through arts programs	SOC	Community Development	●	●	●	●
4.1.1.17	Implement drug and alcohol minimisation strategies	SOC	Community Development	●	●	●	●
4.1.1.18	Participate in Local Liquor Accords	SOC	Community Development	●	●	●	●
4.1.1.19	Provide activities and resources to support wellbeing, mental health and community connection	SOC	Library Services	●	●	●	●

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.1.1.20	Implement the Stanton Library Masterplan	SOC	Library Services	●	●	●	●
4.1.1.21	Implement targeted promotional and marketing campaigns to increase awareness and engagement with library services	SOC	Library Services	●	●	●	●
4.1.1.22	Develop services, resources and activities that acknowledge and support cultural diversity in the community	SOC	Library Services	●	●	●	●
4.1.1.23	Implement initiatives that promote the library as a welcoming, diverse and inclusive space	SOC	Library Services	●	●	●	●
4.1.1.24	Increase the diversity of Stanton Library's collection	SOC	Library Services	●	●	●	●
4.1.1.25	Develop and review Joint Strategic Plans	SOC	Community Development	●	●	●	●
4.1.1.26	Review the North Sydney Community Awards program	SOC	Community Development	●			
4.1.1.27	Prepare the Community Development Strategy	SOC	Community Development	●			
4.1.1.28	Implement the Community Development Strategy	SOC	Community Development		●	●	●

Strategy 4.1.2: Reduce housing stress and homelessness particularly for vulnerable people and communities at risk, including sexual, domestic and family violence

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.1.2.01	Review the Affordable Housing Strategy	SOC	Community Development	●			
4.1.2.02	Implement the Affordable Housing Strategy	SOC	Community Development	●	●	●	●
4.1.2.03	Review the Homeless Strategy	SOC	Community Development	●	●		
4.1.2.04	Implement the Homeless Strategy	SOC	Community Development	●	●	●	●
4.1.2.05	Manage squalor, hoarding and homelessness enquiries with appropriate referrals	SOC	Community Development	●	●	●	●

Strategy 4.1.3: Utilise community skills and expertise through volunteering

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.1.3.01	Promote Volunteer Week	SOC	Community Development	●	●	●	●
4.1.3.02	Support annual events recognising volunteers	SOC	Community Development	●	●	●	●

Code	Service	Description
S89	Advice and referrals	Provision of advice and referrals in support of key target groups including young people, older people, people with a disability, Aboriginal and Torres Strait Islander people, multi-cultural communities, children and families
S90	Advice and Support	Provide advice and support to not-for-profit community groups and charities
S91	Alcohol free zones	Establishment and management of alcohol free zones and alcohol prohibited areas
S92	Art events	Art exhibitions including by local artists
S93	Arts and culture program	Implementation of annual arts and cultural events program. Implementation of Artists in Residence program
S94	Community grants	Provision of funding annually for non-profit community groups to support community projects. Determination of applications for community grants in accordance with policy
S95	Community information	Provision of accurate and up to date community information, including update of Community Information Directory Online, Community Directories and the Community Noticeboard Program
S96	Community safety programs	Facilitation of community safety elements with a wide range of programs
S97	James Milson Village	Contribute to strategic direction of James Milson Village
S98	Lower North Shore Multicultural Network meeting support	Co-convening of Lower North Shore Multicultural Network
S99	Public art	Commission and installation of public art
S100	Vacation care programs	Provision of recreational and leisure experiences for primary school aged children during school holidays



OUTCOME 4.2: A CENTRE FOR CREATIVITY AND LEARNING

Strategy 4.2.1: Foster, support and increase creative arts

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.2.1.01	Identify and apply for grants funding for community arts and cultural sector projects	SOC	Community Development	●	●	●	●
4.2.1.02	Prepare the Public Arts Masterplan	SOC	Community Development	●			
4.2.1.03	Implement the Public Arts Masterplan	SOC	Community Development	●	●	●	●
4.2.1.04	Implement the Arts and Cultural Strategic Plan	SOC	Community Development	●	●	●	●

Strategy 4.2.2: Provide and support a diverse range of events and street life

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.2.2.01	Support local weekend markets	SOC	Community Development	●	●	●	●
4.2.2.02	Develop public programs and activities to support cultural celebrations and festivals in the community	SOC	Library Services	●	●	●	●
4.2.2.03	Coordinate and promote activities in Youth Week	SOC	Community Development	●	●	●	●
4.2.2.04	Coordinate and promote the annual North Sydney Seniors Festival	SOC	Community Development	●	●	●	●

Strategy 4.2.3 Provide diverse education and learning choices that meet growing needs

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.2.3.01	Provide training and equipment to build digital literacy skills in the community	SOC	Library Services	●	●	●	●
4.2.3.02	Improve customer access to the libraries online services	SOC	Library Services	●	●	●	●
4.2.3.03	Increase access to library services for all members of the community	SOC	Library Services	●	●	●	●
4.2.3.04	Provide programs to support literacy, writing and literary engagement across all ages	SOC	Library Services	●	●	●	●
4.2.3.05	Develop a reader's advisory program	SOC	Library Services	●	●	●	●
4.2.3.06	Support educational outcomes and encourage reading by developing relationships with local schools and teachers	SOC	Library Services	●	●	●	●
4.2.3.07	Review collections based on consultation and statistical data	SOC	Library Services	●	●	●	●

OUTCOME 4.3: NORTH SYDNEY'S HISTORY IS PRESERVED AND RECOGNISED

Strategy 4.3.1: Celebrate North Sydney's history and heritage

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.3.1.01	Conduct public programs which increase awareness of local history and heritage	SOC	Library Services	●	●	●	●
4.3.1.02	Establish a specialist local history research and enquiry service	SOC	Library Services	●	●	●	●
4.3.1.03	Investigate a consolidated digital asset management system for heritage items	SOC	Library Services	●	●	●	●

Strategy 4.3.2: Protect and maintain historical sites, items and records

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.3.2.01	Manage Don Bank Museum, Sextons Cottage Museum and St Thomas' Rest Park	SOC	Library Services	●	●	●	●
4.3.2.02	Provide interpretive information on signs and plaques at historical sites	SOC	Library Services	●	●	●	●

Strategy 4.3.3: Promote awareness of North Sydney's First Nation's heritage

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
4.3.3.01	Coordinate and promote activities in Indigenous festivals	SOC	Community Development	●	●	●	●

Code	Service	Description
S101	Aboriginal heritage preservation and promotion	Maintenance, identification and preservation of Aboriginal heritage items and promotion of Aboriginal heritage in North Sydney through Council's partnership with the Aboriginal Heritage Office. Implementation of legislative requirements to ensure Aboriginal and archaeological heritage are conserved and valued
S102	Digital literacy program	Training for customers and staff in how to use a range of technologies
S103	Heritage preservation and promotion	Maintenance, identification, preservation and rehabilitation of heritage items and areas and promotion of heritage in North Sydney. Provision of information and advice for North Sydney heritage and heritage conservation
S104	Lending service	Provision of loans, inter branch delivery, and document delivery
S105	Library Information service	Provision of reference services, general enquiries and local history research
S106	Local heritage events	Holding of events to celebrate the history and heritage of the North Sydney area in conjunction with Heritage Week and History Week

Code	Service	Description
S107	North Sydney Heritage centre and museums	Provision of funding to Don Bank Museum to enable care of its heritage collection items, to provide lifelong learning and research. Collection, archiving and provision of primary and secondary material for historical research. Acquiring of items relevant to North Sydney for collections. Holding of events to celebrate the history and heritage of the North Sydney area. Provision of funding to the Nutcote Museum
S108	Special interest groups	Hosting of special interest groups at the library, including philosophy, English as a second language, book groups, knitting, Writer's and other discussion groups
S109	Stanton Library e-Bulletin	Production of a Stanton Library e-newsletter
S110	Writers@Stanton author talks	Provision of free talks by authors of popular interest, both fiction and non-fiction
S111	Home Library Service	Provide a selection and delivery service that enables access to library services for housebound and elderly residents and carers in the North Sydney LGA





DIRECTION 5: OUR CIVIC LEADERSHIP

WHERE DO WE WANT TO BE IN 2040?

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 service.



FINANCIAL SUMMARY

Direction 5: Our Civic Leadership					
		2022/23 Budget (\$)	2023/24 Budget (\$)	2024/25 Budget (\$)	2025/26 Budget (\$)
5.1 Lead North Sydney's strategic direction					
Expenditure	Capital	258,000	-	-	-
	Operating	6,952,808	7,027,953	7,606,855	7,138,712
Expenditure Total		7,210,808	7,027,953	7,606,855	7,138,712
Income	Capital	-	-	-	-
	Operating	-54,868,510	-56,164,600	-57,489,000	-58,897,600
Income Total		-54,868,510	-56,164,600	-57,489,000	-58,897,600
Total		-47,657,702	-49,136,647	-49,882,145	-51,758,888
5.2 Strong civic leadership and customer focussed services					
Expenditure	Capital	-	-	-	-
	Operating	7,061,534	7,246,440	7,453,069	7,614,008
Expenditure Total		7,061,534	7,246,440	7,453,069	7,614,008
Income	Capital	-	-	-	-
	Operating	-621,600	-637,200	-652,800	-669,500
Income Total		-621,600	-637,200	-652,800	-669,500
Total		6,439,934	6,609,240	6,800,269	6,944,508
5.3 Community is engaged in what Council does					
Expenditure	Capital	1,000	1,000	1,000	1,000
	Operating	1,245,110	1,275,952	1,307,341	1,340,069
Expenditure Total		1,246,110	1,276,952	1,308,341	1,341,069
Income	Capital	-	-	-	-
	Operating	-	-	-	-
Income Total		-	-	-	-
Total		1,246,110	1,276,952	1,308,341	1,341,069
5.4 Council services are efficient and easy to access					
Expenditure	Capital	1,180,198	593,200	607,700	623,100
	Operating	7,203,794	7,465,324	7,588,620	7,816,987
Expenditure Total		8,383,992	8,058,524	8,196,320	8,440,087
Income	Capital	-	-	-	-
	Operating	-25,000	-25,600	-26,200	-26,800
Income Total		-25,000	-25,600	-26,200	-26,800
Total		8,358,992	8,032,924	8,170,120	8,413,287
Grand Total					
Total Expenditure	Capital	1,439,198	594,200	608,700	624,100
	Operating	22,463,246	23,015,669	23,955,885	23,909,776
Expenditure Total		23,902,444	23,609,869	24,564,585	24,533,876
Income	Capital	-	-	-	-
	Operating	-55,515,110	-56,827,400	-58,168,000	-59,593,900
Income Total		-55,515,110	-56,827,400	-58,168,000	-59,593,900
Total		-31,612,666	-33,217,531	-33,603,415	-35,060,024

OUTCOME 5.1: LEAD NORTH SYDNEY'S STRATEGIC DIRECTION

Strategy 5.1.1: Create effective working relationships between local, state and federal governments

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.1.1.01	Participate in regional partnerships through the NSROC	GOV	General Manager's Office	●	●	●	●
5.1.1.02	Develop and maintain links with government agencies and local members of state and federal parliament	GOV	General Manager's Office	●	●	●	●
5.1.1.03	Explore and or initiate partnerships when opportunities and funding present themselves	GOV	General Manager's Office	●	●	●	●
5.1.1.04	Following conduct of election request participation of Council on relevant external committees as required	GOV	Council & Committee Services		●		

Strategy 5.1.2: Plan to deliver the aspirations of our community

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.1.2.01	Promote the Community Strategic Plan to the community and staff	GOV	Corporate Planning & Engagement	●	●	●	●
5.1.2.02	Prepare progress reports against implementation of the Delivery Program/Operational Plan	GOV	Corporate Planning & Engagement	●	●	●	●
5.1.2.03	Implement the corporate Project Management Framework	GOV	Corporate Planning & Engagement	●	●		
5.1.2.04	Prepare the annual Operational Plan	GOV	Corporate Planning & Engagement	●	●	●	●
5.1.2.05	Undertake the Customer Satisfaction Survey	GOV	Corporate Planning & Engagement		●		
5.1.2.06	Prepare the State of North Sydney Report	GOV	Corporate Planning & Engagement		●		
5.1.2.07	Plan for the next review of the Community Strategic Plan	GOV	Corporate Planning & Engagement		●	●	
5.1.2.08	Prepare Corporate Service Reviews Framework	GOV	Corporate Planning & Engagement		●	●	

Strategy 5.1.3: Lead public debate on the future of local government

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.1.3.01	Advocate for changes as appropriate to advance local government in NSW, via submissions	GOV	General Managers Office	●	●	●	●
5.1.3.02	Work with NSROC to promote Council's position on matters of common interest	GOV	General Managers Office	●	●	●	●

Strategy 5.1.4: Manage financial resources effectively and responsibly, including exploring new revenue streams

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.1.4.01	Review the rating structure	GOV	Financial Services	●			
5.1.4.02	Review the Long-Term Financial Plan in accordance with preparation of the annual Operational Plan	GOV	Financial Services	●	●	●	●
5.1.4.03	Undertake quarterly budget reviews to monitor financial performance	GOV	Financial Services	●	●	●	●
5.1.4.04	Implement the Payroll, Attendance and Leave Management Audit recommendations	GOV	Financial Services	●			
5.1.4.05	Deliver a Cloud based Long-Term Financial Model	GOV	Financial Services	●	●		
5.1.4.06	Redesign the Chart of Accounts to support improved cost centre reporting	GOV	Financial Services	●	●		

Code	Service	Description
S112	Accounting administration	Payments and records for all financial transactions
S113	Rating, Annual Charges and other Revenue	Preparation and issuing of rates account notices, maintenance of rates records, administration of concession applications, administration and collection of accounts receivable, administration of grants received
S114	Annual reporting	Compilation, proofing and production of Council's annual report
S115	Corporate planning and reporting	Preparation, implementation and monitoring of Council's IPR framework. Collation of information on status of projects and services and preparation of reports for the Management Executive, Council and the community
S116	Creditor and payment services	Payment for services provided to Council by suppliers
S117	Financial management and reporting	Preparation of monthly financial reports for managers and analysis for Management Executive; report development; preparation of annual and four yearly budgets; and administration and development of the financial accounting system
S118	Investment portfolio management	Management of Council's investment portfolio to achieve maximum return with minimum risk
S119	Payroll	Compilation of time worked records, and preparation of payroll
S120	Policy register maintenance	Coordination of policy review program, updating of, publishing and distribution of policy
S121	Statutory financial reporting	Preparation of statutory financial reports for compliance purposes. Includes recording loan payments, employee leave entitlements, maintenance of financial assets register, and implementation of the relevant reporting Codes

OUTCOME 5.2: STRONG CIVIC LEADERSHIP AND CUSTOMER FOCUSED SERVICES

Strategy 5.2.1: Provide accountable, transparent, accessible and participatory decision making

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.2.1.01	Implement the Chambers IT upgrade project	GOV	Council & Committee Services	●			
5.2.1.02	Undertake the 2024 Local Government Election	GOV	Council & Committee Services		●	●	

Strategy 5.2.2: Councillors meet their obligations and excel in their roles as community leaders

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.2.2.01	Deliver Councillor Professional Development Program	GOV	Council & Committee Services	●	●		
5.2.2.02	Prepare induction program for new term of Council	GOV	Council & Committee Services	●	●		
5.2.2.03	Deliver induction program for new term of Council	GOV	Council & Committee Services			●	●
5.2.2.04	Publish the annual disclosure of interest returns of Councillors and designated persons	GOV	Council & Committee Services	●	●	●	●
5.2.2.05	Review the Code of Conduct	GOV	Council & Committee Services		●		
5.2.2.06	Implement the Code of Conduct	GOV	Council & Committee Services	●	●	●	●

Strategy 5.2.3: Implement best practice governance and risk management

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.2.3.01	Participate in the Resilient Sydney Program	GOV	Corporate Planning & Engagement	●	●	●	●
5.2.3.02	Implement the Continuous Improvement Program to support the Audit Risk and Improvement Committee	GOV	Corporate Planning & Engagement	●			
5.2.3.03	Prepare the quadrennial review of Corporate Policy Manual	GOV	Corporate Planning & Engagement		●		
5.2.3.04	Review Council's Committee and Reference Group meeting structure in line with the Community Strategic Plan structure	GOV	Council & Committee Services	●	●		
5.2.3.05	Update Committee and Reference Group Charters	GOV	Council & Committee Services	●		●	
5.2.3.06	Review the Delegations of Authority	GOV	Council & Committee Services	●	●	●	●

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.2.3.07	Implement an Audit, Risk and Improvement Committee Charter and Structure compliant with and in accordance with OLG Guidelines	GOV	Risk Management/ WHS	●	●	●	●
5.2.3.08	Implement the Enterprise Risk Management Framework	GOV	Risk Management/ WHS	●	●		
5.2.3.09	Reduce lost time injuries	GOV	Risk Management/ WHS	●	●	●	●
5.2.3.10	Undertake leadership quarterly safety walks, and due diligence training	GOV	Risk Management/ WHS	●	●		
5.2.3.11	Review localised WHS training matrix and requirements	GOV	Risk Management/ WHS		●		
5.2.3.12	Review Council's Public Interest Disclosures Policy, processes and training in response to legislation changes	GOV	Risk Management/ WHS	●			
5.2.3.13	Review Council's Legal Panel structure to ensure ongoing provision of quality and value for money legal services	GOV	Legal Services	●	●		
5.2.3.14	Implement initiatives to manage legal matters and reduce legal costs	GOV	Legal Services	●	●		
5.2.3.15	Review Corporate Policy Manual	GOV	Corporate Planning & Engagement	●		●	

Strategy 5.2.4: Provide best practice customer service

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.2.4.01	Implement a Customer Experience Feedback Forum	GOV	Customer Services & Records Management	●	●	●	●
5.2.4.02	Support the implementation of the Customer Relationship Management System	GOV	Customer Services & Records Management	●	●		
5.2.4.03	Support implementation of the new parking meter solution	GOV	Customer Services & Records Management	●	●	●	●

Code	Service	Description
S122	Administrative support	Scheduling of appointments and handling of correspondence for the Mayor and General Manager. Conference arrangements. Organise fortnightly Management Executive meetings
S123	Audit and Risk Committee management	Facilitation of the Audit and Risk Committee. Provision of support services for Audit and Risk Committee meetings

Code	Service	Description
S124	Call centre (telephone enquiry handling)	Timely service, information and referral provided on the Council call centre lines
S125	Citizenship ceremonies	Organisation of invitations, certificates, speakers, dignitaries, order of ceremonies, facilities and catering for citizenship ceremonies
S126	Civic education program	Provision of Mock Council program and Youth/Councillor Mentor Program. Provision of educational tours for school children
S127	Complaints reporting	Collation of information on complaints made to Council and preparation of reports for Management Executive and Council
S128	Council and Committee meetings	Compilation of agendas and business papers for Council and Committees. Venue set up. Minute taking. Distribution of resolutions to affected parties. Maintenance of Resolution Register
S129	Counter service (counter enquiry handling)	Timely response to enquiries at the front counter
S130	Crisis management program	Implementation, testing and maintenance of Crisis Management Plan
S131	Disclosure of interest returns	Distribution of disclosure of interest forms to Councillors and designated staff. Collection, checking and reporting of returns to Council
S132	Document storage, retention and disposal	Maintaining and manage physical records storage facilities in accordance with legislation, manage the digitisation of these records and the retention and disposal processes
S133	Execution of legal documents	Facilitation of the execution of legal documents, checking for compliance with requirements and seeking timely execution
S134	Hiring of community centres	Managing the booking of community activities
S135	Hiring of recreational facilities	Processing of seasonal and casual bookings for sportsgrounds, parks and facilities for sporting fixtures and training
S136	Insurance program	Maintain insurance cover appropriate to Council's risk profile and statutory obligations
S137	Internal auditing	Auditing of Council's internal functions through the Internal Audit Program shared with neighbouring councils
S138	Legal defence	Provision of legal defence of Council's application decisions and legal document processing. Review and monitoring of appeal matters and budget implications
S139	Mayor and Councillor support	Support elected members with policy guidance and background information. Arrange and support meetings and conferences
S140	Monitoring of government policy	Monitoring, research of and analysis of government policy issues as determined in consultation with Committees and then report to Council
S141	Public interest disclosures	Facilitate public interest disclosures and record and report disclosures made in accordance with the Public Interest Disclosures Act and Regulations. Undertake privacy training
S142	Residential parking permit scheme administration	Processing and assessment of residential parking permit applications in accordance with policy and service level agreements
S143	Risk management training and awareness	Delivery of risk management training and awareness program across Council
S144	Safety inspections	Inspections of Council's work practices for safety in accordance with approved schedule
S145	Site and activity risk assessments	Conducting of risk assessments on Council sites, for Council or Council sponsored activities such as events and festivals

OUTCOME 5.3: COMMUNITY IS ENGAGED IN WHAT COUNCIL DOES

Strategy 5.3.1: Promote Council's activities and achievements through use of enhanced communication methods

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.3.1.01	Review the External Communications Strategy	SOC	Communications & Events	●			
5.3.1.02	Implement the External Communications Strategy	SOC	Communications & Events	●	●	●	●
5.3.1.03	Upgrade the Council website and ensure continuous improvement of technology and content	SOC	Communications & Events	●	●	●	●
5.3.1.04	Review the Events Strategy	SOC	Communications & Events	●			
5.3.1.05	Implement the Events Strategy	SOC	Communications & Events	●	●	●	●

Strategy 5.3.2 Provide best practice community engagement, including the Precinct System

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.3.2.01	Promote the Community Engagement Protocol	GOV	Corporate Planning & Engagement	●	●	●	●
5.3.2.02	Investigate new and complementary engagement mechanisms to meet the different needs of the community	GOV	Corporate Planning & Engagement	●	●	●	●
5.3.2.03	Provide training for Precinct Office Bearers	GOV	Corporate Planning & Engagement	●	●	●	●
5.3.2.04	Implement the recommendations of the Precinct System Review	GOV	Corporate Planning & Engagement	●	●		
5.3.2.05	Review Community Engagement Protocol in line with IP&R legislative amendments	GOV	Corporate Planning & Engagement	●			
5.3.2.06	Investigate feasibility of online panel program	GOV	Corporate Planning & Engagement		●		
5.3.2.07	Implement recommendations from the Precinct System Review	GOV	Corporate Planning & Engagement	●	●		

Code	Service	Description
S146	Community engagement	Facilitating opportunities for public participation in decision making. Receiving and processing the community's input. Provide internal support for major project-specific consultation projects
S147	Precinct System	Processing the Council related actions of the Precinct Committees in accordance with agreed service levels. Production and distribution of weekly e-Precinct newsletter
S148	Website and intranet maintenance	Publishing of up to date information in suitable format on website and intranet. Maintenance of navigation structure and links, and presentation styles

OUTCOME 5.4: COUNCIL SERVICES ARE EFFICIENT AND EASY TO ACCESS

Strategy 5.4.1: Enhance information management and communications technology assets and outcomes

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.4.1.01	Support the upgrade of the corporate Electronic Document Management System	GOV	Information Technology	●	●		
5.4.1.02	Implement new Enterprise integration architecture for Council information systems	GOV	Information Technology	●	●		
5.4.1.03	Manage the ongoing integration of the NSW Governments e-Planning Portal	GOV	Information Technology	●	●	●	●
5.4.1.04	Implement the Customer Relationship Management System, including the integration of the geographic information system	GOV	Information Technology	●	●		
5.4.1.05	Implement the Information and Communication Technology Strategy	GOV	Information Technology	●	●	●	●

Strategy 5.4.2: Preserve and provide best practice access to Council records

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.4.2.01	Upgrade Council's corporate Electronic Document Management System	GOV	Customer Service & Records Management	●	●	●	●
5.4.2.02	Implement retention and disposal practices in response to legislative requirements	GOV	Customer Service & Records Management	●	●	●	●
5.4.2.03	Implement the Records Management Review recommendations	GOV	Customer Service & Records Management	●	●	●	●
5.4.2.04	Digitise all hard copy files	GOV	Customer Service & Records Management	●	●	●	●

Strategy 5.4.3: Implement best practice procurement and contract management

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.4.3.01	Review standard contract documents and templates	GOV	Contracts Management	●			
5.4.3.02	Develop staff corporate contract management training	GOV	Contracts Management	●	●	●	●
5.4.3.03	Review the Tendering Manual	GOV	Procurement Services	●			
5.4.3.04	Review the Procurement Policy and Manual	GOV	Procurement Services	●			●
5.4.3.05	Achieve best value for goods and services purchased	GOV	Procurement Services	●	●	●	●

5.4.3.06	Deliver corporate wide procurement and tendering training	GOV	Procurement Services		●	●	●
5.4.3.07	Use Council's buying power and partner with other Council's to achieve best value for goods and services	GOV	Procurement Services	●	●	●	●
5.4.3.08	Ensure Council's procurement compliance with the modern slavery requirements	GOV	Procurement Services	●			

Strategy 5.4.4: Council is an employer of first choice; attracting, developing, supporting and retaining highly skilled staff

Code	Project	QBL Link	Department	Year 1	Year 2	Year 3	Year 4
5.4.4.01	Relaunch the corporate mission and values of the organisation and integrate into organisational culture	GOV	Human Resources	●			
5.4.4.02	Utilise e-recruitment to provide efficient and timely recruitment	GOV	Human Resources	●	●	●	●
5.4.4.03	Implement the Equal Employment Opportunity Management Plan	GOV	Human Resources	●	●	●	●
5.4.4.04	Review the Performance Planning and Assessment System	GOV	Human Resources		●	●	
5.4.4.05	Implement the Age Management Plan	GOV	Human Resources	●	●	●	●
5.4.4.06	Review the employee value proposition and protocols	GOV	Human Resources	●	●	●	●
5.4.4.07	Implement an action plan in response to the Employee Satisfaction Survey 2021 results	GOV	Human Resources	●	●		
5.4.4.08	Implement the Online Human Resources System	GOV	Human Resources	●	●	●	●
5.4.4.09	Ensure Council's compliance as a child safe organisation	GOV	Human Resources	●			

Code	Service	Description
S149	Access to public records	Provide access to public records, in accordance with GIPA legislation
S150	Administration of approved suppliers	Maintenance of approved suppliers to ensure cost effective and sustainable purchasing across the organisation
S151	After hours' response service	Provision of answering service outside the normal working hours during weekdays, weekends and public holidays
S152	Electronic document management system administration	Administering the electronic document management system, including maintaining indexes used to assist in searches, management and design of workflows, providing training and management of retention and disposal processes
S153	Filming applications	Processing of applications to conduct filming in North Sydney in accordance with policy. Implementation of Local Government Filming Protocol requirements

Code	Service	Description
S154	Formal and informal information requests	Responding to Formal Access for Information requests in accordance with GIPA legislation and informal requests in a timely manner
S155	ICT infrastructure development and maintenance	Development and maintenance of IT infrastructure. Delivery of all application development and IT Infrastructure projects. Management of Council's telecommunications
S156	ICT service, operations and support	Delivery of internal IT services including hardware and software and technical support. Resolving all IT help desk requests and service requests within service level agreements. Monitoring of performance for Council managed systems
S157	ICT systems administration	Maintenance and administration of network applications, databases and system backups
S158	Incoming document processing	Distribution of contact channels through appropriate systems and processes and any required responses as per agreed procedures
S159	Industrial relations	Negotiation on behalf of the organisation with all parties to create a productive engaged workforce
S160	Mapping, spatial and assets information maintenance	Provision of accurate maps, asset inventories and infrastructure information in a mapping format using GIS in a timely manner. Maintenance of the currency and accuracy of Council's spatial/property information system
S161	Permits and applications	Receipting and processing of permits and applications
S162	Personal performance appraisals	Coordination of biannual performance appraisals for all staff
S163	Purchasing	Ordering and delivery of materials and supplies for operations
S164	Recruitment and selection	Structured selection panels to ensure expertise, independence and diversity of background and appointment of the best person for each job. Delivery of induction sessions to provide new employees with an overview of Council's operations
S165	Staff training	Provision of training for staff
S166	Tender openings	Support staff with the retrieval of tender response documents from both digital and hard copy sources



COMMUNITY ENGAGEMENT

A mix of representative and opt-in consultation methods were used to inform the Community Strategic Plan and the Delivery Program.

Customer Satisfaction Survey 2020

Council conducts a periodic survey to measure satisfaction with our services and gather information what stakeholders see as the most important priorities for the next 10 years. This assists with prioritising funding of Council activities (services and projects) as well as informed this plan.

The 2020 survey, undertaken by Jetty Research, sought feedback from representative sample of 400 residents and 200 businesses. Key findings from the survey were:

75%	90%	87%	54%	68%
of residents agree North Sydney has a strong sense of community	of residents perceive their quality of life as very good to excellent	of businesses are satisfied with North Sydney as place to do business	of residents are satisfied with North Sydney's strategic direction	of businesses are satisfied with North Sydney's strategic direction

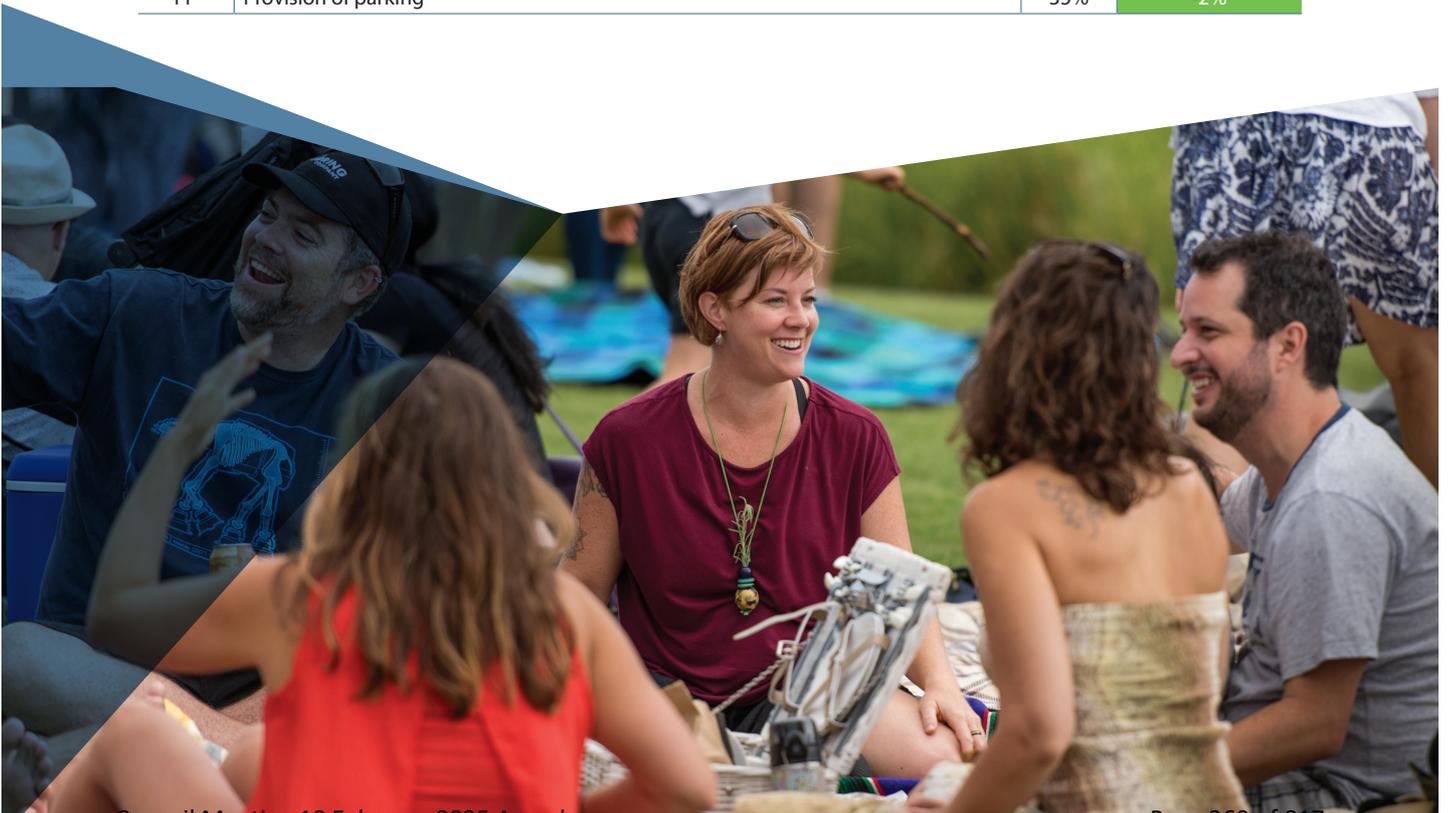
The following table details resident's satisfaction with key service areas:

Ranking	Service/Function	2020	2020 v 2016 (%)
1	Maintenance of parks, ovals and bushland areas	91%	1%
2	Feeling safe in North Sydney	90%	1%
3	Way North Sydney as a whole looks and feels	88%	68%
4	Cleanliness of local roads and footpaths	86%	5%
5	Waste and recycling collection services	84%	2%
6	Recreation facilities	82%	n/a
7	Appearance of local village centres	78%	2%
8	Appearance of public spaces in the North Sydney CBD	73%	-4%
9	Maintenance of malls and plazas in commercial areas	73%	2%
10	Maintenance of local roads and footpaths	73%	-2%
11	Stanton Library	69%	2%
12	Council run community events	69%	-5%
13	Customer service/information provided by Council staff	64%	-9%
14	Management of traffic flow on local roads	63%	17%
15	Quality of commercial and residential development	58%	-5%

Ranking	Service/Function	2020	2020 v 2016 (%)
16	Policing of parking	52%	-2%
17	Pedestrian and cycle paths	52%	-1%
18	Range of arts and cultural experiences in North Sydney	51%	-13%
19	Community centres and facilities	50%	-14%
20	North Sydney Olympic Pool	49%	-14%
21	Provision of parking	46%	11%
22	Range of public art in North Sydney	41%	-10%
23	Children's services	26%	-17%

The following table details business satisfaction with key service areas:

Satisfaction with Key Service Areas - Businesses			
Ranking	Service/Function	2020 Result	Change Compared to 2016 (%)
1	Cleanliness of local roads and footpaths	82%	1%
2	Way North Sydney as a whole looks and feels	79%	-1%
3	Look and feel of commercial areas and villages	74%	-2%
4	Maintenance of local roads and footpaths	73%	-3%
5	Maintenance of commercial areas	70%	-5%
6	Quality of commercial and residential development	61%	-10%
7	Managing traffic flow on local roads	60%	-7%
8	Customer service/information provided by Council staff	55%	-2%
9	Policing of parking	45%	-7%
10	Council's business processes	37%	n/a
11	Provision of parking	35%	-2%



Liveability Census 2021

Place Score's 2021 *Liveability Census* is an independent opt-in survey revealing liveability strengths and best place attributes. 401 residents shared what matters most (care factor/community values) and 380 residents rated their suburb (performance). This achieved a 95% confidence level (+/- 5%) consistent with Council's Community Survey. However, the under 25 years age group was underrepresented and more females than males participated.

The top three liveability strengths (attributes of community importance) are:

connectivity	landscaping and natural elements	access to neighbourhood amenities
proximity to other neighbourhoods, employment centres, shops	street trees, planting, water features	cafes, shops, health and wellness services

The top three priorities for the North Sydney LGA are:

protection of the natural environment	quality of public space	access and safety of walking, cycling, public transport
	footpaths, verges, parks etc	signage, paths, lighting etc

The following table compares the best and worst performing place attributes (strengths and weaknesses) for the North Sydney LGA compared with the national average (shown in brackets):

Top 5 Strengths	Top 5 Weaknesses
Things to do in the evenings - bars, dining, cinema, live music etc (+17%)	Ease of driving and parking (-8%)
Evidence of community activity - volunteering, gardening, art, community organised events etc (+15%)	Range of housing prices and tenures - low to high \$, buy or rent etc (-6%)
Local history, historic buildings or features (+14%)	Child services - child care, early learning, after school care, medical etc (-2%)
Sense of personal safety - for all ages, genders, day or night (+12%)	Physical comfort - including noise, smells, temperature etc (0%)
Access to neighbourhood amenities - cafes, shops, health and wellness services etc (+12%)	Spaces suitable for play - from toddlers to teens (+1%)

Community Engagement Strategy

In accordance with Council's adopted Community Engagement Strategy, Council also invited feedback via a two-stage consultation process:

Stage 1

October to December 2021 - feedback was invited via an online survey seeking to prioritise the Outcomes and Strategies in the 2018 plan, submissions, online map, photo sharing (encouraging our community to what they love most about the North Sydney LGA e.g. favourite location, feature or experience with the hashtag #mynorthsydney), story sharing and children's artwork (12 years and under were invited to visually depicted their vision for the future of the North Sydney LGA).

Stage 2

May to June 2022 - public exhibition of the draft plan for 28 days, during which time submissions were invited and an online information session open to the community provided an opportunity to ask questions about the draft plan.

In summary, the top 10 priorities identified via the consultation were (not in any priority order):

- 1 Open space/green space
- 2 Sporting facilities - indoor, outdoor and water sports
- 3 WHTBL and Warringah Freeway Upgrade - impact on Cammeray Park, Berrys Bay, tree loss and unfiltered stacks
- 4 Planning controls/studies - managing development to meet growth
- 5 Heritage conservation and promotion - including recognition and celebration of First Nation's history and culture
- 6 Traffic and parking issues (various) and cycling/active transport
- 7 Community services and facilities
- 8 Improving connection with the community
- 9 Enhancing communications and engagement
- 10 Leadership, good governance and transparency



SERVICE REVIEWS

Council is required to detail within the Delivery Program, the areas of service that will be reviewed during this term, and how we will engage with stakeholders to determine service level expectations. The annual Operational Plan will specify the reviews to be undertaken that year.

The areas of service that the Council will review/audit during its term are:

- Community centres
- Corporate planning
- Cyber security
- Enterprise risk management
- Fraud and corruption prevention
- Heritage controls
- Human Resources
- Legal Services
- Project Management
- Records management

Recommendations arising from the following recently completed service reviews/audits will also be implemented during the term:

- Children services
- Contacts management
- Development assessment
- Food inspections
- Human resources including payroll

Council is required to have a formalised service review program in place following the 2024 local government elections. This framework will be developed between over the next two years and commence with the next IP&R cycle.

Service Levels

Council periodically undertakes a Customer Satisfaction Survey to benchmark satisfaction with our services and facilities. We use the findings to inform planning and improvement of our programs, policies and services.

As outlined in the *Asset Management Strategy*, in 2024/25 Council will conduct detailed community consultation regarding levels of service per asset class, to enhance understanding of the relationship between desired levels of service, their associated costs, and willingness and/or capacity to pay.

RESOURCING THE PLAN (SECTION UPDATED NOVEMBER 2024)

The Delivery Program informs and is informed by Council's Resourcing Strategy which includes our:

- Workforce Management Plan
- Long-Term Financial Plan (LTFP)
- Asset Management Strategy and Plans

The Resourcing Strategy identifies that Council needs sufficient money, time, assets and people to deliver the commitments detailed in the Delivery Program and achieve the outcomes of the Community Strategic Plan.

The current financial deficit

Regrettably, Council's current financial position is not sustainable. As detailed in Council's revised 2025-2035 LTFP, without additional income, Council cannot continue to support the level of service and infrastructure enjoyed by the community in past decades.

The costs associated with the North Sydney Olympic Pool redevelopment project have placed significant pressure on Council's reserves and infrastructure renewals. Ongoing operating costs, including the repayment of over \$50 million in debt will result in ongoing operating deficits. Other factors such as declining revenue streams associated with car parking, fines and advertising, along with cost shifting from other levels of government further exacerbate forecast deficits.

In addition, the average residential rate for North Sydney is considerably lower than comparable councils, meaning that there is less money available to spend on services and infrastructure.

While Council has been proactively implementing operational improvement initiatives to increase efficiencies and reduce costs, these changes are limited by outdated and ineffective systems and are not sufficient to address the growing financial deficit alone.

As a temporary fix, Council has been deferring lower priority capital projects and asset renewals. Some of the projects outlined in this 2022-26 Delivery Program have already been delayed or will be delayed in 2025/26 unless financial repair is undertaken.

While it has been necessary to delay projects to address immediate financial needs, cutting services, renewals and capital projects is not a sustainable solution and has

resulted in a significant backlog of projects and asset renewals. To maintain North Sydney as a great place to live, work and visit, we need to ensure that we continue to invest in new and upgraded facilities, programs, events and services.

Planning for the next ten years

In 2024, Council undertook a comprehensive community engagement program to understand the needs and priorities of our community. The valuable insights gathered through engagement, along with extensive research, have shaped a suite of eight informing strategies that articulate the projects and services that Council needs to deliver to meet the current and future priorities of our community.

Council's revised LTFP outlines how delivering a financial repair strategy that fixes the deficit and plans for the future (as detailed in the informing strategies) will require a rate rise through a Special Rate Variation (SRV).

In November 2024 - January 2025 Council engaged with the community on the following four potential rate rise options:

	2025/26	2026/27	2027/28
Option 1	50%	5%	5%
Option 2a	50%	25%	Rate peg
Option 2b	75%	Rate peg	Rate peg
Option 3	60%	20%	10%

In response to community feedback received through the consultation period, a revised version of option 2a was developed that would allow for a lower rate rise in year 1 by delaying a number of projects and a securing an additional loan to maintain short term liquidity. On 10 February 2024, Council selected the revised version of option 2a as the preferred option and resolved to submit an application to IPART for a rate rise of 45% in 2025/26 and 29% in 2026/27.

This option will support financial repair and provide the financial resources required to deliver the future focused projects and initiatives outlined in the new informing strategies.

The revised LTFP explains in detail the impacts of this SRV.

Amendments to the 2022-26 Delivery Program

In 2025/26 (the final year of the current delivery program), the scope of projects and services delivered to the community will depend on the adopted rating option.

If the revised SRV option 2a is approved by IPART, Council will be able to start fixing the financial deficit and addressing the backlog of delayed renewals. We will also be able to commence delivery of new and expanded projects and services identified in the informing strategies.

A new Appendix 3 has been added to this Delivery Program to list the additional and expanded projects and services that would be funded (or partially funded) through the SRV in 2025/26.

Preparation of a new Community Strategic Plan and Delivery Program

While the current four-year delivery program includes the 2025/26 financial year, the shorter three-year Council term* that ended with the elections in October 2024 means that Council is required to review its Community Strategic Plan

and adopt a new 2025-29 Delivery Program before the start of the next financial year.

In the first half of 2025 Council will be engaging with the community on a new draft 2025-35 Community Strategic Plan, 2025-29 Delivery program and 2025/26 Operational Plan. These new integrated plans will be developed based on priorities identified in the eight informing strategies.

Therefore, this current 2022-26 Delivery Program will be superseded by the new 2025-29 Delivery Program when the SRV is effective.

Notwithstanding this, Council is required to update its current Delivery Program and Resourcing Strategy to reflect an SRV prior to making an SRV request to IPART. This SRV application is due in February, prior to the new Community Strategic Plan or Delivery Program being adopted, therefore this section of the current 2022-26 program has been updated and Appendix 3 added to detail why the SRV is required.

*Due to the COVID-19 pandemic



REPORTING PROGRESS

Periodic Reporting

Council reviews and reports to the community on progress against the Operational Plan quarterly. Traffic light reporting is used to track project status.

Financial performance is reported via the Quarterly Budget Review Statement (QBRs) in the first, second and third quarters.

We report biannually against the 'corporate scorecard' within the Delivery Program. The biannual review includes a cross functional overview of the key performance indicators (KPIs) listed below.

Key Performance Indicators	Benchmark
Business Operations	
Deliverables Progress (%)	>90%
Unplanned downtime of critical systems (%)	<5%
Customer Service	
Calls Answered in <60 seconds (%)	>75%
Customer Complaints (#)	Improve
Customer Compliments (#)	Improve
Human Resources	
Staff Turnover (<%)	<15%
Unplanned Absence Rate (%)	<4.5%
Annual Leave Liability (%)	<15%
WHS Injuries (#)	<7
Lost Time Injury Frequency Rate (%)	<10.7
Workers Compensation Claims (#)	<12
Financial	
Actual vs Budgeted Expenses (%)	>90%
Capital Expenditure to Original Forecast (%)	>90%
Staff YTD Costs to Original Budget (%)	>90%

Annual Report

The Annual Report is one of the key points of accountability between the Council and our community. It provides a summary of the work completed by Council during each financial year, reporting against the Delivery Program and Operational Plan. The gives transparent insight into our operations and decision-making processes.

Annual Reports are available at Council's website, and for viewing at the Customer Service Centre and Stanton Library.

State of North Sydney Report

Council must review and report on the effectiveness of the Community Strategic Plan in achieving its objectives in line with the local government election cycle. As part of this review, we will prepare a report on the process of implementing the plan (this report was formerly known as the End of Term Report). The report will track the indicators within the plan, allowing us to see whether we are making progress towards the community vision. The report will be presented to the incoming term of Council at its second meeting.

APPENDIX 1. CAPITAL WORKS PROGRAM

Project Name	CSP Outcome	Responsible Division	2022/23 (\$)	2023/24 (\$)	2024/25 (\$)	2025/26 (\$)
Parking Enforcement Handheld Infringement Devices Replacement	3.3	CIS	30,000	15,000	30,000	16,000
Implementation of Disability Inclusion Action Plan	4.1	CLS	120,000	120,000	140,000	143,500
Planet X Equipment and Furniture	4.1	CLS	11,000	11,000	11,000	11,300
Community Centres Equipment and Playgrounds	4.1	CLS	8,000	9,000	10,000	10,300
Local Art Collection Acquisitions	4.2	CLS	5,000	5,000	5,000	5,100
Library Books, etc	4.2	CLS	417,800	428,100	438,700	449,500
Library Furniture & Fittings Replacement	4.2	CLS	10,000	10,000	10,000	10,000
Library Local Priority Grant Expenditure	4.2	CLS	56,700	58,000	59,000	60,000
Website Improvements	5.4	COS	25,000	26,000	26,000	26,700
Information Videos Equipment	5.3	COS	1,000	1,000	1,000	1,000
Authority Upgrade	5.4	COS	110,500	-	-	-
Computer Hardware	5.4	COS	101,785	-	-	-
I.T. Network Infrastructure Refresh	5.4	COS	942,913	-	-	-
I.T Projects	5.4	COS	-	567,200	581,700	596,400
Multi-Function Devices replacement	5.1	COS	258,000	-	-	-
Roads Reconstruction	2.1	EPS	3,626,300	4,130,900	4,005,000	4,105,000
Kerb & Gutter Reconstruction	2.1	EPS	1,400,000	1,600,000	1,600,000	1,640,000
Footpath Reconstruction	2.1	EPS	1,170,000	1,637,920	1,600,000	1,640,000
Drainage Reconstruction	2.1	EPS	2,475,000	3,096,802	2,570,000	2,620,000
Gross Pollutant Traps Upgrade	2.1	EPS	873,025	800,000	250,000	256,000
Marine Structures Reconstruction	2.1	EPS	450,000	450,000	450,000	461,000
Retaining Wall Reconstruction	2.1	EPS	1,440,000	1,400,000	1,400,000	1,435,000
Seawall Reconstruction	2.1	EPS	1,000,000	1,237,856	2,200,000	2,255,000
LATM Implementation	2.4	EPS	1,000,000	1,000,000	1,000,000	1,026,000
Pedestrian Crossing Lighting Upgrades	2.4	EPS	50,000	50,000	50,000	51,000
Bike Strategy Projects	2.3	EPS	300,000	300,000	300,000	154,000
Banner Flag Poles	2.1	EPS	50,000	50,000	50,000	51,000
Bollards	2.1	EPS	20,000	20,000	20,000	21,000
Bus Shelter Replacement	2.2	EPS	125,000	125,000	125,000	128,000
Public Amenities Strategy - Implementation	2.1	EPS	100,000	100,000	100,000	103,000
Safety Barrier Construction	2.1	EPS	600,000	600,000	100,000	103,000
Timber Fences	2.1	EPS	220,000	220,000	70,000	72,000

Project Name	CSP Outcome	Responsible Division	2022/23 (\$)	2023/24 (\$)	2024/25 (\$)	2025/26 (\$)
North Sydney CBD Public Domain Upgrades	2.2	EPS	500,000	500,000	500,000	513,000
North Sydney CBD Street Furniture Replacement	2.2	EPS	25,000	25,000	25,000	26,000
North Sydney CBD Streetscape Lighting Upgrades	2.2	EPS	50,000	50,000	50,000	51,000
Crows Nest Public Domain Masterplan Implementation	2.2	EPS	500,000	500,000	500,000	201,400
Kirribilli & McMahons Point Village Centres	2.2	EPS	500,000	250,000	-	-
Neutral Bay & Cremorne Public Domain Masterplan Projects	2.2	EPS	500,000	250,000	182,000	182,000
Streetscape Lighting Upgrades - Village Centres	2.2	EPS	930,000	827,600	750,000	769,000
Street Furniture Upgrades - Village Centres Parks and Plazas	2.2	EPS	50,000	50,000	50,000	51,000
North Sydney Olympic Pool Redevelopment	2.1	EPS	42,968,647	-	-	-
Property Renewal - Projects to be Established	2.1	EPS	900,000	900,000	900,000	922,500
Parking Meter Network Expansion - Stage 1	2.4	EPS	50,000	50,000	50,000	51,000
Parking Meter Replacement Program	2.4	EPS	25,000	25,000	25,000	26,000
Plant Purchases	2.1	EPS	777,103	1,600,000	1,640,000	1,681,000
Hume Street Open Space Expansion Project	1.4	OSE	990,000	-	-	-
OSES Asset Condition Report - Remedial Work	1.4	OSE	200,000	200,000	200,000	205,000
Urban Forest Management Office Fitout	1.3	OSE	200,000	-	-	-
Reintegrate the former Waverton Bowling Club site into Waverton Park	1.4	OSE	320,000	-	-	-
1 Henry Lawson Ave - Revert to Parkland	1.4	OSE	1,400,000	-	-	-
Formalise path between Munro St bridge and main path leading down to foreshore in Sawmillers Reserve and associated landscape improvements	1.4	OSE	-	220,000	-	-
Anderson Park - Foreshore Access	1.4	OSE	-	-	240,000	-
Anderson Park - Small Watercraft Storage Facilities	1.4	OSE	-	-	20,000	-
Berry Island - Amenities Block Refurbishment	1.4	OSE	-	300,000	-	-
Berry Island Reserve - Outdoor Fitness Equipment	1.4	OSE	-	30,000	-	-

Project Name	CSP Outcome	Responsible Division	2022/23 (\$)	2023/24 (\$)	2024/25 (\$)	2025/26 (\$)
Bon Andrews Oval – New Irrigation System	1.4	OSE	-	100,000	-	-
Bradfield Park Central - Renew Synthetic Surface	1.4	OSE	-	100,000	-	-
Bradfield Park - Foreshore Upgrade as per Masterplan	1.4	OSE	-	-	-	2,500,000
Bradfield Park - Outdoor Fitness Equipment	1.4	OSE	-	-	30,000	-
Brennan Park - Outdoor Fitness Equipment	1.4	OSE	30,000	-	-	-
Cammeray Park - Master Planning	1.4	OSE	180,000	-	-	-
Cammeray Park - Synthetic Turf Replacement	1.4	OSE	-	-	400,000	-
Coal Loader - Additional Public Toilets	1.4	OSE	-	-	900,000	-
Dowling Street Reserve - Useability and Access Improvements	1.4	OSE	-	-	300,000	-
Dowling Street Reserve - Small Watercraft Storage Facilities and Improved Access to Foreshore	1.4	OSE	-	-	40,000	-
Forsyth Park - Install a New Cricket Wicket on Field 2	1.4	OSE	35,000	-	-	-
Grasmere Reserve - Playground Upgrade	1.4	OSE	-	-	170,000	-
Green Park (Cammeray) - Senior Playground Refurbishment	1.4	OSE	-	170,000	-	-
John Street Open Space - Small Watercraft Storage Facilities and Improved Access	1.4	OSE	-	40,000	-	-
Lady Gowrie Lookout - Restoration of Heritage Landscape and Upgrade	1.4	OSE	-	200,000	-	-
Lodge Road (Cremorne) - Playground Refurbishment	1.4	OSE	-	170,000	-	-
Milson Park - Storage Facilities for Kayaks	1.4	OSE	25,000	-	-	-
Mollie Dive Function Centre - Improve Media Equipment for Conferences & Events	1.4	OSE	25,000	-	-	-
North Sydney Oval - Public Toilets Refurbishment	1.4	OSE	-	-	900,000	-
North Sydney Oval - Seat Replacement	1.4	OSE	-	-	903,000	-
Primrose Park - Additional Dual Cricket Net	1.4	OSE	-	150,000	-	-
Primrose Park - Drainage Improvements to Sportsfields	1.4	OSE	-	200,000	-	-
Primrose Park – Reconfiguration to add Additional Full-Size Playing Field	1.4	OSE	50,000	1,120,000	-	-

Project Name	CSP Outcome	Responsible Division	2022/23 (\$)	2023/24 (\$)	2024/25 (\$)	2025/26 (\$)
Prior Avenue (Cremorne Point) - Playground Refurbishment	1.4	OSE	170,000	-	-	-
Quarantine Boat Depot Site & Access Improvements	1.4	OSE	1,057,500	-	-	-
St Leonards Park - Landscape Masterplan Implementation	1.4	OSE	750,000	1,200,000	-	-
St Leonards Park - Playground Refurbishment	1.4	OSE	645,000	-	-	-
Sawmillers Reserve - Replace Step Tower	1.4	OSE	-	300,000	-	-
Tunks Park - Directional and/or Interpretive Signage	1.4	OSE	-	-	20,000	-
Tunks Park - Storage Facilities for Kayaks and Improved Access	1.4	OSE	-	60,000	-	-
Tunks Park - Turf Cricket Wicket Table Reconstruction	1.4	OSE	-	-	120,000	-
Waverton Park - Amenities Block Refurbishment	1.4	OSE	-	-	600,000	-
Various Parks - Fence Construction/ Upgrade	1.4	OSE	100,000	100,000	100,000	103,000
Various Parks - Park Furniture	1.4	OSE	80,000	80,000	80,000	82,000
Various Parks - Park Signs	1.4	OSE	30,000	30,000	30,000	31,000
Various Parks - Pathway Construction	1.4	OSE	200,000	200,000	200,000	205,000
Total			71,220,273	28,066,378	27,127,400	25,050,700

APPENDIX 2. SUPPORTING PLANS AND STRATEGIES

	Responsible Department	Direction 1: Our Living Environment	Direction 2: Our Built Infrastructure	Direction 3: Our Innovative City	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Affordable Housing Strategy (2015)	Community Development				●	
40km/h and 10km/h Shared Zone Masterplan and Action Plan (2020)	Traffic Management		●			
Anderson Park Plan of Management (2019)	Landscape Planning & Design				●	
Arts & Cultural Strategic Plan (2019)	Community Development				●	
Asset Management Plans (2022)	Asset Management		●			
Public Domain upgrade - McMahon's Point - Blues Point Road Village Centre Masterplan (2021)	Engineering Infrastructure		●			
Boat Trailer Parking Restrictions (2020)	Traffic Management					●
Bradfield Park Plan of Management (2014)	Landscape Planning & Design	●				
Bushfire Danger Period Public Access Management Plan (2018)	Environmental Services	●				
Bushland Plan of Management (2014)	Environmental Services	●				
Bushland Rehabilitation Plan - various (2019)	Environmental Services	●				
CBD Marketing and Promotion Strategy (2014)	Communications & Events			●		
Coal Loader Centre for Sustainability Business Plan (2019)	Environmental Services	●				
Community Engagement Protocol (2019)	Corporate Planning & Engagement					●
Construction Works Management Strategy (2017)	Environment & Building Compliance			●		
Corporate Communications and Visual Standards Manual (2021)	Communications & Events					●
Councillor Professional Development Plan (2021)	Governance & Committee Services					●
Cremorne Reserve Plan of Management (2019)	Landscape Planning & Design	●				
Crisis Management Plan (2019)	Risk Management					●

	Responsible Department	Direction 1: Our Living Environment	Direction 2: Our Built Infrastructure	Direction 3: Our Innovative City	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Crows Nest Community Centre Plan of Management (2019)	Community Development				●	
Crows Nest Masterplan (2019)	Project Management		●			
Customer Service Strategy (2019)	Customer Service & Records					●
Disability Inclusion Action Plan (2016)	Community Development				●	
Economic Development Strategy (2016)	Corporate Planning & Engagement			●		
Education Precinct Public Domain Masterplan (2014)	Strategic Planning			●		
Environmental Sustainability Strategy (2021)	Environmental Services	●				
Equal Employment Opportunity Management Plan (2021)	Human Resources					●
Events Strategy (2019)	Communications & Events				●	
External Communications Strategy (2019)	Communications & Events					●
Family and Children's Services Strategy (2019)	Community Development				●	
Foreshore Access Strategy (2007)	Landscape Planning & Design	●				
GIS Strategy (2007)	Information Technology					●
Greenhouse Action Plan and Water Management Plan (2020)	Environmental Services	●				
Homeless Strategy (2013)	Community Development				●	
Information and Communication Technology Strategy (2021)	Information Technology					●
Internal Communications Strategy (2019)	Communications & Events					●
Kirribilli Neighbourhood Centre Plan of Management (2017)	Community Development				●	
Lavender Bay Parklands Masterplan (2007)	Parks and Reserves	●				
Library and Historical Services Strategic Plan (2016)	Library Services				●	

	Responsible Department	Direction 1: Our Living Environment	Direction 2: Our Built Infrastructure	Direction 3: Our Innovative City	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Local Area Traffic Management Action Plans (2019)	Traffic & Transport Operations		●			
Local Strategic Planning Statement (2020)	Strategic Planning			●		
Masterplan for the Public Domain upgrade of Kirribilli Village Centre (2020)	Engineering Infrastructure		●			
Neutral Bay and Cremorne Domain Masterplan	Project Management		●			
North Sydney CBD Public Domain Strategy (2020)	Strategic Planning			●		
North Sydney Community Centre Joint Strategic Plan (2020)	Community Development				●	
North Sydney Community Centre Plan of Management (2019)	Community Development				●	
North Sydney Development Control Plan (2013)	Strategic Planning			●		
North Sydney Integrated Cycling Strategy (2014)	Traffic & Transport Operations		●			
North Sydney Integrated Traffic and Parking Strategy (2016)	Traffic & Transport Operations		●			
North Sydney Local Infrastructure Contributions Plan (2020)	Strategic Planning			●		
North Sydney Local Development Strategy (2009)	Strategic Planning			●		
North Sydney Local Environmental Plan (2013)	Strategic Planning			●		
North Sydney Local Housing Strategy (2019)	Strategic Planning			●		
North Sydney Oval Business Plan (2014)	North Sydney Oval & Function Centre	●				
North Sydney Oval Plan of Management (2015)	North Sydney Oval	●				
North Sydney Smart City Strategy (2019)	Corporate Planning & Engagement			●		
North Sydney Transport Strategy (2013)	Traffic & Transport Operations		●			
North Sydney Visitor Economy Strategy (2019)	Strategic Planning			●		

	Responsible Department	Direction 1: Our Living Environment	Direction 2: Our Built Infrastructure	Direction 3: Our Innovative City	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Nutcote Joint Strategic Plan (2020)	Community Development				●	
Older Persons Plan (2013)	Community Development				●	
Open Space Provision Strategy (2009)	Landscape Planning & Design	●				
Playgrounds Plan of Management (2016)	Landscape Planning & Design	●				
Primrose Park Art and Craft Centre Joint Strategic Plan (2020)	Community Development				●	
Privacy Management Plan (2021)	Customer Service & Records					●
Public Amenities Strategy and Action Plan (2018)	Property Assets		●			
Public Domain Style Manual and Design Codes (2019)	Engineering Infrastructure		●			
Recordkeeping Plan of Management (2015)	Customer Service & Records					●
Resourcing Strategy (2020)	Financial Services					●
Retention and Disposal of Records Strategy (2008)	Document Management Services					●
Road Safety Action Plan (2014)	Traffic & Transport Operations		●			
Small Watercraft Storage Strategy (2018)	Landscape Planning & Design	●				
Smoothey Park Plan of Management (2016)	Landscape Planning & Design	●				
Sportsground Plan of Management (2017)	Landscape Planning & Design	●				
St Leonards Park Plan of Management (2021)	Landscape Planning & Design	●				
St Thomas Rest Park Plan of Management (2016)	Landscape Planning & Design				●	

	Responsible Department	Direction 1: Our Living Environment	Direction 2: Our Built Infrastructure	Direction 3: Our Innovative City	Direction 4: Our Social Vitality	Direction 5: Our Civic Leadership
Stanton Library and Historical Services Strategic Plan (2016)	Library Services				●	
Street Tree Strategy (2016)	Parks & Reserves	●				
Sydney Metro Planning Study (2017)	Strategic Planning			●		
Taxi and Ride Sourcing Strategy and Action Plan (2020)	Traffic Management	●				
Tunks Park Plan of Management (2018)	Landscape Planning & Design	●				
Urban Forest Strategy (2019)	Parks & Reserves	●				
Youth Work Action Plan (2016)	Community Development				●	

APPENDIX 3. New and expanded projects and services funded (or partially funded) through the Special Rate Variation in 2025/26

2022-26 Delivery Program - Outcome		2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
1.1	PROTECTED, ENHANCED AND BIODIVERSE NATURAL ENVIRONMENT	1.1.1	Rehabilitate native bushland areas and fauna habitats to enhance biodiversity	Facilitate the closure of Balls Head Reserve on New Year's Eve to prevent damage to bushland areas.	Environment
				Develop a Brush Turkey Management Plan in conjunction with the National Parks and Wildlife Service.	Environment
		1.1.3	Implement strategies that encourage healthy local waterways	Collaborate with universities and marine science institutes to enhance seawall biodiversity in North Sydney's coastal area.	Environment
1.2	ENVIRONMENTALLY SUSTAINABLE COMMUNITY	1.2.1	Reduce strain on natural resources through sustainable energy, water and waste reduction practices	Work in collaboration with other NSW councils to identify, develop and trial a scalable renewable electricity offer for residents and small businesses currently unable to install renewables in their building, helping them to purchase 100% renewable electricity at a lower cost than currently available.	Environment
				Investigate and implement initiatives to increase solar capacity for schools in the LGA.	Environment
				Collaborate with industry stakeholders to facilitate the implementation of community batteries and virtual power plants on Council-owned land.	Environment
				Commence replacement of the gas boiler at the Council Chambers with an electric heat pump with integrated heating and cooling.	Environment
				Expand existing stormwater harvesting and water reuse systems at Bon Andrews Oval/ North Sydney Oval.	Environment
1.4	WELL UTILISED OPEN SPACE AND RECREATIONAL FACILITIES	1.4.1	Protect, enhance and expand public open space and foreshore access	Prepare a design to reconstruct the St Leonards Park netball courts and increase the capacity through appropriately designed lighting.	Open Space and Recreation
				Repair the retaining wall in Wendy's Secret Garden below Harbourview Crescent and undertake drainage improvements.	Open Space and Recreation
		1.4.2	Provide infrastructure to encourage and support participation in healthy physical activity and recreation for all	Progress the design and delivery of the Hume Street Park expansion project that includes removal of the childcare centre, closure of part of Hume Street, and improvements to the quality of open space in Hume Street Park.	Open Space and Recreation
				Review and update the masterplan for Tunks Park.	Open Space and Recreation

2022-26 Delivery Program - Outcome	2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
			Investigate provision of an additional harbour swimming site in the North Sydney LGA, including consideration of a potential site on the border of Badangi and Berry Island Reserves.	Open Space and Recreation
			Undertake critical renewal works to North Sydney Indoor Sports Centre.	Open Space and Recreation
			Deliver a park enhancement program for provision of infrastructure to improve the amenity of parks such as shelter, shade, water fountains and seating.	Open Space and Recreation
			Plan for delivery of additional active recreation facilities such as basketball half courts, outdoor table tennis tables and multi-use games areas in selected larger parks, including: - Forsyth Park - Waverton Park - Bradfield Park - Brightmore Reserve	Open Space and Recreation
	1.4.4	Advocate for new visionary and quality open and green spaces	Deliver new public space through completion of the Balls Head Quarantine Depot site redevelopment project, including advocating for ownership of the lower section.	Open Space and Recreation
2.1	INFRASTRUCTURE AND ASSETS MEET DIVERSE COMMUNITY NEEDS	2.1.1 Expand and adapt our community's infrastructure to meet future needs	Undertake research and commence preparation of a masterplan for consolidating a new community centre, underground car parking and a significant new area of open space for Crows Nest on the site which currently accommodates the Holtermann Street car park, Crows Nest Community Centre and Ernest Place.	Social Inclusion
			Work with Transport for NSW to deliver new accessible public space through the Berrys Bay project. This project includes fit out of Woodleys Shed as a community facility.	Social Inclusion
			Review the operational requirements of Council's depot and develop an options report for ongoing use and management. The report should consider safety, function and cost.	Governance
			Commence a review of building assets and commercial property to ensure best value use that aligns with Council's strategic direction.	Governance
			Commence a comprehensive review and assessment of the condition of Council's building assets to inform prioritisation of renewal funding.	Governance

2022-26 Delivery Program - Outcome		2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
		2.1.2	Promote resilience and plan for and respond to large scale emergencies	Investigate solutions to reduce flooding around St Leonards Park.	Governance
2.2	VIBRANT PUBLIC DOMAINS AND VILLAGES	2.2.1	Enhance public domains and village streetscapes	Replant the Mitchell Street green wall in St Leonards.	Economic Development
2.3	PRIORITISE SUSTAINABLE AND ACTIVE TRANSPORT	2.3.2	Provide infrastructure to support sustainable, innovative and active transport	Deliver programs and workshops to encourage walking and cycling by teaching practical skills like bike maintenance, riding skills, and offering guided tours. Consideration will be given to engaging groups with lower participation rates, such as older adults, young people and women.	Integrated Transport
				Rebuild and renew heritage-style bus shelters across the LGA.	Integrated Transport
		2.3.3	Provide a connected walking and cycling network for people of all ages and abilities	Review existing walking infrastructure across the LGA and develop a North Sydney Walking Action Plan to improve walkability through the provision of missing links, pathway upgrades, tree planting and new infrastructure to improve safety and amenity.	Integrated Transport
				Complete concept designs and undertake consultation on 10% of walking infrastructure identified in the North Sydney Walking Action Plan each year, ready for grant applications.	Integrated Transport
				Complete concept designs and undertake consultation on 5% of cycling infrastructure identified in the North Sydney Bike Plan each year, ready for grant applications.	Integrated Transport
			Investigate opportunities and deliver projects around transport interchanges, for example Willoughby Road, to temporarily or permanently close roads to vehicles to improve the walkability and amenity of the public domain.	Integrated Transport	
2.4	EFFICIENT TRAFFIC MOBILITY AND PARKING	2.4.2	Integrate on-street and off-street parking options in residential and commercial areas	Undertake a holistic review of parking in the LGA, including on-road and in council operated carparks. Consideration will be given to the existing on-road parking management policy, disability parking policy, residential parking permit scheme, parking station utilisation, car share and pricing of permits. The review shall seek to ensure that parking provision and restrictions are fair and equitable, and resident permit allocations are not issued beyond available capacity.	Integrated Transport

2022-26 Delivery Program - Outcome		2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
				As part of the holistic review of parking in the LGA, undertake a study to assess freight network needs, address delivery access challenges, and explore opportunities to support vibrant centres while reducing impacts on residents.	Integrated Transport
3.1	OUR COMMERCIAL CENTRES ARE PROSPEROUS AND VIBRANT	3.1.2	Enhance the night time and weekend economy	Continue to support the Crows Nest Festival and include a North Sydney LGA Festival as a yearly fixture in the events calendar to attract wide audiences and support the local economy.	Economic Development
		3.1.4	Strengthen the North Sydney CBD's competitiveness and identity	Commence North Sydney CBD laneway upgrades to improve walkability in Little Spring, Spring, Mount and Denison Streets.	Economic Development
				In collaboration with key CBD stakeholders, develop and implement the 'New North Sydney Story' brand marketing campaign.	Economic Development
3.3	DISTINCTIVE SENSE OF PLACE AND DESIGN EXCELLENCE	3.3.1	Leading strategic land use planning	Review the North Sydney Local Housing Strategy and update to address emerging challenges relating to housing supply, affordability, quality and amenity, and consider the impacts of dwelling vacancies, decreasing household sizes, the rise of short-term accommodation and other emerging pressures on housing supply.	Housing
		3.3.2	Improve urban design, amenity, accessibility, liveability and public domain	Deliver 'Density Done Well' community forums to explore how medium and high-density housing can create vibrant, liveable communities.	Economic Development
		3.3.4	Manage and promote compliance	Implement changes, as required, to ensure compliance with the ministerial order regarding determination times for development applications and planning proposals.	Housing
4.1	NORTH SYDNEY IS CONNECTED, INCLUSIVE, HEALTHY AND SAFE	4.1.1	Increase, celebrate and foster community connectedness, health, inclusivity and safety through services and programs	Identify opportunities and implement projects to improve accessibility of Council programs, services, facilities and events. This includes exploring ways to become an exemplar for access and inclusion.	Social Inclusion
				Review the framework and system for Council's grants and subsidies program to ensure alignment with Council's strategic outcomes.	Governance
		4.1.3	Utilise community skills and expertise through volunteering	Expand Council's Streets Alive and HarbourCare volunteer programs to promote social connections and improve our environment.	Social Inclusion

2022-26 Delivery Program - Outcome		2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
4.2	A CENTRE FOR CREATIVITY AND LEARNING	4.2.1	Foster, support and increase creative arts	Develop a creative hoardings program.	Culture and Creativity
				Activate laneways and other public spaces with busking, public art, lighting and projections, including after hours.	Culture and Creativity
		4.2.2	Provide and support a diverse range of events and street life	Partner with cultural and creative organisations to host joint events, for example multicultural festivals, and cross-promote cultural and creative opportunities to expand their reach.	Social Inclusion
				Partner with major events and festivals, such as Sydney Biennale, to bring people to North Sydney.	Culture and Creativity
		Enhance Council's website to provide an accessible central list (by date and/or type) of events, programs, markets and activities run by Council and others across the LGA.	Culture and Creativity		
4.3	NORTH SYDNEY'S HISTORY IS PRESERVED AND RECOGNISED	4.3.1	Celebrate North Sydney's history and heritage	Deliver a new sign for the entry point to the Waverton Peninsula Parklands, and provide interpretive signage celebrating 100 years of community action on the peninsula.	Culture and Creativity
		4.3.2	Protect and maintain historical sites, items and records	Develop and deliver a digitisation and digital storytelling project that increases visibility and access to heritage collections.	Culture and Creativity
				Refurbish the Brothers Memorial in Brothers Park, Cremorne.	Culture and Creativity
4.3.3	Promote awareness of North Sydney's First Nations heritage	Work with First Nations community members to develop a First Nations advisory committee.	Culture and Creativity		
5.2	STRONG CIVIC LEADERSHIP AND CUSTOMER FOCUSED SERVICES	5.2.3	Implement best practice governance and risk management	Implement a system for monitoring legislative compliance.	Governance
		5.2.4	Provide best practice customer service	Implement a development application (DA) management platform to streamline the submission, assessment and approval process for development applications.	Governance

2022-26 Delivery Program - Outcome		2022-26 Delivery Program Strategy		New or expanded service/project (2025/26)	Source (Informing Strategy)
5.3	COMMUNITY IS ENGAGED IN WHAT COUNCIL DOES	5.3.1	Promote Council's activities and achievements through enhanced communication methods	Deliver a pilot program in Civic Park to trial the replacement of existing physical noticeboards with digital community information screens.	Social Inclusion
		5.3.2	Provide best practice community engagement, including the Precinct System	Develop and implement opportunities for young people in the community to have input into Council's decision-making processes, including through formal consultations, social media and surveys.	Social Inclusion
5.4	COUNCIL SERVICES ARE EFFICIENT AND EASY TO ACCESS	5.4.4	Council is an employer of first choice, attracting, developing, supporting and retaining highly skilled staff	Develop and implement a leadership development program.	Governance
				Deliver staff training to support development of a skilled workforce.	Governance
				Develop and implement a staff engagement framework to integrate all engagement activities.	Governance

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。

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スルにつなぐように伝えてください。当サービスは無料です。

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

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।

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.

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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SRV Verbatim Submissions and Responses

** Personal identifiers have been removed or redacted for confidentiality*

SRV1

Should have had an option for none! Completely disagree with this proposal, there should be no SRV. Why are residents being held accountable for the mismanagement of a major project that benefits more than just rate payers. In addition to having our backyards ruined by construction on the freeway, considerable loss of parkland and greenery and disruption to traffic services. Not to mention we will beed to pay to use this pool if it is ever finished! The least you could do is make it free for rate-payers. It's clear that the council has been mismanaged over a long period , and being bailed out by residents over 3 years to make your leadership look like you turned it around is despicable.

Response reference: A, E, L

SRV2

All options are extreme and exacerbate the cost Of living crisis. Council should be put into administration. Cut more costs elsewhere

Response reference: C, F

SRV3

Whilst I admire the intent. right now in the situation Council has created, it must stick to Must Haves, and not undertake Nice to Have's. Focus must be on basic service, amenity and capital expenditure. Council cannot afford more socially driven initiatives - you simply do not have the money. Like never before, focus on the fundamentals - not the feel good agendas. I recommend comming back to these in a couple of yesters once the Pool matter is settled. I also strongly recommend a transparent, thorough reveiw of the Operating Business Plan for the pool - we can ill-afford ongoing financial degradation once it is open - this requires attention urgently.

Response reference: B, F



SRV4

"Firstly, let me say I love living in the North Sydney area and, on the whole, approve of the current Council's priorities in spending our rates. However, the significance of the 'cost blowout' in renovating North Sydney Pool while mentioned, is played down in the LTFP. If this blowout is due, as has been alleged, to incompetent / irresponsible decisions having been taken by NSCC staff at the costing and contractual stages of the works, then I am wary of Council's ability to effectively manage its long-term financial plan. For this reason - and since all four options being offered for financial repair place an eye-wateringly expensive (and what could have been an partially avoidable) burden on ratepayers in 2024-2025 - I would request that Council come up with a fifth option that is less financially onerous on individual ratepayers. That is, spread Council's financial repair over a longer term, rather than break ratepayers by increasing their rates anywhere from 50+% to &75+% in one year.

* Please note, in the absence of a less burdensome option, I have ticked the box below for Option 1. This does NOT mean I approve of Option 1."

Response reference: A

SRV5

Some council facilities such as Holtermann St car park were due to be replaced before the end of their useful life (with large environmental impact from demolition and a new concrete construction). Suggest delaying these un-needed upgrades, which is why I'm not choosing option 3. Rates too low compared to surrounding councils. Agree we need this increase to remain viable.

Response reference: N, S

SRV6

There is an excess of financial waste. This should be cut first. Stop keeping unused assets. Cutting waste could be redirected to delivery.

Response reference: D



SRV7

I believe that the LTFP exhibits the gross over-expenditure, and white elephant operational nature, of the pool project.

Response reference: A

SRV8

Council should consider what type of role it plays. It shouldn't be the role of council to experiment in property development and should consider selling assets to improve its position. Sell assets to create financial space. Don't put burden on rate payers who don't have choice to move. Reduce commitments and services

Response reference: D, N

SRV9

It is appalling that North Sydney Council has the audacity to force a rate hike due to their own financial mismanagement in the redevelopment of North Sydney pool. You should be ashamed of yourselves, especially considering the financial pressure your proposed increases will have on apartment owners such as myself who are already facing a cost of living crisis. My preferred funding option is NO increase, however I see the designer has neglected to include that option so you can have selective data to reflect your narrative. Disgraceful.

Response reference: A, C, L

SRV10

What a disgrace!!! Using rate payers as your scapegoat once again. All of the available options are an absolute farce. North Sydney council does not provide any services other than mowing lawns in parks. You have not swept our street in 10 years. You should be ashamed of yourselves. Complete lack of transparency

Response reference: B



SRV11

The proposed increases in rates are very disappointing as it all seems to be driven by the POOL FOLLY. The pool when opened will operate at a loss for some years and frankly most ratepayers just don't care about it (we have got used to it being closed and I will never use it). The Library and open spaces are far more important to local residents. My main concern is how the money is spent - the POOL FOLLY is an example of where Council has been reckless on spending \$100 million with no accountability or control. It is clear the Council does not have the skills or management to complete major projects. Get the right staff and manage asset upgrades in the proper manner and drop the grandiose ideas of rebuilding car parks etc. Let other developers like Coles and Woolworths fix up Neutral Bay shopping areas. My main concern is how the increased rates are spent - the POOL FOLLY is an example of where Council has been totally reckless on spending \$100 million with NO accountability or control. It is clear the Council does NOT have the skills or management expertise to complete any major projects.

Response reference: A

SRV12

On the whole these proposals are extortionate. The mismanagement of councillors that is clearly neglectful should have repercussions. To impose levies like this when cost of living is so high and wage growth is so low shows little to no care for the financial situation of your constituents.

Response reference: C

SRV13

Frankly opposed to the outrageous rises proposed in each of the options presented. The residents of the council area are in the main NOT wealthy people, nor are we high income earners with a steeply climbing income relative to costs - cost of living is outstripping income in these times. Ratepayers are not capable of absorbing the types of rate increase posited for the first and subsequent years of the proposal. Further, the North Sydney Pool project does not benefit the majority of the North Sydney City region's residents. The majority do not have reasonable access to that facility. Feedback from other residents to me, including from the wealthier ones, is that they are outraged and perplexed by the proposals. The situation is challenging but imposing undue imposts on the ratepayers will likely only worsen the outlook for the future of the area. Flight of overstretched residents will worsen the already high transient nature of the population profile and, in worsening world economic times, possibly create an unsustainable negative economic repercussion.

Response reference: C



SRV14

I don't accept any of these options. My rates are heady over \$700 per quarter which must be amongst the highest in Sydney. For this I get very little as my area is extremely poorly maintained. The fact that you expect to increase these from between 65%-111% is nothing short of criminal and I will not be paying it. How can you possibly expect residents to subsidise your incompetent financial mismanagement. These rises are so outrageous and so unconstitutional that if you proceed I will be seeking legal action. I can't imagine that any reasonable person would think that at 65-111% I crease on \$740 per quarter even comes close to being reasonable. This whole thing disgusts me and the ineptitude of Nth Sydney Council knows no limits. I am vehemently opposed to any rate increase whatsoever, but rate the levels that you are putting forward are utterly unconscionable - 60% - 111%, - particularly in a cost of living crises when we are already being crippled with power bills, grocery bills and interest rates - are you serious?? I already pay double what I paid only two years ago in Willoughby Council and you are talking about more than doubling those rates. That would bring my annual council rates to nearly \$6,000. I am sure any sane person would think that this is entirely unreasonable. Rate payers should not be asked to pay for the catastrophic financial mismanagement of the north sydney pool, which I do not even use. I also think it's a disgrace that your PR people (and yes we all know you are spending money on this too) only gave options for rate increases in the community consultation form (that will no doubt be ignored). There was not a box for 'none of the above' which 99% of us would have ticked. You should read some of the posts in the community forums to read just how unpopular all this is. I currently pay \$740 per quarter and live in Cowdroy Ave in Cammeray which is, without a doubt, one of, if not the most poorly maintained street in the whole of Nth Sydney Council. The fact that you are even considering rate payers footing the bill for this fiasco defies belief. We are also aware that you plan to try and re-develop the golf course into a sporting facility. Please oh please, read the mood. The people of Cammeray are utterly fatigued with fights for their community, construction and increased traffic. How do you not see that this all that would bring? I know people who plan to move if this eventuates. We are a small village and adore our community who feel absolutely raped, pillaged and taken advantage of. Please just leave us alone. By the way, I don't even use the golf course but am entirely against a sporting facility there. It is widely believed to be a personal vendetta of Zoe Baker and not a good look that she is pushing this. And also, by the way, where is this money coming from??? How about you put some of that into my forever cracked and crumbling road and get some council workers to come and rake some leaves occasionally? It's a tip down here but I pay handsomely for it. See above. I only ticked option one as I had no option to exclude them all. They are all utterly unacceptable. Who do you think you are expecting this is your residents?

Response reference: A, B, C, L, N



SRV15

From what I understand most of the proposed increase is being driven by the cost blow out of the North Sydney pool redevelopment. In my view opinion, this should be stopped, the remaining structures demolished and the area returned to public use as open space, at the lowest cost possible. This is not being presented as an option. I believe this option would allow existing assets to be maintained and needed new infrastructure put in place, without exorbitant increases in rates. As a regular swimmer I would be sad to see North Sydney pool disappear forever but when unaffordable mistakes are made, sometimes we just have to bight the bullet and move on. I am totally opposed to rate increases proposed. I think steps should be taken to reduce the cost of the redevelopment of North Sydney pool even if that means mothballing the project or even just scrapping the project and turning it into something else that's less expensive like open space. Also I think the council should earnestly explore revenue raising options especially those involving use of North Sydney amenities by non-residents.

Response reference: A, D

SRV16

The council should look at options to levy the private schools in the area. They take up vast amounts of land, are massively profitable and pay nothing. How are they contributing to the communities in which they are situated?

Response reference: J

SRV17

This is a terribly unfair proposal because of a previous mayor's lack of knowledge of construction contracts, residents are being forced to pay thousands of dollars for a swimming pool which we will still have to pay for to use. Why not cut back on expenses and sell assets instead of overcharging residents for a swimming pool that many wont use. Why not sell off council assets like the street Redlands wants.

Response reference: D

SRV18

Definitions for asset condition categories need to be included, (Only the footpath definition was included in the AMP). Include % of assets, count of assets or some other physical measure to inform of how many assets are in each condition category. Uplift projects should favor areas used by large sections of the community, such as road pavement, footpaths, shopping areas etc. Uplifts to facilities



used by small sections of the community should not be ignored but should be of lower priority. Additional assets leads to more maintenance costs so additional buildings and other structures that are not of regularly used by large volumes of the community should be avoided. The Nth Syd pool is a great example of a vanity project, whereas improvements to Miller St, Neutral Bay village, Crows Nest shops etc are valuable to rate payers as they are used by thousands of people daily.

Response reference: N

SRV19

How can you talk about strong financial performance when the pool project has been such a mismanaged financial disaster. Anyone in a public company responsible for such a financial outcome would be fired. The council needs to take more responsibility for this and not push the burden on to rate payers. Selling assets should be considered instead of raising rates well in excess of CPI. This consultation process has to be bordering on unconstitutional.

1. It is happening over xmas holidays
2. There is no option to disagree
3. There are no cost cutting measures suggested, only rate increases NO. A levy should not be rolled into existing rates. A levy is a short term charge by definition. Consolidating a levy into rates would result in that levy becoming permanent. Sell some assets. that will alleviate the financial pressure rather then putting the burden back on to rate payers.

Response reference: A, D, L, R

SRV20

Frankly absurd. Council, under the 'leadership' of a supposedly independent mayor (of course, no one believed that for a second), ran off and undertook an enormous 'rural' swimming pool program for reasons no one can comprehend (other than to provide the Liberal part with photo opporunities in lead up to an election). Now, rate payers are to be slugged with asstronomical rate hikes. The fact that North Sydney has a very large commercial rate bases has always assisted in providing services to residents and keeping rates relatively low. This is quite unique to NSC. To compare rates with other council's is frankly ridiculous. And of course, your survey fails to include optiosn for submitters to actually have their say - that is, to say that they do not support any of the proposed options... classic / standard survey technique which will no doubt facilitiate Council claiming X% support Option Y.. Until we see massive reform of Council, why would any sane ratepayer support these plans?

Response reference: A, L



SRV21

I trust Council to make good decisions. Oval and Pool and Library are essential.

Response reference: S

SRV22

Why would I support anything but the minimal increase when the council and associated bureaucracy has not shown any ability to manage projects either to budget or timelines. Before I agree to any sort of increase I would like to understand how those that have been responsible for this situation have been held to account. If the council can demonstrate who has been held accountable for the funding overruns and project schedule blowouts and also clearly demonstrate how additional rates (all rates for that matter) will be managed to ensure the projects like the North Syd Pool do not happen again I would consider a rate increase. From what I've seen so far I have no confidence Council will manage rates appropriately. Transparency, accountability - without that what's the point! As indicated earlier. I have no confidence in the council or the associated bureaucracy. To be honest, based on the council's and associate bureaucracy's delivery to day I have now confidence in the 2022-26 Delivery Program. I would like to see how those responsible for the Delivery Program are held to account.

Response reference: A, B

SRV23

It is ridiculous that council wants to push the burden on residents in terms of a failed project instead of trying to find the responsible people and take legal action. If is also required that if this failed project becomes operational one day at least half of the revenue is paid back to residents in cash.

Response reference: A

SRV24

A lot of those projects could go on hold in this financial climate. it is important that storm water drains, footpaths and retaining walls are appropriately maintained. This is more where I would expect to see Council directing rates. If a more appropriate rate rise was needed for these types of services it would be a more sensible ask. We are all having to tighten our belts and Council should be no different. Personally I would scrap most of Appendix 3. You should have also put forward an option in this survey that was lower, we all have to prioritise where to spend limited funds. Maybe Council needs to focus



more on core activities. If the swimming pool is causing the problem can you not work out how to generate income from the space above the pool?

Response reference: C, N, P

SRV25

What's in it for us - this is financial mismanagement without consequences. What is to prevent this happening again? Does Council just continue to mismanage and continue to ask the community to pick up the tab? As a minimum every ratepayer in North Sydney should be given free access to the North Sydney swimming pool for the duration of the rate increase. I note that there is no intention of reducing rates by the Year 1 amount in Year 4 so this is a permanent increase not just raising funds to cover a deficit. There is no option 4 to simply pay off the deficit and return rates to year 1 + regular increases in Year 4. What's to stop future mismanagement?

Response reference: B, E

SRV26

I am disgusted in how North Sydney council have handled finances in the last several years and mismanaged things to the point that residents now need to pay for the cost of the pool. The options below are a shock to people already struggling with cost of living and a steady 10%-15% growth each year should have been done to avoid a now 65-111% jump. This situation has made me reconsider if I want to be part of a community that has issues such as this.

Response reference: A, C

SRV27

What we need to do is to cut spending, not to raise rates. I favor the course of action that involves the lowest taxes possible.

Response reference: F



SRV28

There has been no mention from council about cost saving measures introduced in response to the absolutely disgraceful mismanagement of council finances around the pool rebuild. To pass blame and onus of responsibility onto rate payers is disgraceful.

Response reference: A, F

SRV29

The SRV options are limited - consideration should have been given to borrowing or selling assets including the pool. Perhaps merging with other councils in hindsight was not a bad option I feel the council is wasteful in with the way in which they spend money. How many times is it really necessary to re-pave the same footpath. I am against having to pay for the Council's financial mismanagement. If the only option to pay for the pool is a SRV then the rate payers should be given free or subsidised entry into the pool. Why should we pay for something that others who are from outside the local area are going to use as well. Perhaps the SRV should be considered a loan that the council repays through free entry to the pool

Response reference: B, D, E, N

SRV30

The options are not comprehensive and do not include consideration for asset sales or borrowing. The financial analysis is not cash focused I am against the SPV. I think the council should find other ways of dealing with their "financial crisis". I also think this has not been an honest and transparent process. I am against it - transparency and credibility is an issue now. Consider asset sales - including the pool. Council should look to maintaining existing assets before spending on new initiatives

Response reference: B, D, N

SRV31

Please stop raising rates and show some fiscal responsibility. Please stop wasting funds. The council mismanagement is a joke. If you were paying for it you would likely think twice.

Response reference: B



SRV32

I appreciate that the Council needs to be financially sustainable into the foreseeable future and recognize the numerous challenges it confronts.

Response reference: S

SRV33

With all the additional apartments blocks in North Sydney, which increased the number of residence paying, shouldn't the rate be going down instead of up?

Additional response: The expanding population in North Sydney will increase pressure on Council's infrastructure and services. It is important that revenue keeps up with this expected growth which is why Council is proposing to increase minimum rates. Without this, existing residents would be paying a larger portion of the new infrastructure required for this population growth.

SRV34

This increase is extremely unfair to residents and not sustainable. Very unhappy about it is an understatement

Response reference: C

SRV35

Too steep a rise too quickly. Residents need time to adjust. No company gives a pay rise of 65% in a year, it's insane to ask for more than that in one jump for rates.

Response reference: L

SRV36

The pool????!!!! Crazy! Release a report about that has happened. New projects - like Crows Nest pathway ordeal? Or the pool? No thanks.

Response reference: A, N



SRV37

Seems both very poor planning and a lack of prudent financial management has resulted in this. It is unclear just how much the pool redevelopment is costing. Will ratepayers get free access ??

Response reference: A, E

SRV38

This is a pretty outrageous price jump from the current rates, greatly impacting individuals who are already struggling with the cost of living crisis. I struggle to see the benefit of the rate increases, particularly around the North Sydney Olympic Pool redevelopment, a service that I won't even use. The rate increase is egregious enough, let alone a SRV. I don't support this decision whatsoever. Terrible and completely unaffordable. Really disappointing outcome.

Response reference: A, C

SRV39

As a more than 20 year rate payer, I consider this outrageous lack of planning/foresight and a waste of ratepayers funds, in particular the Olympic pool redevelopment. Once again the ratepayer picks up the tab for poor financial planning at the council level. Calling the notice supplied a "Fact Sheet" is a misnomer. Dressing up council waste of ratepayers funds as "Strength" and "Future Growth" is a joke. Should have been called "Paying for Council Financial Past Waste" and "Paying for Council Financial Future Waste". No option for no increase, and allow council to run into deficit. Rates in the past have also increased above the recommended levels, and still you ask for more.

Response reference: A, L

SRV40

As a resident property owner in the Council it is important to participate especially in light of the extremely poor council performance associated with the North Sydney Pool project. The issues now being faced would be relatively small if council management and councillors had competently managed this project. Instead all ratepayers are bearing the cost of this very poor management's council as productive and efficient as it can be? More user pay rather than just slugging ratepayers

Response reference: A



SRV41

I do not think that council should have a SRV, as like any other company, they should be able to manage their finances they got like anybody else. Rate payers are not cash cows and they are not here to bail a dysfunctional council out. I find it also appealing, that it is not considered to have no SRV as options below. I would actually go with the option no SRV!!! So not count my tick for option 1 as a count, but your force me to do so in they questionnaire. North Sydney Council has not maintained any assets well in the past because they had other interests. Work out a plan without making your rate payers pay for your failures in the past. It is appalling what the council is offering and that we have to pay for the council's failures. I do not need any new services, I need a council which actually works in their budget and delivers the base things right, which North Sydney Council is obviously not able to do.

Response reference: B, L, N

SRV42

Firstly, this is an extremely disappointing situation to be in. This is a monumental stuff up that Jilly and all the former councilors that voted for such an ill-thought out public works program (including Jilly's daughter former councilor Alanya Drummond, and Jilly's mate current councilor James Spenceley) should forever wear around their necks as a mark of shame. Jilly and James deserve further ridicule for their embarrassing suggestion to give her her own statue in a plaza named after her. I know Jilly is no longer a resident of North Sydney (clearly she saw the writing on the wall when it came to rates) but I hope James feels all of our pain as we such a huge increase in rates, whilst deciding what we go with out this week. Hopefully community displeasure at councilors like James is made clear at the next election. None of the options are great, but I understand the importance of the problem the current council is trying to fix. We'd all love for council to deliver more, but with a such a dramatic hike on the cards already I cannot support anything other than option 1 Financial Repair - families in the area are already going to be making some tough decisions based on this, let's not make it worse for them. There was no option to select no significant increase, so we were sandbagged to nominate the 60% increase as the lowest option.

Response reference: A, L

SRV43

I am writing to express my disappointment regarding the proposed rate increase from \$750 to \$1,700 over the coming years. This significant rise places an undue burden on residents, particularly when there seems to be no consideration of reducing services as a way to manage costs effectively. Furthermore, the financial mismanagement surrounding the North Sydney Pool project is deeply concerning. The



substantial cost blowout and extended timeline for its completion should not become the responsibility of residents. It is unfair to expect us to shoulder the consequences of these inefficiencies. Before resorting to such a steep rate increase, I urge the council to explore alternative solutions. For instance, increasing revenue through other means or adjusting business rates instead of disproportionately targeting residents could be more equitable. I hope you will reconsider this approach and take steps that are fairer and more financially sustainable for all involved.

Response reference: A, L, P

SRV44

I am in favour of the changes.

Response reference: S

SRV45

Council needs to accept that it did not adequately prepare for these works and survey the site. A private business would be faced with administration in these circumstances. There is no option in the Council's planning that envisages sale of the site on an as is basis. Lunar Park ahs recently sold for \$50-\$70m, why couldn't Council sell the site with the current debt, sunk cost recouped, rather than continuing to undertake an activity it clearly is not capable of managing? Assets should be sold and new activities avoided. Council is not capable of delivering projects and should reduce its scope to activities it can manage

Response reference: A, D

SRV46

Shame on the council for letting it get to this state. If one of these measures is required, local residents should receive discounted pool entry once the project is complete. Increase parking enforcement for out of area vehicles. There is so much illegal parking that further devalues the experience of living in the area for local residents.

Response reference: E



SRV47

The Council needs to be placed on a sound financial footing. Interestingly, no one has actually accepted responsibility for the situation so the remedy should be implemented and then the council members, incl the GM and senior management, should resign and a new team of more responsible and capable people be sought for the future.

Any person with any business acumen could see how this would evolve with Icon and the Pool.

Response reference: A

SRV48

The decision to renovate the North Sydney pool has been a disaster. Who, if anyone will be held accountable for this? as ultimately the rate payer will be responsible to fix it. The pool redevelopment will deliver very little value for the council and community and barely (if) breakeven (according to the LTFP). All while costing the community and extraordinary amount of money in already hard economic times.

The council appears to have been aware for some time in the shift in revenue resources away from user charges. Why is this only being addressed now, some 5 years later from when the proposed impact occurred. How does the council plan to address this change? The LTFP has these charges budgeted to increase by circa \$9m for 25/26 and then \$2.5m each year after. How is this possible when its highlighted this has changed due to culture and behavioural changes.

There are many in the community that voted to return the Real Independent's to power on the understanding we were voting for prudent money managers that would put the community first, rather than the profligacy of your predecessors. Why then were alternative propositions to include more moderate rise options in the community consultations rejected? If debt has been deemed an unacceptable alternative, then why still has it taken this long to address the issue if the unsustainable pool cost increases were flagged as early as April 2023? Further, why was this not addressed prior to local election, so local residents could be given a more comprehensive view of the respective positions of their candidates on proposed solutions to this issue?

Additionally, it isn't clear how the council plans on making sure the financials are stable for the long-term outside of the SRV. It appears to be reliant on the new and long-term increase to the base rate payable by rate payers. Is this a sustainable solution or will we be in for another SVR in the near future to help support incompetent decisions within the council.

Have not had the time to read the report. Have not had the time to read the 83 page report.

Response reference: A, G



SRV49

This is essential to restore viability to the local government that was poorly run under Jilly Gibson. The sooner and faster financial repairs are made, the better the viability here and better service delivery.

Response reference: S

SRV50

1. Repaying 70% of debt over the next 10 years is far too aggressive and a better strategy would be to hold the current level of debt constant until an appropriate gearing ratio is achieved. While the current level of debt is around one-third of total revenues, even under Option 1 this is projected to drop to 5.3% of revenue in 2034-35 - a far too conservative outcome. Holding debt constant for the next 10 years would see the debt to revenue ratio under Option 1 fall from 33.8% to 18.9% (and to around 17-18% under the other options).
2. The modelling assumes wage rate increases of 4.25% per annum. This is higher than both Commonwealth Treasury and Reserve Bank forecasts and assumes that real wages of council employees increase by 1.75% per annum. This is an aggressive assumption and could only be justified if there were significant ongoing productivity improvements which should flow through to lower council expenditure growth assumptions. Modelling should either use lower wage growth assumptions or add annual ongoing productivity savings which reduce projected council expenses.
3. Given the significant cost blow out associated with the redevelopment of North Sydney Pool and the non-use of the pool by large numbers of the residents of North Sydney council area, consideration should be given to increasing the relative financial burden placed on the users of the pool.
4. Current projected cash capital expenditure in 2025-26 is \$22.8 million. Under all options this would increase to \$36.8 million in 2025-26. Under the various options, annual capital expenditure would thereafter increase to anywhere between \$60 million and \$90 million per annum in 2034-35. Reducing the current backlog of capital works over a more extended period of time would seem for more sensible rather than asking current ratepayers to bear this burden. I believe this should rule out Option 3. Comparing Option 1 with Options 2a and 2b, both address infrastructure backlogs with the latter providing for some expanded services. Again, given the very significant proposed increases in rates, I would favour a slower rollout of expanded services with spending falling somewhere between projected spending under Options 1 and 2a/b.
5. Options 2a and 2b produce similar average rate outcomes in 2027-28 but have very different levels of minimum rates. This implies the burden of rates must be shifting to somewhere else in the rating base. Logically, this implies a greater emphasis on land values determining council rates under Option 2b.



Option 2b is therefore likely to be a more equitable outcome where higher value properties have a higher increase in the rate burden.

6. Options 2a/b and Option 3 moved rates in North Sydney from well below the average of its peers to being above average of similar councils. Insufficient justification of such an outcome has not been provided.

7. On balance taking into account:

- * Holding debt constant for the next 10 years rather than an aggressive paydown of debt
- * Lowering the wage growth assumptions and/or factoring in productivity savings
- * Increasing the proposed charges for the use of North Sydney Pool
- * Adopting a more measured increase in capital expenditure
- * Ensuring that rate increases better reflect capacity to pay

I believe a rate increase falling somewhere between Option 1 and Option 2b can be justified.

The council rate structure needs to draw a balance between two competing principles. The first of these sees rates based on a user pays principle. The second would distribute the rate burden based on capacity to pay (as indicated by the unimproved value of land). Neither of these polar outcomes would be acceptable to council ratepayers.

Basing rates on the user pays principle would likely see rates for high valued properties fall with an added rate burden placed on low value properties. If council adopted capacity to pay as the sole criteria for setting rates, the rating burden placed on low valued properties would fall significantly relative to high value properties.

Given the proposed large rate increase, I believe the council should shift the current balance drawn between these two principles placing a greater emphasis on capacity to pay. I believe that given the councils financial circumstances, it is reasonable to expect high value properties to share a higher proportion of the aggregate rate bill.

Consolidation of the current fragmented rates and levies into ordinary rates simplifies and makes more transparent the burden placed on individual properties to fund council services. The current levies placed on property owners is likely to create anomalies between similar properties across the North Sydney Council area.

Response reference: A, B, M, N, Q



SRV51

Yesterday evening, Councillors Santer, Antonini, Holding and I attended Lavender Precinct. During the meeting, there was discussion in relation to the consultation on the proposed Special Rate Variation. The Chair spent some time detailing that he had received calls from residents complaining that individual rate payers should not have to bear the entire responsibility for the cost of restoring NSOP and doing so within 5 years. He stated that it was a regional and significant athletic infrastructure and that users should pay.

I stood to speak to state that there was some misinformation, that the proposal was not only in response to the financial impacts of the NSOP project but also structural issues arising from historically low rates with 77% of ratepayers paying the minimum of \$715pa, the reliance on non-rate revenue and decline of that revenue source, particularly but not solely the loss of \$9.9M over the COVID period and the decades of neglect of maintenance and renewal of assets. I urged precinct members to seek out facts, not to rely on misinformation, and explained where and how they could access Council reports and engagement via surveys, forums etc.

Discussion was then opened and the following comments were made from the floor of the meeting by Precinct members:

- Residents should have a discount or free pass to the NSOP when it opens as they have sacrificed for years;
- NSC has historically really low rates – residential were subsidised by CBD and commercial ratepayers. The low rates reflected the socio-economic mix at the time, that has changed due to gentrification. We pay very little now and should look at raising rates to support affordable housing and community facilities;
- Northern Beaches are going for a rate rise, I have properties there and it is much more than we are being asked by NSC. Councils across the State are having to do it. Northern Beaches are increasing to deal with renewal of assets and they don't even have the pool to contend with. This is the reality all councils are facing to maintain services and assets. NSC will still have lower rates than Northern Beaches;
- There should be a levy set to pay the pool off for a set period.

After the meeting, an architect approached me to say he supports the rate rise as cost of renewal of assets has risen steeply and it is vital to maintain them and Council's rates are too low.

Response reference: A, E, M, S



SRV52

I completely disagree with any SRV. As a North Sydney resident we have endured and continue to endure the impacts of poor financial management. The North Sydney Pool is a tourism hot spot not simply local residents. I suggest both the NSW and Australian governments to assist financially with the completion of the pool. As they will be impacting the area with increased housing density and the essential infrastructure needed with a large increase in population.

The money can be recouped through more people paying rates and use of the pool when it finally opens. There should be no increase other than the base rate of 4%. The council will be receiving more income from rates with the huge increase in population thanks to the state government and businesses returning to North Sydney with the completion of the metro. The council should sell the North Sydney pool to the state government as it has historic value as well as tourism for the whole of Sydney.

All members of council should increase productivity and performance and reduce wages for poor outcomes and mismanagement of funds.

Finally a low cost loan is available and has not been provided as an option. In a time of financial crisis for rate payers the Council must not increase rates. Consolidating levies into ordinary rates is a concern that again Council may mismanage the funds. I am concerned that the council has proven it can not be trusted and therefore should be closely monitored by all rate payers. I do agree that businesses can pay higher rates and levies to make it more equitable for home owners. Council should be asking the state government for assistance as the major impact they have forced upon the area with excessively high density is not to be burdened by rate payers. Developers can also contribute to councils as they will be benefitting the most from the new developments. There should be an option to not have an SRV. Forcing residents to pay for councils poor performance is unacceptable. This would make this a more honest and accurate survey. Residents of North Sydney live on very small plots of land and apartments. Therefore comparing with other councils where residents live on much larger plots of land and less people per square metre is incorrect. It has a very high population who pay a large amount in rates. The council has wasted the local rate payers money and therefore should not be entitled to increase rates of any amount.

Response reference: I, D, A,

SRV53

I believe that ratepayers should not be asked for additional rates because the council has mismanaged the Olympic pool redevelopment and other excessive spending in our area.



Users of the Olympic pool gave advice to Council on what was needed and I understand that this advice has been ignored with disastrous consequences..

Other examples of excessive and wasteful spending have been

1. new bike tracks in West and Ridge streets which are not used. resulting in a bottleneck at the southern end of west St
2. palm trees in St Leonards park near North Sydney oval I object to the fact that in the previous survey we were not given the option for a nil increase in rates. From the examples of wasteful spending by Council, that we see in North Sydney, I see no justification for any increase in rates for 2025.

We need to be compensated by Council for its inefficiencies not be made to pay for sharp increase in rates.

Response reference: A, B

SRV54

I actually dont agree with any of the options. The mayor seems to observe herself of responsibility of prior councils despite being part of the councils. I see there is reduced revenue due to the parking meter fiasco and also it seems that the council isn't looking to source new areas of revenue except from the rate payers. What about the use of the current land and or selling off superfluous assets, We have brand new toilet facilities in parking garages and a capital works program that seems excessive. I am vehemently against the current proposals and it seems that nobody is seeking alternative measures to add revenue. This council is so single minded in 'preserving' heritage it doesn't see the viable options. the MLC building has sat for years and when the landholder applied for a built to rent which would have increased local area residents and rate payers, the council and Mayor specifically went on a public mission to state how office space is imperative. it seems in this post covid world that this is an anituated ideal. and not one that should be maintained in a fiscal crisis.

Response reference: D

SRV55

None of those options are suitable.

North Sydney Council needs to scrap the swimming pool upgrade as it's costing way more than we can afford.

20



I think it was irresponsible to enter such a project and allow it to spin out as it has. And what percentage of ratepayers will use the pool?

Those who use it need to pay for it...not those who don't.

I don't recall ever giving permission for the Council to spend as much as has been spent, and predicted to spend, on the swimming pool. It is an outrageous, irresponsible spend.

Survey your ratepayers about this specifically, and respond to their comments, and you'll stand a chance of re-election. If not, you won't.

Response reference: A, L



SRV57

Council needs to source other funds to make up for the pool debacle such as NSW gov infrastructure grants or bailout. There are precedents.

Surely there is also an obligation for the gov dept that provided the grant to have reviewed and monitored for completeness and viability. Rate payers who had no powers in relation to the decision making or management of the pool project should not be punished for mismanagement by the council and funding body. We have been without this important community health infrastructure for years.

I've only selected option 1 as I had to choose a preferred funding option. My preference is State gov bailout to support this asset of state significance. I provided this feedback in my initial submission so not sure about the reasons for this follow up. Residents should not be made to pay for the maladministration of Council. There is no information about what other sources of revenue have been explored. As a State significant asset, NSW should meet the costs of the overrun - not residents.

In addition, there is no detail on what other costs savings can be made. A lot of money is being wasted on frivolous purposes. Live within your means. We have lost access to a significant health facility for years with zero compensation. We're under significant stress from the Waringah Freeway works - not to mention the other construction projects in the area. And yet we're still expected foot the bill for Council's bad decisions. Appalling. See answers to Q6.

Council should immediately suspend activities such as the North Sydney Festival that was held on 2 November and other frivolous expenditure.

Response reference: I



SRV58

If the proposed increases are driven by financial repair or sustainability needs as outlined in the LTFP, it's important to understand the underlying reasons for the financial strain. The quantum of the funds being requested to be levied on local residents does not reconcile with the decline in COVID revenues, or increasing costs that have led to the higher rates. An increase of 65.38% to 111.2% in council rates is a substantial increase, during the worst cost of living crisis the community is currently facing, particularly for those on fixed incomes, retirees and struggling families. It is essential to understand how the increased rates will be allocated across services and infrastructure. How can council demonstrate they will not repeat the mistakes of the past which have led to this emergency rate increase? The North Sydney Olympic Pool project is an unmitigated disaster, how can the community have any confidence in council's financial management and delivery capability for future projects?

Response reference: A, C

SRV59

The proposed rate increase both minimum and SRV are reasonable and I fully support them

Response reference: S

SRV60

Feel it's unfair for the whole of north sydney council to bear the cost of this disasterous project. We are not happy that the whole of north sydney has to suffer due to the mismanagement of the north sydney pool development Not sure what this is

Response reference: A

SRV61

Reasonable Support

Response reference: S



SRV62

Residents should not be penalised for the mis managed of the pool development...

Response reference: A

SRV63

All options ignore the fundamental mismanagement of the current North Sydney council and lack of financial transparency before the Sep. 2024 elections. I would like to recommend the State government steps in to administer North Sydney Council as the current Council have demonstrated they are unable to manage current and future fiscal responsibilities. Council is in surplus and will be in even more surplus in coming years. No cost cutting measures were proposed by Council and their supposed 'Community Consultation' forced respondents to pick a level of increase without offering the option to not accept any rate increases at all. A PR firm was hired by Council to get this rate increase done but council have refused to reveal the cost to ratepayers of this public relations manoeuvre. No mention of rate increases was mentioned before the September election and the required public consultation period has been shorted over the Christmas holidays. The pool rebuild cost blowout should be investigated and if necessary this capital asset should be paid off through long term borrowing or the sale of Council land. North Sydney Council should be referred to IPART for this outrageous increase that the majority of the community does not want and we do not need. Totally unnecessary New infrastructure that needs such a massive rate increase that doesn't come from an increased user base needs to be examined and approved the community. Giving Council a blank cheque to do improperly costed projects like the Pool upgrade will only create further rate increases. We need professional administrators to look into Council spending and future plans to determine that ratepayers are getting value for their tax payer rates. Why was none of this anticipated and put to the public before now? Has a forensic accountant looked at Council spending to determine mismanagement and waste. The increase is so large and unexpected that despite future growth the increase in rates seems excessive and out of the ordinary.

Response reference: A, D, G, L, R

SRV64

I would like to see greater investment in our area. The pool is a disaster, but one that stems from the lack of leadership of our previous mayor, Jilly Gibson. I support the current plans proposed by the council.

Response reference: A, S



SRV65

This is a disgrace, we had a 40% rate increase over 3 years only a 5 odd years ago, our money is not being spent wisely and obviously waisted, bring on the next council elections You will have to ask the State Government for funds or have the State Government sack the sitting council

Response reference: I

SRV66

It is completely unacceptable. Why should I be liable for the council's financial mismanagement, including the pool redevelopment which was completely mismanaged from the contracting stage as well as project management? I don't use these pools. Those who made the poor decisions and led to these cost blowouts should be held responsible. As an alternative to taxing us more, tax the rich freestanding house owners who has held the house for a long time, who benefited from huge untaxed capital gains.

Response reference: A

SRV67

I do not want any of these options. It's an appalling situation and requires better management of funds and reduction of non essential projects, not a large increase in rates on residents. I do not support this change. I'd like to see Council demonstrate sensible cost cutting on non essential projects and services to become more sustainable with a modest increase in rates, as opposed to a 50% rise which I feel is unacceptable. After reading this section, I don't understand how it impacts my rates in real terms overall: I'd like to know in plain English how much extra I'll be paying under this proposal.

Response reference: L, N, F

SRV68

Financial repair per Option 1 makes sense, but it does not make sense to raise rates further than that to embark on further discretionary expenditure in the midst of a cost of living crisis

Response reference: C



SRV69

Given the cost of living crisis, the current interest rates this is disgraceful mis-management

Response reference: C, B

SRV70

The list of projects should be prioritised to include only critical projects that are required. There are many that feel a luxury and not in line with a council that has financial sustainability issues. It should indicate which timing for projects over 10+ years. Again, this should be prioritised to only absolute essential in the next 3 years.

I believe if you expect rate payers to pay more in rates, there should be consideration for local residents in the LCA not pay parking to utilise the local businesses. I refuse to pay parking, therefore I visit shops, services and local businesses in other local council areas where paying for parking is not required. Why should we pay for parking to use the services and shops in our local area. Local residents should also be given unlimited use of north sydney pool to ensure rate payers are getting the benefit. The council should consider benefits to rate payers if you are expecting us to get the council out of this mess. I also want people held accountable for the decisions made that have contributed to the financial mess. Council employees do not ever appear to be held accountable, appalling. Yet, we are expected to continue to pay award increases and remuneration for council roles that should be considered in line with financial sustainability and accountability for the financial mess we are in. It is not good enough. As noted, with significant budget repair there should be tough decisions on expenditure made by the council. It should not be expected the rate payers should pay for things that many rate payers would deem discretionary in this financial climate.

Response reference: O, N, E

SRV71

It is due to ineptitude and incompetence that as a rate payer I now have to pay to get us out of this mess.

What severe and deep cost cutting measure is council inflicting on themselves?

I have zero confidence that North Sydney Council could run a cake stall at the local school. This is embarrassing and I am opposed to giving the council any more than bare minimum.



Sell some waterfront parts to fund the gaping budget hole you have dug yourself into.

Response reference: D, F

SRV72

I think it unfair that north Sydney residents are bearing the brunt of mismanagement by the council. The pool could have been refurbished instead of the knock down that happened at enormous expense. Sell assets instead. I think north Sydney residents should not bear the brunt of fixing the budget shortfall because of the pool. The pool is a Sydney icon and I think that the state government should take some responsibility. I think North Sydney council should can some of the other developments like the bike lift onto the bridge ..I think people are struggling and people on low incomes and pensioners should be exempt. Another possibility is to for the council to borrow the money over a long period like ten years.

Response reference: A, D, H

SRV73

Given the current cost of living crisis, I believe we need to keep the cost increase to a minimum. I'm surprised there isn't an option with a reduced year one but any further increase in years two and three, and even beyond - for example 40% and then 20% ongoing. The way your email was written made me think that there were further changes to what was proposed previously? No attachments or links that I can see. I've already commented on this subject in the past survey.

Response reference: C

SRV74

I agree that rates need to be increased to ensure survivability and sustainability for the future. However as a ratepayer I am appalled and disgusted that councilors and managers responsible for the North Sydney Olympic pool debacle are not held accountable for their actions and decisions leading to a SRV. This 'redevelopment' (utter BS - it was always a knockdown and rebuild!) was NEVER needed on the scale proposed, they DID NOT listen to feedback at the time and it was always destined for disaster. That you can now turn around a penalise the entire community to have to pick up the tab for monstrous blowout in cost is tantamount to incompetence, ignorance, arrogance, stupidity and possible corruption. Any councilor or manager involved in promoting this folly should immediately remove themselves from any further council involvement. That you feel it is ok to hide like cowards behind a compulsory theft dressed up as a 'Survey' is an utter disgrace. You have no honour or decency to put

27



ratepayers in this position. That any councilor or manager involved in the North Sydney Olympic pool disgrace remove themselves from any involvement in council forever. That any councilor or manager involved in the North Sydney Olympic pool disgrace remove themselves from any involvement in council forever.

Response reference: A

SRV75

Clearly Council has a responsibility to maintain the community's assets, however, following the pool debacle I have no faith in Council's ability to analyse and supervise large capital projects. Therefore, prior to any future works which require significant outlays, Council should advise ratepayers of the cost/benefit analysis and seek community support before undertaking such projects and provide alternative suggestions if appropriate. It is particularly important that any aldermen or staff who approved and oversaw the pool refurbishment should have no involvement in any future projects.

Response reference: A

SRV76

Skimmed LTFP rather than read all of it. I opt for option 3, but 2b would also be suitable. I value the good services we receive from Council and do not want to see them reduced.

Response reference: S

SRV77

It is untenable that North Sydney Council has got us into this poor financial position and should now be held accountable. I am retired however if, as the head of a large division in one of Australia's financial institutions, I had so poorly managed my business I would have been sacked. Ratepayers get fed up with paying for others incompetence.

Response reference: B



SRV78

Stop challenging DAs in in the Land Enviroment Court and focus on holding the pool builders to account.
Don't make rate payers responsible for dealing with the fall out of your financial mismanagement.

Response reference: A

SRV79

Too much complicated information over a very short period at a very busy time of year

Response reference: R

SRV80

Dear Zoe Backer & North Sydney Council,

As a resident may I propose if no compensation can be obtained from the contractor of the North Sydney Pool renovation project, that we put forward the additional option to sell off the North Sydney Pool premises to private sector.

As a rate increase is likely to posh residents out of the area and the pool will not be free entry for local residence in any case.

Response reference: A, E

SRV81

Its obvious you need to shelve /throw out various projects eg berry's bay you haven't done anything for 20 yrs leave it another 20 ...upgraded walking tracks who needs them . You put us in this mess ..why not sell north sydney oval it runs at a loss sell it and pay down debt rather than slug us ..an what do you give us for paying for your pool ..free membership ..parking stickers so we can use it you make me laugh ..if the pool will run at a loss don't open it or make it \$50 a visit

Response reference: A, D

SRV82

Neither ""option"" is acceptable.

29



1. This council was recently elected and would have known the NS Council's financial situation. You cannot therefore blame previous incumbents on the financial problems that you now reveal. Furthermore you were not elected on a "platform" to increase rates!
2. Once funding limits on specific projects were reached, (eg. as an example the NS Pool) no further expenditure should have been expended authorised. Furthermore] management responsible for not delivering on the financial and timing objectives should be dismissed as would be the standard in business practice.
3. Many of your assertions as to why increases are warranted are not correct - as an example: increases in population would surely increase rate revenue. As you mention IPART - legislates on rate increases & obviously it was not seen previously that a SRV was warranted - until now?.
4. Im sure there are many other ways to address the financial mismanagement problem rather than a SRV (which when its in place never goes down!)
5. If you compare the residential rates(\$1300) vs business rates(\$1400), the difference is just ~ \$100 more, (7.6%) ! Surely this is not equitable , particularly where elderly and retired residents can ill afford ongoing increases for expenditure on projects we may "like" versus ones we must do. This is no different to running a household and knowing what you can afford vs like to spend. The council needs to address the spendind of "OUR" budget the same way!

Response reference: G, A, P

SRV83

1. According to the latest NSW govt info: There are 38820 homes
2. There are 15314 businesses
4. Proposed from residents revenue to be raised via the SRV: $38820 \times \$ (1511-1040) = 18284220$
4. Proposed revenue from businesses via SRV: $15314 \times \$ (10601-6724) = 59\,372\,378$
5. Total increased revenue: 77,656,598
6. Original cost of pool redevelopment : ~50million
7. Latest cost of redevelopment : ~110million This is a blowout of more than 100%!!!!
8. Your factsheet on the "Special Rate variation", does not provide any detail on
 - a. How much (total) is being raised.
 - b. How much the pool redevelopment is finally going to cost.
 - c. How much of the total revenue increase is going towards the pool redevelopment.
 - d. Are you trying to "hide" where you are going to spend some of the extra revenue.?



Solution:

1. Close the pool. I have no confidence in your ability to manage the redevelopment costs and keep it under budget.(even the revised budget)...
2. As a resident, I do not get any benefit from the pool. There are no discounts for parking. No discounts for residents to use the pool. etc It only benefits those residents that are within walking distance or who work around that area.
3. According to your 2023 Financial statement for North Sydney Council, you have a surplus of ~20million...if your budget for the pool redevelopment is \$110m and you've spent ~\$50.... you only need ~60m and you have \$20m...so your shortfall is only \$40m...not \$70m...where is the extra money going?
- 4.All councilors who voted for the pool redevelopment should be fired or resign please

Response reference: A

SRV84

North Sydney Council's disgusting continued mismanagement of financial affairs, and poor financial investment decisions, have now become to problem of the rate payer. At a time when many are struggling to meet mortgage repayments, council is proposing to further burden home owners. It is understandable that rates are to increase, especially so if North Sydney rate payers pay below the average, however increases can be more gradual over time. Is the 3 year timeframe to line up with the next election?

I note there is no option below to select anything other than the poor options outlined by council. 'Have Your Say' or give councillors a way to say ""this was your choice"". This is very poorly handled under the guise of community consultation. There was no option for a proper long term sustainable plan to slowly increase rates in line with requirements and not unnecessarily burden home owners. I am against this proposal. Council needs a plan to properly reform rates, not just a get out of jail free card.

Response reference: B, L



SRV85

Has this been referred to the office of local government for maladministration?

What options are there to stop work the pool project and litigate to recoup costs. The pool benefits a small group of grey nomads when it would be cheaper to build an enclosed accessible pool for real families in st Leonard's or around. What about taxing any rate payer with water views that directly benefit from this outdated pool rather than everyone else in the area?

Given the amount of money the council spends on challenging LEC matters of minor small residential developments which is your rate payer base why don't you recover costs by auditing your legal department particularly in planning? The council has challenged every garage application in the LEC and lost them all which I would anticipate maybe upwards of a saving of 21 million.

How can you ask for an increase to rates when you have not shown that you can be financially reliable with our money?

To ask for money when you have no good track record to manage money is absurd. I do not think the council should be even asking for a change in rates until it can show proper financial management of budget. The rate is not minimum its a significant rate hike. You cannot in good conscience continue with a pool project as is. It needs to just have a stop work and other amenities need to be prioritised like waste, maintenance playgrounds etc No you need clear budget accountability on levies not subsuming them into ordinary rates

Response reference: A, B

SRV86

Rates should not increase above the rate peg until Council demonstrates they are more efficient in services provision and prioritisation of expenditure. More information needed here before extra charges forced on the rate payers Not supportive without more information on Council efficiency and cost control initiatives plus prioritisation of key programs.

Response reference: B



SRV87

They are all terrible and arise solely as a result of North Sydney Council's misconduct with funds

Response reference: B

SRV88

It feels that you would like ratepayers to pay the price and shoulder the burden for your financial mismanagement of projects like the significantly delayed pool and the roadworks (that you are also forcing us to cope with at last minute with the closure of the Alfred Street exit and deal with extra tolls despite overwhelming negative feedback). All of this when people are in a cost of living crisis is completely tone deaf.

Also - you have forced me to choose an option, but I would prefer to choose NONE. This is also shady practice on your part as forcing people to choose an option will allow you to go generate a report saying that people want any of these options at all. What's the point of feedback if the choices are "yes, more yes and most yes"??

Response reference: A, C, L

SRV89

Disappointment at how poorly managed the Sydney pool project has been by NSC. It has not been open the whole time I've lived in the area and isn't a facility worth having now Scrap the North Sydney pool and sell the land to a developer for units

Response reference: A, D

SRV90

It is way too much money to ask for in the current climate. The public perception is that the council has mismanaged funds in relation to the redevelopment of the pool and now we are having to pay the cost.

Response reference: A, C



SRV91

North Sydney has some of the highest incomes and highest land values in NSW, but among the lowest rates. Adding to this, the average house in the LGA is worth \$3 million, and went up by 17% last year alone (\$400,000). A few hundred bucks out of a \$400,000 land value increase seems like a bargain. The Olympic Pool is an iconic asset and should be kept in public hands.

Response reference: S

SRV92

Personally I think this increase is absolutely insane. To think that council is proposing such astronomical increase to rates at a time when cost of living has never been worse! The North Sydney pool debacle should not be the communities problem! If costs have blown out so much ask the state government for help not every day mums and dads who never wanted to upgrades in the first place!

Response reference: C, A, I

SRV93

The financial plan appears to fail direct any serious cost savings in North Sydney operations. Nor does it seem to reflect any consequences for the serious financial mismanagement that has resulted in the current parlous financial state of the Council. The huge penalty that will be paid by residents and businesses in North Sydney will affect business in North Sydney and comes at the worst time in terms of financial capability. There should be significantly more effort to reduce council costs - including local member salaries, overseas travel and other costs that have no material benefit to the stakeholders of North Sydney. The minimum rates will impose a very large burden in a time of substantial cost increases in all areas including pay for businesses. The consolidation has no material impact. The fee increases do. It is difficult to have confidence in the Asset Management Strategy given the appalling financial management to date. It is difficult to have confidence in the Delivery Programme given the appalling financial management to date.

Response reference: B, C

SRV94

All four options are unacceptable.1. Current minimum rates do appear too low, but the proposed increase appears too high. Maybe an increase somewhere in between for residents? And a touch more for businesses. Private schools should be charged rates as they use council's footpaths etc Agree to this



consolidation, however WARNING: our building at 221 Miller Street has reduced garbage rates as we use our own private services. We would not want this reduction lost in the consolidation

Response reference: J

SRV95

I support Option 3 - Future Growth. Council rates are too low for NSC to adequately meet its short and long-term financial responsibilities.

Response reference: S

SRV96

I cannot see any benefit to Council owing the cul-de-sac next to Sceggs in Cremorne if this is the road being referred to.. It makes sense that the school would want to acquire it from Council. If Council wish to hold this asset could it be leased to the School and therefore the Council would have more income?

Response reference: D

SRV97

We're living in a cost of living crisis and so I think it's prudent for Council to maintain the current services and not expand on every additional facility plan at this time. The video you presented is a laundry list of every conceivable cost and reason for significantly hiking up our rates. Many projects are included that should be long term goals to achieve and not short term like the development of Berrys Bay. It doesn't need development. It needs to be left alone as a nature strip. The refurbishment of North Sydney Oval - why? When Council is still delivering the pool and currently building a bike ramp at huge cost to ratepayers many of whom may never use either. It's a time to be prudent and not expansive. The proposed huge increase in rates should have been upfront and flagged by the council in the lead up to the recent council elections but weren't. If they had been there would have been a different outcome for the elections and there would have been a change of mayor and councillors as a result. The council is preparing to make the ratepayers pay for their poor management over the past four years with massive cost overruns to building projects, the initiation of even more expensive building projects, and now a backlog of upgrades and sustainability measures tacked on for good measure and to legitimise their proposed massive hike in rates. The council is forcing its agenda on the ratepayers and doing so at a time when many ratepayers are on Christmas and summer holidays when the least resistance is anticipated. It wasn't so many years ago that the Council building itself was upgraded at a big cost to ratepayers. And now it seems we are to pay for more upgrades and only given small patch problems as



photographic evidence like ceiling panels that have some water ingress, wall panels with similar problems, some small areas of walls above skirting boards and cornices that need a little attention from plasterers and other trades. These aren't huge problems and d justify a massive increase in our rates. Many people in North Sydney like myself live in one bedroom apartments. We might be paying lower rates as you say to other councils. Most other councils further out have a majority of free standing home owners, some with very large properties as in suburbs like Mosman. if those Councils are collecting higher rates then it would surely have more to do with the size of the properties under their jurisdiction. No additional comments to the one I've already made which is that this is a time for Council to be prudent in its expenditure and not force ratepayers to fund a laundry list of current and future projects just to provide more amenity in the area when we are well served with the amenities we currently have.

Response reference: C, O, N, R

SRV98

An appalling waste of ratepayers money on such a deceptive, self-serving, grandstanding, dishonest attempt to cover up the financial malfeasance of the North Sydney Council. IPART is being contacted by ratepayers to thwart this extortion attempt, and the NSC is being referred to the ICAC for investigation. Item 7 below only checked because it is compulsory for a submission. The choice made by me is none of the choices. None. An appalling waste of ratepayers money on such a deceptive, self-serving, grandstanding, dishonest attempt to cover up the financial malfeasance of the North Sydney Council. IPART is being contacted by ratepayers to thwart this extortion attempt, and the NSC is being referred to the ICAC for investigation. Item 7 below only checked because it is compulsory for a submission.

The choice made by me is none of the choices. None. The North Sydney Council must stop operating with reckless negligence and thinking that you'll get away with it. You won't. The scrutiny is intense. I am aware of two separate private investigations underway into individuals and their dealings that have led to this financial catastrophe. Extorting the ratepayers will not work, nor will it make evidence of the incompetence and criminality of the institution go away. Own up, fess up and deal with your mistakes like adults. Take responsibility, and stop trying to shift it to others. An appalling waste of ratepayers money on such a deceptive, self-serving, grandstanding, dishonest attempt to cover up the financial malfeasance of the North Sydney Council. IPART is being contacted by ratepayers to thwart this extortion attempt, and the NSC is being referred to the ICAC for investigation. Item 7 above only checked because it is compulsory for a submission. The choice made by me is none of the choices. None.

An appalling waste of ratepayers money on such a deceptive, self-serving, grandstanding, dishonest attempt to cover up the financial malfeasance of the North Sydney Council. IPART is being contacted by ratepayers to thwart this extortion attempt, and the NSC is being referred to the ICAC for investigation.



Item 7 above only checked because it is compulsory for a submission. The choice made by me is none of the choices. None.

Response reference: B, L

SRV100

I don't want to pay more than I already do. North Sydney council needs to be run better and not waste money on useless projects. Apparently NSC wants to spend \$7 million dollars on gender neutral toilets!! Hope thats not correct.I don't want to pay more, period. The council continues to make poor financial decisions, why should the residents pay the costs of that. I don't agree with how North Sydney council spends our money. The lack community feed back before council commits to a project is appalling.

Response reference: B

SRV101

Overly complex consulting jargon designed to hide your own and past council incompetence. just tell me the personal impact. And why are you wasting more money on glossy printed flyers to distribute this message? None of the below options is preferred. I'd rather see you charging businesses in the area a caste increase or merge with a properly managed council. As someone who only moved back to North Sydney in the last 2 years, I see no reason why I should be penalised for your historic mismanagement and incompetence. The only compromise I can envisage would be free or significantly reduced access to North Sydney pool if it ever gets finished. You will be raising rate regardless of complaints. How about huge increases to businesses or currently exempt institutions which do not have quite the restricted cash flow that your residents have? Just another way to hide fees and charges, i'm not opposed to it per se, but its not really the issue here, which is clear incompetence and mismanagement. I'd rather see a merger with City of Sydney who seem to know how to run a Proper city.You are a council, fix the assets that need fixing and ditch/sell the pool.

I'm happy to pay an increased rate charge, but give me reduced fee access to the pool and other facilities. Your explanations are so complex I cannot even understand the question

Response reference: E



SRV102

I am opposed to this SRV as it's a result of Council's mismanagement. There are plenty of other ways to get funds other than increasing rates.

Response reference: P

SRV103

How can you be broke seeing as you've ramped up parking fees to the moon. I can't buy a sandwich without avoiding your fees which acts effectively, as a tax on all products in the zone. People are already struggling. I don't know why it costs so much to cut some grass and keep the paths clean. Cut costs. With regard to the pool - do I get subsidised entrance as a resident once it opens???? Of course I won't. Take take take.

My feedback is - maintain the lowest council fees and let everything fall apart . Stop building , stop developing, stop purchasing, stop employing. - just cut the grass, sweep the road and clear the bins. Axe everything else. Btw the parking mandate through phone is unconstitutional as you are forcing people to always carry a phone, provide tracking information to a third party , be forced into a contract with a third party and be subject to a major tax that was never voted on. Disgrace. Identify your minimum priorities, such as maintenance and services, allocate for that and delete everything else. Th pool situation is an arrangement between parties. 99% of the local population will never use or receive no benefit from a finished pool. If you want the locals to pay for it in a levy, then they should receive subsidised entry proportionate to the levy commitment in addition to parking waiver so they can actually attend the pool. Otherwise you are asking them to pay for the benefit of the developers, business owners and those few people rich enough to use the facility. This is unethical. If they mismanagement is so bad that the facility cannot be completed without local financing, then let the project fail and sell the land. The vast majority of locals would support this decision. Everyone loves a scenic waterfront pool, but people are in financial crisis and such a luxury should not be indulged so that developers reap the rewards of a great asset ON TOP OF then billing anyone who wants to use the place. The profit is taxed federally so the locals don't even get that, if it's eventually successful. Let the private investment fail and then buy the project cheap - finish it - it's just a pool - and have a catchment fee and a non-catchment fee. You're all incompetent and should resign Let me keep my money. I'm never going to use your stupid pool because I can't afford to park in Kirribilli anymore – morons

Response reference: E, A, D, C



SRV104

I attended the Community Forum and agree that provision needs to be made to implement the Strategic Direction for the next ten years. It is apparent that the current funding is unsustainable and maintenance of assets is underfunded. Funding needs to be available to provide for the changing needs of the North Sydney residents. Yes, I agree with consolidation. The proportion of funds applied to each of the former levies should be specified in the rate notice .

I accept that assets have to be maintained. Maintenance should take place as needed and not deferred. I do not agree that Council should undertake debt for another generation to pay off or wait for a more suitable time to undertake major repairs. As our rates are very good in comparison to others (even those which were amalgamated for efficiencies of scale!). We have to accept that decisions made in relation to the Olympic Pool were inept and a significant rate rise is necessary to provide additional services and to provide for the needs of North Sydney's growing population.

Response reference: N, S

SRV105

All suggested increases to rates are significantly impactful to individuals and would place an unfair burden on people who are already struggling to meet mortgage repayments and other bills.

The expectation for owners/ residents to pay for a pool redevelopment is extremely unfair. Especially given the pool is being marketed as one of Sydney's best / most iconic tourist destinations. The purpose of the pool is to act as a landmark and to attract tourists (domestic and international) hence I do not believe the people of north sydney should be footing the bill. If the council cannot afford the redevelopment themselves (with current rates) the the NSW government / Federal government should contribute to the short failings given it's a tourist attraction not a community pool.

I for one, will not even use the pool. It's a nice to have not a must have; therefore I'm unsure why it should even be categorised with essential services like rubbish collection, footpath works etc.

Please note: this submission form made me selection an option hence I selected one albeit I do not agree with it.

Response reference: C, L



SRV106

I, like many others, will have difficulty meeting the new rates. I understand they are to be used to cover the cost blowout of renovations to North Sydney pool. The cost blowout, according to media sources, is the result of inadequate quoting, poor scope of works, a flawed tender process, and lack of financial management. I had no part in any of the process, but am now expected to pay for the council's poor performance. I am not in favour of any of the options above. But the option to not show an option is not provided. While I was forced to show an option above, I do not accept any of the options. This is poor and unprofessional on the part of the council.

Response reference: C, A, L

SRV107

Shocking that the councils miss management of funds and projects has resulting in you waiting to offset your incompetence to the people living in the council region. Your projects benefit not locals of North Sydney but the people who work in the CBD and visit on weekends. With the current financial situation Australians are facing this is tone deaf message. Do better! Are you even going to take this on board? Corrupt council and YOU are the reason for the financial situation NOT the good people of North Sydney.

Response reference: C

Additional response: Some of the projects listed in the informing strategies relate to Economic Development and attracting and maintaining jobs across the North Sydney Local Government Area. This includes public domain works in town centres which will benefit both workers and residents, and events which attract visitors to the area to spend money in local businesses.

It should be noted that not all projects in the informing strategies rely on funding from rates. Many are funded by grants or developer contributions.

SRV108

I am opposed to the SRV proposal. The existing rate increases already agreed by IPART are already generous and are well in excess of inflation. Many ratepayers who are retired or who have not received large salary increases are struggling with the cost of living, and should not incur the extra burden of excess spending by NSC. I understand that the runaway costs and mismanagement of the North Sydney Pool project was the responsibility of the previous council, nevertheless it is unconscionable to expect ratepayers to suffer rates' tripling over five years. The council receives massive revenue from parking

40



fees and fines. NSC must live within its existing means, without further impositions upon ratepayers. Therefore, I oppose any SRV, or if an SRV application must proceed, then I would prefer Option 1 only. As a postscript, I also felt that the council's handling of the survey on the last IPART application was less than objective -- the council strongly pushed for the highest possible increase, then announced that there was ""substantial community support"", which I very much doubt. I am OPPOSED to any SRV application. The council should adhere to the basic IPART rate peg. The council is in a strong financial position (as per the Financial Statements at 30 June 2023) and should consider all options in managing its cashflow including reducing / deferring expenditure, and disposal of assets as required.

This ""Have your Say - SRV"" has NOT been a genuine community consultation; the questions are biased and confusing and push all respondents to accept an increase in their rates of 65-111%; this is improper and is a classic example of push-polling; there is no accommodation of ratepayers who oppose an SRV or who prefer a lower increase between 0% and 65%. This ""community survey"" is severely flawed and misleading.

The council's follow-up email and additional questions are not sufficient to rectify the deficiencies of the original survey.

The results of this survey should NOT be presented to the meeting of councillors on 10th February 2025, nor to IPART. This survey must be taken offline and discarded.

The council must conduct a new survey which is genuinely impartial and properly and fairly records the views of all respondents.

I agree with Cr. James Spenceley, Cr. Jessica Keen, Cremorne resident George Loiterton, Local business owner Kate Branch, and Resident Davy McDonald who all spoke against the SRV proposal and the limited ""community consultation"" at the meeting of councillors held in November, 2024.

I oppose the consolidation of existing levies into ordinary rates; it is better to show these separately. However, I AGREE with the proposal of a more equitable rate balance of 60% from residents and 40% from businesses.

Response reference: L, C, A

SRV109

I have no faith in North Sydney Council having the ability and expertise to manage financial affairs. Ratepayer funds have been needlessly, whimsically and frivolously squandered over recent years plunging us into unconscionable and irretrievable debt. Councillors must stand aside with a professional business manager appointed under the control of the NSW Government to forensically examine invoices and consultant feed (prosecuting any party found guilty of fraud) and to find a rational path forward. The Asset Management Strategy should have been assessed ahead of throwing a hundred million dollars of cash on hand and debt at the North Sydney pool. Funding options forcing ratepayers to choose one of



four options to complete the survey is child psychology. Of course everyone will choose the least increase. I do not believe Councillors are acting in good faith.

Response reference: A, B

SRV110

The LTFP Table 10 (Option1) demonstrates a positive Net Operating Result \$20m+ in FY25-26 and increasing in the following years. Consequently there is sufficient resources available under this option to address critical infrastructure but not completely by 2027-28. The risk of allowing \$100m to accumulate in the following 5 years is that the next set of councillors will made another foolish investment decision. Looking at the LTFP highlights that there isn't a pressing need to raise rate in excess of Option 1 unless there is an overwhelming rush to expand services and deliver new and upgraded infrastructure. Give a Council more money than necessary and they will find a way to spend it, wisely or not. A number of the upgrades to facilities outlined are not critical and should be deferred There is a bit too much wokeness at the Council.

Response reference: O, N, B

SRV111

It is no surprise to me that North Sydney Council's revenue from parking fees and fines is falling. Parking meter fees in the local government area are exhorbitant, and on top of these, users are obliged to pay an 8.5% surcharge to the meter provider PayStay. Parking wardens are ominipresent, fining people. The NSC parking regime is so openly hostile to ratepayers, it is no wonder that people avoid using it altogether, hence the totally foreseeable decline in revenue. People either shorten their stays as much as possible, or go elsewhere where there is free parking, or catch the bus. I am opposed to any SRV. The council must learn to live within its means like everyone else, instead of constantly overspending then forcing ratepayers to cope with ever rising rates, for no increase in service. If the council insists on applying for an SRV, then it should be Option 1 only. A couple of years ago IPART granted the council a massive increase in rates, way above inflation, but the council is now asking for another rise of 65 to 111%. This complete failure of financial management is unacceptable, and the burden should not be passed onto ratepayers.

Response reference: B, L



SRV112

how does irresponsibly spending on renovating the swimming pool which is not used by the majority of North Sydney residents cause a cost blow out born by all the North Sydney residents???? We are forced to choose one option below when none of them is an option we willingly accept.

Response reference: A, L

SRV113

In a cost of living crisis, the current priority must be to have as low of a rate rise as possible. Consideration must be given to the delay of the North Sydney Pool project as the essentialness of this is limited in such a cost of living crisis.. Delaying rate increases would be helpful as it would lessen financial pressure in an economically difficult time. In the context of a cost of living crisis, I question whether some of the proposed projects that would be funded by an SRV are really critical and essential.

Response reference: C

SRV114

I object to all increases and suggest the pool should be shut. also investigate whether negligent advise given or improper acts by council.

Response reference: L

SRV115

The LTFP and SRV are full of excuses and lack of accountability, and without any serious analysis of cost cutting measures by a Council that is far too focused on narrow interests than the essential job of local council. One fundamental problem is the approach to the North Sydney Pool, which has turned into a complete white elephant and is testament to Council grandstanding instead of focusing on essential service delivery. The total mismanagement of financial performance, which cannot (unlike the Mayor's letter) be solely attributed to previous councils, should not justify the SRV. There should be a significant and immediate cost reduction undertaken, including stripping back all non-essential services rather than pandering to small interest groups. There should be examinations of asset sales to fund the one off financial repair rather than slogging residents - including council owned car parks and other assets, which the Council has no business operating. The minimum rate proposal of nearly an 80% increase is



ridiculous. The plan says that particularly in residential areas that 70% pay minimum rates. It is absolutely staggering and unbelievable that that kind of one off increase would be contemplated. The minimum rate may well need to rise - but it should be staggered over a number of years. The Council has many other strategies that should be considered - there is no serious discussion of cost control in the plan other than bureaucratic "process reengineering" that amounts to tinkering. There does need to be a reallocation towards business rates particularly in North Sydney CBD, but again the staggering increases are financially punitive that will drive business away. It puts it out of consistency with nearby councils and is again unsupportable. The consolidation of levies into ordinary rates appears appropriate and about the only good feature of the plan, and ensures that the split between residential and commercial is reflected generally. Special levies are just another form of rates and so unless there is a good reason to distinguish the simplification should be supported. Again, assets should look to be sold and financials recycled - the Council has no place as a major landowner for car parks and other such things. Stop adding services - focus on stripping back to the core functions of a local council, rather than participating in a grandstanding exercise designed to increase the reach and power of the Council.

Response reference: A, B, F, D, K, O

SRV116

The community should not be made to pay for incompetent management of the project over many years. This is unacceptable. If rateholders need to pay a special levy, they should be given free access to the pool complex for a number of years at a very minimum. There is no faith that future projects can be delivered based on past experience.

Response reference: A, E

SRV117

NSC has mismanaged finances & project costings. Now Rate Payers, without consultation, have eternal debt. What's at stake? Increased rates, increased rents, continuing debt, a Royal Commission investigation, Class Action Lawsuit, Forensic Audit,.....As Felicity presented to Parliament, NSC should seek a low interest Govt. loan to cover Council's mismanaged debt. This is not rate payers debt! There should be a forensic financial audit of NSC for expenditures and an inquest into scullbuggery of office bearers.

Rates are rates! Of late, every year there has been an increase. Hard to believe we have comparatively the lowest rates around?????What? Does this cover the litigation NSC engages in with rates payers too?



Has Council considered a “Go Fund Me” campaign to complete the pool? Surely, along with local ratepayers, people in regional areas would love to visit Milson’s Point for a swim. Unfocused priorities The Delivery Program is spending money on an account with a zero balance. This is a sham to confuse Rate Payers. Very few Rate Payers use the Historical North Sydney Pool- SELL the site! What happened to the Federal Grant for this “regional” facility. Let alone the amount of litigation NSC engages in with Residents!

Response reference: B, H, D

SRV118

This needs to be done. We have to repair the financial situation existing and lay the foundations for a sound financial future, without affecting essential services or infrastructure,

Response reference: S

SRV119

Do not support SRV. (No option to not tick any box below) Council need to find other ways to increase revenue and improve financial management capability to address funding gap rather than resort to increasing rates and putting additional financial strain on residents. Raising rates in this economic environment is completely tone deaf and unsustainable. Perhaps seek advice from other Councils on how to better manage your finances without resorting to punishing your community.

Response reference: L, C, P

SRV120

With North Sydney Council's record of wasteful spending of public money - particularly for the Pool, where the Council was only too happy to use money earmarked for regional development in a area 1km from the city, and where only now the real costs come to the fore - I AM NOT PREPARED TO GIVE A SINGLE CENT more to the Council than absolutely necessary. The council will always find 'a worthwhile project' to spend money. NO. Work within the existing budget frame. The sad pool is a one-off, big mistake. Council must avoid going broke for it, that's all. No money for fluffy projects. Not happy.

Response reference: A

45



SRV121

Many of the voluntary planning agreements struck with developers result in the supply of additional built assets and facilities all requiring additional ongoing asset maintenance expenditures. These should cease and change to indexed longer term payments to Council. Sale of the swimming pool site should be considered (99 year lease etc) to fund a pool elsewhere. None of the proposed options consider reductions in non-essential services currently provided by Council, nor significant structural options such as amalgamation with Mosman or neighbouring councils etc. Generous award conditions and perks for staff should be considered.

Response reference: D, F

SRV122

The increase is outrageous , and there should be a 4th option to have a smaller [10%] increase
98% of ratepayers are subsidizing the 2% who use the pool
Allowing this increase only encourages further excessive increases which reward poor planning and decision making by council
Have all staff involved in this redevelopment had their services terminated?
delay until council can prove that it has the ability to manage projects delay until council can prove that it has the ability to manage projects

Response reference: L

SRV123

I am against the rate increase. I am particularly against rate payers picking up the tab for North Sydney Pool. This should be paid for by users or those responsible for the financial mess. The poll below is a push poll. There should be options for increases well below that specified under Option 1.

Response reference: L

SRV124

So frustrating to be in this position during the countries worst cost of living crisis due to no fault of its residents!

Response reference: C



SRV125

The proposed financial options are not practical or viable for our family.

It is outrageous to ask the community to pay for the increased rates due to financial mismanagement of the pool redevelopment project.

We have been residing in our home for more than ten years and we have not used the public pool once. It is very unlikely we will use the new redeveloped pool in the future.

Why should we pay higher rates for someone else to use the public pool? And, why should we pay for higher rates to compensate for the mismanagement of the budget of the redevelopment.

It is disappointing that the council has mismanaged the redevelopment project and it is shameful that higher rates are now sought to compensate for the mismanagement.

With the increased living costs, we will not have the capacity to pay for higher rates. The higher rates will cause much distress to our everyday living.

We no longer have confidence in the council managing our interests. We no longer trust that the council will not ask for additional rates increase.

It is also unfair that we are forced to select an option below in order to submit our feedback. This approach is not consultative. Therefore, the ticked option below is not valid from us. No change to the minimum rates.

As already stated in the previous survey, it is ridiculous that we have to pay more rates for the council to fund an overspent budget for redeveloping a public swimming pool that we never used.

With high living costs, the proposed rates increase compared to other council rates with larger land lots are unfair, injustice, and causing much distress to our family!

There should be no massive minimum rates increase comparable to other council rates with larger land lots. The community and residents should not have to financially pay for council's mistakes.

As per my response above and the previous survey.

Response reference: A, C, L



SRV126

Whilst I understand that there is a financial problem for the council, I do not believe that residents should lift the costs. Other options should be considered. Cost of living with interest rates where they are is affecting all of north Sydney council residents. Certainly any uplift on. Rates will impact me personally, my family and those around us which.

Response reference: C

SRV127

It is not in keeping with the community financial positions. Raising taxes to pay for blowouts on North Sydney Pool is a disgrace. Project was mismanaged and residents of the area are not the prime users of the pool. It is a State icon not a local one It gives few palatable options

Response reference: A

SRV128

Given North Sydney residents are finding the pool redevelopment consideration should be given to reduced entry options for the residents. Ideally some type of annual or multi visit discount above non-residents.

Response reference: E

SRV129

The historically low rate comparisons for other LGAs is misleading. Every council has a different demographic and build form breakup.

There is no discussion about what future income the north Sydney pool will generate

Will residents get a discount for the pool?



More discussion about increased costs to businesses should have been outlined. I don't need council to involve themselves in anymore major construction projects, as the letter I received admitted several poor decisions. They cannot blame legacy.

We don't need them to waste more money on the Sydney indoor sports centre, north Sydney oval. Stanton library, or Langley place. Those facilities are fine for another 15-20 years.

Response reference: E, K

SRV130

I would have preferred 25%, 25% and 15% rise rather than 50%. Also I think every household should be given one free pass to use the pool rather than us paying for it through our rates as well as through the turnstile I was not pleased that there was no way to click on further information needed, why the council wasn't approaching the State and Federal governments. I don't agree with consolidating all your infrastructure needs with the pool. The council has really stuffed this project up and I think an ICAC investigation should be launched and charges laid against the people responsible for this mess. I think it should show as a special levy and not be consolidated into existing levies so we can see when the special levy falls off and is finalized

Response reference: E, L

SRV131

Council have proven they are incapable of managing 'new initiatives'. A pool renovation for \$100+mill, that benefits so few people in the area? Seriously, we should dissolve council and appoint competent administrators to work through these issues and get back to financial stability.

Little option but to continue the delivery program but your provided costings include fixing the massive overspend of the budget.

A bigger issue is how and why can any council, tasked with relatively simple roles, blow-up a budget and mismanage assets to such a degree? Then we get a demand to cover this ineptitude by increasing costs of basic services.

Response reference: A



SRV132

I believe that there are significant revenue opportunities that are not being realised effectively at present. For example, parking enforcement is still reliant on tyre marking rather than photographic evidence. Illegal Parkers check their tyres and move if necessary. There are thirty contractors who have been doing this everyday for months. This is on Hayberry Street, Crows Nest. This could reduce the need to raise rates. Put in meters.

Response reference: P

SRV133

Tangible benefits for residents aren't there - adding amenities like NS pool is great (but making us pay for it through SVR and then again through entry fees is terrible).

I think entry fees to pool should be waived for residents and ratepayers.

Response reference: E

SRV134

Scope for increased returns on council investment property?

scope for broadening the rate payer base to include schools, religious organisations etc.?I would accept option 1 but make it the same for both residential and commercial rate payers I think that's fair - rates should be equitable to all.

Further more Council should be more proactive on collecting revenue from those benefiting from council services but not paying for them including schools and religious organisations. Is there an option to cease further work on the pool until council finances are in better shape or long term lease the site - a wonderful site that should be a council asset. The council has some very expensive services - household waste collection, swimming pool, library, playing fields, etc.

I would suggest council adopts a user pays approach for a lot of these services.

Response reference: M, J

SRV135

I have received the Fact Sheet for the SRV - it's as clear as mud.



I consider that I'm more than average in the literacy stakes - tertiary educated.
Ratepayers need more specific and clearer advice to be able to proceed on any option.
This means that I'd have to select the lowest option if any option HAS to be selected I'm sorry but as I've previously stated, your information to households/ratepayers was absolutely too convoluted to make any sense of - didn't pass the pub test for comprehension.
I don't think many ratepayers would/could understand Unclear So what is the updated Delivery Program - not clear

Additional response: It is acknowledged that the level of information provided was comprehensive. This was intended to provide detailed information for people to understand what was being proposed and why, but we appreciate some of the elements can be challenging to comprehend.

To assist in the community's understanding, Council posted 34 frequently asked questions with detailed responses to the SRV website and hosted several forums (both in person and online) to allow the community to ask questions. If you have any specific questions, please reach out to Council who will be happy to assist.

SRV136

I understand the situation and sympathize. I can only hope that your calculations are to be trusted. There will be skepticism I am sure after the last council's blemish reputation with finances.

I have 2 concerns:

- 1) business owners will likely be crosscharging this to the customer, hitting home owners twice who shop in their community. Local shoppers in turn might go elsewhere and we lose small business in our community as a result
- 2) it is unclear what will happen in year 4. If the rates go back down after year 4 to the current trajectory of \$1,112 (or very close to it), there is a clear path of why this is being put in place. There will be more respect for the council if this a temporary raise, and a lot more understanding from your community. There will actually be a shared goal for the greater good. If rates will be kept at a high new target, it will feel like opportunism.

Lastly your published rates are confusing. To start with: current rate 715\$ + 50% = \$1,073. Secondly, you say that option 2b and option 3 will see an increase of 75% and 60% respectively, however the year 1 (2025-2026) rates you have published are the same as the options with 50% increase.

Response reference: K

Additional response: The proposed special rate variation is permanent. Following the period of the special rate variation, rates will continue to increase in line with the rate peg as determined annually by the Independent Pricing and Regulatory Tribunal (IPART).



SRV137

My preference would be not to increase the rates at all. With the current cost of living, many ratepayers also being mortgage holders and other financial pressures, my preference would be to only have essential services eg bin collection, keeping streets clean. I am currently not interested in any non-essential services, nor future growth. Unbelievable poor financial management by the council has resulted in this mess and I suspect that none of the councillors have spent money in this way if it was their money rather than ratepayers' money. My preference out of the options is the lowest one, but my real preference is for just core, essential services rather than community services, improving public spaces etc which are not necessary especially given the financial situation that has been created by the council. I am very comfortable not paying additional money for maintaining or renewing assets, whether they be bus shelters, fences or pavements. Our assets are already at a high standard compared with many other councils and 'making do' with these assets is therefore hardly a sacrifice. Many councils would be delighted to have these assets as they are. Only spend on essential things as many people are having to do now. Reflect reality rather than a dream list - particularly as you are spending other people's money and particularly as it is the council that got itself into this mess. Expanded services and new/upgraded infrastructure is not necessary. I wish I could upgrade my home, but that is not necessary nor financially possible. I take the same approach to council expenditure.

Response reference: L, C, F, N

SRV138

Charge us the least amount possible. Make the North Sydney pool free to North Sydney residents. If we've paid to build it Make the North Sydney pool free to North Sydney residents. If we've paid to build it

Response reference: E

SRV139

Do not agree this is a financially irresponsible council. Shame on North Sydney Council. Disgrace don't not agree full stop. How dare you make us choose one of the four with no rate peg option.

Response reference: L



SRV140

I want none of the below options. It is absolutely ridiculous that as a result of poor financial management of the council, residents of North Sydney are now expected to pay unacceptable increases. This entire proposal is disgraceful This entire proposal is disgraceful

Response reference: L

SRV141

Council should consider other savings and revenue raising options before resident rate increases, such as selling assets, increasing parking rates and fines, increasing business rates, removing budget for grandstanding policies and poor planning determinations, stop wasting legal fees to litigate with your own constituents in the planning department.

Response reference: F, D

SRV142

Just because you produce a detailed report (paid for by me and my neighbours) doesn't mean you can spend as you please. Council needs to stop taking money out my pocket!

Response reference: B

SRV143

Thanks, North Sydney Council! Inflation wasn't eating into my pay packet enough—I clearly had too much spare cash lying around. So glad you've found something *important* to do with it.

But honestly, it's unreal that your mismanagement has turned the North Sydney Pool into a \$120+ million disaster. Now you're doubling our council rates to cover your contractual error? And, as if that's not bad enough, you've got the audacity to ask us to fund new programmes on top of it?

This feels like next-level incompetence. Maybe focus on fixing the mess you've already made before coming back with your hand out again. Just a thought. Maybe focus on cleaning up the \$120M mess



you've already made before dreaming up new ways to spend our money. Priorities, North Sydney Council.

Response reference: A, C

SRV144

The rate increase options are not justified. Sell off the pool or get it Heritage listed. I have never and will never use the pool. Find another way instead of slogging it to your constituents. Also your parking meters are an absolutely disgrace and so difficult and not user friendly at all. This model should have never been implemented considering a lot of your residents are elderly. I do not agree with the substantial increase but you give us no other option but a 65% increase. Ridiculous

Response reference: D

SRV145

While understandable all residents can share the burden, what I don't understand is why the Pool project is taking so long and if there is any guarantee that after rates have risen, the pool should be finished. The project should be finished with a timeline so that debt is limited. Pool users should be taxed more instead of all North Sydney residents. Debt should be cleared asap as a priority. Larger corporations near upgrades should pay temporarily more for upgrades. Ongoing business cost for small businesses need to be minimised. Diverse income stream should be initiated by the council, since parking will come back in revenue.30%

Response reference: A, M

SRV146

North Sydney has a high density living component, with each property having small living / land space. It states that aging infrastructure requiring attention. Why has the neglect now by council action now fall on the current council. Whoever is in charge of managing funds should be made accountable for miss management. Why rates payer accountable for council miss management of funds? Now and in the future? Isn't this the job of council to keep in order? Overall plan sounds ok, generally speaking. It is how it is implemented and carried out that will determine how well it will serve the community. Who is the council accountable to if they miss manage funds? Why are councils getting away with not follow accurate procedures and rush projects through? Endless projects go over budget and money wasted on

54



trial trivialities. Why do the incompetent planning, management, and processes fall on rate payer who are not involved with the planning and big decision making processes.?? Particularly when contracting out major works. Rate payer should not be accountable for Councils incompetence and above all poor rushed decision making. Councils need to be made accountable for their mistakes as they make decisions on our behalf.

Response reference: B

SRV147

This is a pretty obvious thing that any asset manager should have had planned for and saved for? What have you been doing??? Any assets has. A ten year maintenance cycle just like a strata? So where's all the money been going? If the council wasn't completely incompetent they would have planned for this instead of pushing the panic button.

I think you all should be sacked and sued for incompetence.

Response reference: N

SRV148

Suggest further efficiencies. I saw a branch being cut by your maintenance team at 8am disrupting a local cafe with 7 workers. Your inability to influence the Alfred st issue is fascinating. The pressure placed / dysfunction on former council got you into this mess. Where is the accountability. North Sydney Council should instead be proposing other options such as:

- Seek a state government injection to the pool given impact of the construction works
- Support a toll free military rd on-ramp fee given closing of Albert
- Internal efficiency programs and cost cutting
- Deferring new spending proposals which include an additional \$57.4 million in the first three years
- Exploring divestment of any underperforming assets that don't fulfil a core Council purpose within their \$53.7 million investment property portfolio
- Staging future capital works and infrastructure programs like IT upgrades
- Accessing low interest NSW Treasury loans This should have been sent my email to rate payers based on notice preference. Further waste.

Why does this only talk about the minimum. I currently pay \$1800 per year so you are asking me to double this

Response reference: B, H, F, D

55



SRV149

Option 1 is appropriate. Council should focus on asset rationalisation to repair immediate budget priorities and not on options expanding infrastructure. The council is not listening to constituents in proposing expansion of strategic initiatives. Focus on core delivery of municipal services.

Response reference: O

SRV150

1. I am very unhappy to be asked, at a very difficult financial time, to pay for council's mistakes. I hope we all get to swim and park for free at the updated pool?
2. Why was this not raised prior to the recent election? It should have been an election issue, Not doing so is misleading.
3. I am frustrated that council has voted to limit the options that the community is allowed to vote on. Why hasn't Council been on top of this information before? If these assets are not in good enough condition, Council should have known and remedied earlier. Potentially by not allowing this financial situation to get out of hand. We were led to believe these were feasible within the financial envelope. If they aren't that should have been made clearer at the time.

Response reference: E, G, L

SRV151

This "Community Survey" is a shameless example of push-polling of the worst kind. Question 7 forces users to choose an increase in their rates of 65 to 111%. There is no opportunity to vote against an SRV. There is no way to choose a lower rate between 0 and 65%. In my view the results of this "survey" will be completely invalid and likely to mislead, and should NOT be presented to the meeting of councillors in February 2025, nor to IPART. The council should organise its financial affairs so as to live within its means and gradually pay down debt. The Office of Local Government must oversee this if necessary. Ratepayers who are already struggling with the cost of living must NOT suffer a doubling of their rates in order to bail out the council's years of financial mismanagement (again). The council already received an SRV of 40% in 2019. That is enough. For the next five years, the council must adhere to the IPART rate peg. Spending \$122m to fix a swimming pool was pure insanity. Please get your affairs in order without further burdening ratepayers.

Response reference: L, C, A



SRV152

Former mayor Genia McGafney famously once said - local government is more than foot paths and garbage collection. If you had not wandered off in your merry bumptious way from this you would not be in the strife you are now in. I say no - cut spending, stick to foot paths and garbage collection. I note there is cut spending option offered.

Response reference: F

SRV153

I agree it is needed but ns resident should get free or discounted pool access while they are paying the extra

Response reference: E

SRV154

I am happy to pay more rate if I receive free/discounted membership of the Olympic pool since we are as resident taking up the cost of bad development management, let along not able to have a swimming pool for years.

Response reference: E

SRV155

I do nor support any of these options and have only slected option 1 as ir is mandatory. This increase is just too significant for a single year. Your information also fails to show the Waste fee that is on top and included in the rates.

Response reference: L

SRV156

Neither options are viable for residents of north Sydney council area considering we are in a close of living crisis. I am a recent first home buyer living in an apartment and I can't afford the rate increase.

57



Please consider state government or federal government grants instead of taxing the rate payers. Absolutely appalling that it falls on us because of council mismanagement.

Response reference: C, I

SRV157

All three (four) options are just providing more funds for the NSC to waste. The Option you do not provide is to cut NSC services to the basics, reduce the size of your bureaucracy and save some money. It is completely phony to only provide Options with a minimum 81% increase in rates. This is the hallmark of a local government whose spending is out of control. To continue with your survey I have selected Option 1 by default. This does NOT represent my true view. There should be no increase in NSC rates above inflation. The current increase proposals are a sham. There is no option for no increase. See Q1 above. Rate payers should not be forced to pay for NSC's financial mismanagement. Get back to basic services and drop every piece of Woke expenditure until your finances are under control. Assets should be sold or mothballed until in the ordinary course of business NSC can again fund them. The NSC's previous poor financial decisions (as outlined in Mayor Zoe Baker's Message) mean NSC is precluded from any expanded, new or upgraded infrastructure in the foreseeable future. Don't slug rate payers for your mistakes and require rate payers to provide more money for you to waste.

Response reference: L, F, D

SRV158

All of the funding options are too expensive for local residents and rate payers. There should be no change to the minimum rates. Rates should not be increased at all. Council should seek other methods of funding itself. Rates should not be increased. Levies should not be increased. The council is already overfunded. The council should not be wasting money on frivolous projects.

Response reference: L, P

SRV159

It's an unfortunate position to be in but to ensure that existing assets are fit for purpose and the opportunity to plan and fund new/upgraded assets is in place, I believe that option 3 is the best approach.

Response reference: S



SRV160

Expecting rate payers to fund mistakes made by the governance of Council is appalling. The North Sydney Pool refit has been a disastrous project from the beginning. Council should spend some of its reserves to fund the pool expenditure or take out a loan over a number of years. Asking your residents in a 'cost of living crisis' to add another significant expense to their households is both cruel and short sighted. Not everyone in the North Sydney LGA can afford these suggested rate increases. I assume you mean the rate peg base case of 4 percent. This amount should be sufficient to cover councils costs going forward. Council had been previously financially sound for many years - the fact that you are seeking outrageous increases due to project mismanagement is appalling. As you know there is a cost of living crisis at the moment - every tax and service has increased - perhaps putting projects on hold until after this time of high interest rates has abated. As for the budget explanation of capital and non capital minus grants to record a 13 million dollar surplus of 23/24 - a deficit should be recorded rather than a fake surplus like the federal government. Once rates are increased they will never be reduced and council will still seek a cpi rate peg increased amount each year. As you have stated the rate increase is permanent. Yes I also object to the fact that there was no option of a "no rate rise" - this survey is very skewed towards gaining a fake consensus of higher rates. I'm sure if there was a no rate increase option 90 percent of the community would click that box. Yet again fiddling the accounts and moving monies around from levies to rates does not change the facts of doubling the yearly amount of monies received from your community. As stated a permanent increase. There is nothing to stop additionally levies being added on in the future. I hope the current councillors listen to their community and decide against this short term sugar fix rather than looking at other options such as short term borrowing, using reserve monies, accepting a deficit in accounts for a few years, reduction of projects, lobbying the state government on grants and contributions and cost shifting. Additionally with the amount of development being approved and built in the area - council should be flush with section 94 contributions for infrastructure upgrades as well as a huge increase to the rate base for all the new units.

Response reference: A, H, C, L, I, Q

SRV161

There is clear over-reach - council rates should cover the basic and essential services and not be used for ideological or "nice to do" funding. If council wants funds over and above their three main priorities (rates, roads and rubbish), they should raise them through other means e.g. cutting other non-essential spending, seeking voluntary donations or reducing unnecessary staffing expenses. Collection of rates should not be used to prop up councils poor financial management. Stick to basics and manage the money you already receive in a more efficient manner.

Response reference: F



SRV162

Options other than increasing resident rates need to be explored, given the majority of the SRV requirement is based on the blow out budget and problematic management of the Olympic Pool upgrade. Options such as low rate long term loans, selling assets to cover the deficit, privatising the pool should all be considered and explored instead of lumping residents with the costs of an historical error. The 'options' below don't provide any option for community to vote for something other than a rate increase, which further demonstrates that other options are not being explored or considered.

Response reference: A, H, D, L

SRV163

Very disappointing that the Council's Finances are in such a poor state. Would want assurances that when the funds are spent to rectify the current state of affairs that the base rate is returned.

Response reference: B

SRV164

I am mortified to think that residents of this wonderful area are paying for such bad management of large projects such as the North Sydney swimming pool. Makes our Council look unprofessional that they consistently let this project become the 'elephant' in the room....and not ticking the relevant boxes and checks and balances. I am not willing to plow more monies into Strength and Sustainability until we see some more professionalism in the spending of our monies. Historically it has been a debacle.

Response reference: A

SRV165

will have to move as can't afford new rates

Response reference: C



SRV166

All options involve slugging the ratepayer. Where is there any analysis of council productivity, cost management, waste reduction, asset optimisation and or disposal. The ratepayer is being penalised fully for something over which they had no control and most will never use. By all means blame the previous council , but where is there any accountability by council officers and staff who enabled and this fiasco to happen. CE, CFO, ??

Response reference: B

SRV167

I feel that the best option for Council is to address their spending and not increase the rates by such a dramatic amount.

Response reference: F

SRV168

I do not want an increase in council rates

Response reference: L

SRV169

Council Rate increase seems to be reviewed following the cost blow out of the Sydney Olympic Pool project. Residents should not be paying for the council's incompetence in managing this project. A preferred option should be a base rate increase as is - no special levy added to residents! Council Rate increase seems to be reviewed following the cost blow out of the Sydney Olympic Pool project. Residents should not be paying for the council's incompetence in managing this project.

Response reference: A



SRV170

I disagree with the proposed implementation of the significant rates hike.

The council needs to be accountable for its own errors. Other projects should have been put off to save funds.

Perhaps council should sell some of its assets instead of placing this huge financial demand on its rate payers. If the current rates are lower than other surrounding councils then this could have been adjusted more subtly over several years.

As landlord you can imagine that such a rate increase will be passed on via increased rents affecting many people who are struggling.

You cant just blame the former council as you have had time to make tougher decisions over the past few years.

Perhaps Nth Sydney Council should be taken over by Sydney Council to become more efficient and save costs.

The council is making poor decisions for the community.

New parking meters that are complicated and not installed within reasonable distances for parking.

You say that parking fine revenues are down? I have never seen so many rangers in the area trying to book cars? What are the figures in the past 4 months??

I have had to walk 50 meters from my car and then back. Why.

Why do we have so many Lime Green bikes scattered everywhere as a nuisance. How much is the council making from this?

How can the council expect individuals to come up with this extra money every year? We can't afford it!.

I therefore reject all the funding options below and would only accept a 5% increase at the most.

There should only be a 5% increase in rates. This will be a cost burden to owners where the cost of living in difficult. The council should sell assets if necessary. We have our own pool and wouldn't even use the new pool. The council should have controlled their expenses better over the past few years,.

You can imagine what Landlords will do with rent increase because of higher rates.

If the council proceeds this will be taken to A Current Affair and other news shows.

Maybe North Sydney Council should merge with Sydney Council to save costs.

Obviously, the council shouldn't have tried to undertake such a project by itself. I don't know what this means. Please explain.

If it means a large increase on normal rates then I don't support it at all. The council should sell some assets!!This delivery program is poor and should be held back to avoid such rate hikes!

Response reference: C, D



SRV171

You mismanaged the pool. If we give you more money, you will mismanage that too as you are still trying to manage the pool despite evidence you can't do this effectively. You have mismanaged the pool so badly, why would we give you more money to mismanage?

I regularly see the pool works and have done for years - from Wildlife Hair, the bridge cycle way, the ferry stop and Luna Park boardwalk. I think I have actually seen the crane moving only a handful of times. I've never known a building site to sit static, full of expensive machinery, for so long - including during COVID and rainy weather. Outsource the project to someone with the ability to manage it rather than asking ratepayers to continue propping up your incompetence. No idea what this question refers to. Provide the details in this survey or at least a link to it if you actually want answers.

Response reference: A

SRV172

I'm support any increases given the rates are low in comparison to other metro councils. I would support this to remove the complexity.

Response reference: S

SRV173

It's obvious from reading the LTFP that Council has an imminent liquidity issue that will result in the Council needing to borrow further to cover operating expenses, which will result in further deterioration of the financial situation. In the medium to longer term Council need funds to meet asset renewal and maintenance of assets that the community relies on for the delivery of basic services. Council should be seeking greater investment from the community through greater rates increases to take all of Councils assets to "good" and not leave a legacy of deteriorating assets for the next generation. I believe the Delivery Program is achievable and whilst I would like to see more this must be balanced with available resourcing.

Response reference: S



SRV174

I am in principle supportive of an increase in minimum rates in order to bring Council not only to a financially viable and sustainable position in recognition of all the valuable services Council performs and provides but also to invest in upgrading Council assets to a good level so these services to the community can be adequately provided at a high quality level. I'm supportive of the consolidation of it means a more equitable representation of cost vs benefit depending on the ratepayer especially if it means the many businesses in the LGA are properly contributing.

Response reference: S

SRV175

Council is broke and needs more funding! I think the increased rates are necessary as thr Council's finances are a mess. Seems a sensible idea

Response reference: S

SRV176

Council is broke needs the funding provided by this We are all in favour of the increases and unfortunately are necessary at this time. This is quite sensible and overdue

Response reference: S

SRV177

- I accept that NSC financial commitments require an SRV
- I understand that the current position is a result of previous council and management failures including the Olympic Pool replacement
- I understand that nobody is happy about rate increases but as residents we must take responsibility to have financially viable community resources
- I believe that the majority of residents including myself do not have the capacity to understand the details of what is required and how to budget for it
- I believe that it is important to maintain infrastructure. This is something that Governments fail to do and you have only to look at the state of our schools and hospitals and other public services.



- Population growth is forced onto us by Governments and they should bear more of the cost of providing local infrastructure
- Any new services provided by Council must be of benefit to the whole community and not duplicate existing services
- I am prepared to accept the Council's decision on the way forward.
- I pay rates of \$1333 pa in North Sydney compared to \$1571 in Kuringai and \$2545 on the Central Coast and \$2640 on the Sunshine Coast Qld.
- Option 3 would be the greatest cost of an increase of \$799 the first year. This equates to the cost of a cup of coffee every second day. While it could be a strain on the income for many it is less than the cost of them upgrading their perfectly good iPhone or travelling interstate for a concert or taking a family of four out to dinner.
- I consider that option 2a as a balance between cost and outcomes and that option 3 could be revisited after two years"

Response reference: S

SRV178

No 60 storey skyscrapers to be built in LGA. Serious flooding and drainage issues (and bund installed to contain water overflow) in St Leonard's Part to be repaired ASAP

Additional response: The NSW Government has implemented changes to the Crows Nest and St Leonards precinct via the Transport Oriented Development initiative. It includes building heights of up to 60 storeys. This is beyond Council's control.
Feedback on St Leonards Park has been provided to the Parks team.

SRV179

I can't see how the SRV has an impact on the LTFP year by year - maybe I am missing something?

Additional response: The long term financial plan presents several scenarios to the community. There is a base case that shows Council's finances for 10-years without the special rate variation. There are also scenarios that show the impact of each special rate variation option on Council's finances over 10-years.



SRV180

Council leadership should be replaced. Council should stick to their knitting, doing major developments and building sporting facilities is not one of them. Clearly Council do not have the skills to manage and deliver a pool rebuild. Who ever approved this should be held to account and fired.

Response reference: A

SRV181

While the rate options proposed seem comprehensive on review, I was always taught I needed to live within my means. The pool debacle, is a wonderful example of how not to do just that. I would be happy to review this again in a year or two to see how council has adjusted to the new fiscal environment, however dont believe that the granting of increased funds has been warranted / earnt at this time.

Response reference: A

SRV182

The Council has not demonstrated that it currently possesses the capacity to plan, design, procure and deliver major infrastructure projects. This would seemingly include the ability to select and manage engineering and other consultants effectively. This is most clearly evidenced by the Pool fiasco. I would accordingly oppose empowering the Council to embark on any new major projects or renewals until such time as the capacity deficits have demonstrably been addressed. In the interim the focus should be on debt reduction and improving the efficiency of recurrent spending. North Sydney has a very high income per resident capita. The magnitude of the current debt indicates failures of governance and accountability as well as lack of capacity. Spending money of consultants to produce glossy documents will not fix these core problems!!!

Response reference: A

SRV183

Why is there no "do nothing" option. I have been through a similar rate change proposal elsewhere and my experience is that the increase in rates will be squandered on more bureaucracy. Council should trim their expenses in accordance with their income like a normal household or business.. Council should learn to live within it's means, not ask for more money to grow the bureaucracy and financial ineptitude.

Response reference: L



SRV184

I strongly condemn the council's mismanagement of the north sydney pool redevelopment.

As an experienced client, council has shown total ineptitude in the management of this state significant project. I am yet to see any accountability in the LTFP or through the SRV literature for the council absorbing all costs and retrieving overruns from the contractor, consultant team or from your in house project management team that have so badly managed this project.

Placing this financial burden on ratepayers should be the last resort. I do not support the SRV in any form.

I encourage the council to seek alternative funding from federal government.

Should the SRV go ahead, please confirm that the pricing structure of the pool will recognise the significant financial burden on ratepayers, or provide a tired entrance fee structure that avoids residents being overcharged and paying twice for the facility.

Please also confirm that, should the SRV go ahead, that rate increases will drop once the financial burden has been reduced. Many of the delivery programs outline suggest 'reviewing or undertaking a study'. Suggest that whilst the Council has physical demands on its income that no further discretionary studies are undertaken on works which may not be followed through. Priority has to be given to reducing expenditure, not spending more. For this reason, suggest that Option 1 is progressed.

Response reference: A, L, I, E

SRV185

I am strongly opposed to options 2a and 3 as I am extremely bothered by the fact that the previous Council has got the finances into such a state to require a 50% SRV to dig Council out of a hole that it should not realistically be in. The debacle over the NS Olympic pool is shameful.

I worked in infrastructure funding and investor assurance for the State Government in NSW Treasury and it seems to me from a distance, that all due diligence, governance and investor assurance for the project was completely neglected!!!

I am slightly less vehemently opposed to Options 1 and 2b, because I recognise a need to repair the budget, but I am retired on a fixed income and doubling my rate burden in one go is going to tax MY financial sustainability!!



From my own perspective I can only really support option 1 financial repair, or no more than Option 2b

Response reference: A, C

SRV186

Our rates shouldn't be going up exponentially because of financial mismanagement and a commitment that isn't able to be upheld. It is not the rate payers responsibility to bail you out!!!DISGUSTING!!! It is not the rate payers responsibility to bail you out of your financial mismanagement. Absolutely disgraceful that we have to cough up ridiculous amounts to fix a problem we not only didn't ask for but didn't cause. You're making it harder for families in a current cost of living crisis. You should be ashamed of yourselves. Delays and cost increases. It's frustrating to know we will be living with the reminder of both of these indefinitely.

Response reference: C

SRV187

This is unacceptable. Council has taken on risk in a major project it was unable to manage or understand. For a project that a very small % of the rate payers actually utilise. Where is the detailed report outlining how Council got it so wrong and how accountability is being taken.

Council should resign and be replaced by a professional administrator.

Council should borrow to cover the problem and apportion the increase rate costs across the life of the loan. Expecting current ratepayers to pay for a long term asset cost overrun in this manner is not fair and reasonable. Why didn't Council have a clear understanding of this in the first place and at all times. That is what you are paid to do.

Response reference: H, G, N

SRV188

Under no circumstances should an SRV be approved. Government like all businesses must be fiscally responsible and in addition, good stewards of the public purse. Live within our means; if there is a deficit, then descope and make budget allocations with existing funds. I will be sure to vote against sitting councilors should any of them vote for an SRV. Question 7 is flawed and forces an answer. My preferred choice is to have Council pull the pin and reign in spending. You do not have the money, so do

68



not ask for more. I am not the bank of mum and dad. I do not support any increase in rates as per the proposed special levy. Bad fiscal responsibility is not resolved or reconciled by going to rate payers to demand more funds to make of for the shortfall. Rather, it starts with good policy and spending decisions to rectify the wrongs made. For instance, reign in the frivolity of the pool! De-scope and find that graceful pause to use it in current state. Then plan and budget in the long term with what Council has with current rates to reasonably finish. That is how all fiscally responsible households do it. North Sydney Council is no different and in fact should be held to a higher account with the public purse! Any councilor not exercising which prudence will not have my vote in the upcoming election. There will a reckoning sooner or later. Sins like the cops, always catch up. Not supported. Keep levies and ordinary rates separate. Otherwise, there is no easy way to parse them out and keep councilors accountable. Flawed. Desclope instead and live within our means. Flawed. Desclope instead and live within our means.

Response reference: L, A, B

SRV189

Presumably Council receives significant income from development contribution fees. These seemed to be unaccounted for in the financial forecasts. This would not be an insignificant amount given the amount of development in the council area. The promise of providing funding for new services and initiatives is misleading as currently stated. The initiatives are generally limited to reviews & investigations and lack material outcomes for the community.

Response reference: M

SRV190

The level of publically funded community facilities is excessive. Reductions should be made with regard to built infrastructure owned and maintained by council. For the reduced level of community facilities provided, the planning function should be altered to have facilities privately built and funded for a minimum term of 25 years. This would be achieved by imposing additional obligations on developers to provide required community spaces and by selling carpark facilities near to good quality public transport then imposing requirements on private developers to incorporate community facilities in the developed asset that would also be maintained for a period of 25 years then returned to public ownership at the end of the concession period in a fir for purpose condition. I do not support a massive one off increase to minimum rates. In the current climate this is inappropriate and will cause more social harm than good. Further, none of the options in the LTFP look at a serious winding back of council maintained assets, services, initiatives and projects. Had an option been prepared based on no SRV then we would have been able to better assess if this was viable and/or preferable as compared with the options as



they currently stand in the LTFP. In reviewing the LTFP and other associated documents, I believe it likely that this would indeed be achievable via reducing the asset base council must maintain. An important element of such a reduction would be achieved by shifting responsibility to the private sector via a variety of well established mechanisms that would see assets being refreshed and run in accordance with strict output specifications that also include abatements for failure to adhere to the agreed outputs that support maintaining current community services. I do not support such a consolidation. Such an action makes a mockery out of the reason the levy was imposed in the first place. If the levy is no longer required or the original design that supported its implementation sees it no longer required then it should be removed. Consolidating levy's in this way will seriously erode trust in council, with any new levy viewed as a thinly veiled disguise to eventually permanently increase rates by this amount. Non critically essential council owned and maintained assets must be reduced along with the services they support and the people employed to provide them in favour of shifting the obligation to build and maintain these assets by private developers. Non critically essential council owned and maintained assets must be reduced along with the services they support and the people employed to provide them in favour of shifting the obligation to build and maintain these assets by private developers.

Response reference: D, F, N

SRV191

Our council has lost connect either reality - back when the Sydney Olympic Pool development decision was made, many of us opposed the choice of contractor and the means by which the solution was proposed.

Now the council are asking us to find their misgivings and errors of judgement.

How can such a lack of foresight be evident in what should be a leading council within Australia. Why are ratepayers now being asked for a SRV so close to a determination from IPART that approved a rate uplift for the foreseeable period.

Can council not seek other NSW Govt alternatives for cheap loans to fund their own shortfall. Making the options above mandatory with no options to refuse all ridiculous options is nonsense.

I would not agree to pay more until all NSW options and funding alternatives have been explored.

What other cost overruns are we to expect in the remainder of the IPART determination.

Response reference: H, M



SRV192

We have had modest rates in the past, less than other councils, so it is reasonable that we have to pay more now. We WANT our area to be world-class. We can collectively AFFORD for it to be world-class. Please tax as needed and delight us with great service and infrastructure.

Response reference: S

SRV193

The LTFP fails to make the necessary savings or to gain funds from State and Federal government. (why is \$100M being spent on a completely unnecessary bike ramp which would have been so much better spent on the pool - inability to influence at state level seems to be the reason)

The SRV should not go ahead or if it does should go at the very minimum level to stop further council over-spending. Option 5 below - none of these which has not been allowed showing contempt for the ratepayers

Response reference: L, I

SRV194

The incompetence of the council (historically) is an unacceptable reason for the SRV and I resent in item 7 being forced to pick one "preferred" option.

Just sell the Olympic pool site to developers and move on. This whole process is a disgrace and the council is only presenting options that suit it and not the ratepayers of North Sydney. They need to be more creative on finding new funding. Sell the pool site, or sell other assets. Raping the ratepayers is not the only solution. This whole process is a disgrace and the council is only presenting options that suit it and not the ratepayers of North Sydney. They need to be more creative on finding new funding. Sell the pool site, or sell other assets. Raping the ratepayers is not the only solution.

Response reference: L, D

SRV195

Local residents should not be held accountable or bear the financial burden of the councils mismanaging of infrastructure works (north Sydney pool)



For question 7 I do NOT want any of the options provided It's absolutely ridiculous that this is happening. There isn't any accountability for the councils who made this decision. Also the fact that in the initial survey the lowest option was 66%! And the fact that no bother options for cost recouping is being documented.

There needs to be other options that just increasing the rates for residents.

There needs to be exploration of Icon the building company, who did the feasibility of the work, how the contract is being administered. This can't happen, merging costs don't make sense. Keeping rates the same is what's required. The costs recouping needs to be done via council separately not at the expense of residents Poor management by council members who don't have any real work consequences are causing real world implications for residents.

The inability for money to be recouped from council wages but just from residents is disgraceful

Response reference: A, L

SRV196

The rate increase information provided by NSC, quite clearly (as it is noted as the first item), had been driven by the North Sydney Pool renovation. Mismanagement of the project, including poor budget management seems to be a primary driver of the increase. Secondly, the proposed redevelopment of the Woolworths on Rangers Road, Neutral Bay is an obvious huge expense.

Re the pool: access to exercise and recreational facilities, in a high density area has been withheld from residents for years. With limited access to swimable areas (not to mention the lack of parking available to local residents at the few harbour beaches), has been a huge detriment to local children and families. Re the Woolworths development : no local resident wants this to proceed. Woolworths are monopolising the market and the council appears to be folding. One can only assume that the evident support for this unwanted development somehow benefits NSC.

Are the cost of the woolworths development being passed onto to unwanted residents?

In a corporate environment, increasing fees at such a steep rate, due to poor management of budget, poor forward planning would not be accepted. The council is passing on its mistakes to the residents it is supposed to advocate for.

As a management consultant, the planning, consultation and projections are questionable.



Community need to see the financial records and forecasting model, that has so obviously failed.

Question 7 is also ridiculous. It's geared to provide feedback that supports a rate rise e.g. ""75% of people wanted a 65.38% rate rise"". They didn't

They just weren't given a chance to vote for less. Statistics need context, which I can only presume will not be provided based on the lack of transparency provided over inadequate financial control to date.

Response reference: A, B, L

Additional response: There are no expected costs associated with the Woolworths proposal on Rangers Road. The proposal, if it goes ahead, will result in the normal development contributions being made by the developer of the land to Council.

SRV197

North Sydney council needs to cut cost and remove unnecessary spending after it's terrible financial management.. Our preferred option is no significant increase to fund obscene costs on a pool we have no interest in using! As a resident I will never use the swimming pool or associated services and think it's not fair to increase rates to fund these terribly managed projects. Ultimately the pool will be used by few residents and will instead be used by many outside the area at the expense of residents. The council should look at alternative ways to fund these such as privatising or selling rights to run these as the council clearly has no skill in managing them.

I do not support an increase to rates and pushing the burdon of the council's awful financial managed on residents.

The council also should lobby harder for the many many super wealthy schools and religious organisations in north sydney to contribute something to the community.. Most residents don't care how levis and rates are administered, what they care about is the overall cost to them and the perceived value the council provides which right now is very poor. Please cut back spending further...

Response reference: F, J, A

SRV198

All options are poor. The financial planning for North Sydney Council was poor, especially with the overspent on the North Sydney Olympic Pool.

Response reference: A



SRV199

Extremely disappointed that council has grossly mis-managed the pool project and now residents are required to pay for it.

Response reference: A

SRV200

SELL OFF STREETS, ROADS, LANES, PARKING, LAND, ETC SO THAT THEY DON'T NEED NSC WORKS, MONEY

Response reference: D

SRV201

I could not understand your Fact Sheet/special Rate Variation.

Additional: It is acknowledged that the level of information provided was comprehensive. This was intended to provide detailed information for people to understand what was being proposed and why, but we appreciate some of the elements can be challenging to comprehend.

To assist in the community's understanding, Council posted 34 frequently asked questions with detailed responses to the SRV website and hosted several forums (both in person and online) to allow the community to ask questions. If you have any specific questions, please reach out to Council who will be happy to assist.

SRV202

Retain the Base Rate Peg - it is simply not equitable to essentially DOUBLE the base rate of \$744 in one fell swoop for Owner / Residents. After all, we are in a Cost-of-Living Crisis!!No, keep the Rates and Levies separate - everyone deserves TRANSPARENCY with their costs and charges. The proposed 'consolidation' will be a further catalyst for unsubstantiated Cost Increases. Hello Council

While appreciating the pressure on Council for delivering current and future community services - it is simply not viable for residential rate payers to 'somehow' absorb the proposed cumulative rate increases of between 65.38% and 111.20% (depending on the Option selected) over 3 years.



Many residents are on a fixed income. It will not sustainable to introduce rate increases at these levels, from a 'normal' base cost increase of say,10%.

The Council needs to explore other opportunities for 'indirect' User Pays income streams from fines (smoking breaches, littering, parking etc), permits (boat mooring) and those pertinent to businesses (licences and fees / charges).

Only a very modest increase from the accepted Rate Peg will be tolerated by the community.

Many thanks for the opportunity to provide this feedback.

Response reference: C, B, P

SRV203

What a joke there is not real choice other than to reject all options. Terrible This is not a delivery program.

Response reference: L

SRV204

It is an outrage that so much money has been spent on the swimming pool. It is a niche facility that provides no benefit to a large majority of North Sydney residents. Most will never use it or only on rare occasions. The people who made the decisions leading to this situation should be investigated and held accountable for their poor decisions. There should be an investigation into whether these decisions were made honestly and any findings otherwise should result in prosecutions. The council should also look at any third party advisors who advocated for this project and investigate possible legal action to recover damages.

The council should look carefully at selling or leasing assets, not least the pool itself.

Further, the council should investigate funding options for the pool from those who benefit from it the most: users, the state government and sporting bodies.

Response reference: A, D



SRV205

I agree with the structure of the rate increase (raise base rates) as this reflects benefits shared more equitably. However, I'm not supportive of raising rates PERMANENTLY to fund capital expenditure beyond current budget repair. Budget repair should be done via a TEMPORARY levy. We support the structure of the proposed changes (i.e. increase the minimum rates) as this more equitably shares the benefits of council infrastructure on a per household basis. Noting that there will be an increase in residents over the coming years from apartment completions, this should increase council revenues and provide some offset to other revenue declines such as parking. We are NOT supportive of making the increase PERMANENT but as a temporary increase for the sole purpose of balance sheet repair - Council needs to demonstrate the ability to deliver projects on budget and have a stable delivery team in place before a substantial program is contemplated. Further, efficiencies in operations need to be considered e.g. potentially even JV-ing some operations with other councils. Simplification of rates structure is sensible. Infrastructure upgrades need to be debated. Why are there, for instance, no electric vehicle chargers as part of the plan? Council needs to demonstrate ability to deliver on budget and on time before being trusted with higher allocation of ratepayer funds on a PERMANENT basis.

Response reference: L

Additional response: Due to changes in the Council's fees and charges revenue, income is unlikely to recover to pre-pandemic levels (when adjusted for inflation). This, combined with a prolonged period of high inflation, has placed significant financial pressure on the Council.

An analysis of the Council's 10-year Long-Term Financial Plan shows that, unfortunately, a temporary rate increase will not be enough to restore long-term financial sustainability or allow us to plan for future growth.

SRV206

During this year's council election campaigners told me the main problem was mismanagement of the North Sydney Pool redevelopment project. The previous council was blamed, but be that as it may, it's the current council that now has to sort this out.

Liberal MP Felicity Wilson is saying the rate increases could see rates double within three years. Is this correct?

Regardless, has council drawn up an action plan to cut costs across the board to minimise any increase?

And I have seen no mention of council seeking state funding for what is clearly a heritage project with relevance to the entire state.



I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

I trust you will review your plans.

None of the funding options listed in this survey are acceptable - I have selected option 1 simply because a box must be ticked - Do NOT take this as an endorsement of any kind

Response reference: A, I, F, L

SRV207

The council needs to take responsibility for the disgrace that is the North Sydney Pool upgrade and subsequent impact to residents. You have been totally negligent in the performance of your duties and need to be held personally liable. Plaintiff counsel and litigation funders should commence a class action against the current and former council - this is something the residents will actually support! Council must find an alternative to the punitive rate hikes including cutting your own over-bloated budget, nil fees for council members, selling assets and reassess all outsourced arrangements via 3rd party managed tenders. Expecting local residents to fund your mistakes without any consequence to the council is totally unacceptable. Any new project works and initiatives need to also have external oversight and management as the council is clearly inept to perform management of any major project. Council is in a declining financial position due to its own negligence. The council members need to be held personally liable for the appalling state of affairs. The entire council should be sacked and independent external managers appointed. Assets need to be sold to fund the current dire financial position this council has put residents in. Council is in a declining financial position due to its own negligence. The council members need to be held personally liable for the appalling state of affairs. The entire council should be sacked and independent external managers appointed.

Response reference: A, D

SRV208

I don't think any increase is justified in the macro economic conditions, you need to decrease all your own salaries and stop gold plating your offices



Your are forcing me to choose out of 3 equally ridiculous options and I propose my own which is only allow increase based on rba inflation figures, I have not noticed actual improvements at all to justify this. Whoever approved the pool works should be fired
Your financial mismanagement of public assets property and services should not be rewarded by pilfering the constituents Whoever approved the pool works should be fired
Your financial mismanagement of public assets property and services should not be rewarded by pilfering the constituents

Response reference: A, L

SRV209

Rate increase?? Do you know what the economy is like? People are losing jobs and up against inflation and living cost increases. You need to sell your assets rather than passing these to the community. I don't even use that pool ffs! Note that Question 7, my answer is no increase You didn't put an option in Q7 for no rate increase. How cunning!

Response reference: C, D, L

SRV210

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV211

It is completely unfair to expect any members of community in this current economic climate to double rates. It is within council to cut back on spending and reallocate their budget. The timing of the survey, poor communication and lack of transparency is concerning for a council that has been so critical of the WFU projects similar tactics.

Response reference: C, F



SRV212

None of the options presented are in my opinion realistic. They are presented as the only 4 options to be considered. There must be many more options available to Council to consider.

There needs to be a detailed independent review of the proposed new spending as opposed to a vague description.

What has been presented is a document prepared by Council officers, who arguably have been fully or partially responsible for the supposed "financial crisis". They lack independence and as such their recommendations need to be independently tested.

There is no review of the existing cost structure of Council and whether internal savings are possible. Similarly, there has been no consideration of asset sales as a means of addressing the cost blow-outs of the Pool Re-development.

In a period where inflation has been running at 3-4% per annum a proposed rate increase of between 65% and 111% lacks credibility.

None of the options below are supported.

Council assumes that any response to this survey will support Options 1,2, 3 or 4 and requires the respondent to select an option in order to proceed. What about Option 5 - none of the above?

I have ticked Option 1 - not because I support it - I don't but to proceed with a lodgement of my opposition to what is proposed. The questionnaire is poorly designed - unless you accept that there should be rate increase you cannot proceed. It essentially ensures 100% acceptance of the proposition when there is not acceptance of the need.

When the financial management of the Council is at issue why should ratepayers accept that those responsible for the situation should be placed in charge of the assessment. There needs to be an independent assessment of all the financial considerations including re-sizing the Council budget and any sales of surplus assets.

The communication of this issue leading into a local government election begs questions too. I am opposed to anything other than a CPI related increase and critical of the decision makers that allowed this to happen. It has been poorly managed, with the expectation that ratepayers will sign a blank cheque without any evidence of a rigorous assessment of all available options. It needs to be independently tested and reviewed.



As presented it lacks credibility. It needs to be independently tested and reviewed.

Response reference: L, B, D, C

SRV213

Dear Cr Baker and Ms Cole,

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I do not agree with any of the options proposed but note the Council does not allow for such a possibility in its survey and we are forced to choose an absurd unrealistic option.

These proposed increases are out of touch with reality and Council should be looking internally to make amends for its own complete mismanagement, not imposing it on ratepayers - whatever their means. If it were private enterprise there would be severe repercussions and there would be no 'lifeline'.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: L

SRV214

North Sydney Council's LTFP is a robust document that lays the foundation for a financially sustainable and positive future.. The Council should be commended for its leadership in developing an LTFP that prioritises transparency and financial sustainability. One of the standout features of the LTFP is the alignment with the Council's overarching goals, particularly in balancing infrastructure renewal, service delivery, and fiscal responsibility. Council should explore alternative funding opportunities and focus on cost management to expand services sustainably without overburdening ratepayers. Diversifying income through grants, partnerships, and innovative revenue streams can reduce reliance on rate increases, ensuring fairness and affordability for the community. While expanding services would be beneficial, it is not appropriate to pursue during the current cost of living pressures, as it may place undue financial strain on residents and business in the LGA.

Response reference: M, C, P



SRV215

How is it possible that your annual reviews of 2023 and 284 could say that there were no issues with the finances for the Council when in late 2024? You suddenly declare that you're going to increase rates by a huge sum because you have financial issues.

This makes your Council look at best incompetent, and at worst dishonest. To suddenly want to increase the annual rates by such huge amounts puts an enormous burden on individual homeowners who in no way were responsible for the decisions made by your council members to expect people who are already struggling financially to deal with this added burden is obscene.

I note that in your item 7 below you have not given a preferred funding option that is less than an increase of 65% and you have not given the respondents and opportunity to choose otherwise this is also dishonest as you imply by having a response that we are accepting These options which I'm most definitely am not

Response reference: G, C, L

SRV216

Why is there no option to select the base case or a lesser increase amount over a longer period? I feel I don't have a real choice in the rate increase and that the council has not explored sufficient alternative options to raise funds. I DO NOT support any of the proposed changes. I don't see the advantages of this change.

Response reference: L, P

SRV217

Schools should contribute to rates as they mostly use the facilities in the area for sports especially swimming carnivals and training.

Response reference: J

SRV218

I note there is no option to select for NO INCREASE. Even the lowest option available is a huge increase and we are all forced to only select options that are exorbitant rate increases. How is that fair or accurate in taking your constituents' opinion into consideration? You are tipping the answer to your favour only.



We are all doing it tough in homes in North Sydney - mortgage has increased, utilities have increased, insurance has increased, strata fees have increased

It's *not ok* to increase rates too. It's absurd to expect us to cover the costs of council's failures and mismanagement of a project.

We didn't cause this financial mess so why do we have to bear the brunt of fixing it?

Response reference: L, C

SRV219

I would like to see a more equitable distribution of Council's costs to private schools and large businesses. It appears that the many private schools who pay no rates may or may not voluntarily pay the amount suggested by Council. We need government and councils to come together to overturn this archaic provision. Additionally, the burden of costs for improving infrastructure in the CBD that benefits thousands of private school children should not be borne by residential ratepayers, many of whom are on fixed incomes. The new large businesses that operate from the CBD should be paying more in rates than residential ratepayers as their employees require massive amounts of amenity in the central CBD resulting in other areas within Council areas being neglected, eg the Young Street park that has never been upgraded, despite the funds being available from Transport NSW.

Response reference: J, M

SRV220

Financing notwithstanding, the pool undertaking was well beyond the project management capability of the NSC. Current residents are now carrying the burden for the benefit of future residents in addition to being severely impacted by poorly planned (and potentially executed) IPC abuse of power. Infrastructure to support the rezoning/TOD will be an impediment to maintaining built form. Quality will suffer at both ends and resource availability will be a major obstacle. Overambitious. The PPH is shocking and is antithetical to expanded services and the lack of understanding regarding the impact of the planned density increases. Revenue estimate assumptions are historically inaccurate and the uncertainty of timing in the next several years is a real risk.

Response reference: A

82



SRV221

I object to the special rate variation. Pumping millions of dollars of rate payers money into a swimming pool and gym is ridiculous. Not only is it a complete mismanagement of ratepayers money but it shows the complete incompetence of council.

Response reference: A

SRV222

I do not believe that this survey can be used by the council or IPART to make any decision about future rates as it does not include the option of 'no rate increase' (apart from the normal increase) nor does it include a smaller rate increase option. To be a proper and accurate survey of ratepayer's intentions it should at least have included the option 'none of the above'. Your survey is not statistically valid as it does not offer the choices of no change or other change. In any case, you have not shown that any of the forced choices you have listed are indeed necessary. In addition, the unfortunate case of the North Sydney pool renovation gives me no confidence that any increase in rates would be well spent. I therefore reject all of the proposed options. To raise a levy for services that are a normal part of council's activities seems like a clumsy way to carry on business. There should be no levies, just rates. Please see my comments in point 10 which also apply here. The council's track record of delivering infrastructure is really poor (see North Sydney Pool). Given this poor track record I cannot see why these additional funds should be given to Council. Ratepayers need and should be given much more information about the specifics of 'new and upgraded infrastructure' before being asked to commit to rate increases.

Response reference: L, A

SRV223

I would prefer that Council explore other ways of funding the shortfall in income and the costs of the disastrous pool rebuild project than simply asking for an uplift in rates.

Response reference: A



SRV224

Financial administration by previous councils is very unfortunate and its good to see that action is being taken. I trust the current council has the wherewithal to manage the financial resources effectively as amenities in the local area are in dire need of upgrades.

Response reference: S

SRV225

North Sydney Council have failed to articulate why a substantial rate increase is required. I would not like to see a rate increase of anything more than CPI

Response reference: L

SRV226

The proposed SRV is too complicated. Most ratepayers that I have spoken to do not understand how consensus on a preferred funding option will be achieved. There is a lot of concern that the rate variation is largely due to the deficit caused by the ongoing disaster of North Sydney Pool works. I would much prefer that ratepayers pay a one off levy to support work on the pool, then look at managed rate increases.

Response reference: A

SRV227

This is utter incompetence, incumbent Zoe Baker for the last 3 years has put us in a terrible financial position and yet claims to be the saviour of our financial position. Zoe's plan for building a pool, and many other changes such as new parking meters have evidently been not only tone deaf, but financially irresponsible, and frankly reprehensible.

Your schemes for resolving this matter only include significant increases to rates, where any sensible organisation in such financial ruin would be cutting expenses and selling off assets. Where is the option to cut back on our councillors' expenditures such as travelling to events around the country incl. flights, accommodation, meals all expensed from public money. Where is the option to cut back on the number



and quality of events occurring which benefit the few whilst costing the many, until at least our financial position is strong enough to start bringing them back again.

Frankly, these councillors are utterly clueless. There are no such sensible options as they are not capable of operating a council in the green and evidently have no experience in doing so, given the full 3 years of Zoe Bakers incumbency has led to perhaps the most embarrassing moment for our council in history. I suggest to all residents that we fight back against this ridiculous proposal in favour of common sense. This is utter incompetence, incumbent Zoe Baker for the last 3 years has put us in a terrible financial position and yet claims to be the saviour of our financial position. Zoe's plan for building a pool, and many other changes such as new parking meters have evidently been not only tone deaf, but financially irresponsible, and frankly reprehensible.

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Response reference: F, D



SRV228

prefer no increase - council should look at other options (eg loans from State gov)

Response reference: L, H

SRV229

I do not accept any of the options and this is not what we voted you in

****To the North Sydney Council,****

I am writing to express my concern regarding the proposed rate rises. While I understand the financial challenges faced by the Council, I believe that increasing rates is not the only solution and will place an undue burden on residents and businesses.

I urge the Council to consider alternative measures to improve financial stability, such as:

1. ****Optimizing current expenditures****: Conduct a thorough review of the existing budget to identify areas where costs can be reduced without compromising essential services.
2. ****Leveraging public-private partnerships****: Explore partnerships with private enterprises to fund infrastructure projects and community initiatives, thereby reducing the financial load on the Council.
3. ****Enhancing revenue streams****: Develop innovative strategies to boost revenue from non-rate sources, such as expanding commercial activities, optimizing asset utilization, and improving fee collection mechanisms.
4. ****Improving operational efficiency****: Invest in modernizing information systems and technology to increase efficiency and reduce operational costs, thereby improving overall productivity and service delivery.
5. ****Selling Council chambers****: There is absolutely no need for this single-story building to house the Council. It is enormously valuable and selling it can provide significant funds.
6. ****Reducing staff****: Cut half the staff out of Council because no one would notice the difference. This can lead to considerable savings.
7. ****Pressuring the NSW Government****: Advocate for more state government support, especially considering the Allianz infrastructure was state-funded and benefits from such support should be extended to local councils as well.

I believe these alternatives can help address the financial challenges without resorting to significant rate increases. I hope the Council will take these suggestions into consideration and prioritize the well-being of the community.

Thank you for your attention to this matter.

Response reference: C

86



SRV230

As a homeowner in Cammeray, I'm extremely dissatisfied to receive news of the proposed SRV. North Sydney Council should not make residents pay for cost overruns at the Olympic Pool project - nobody wants the project, and cost mismanagement of the project isn't our fault. The project has signs that say ""proudly funded"" by the federal and NSW state governments - the Council's first recourse should be for those governments to fund the cost overruns and provide the Council with debt relief.

Secondly, North Sydney has one of the city's largest CBDs, hosting large corporations with infinitely more financial resources than local residents and families. If the Council isn't able to obtain financial support from the federal/state governments, it should levy the large corporations and office building developers that can easily withstand increased costs before penalising households. People are already struggling with the rising cost of living - please don't make it even harder for us. A rates increase would make residents of North Sydney worse-off. It's not clear that the Council has exhausted all other possibilities (such as levying the large corporations in the North Sydney CBD, or seeking financial relief from the federal and/or state governments). Residents of North Sydney shouldn't be penalised for the Council's gross mismanagement of the Olympic Pool project. Agnostic about this as long as total rates don't increase.

Response reference: I, C, M

SRV231

I dont want to pay increased rates for a facility I never use Reduce all salaries for those who were in charge at the time for their incompetence- at the very least do not give salary increases.
Look for more creative strategies instead of penalising locals eg sell off buildings, ban all overseas travel (such as the fact finding travel to get pool ideas.
Let's have a better way of selecting building providers so we don't use proven incompetent ones
Stop all unnecessary spend of council money, festivals, concerts, etc until bills have been paid. These events generally are only attended by a small fraction of the locals.
Add a tariff to pool users

Response reference: D, F, E

SRV232

I'm appalled that it has reached this point whereby council can markedly increase rates to pay for council's poor planning and incompetence. The original plan for the pool was ridiculous. We have lived for years now without access to the pool and will be forced to pay for it at a time when our kids are



grown up and our use for the pool has diminished. Council should find other ways to raise the money. Sell some assets. Trim staff. Raise it from development approvals. I'm also concerned that the extra fees will send small businesses to the wall. They struggle as it is. My option would be stick to the current rates. If the SRV goes ahead then at least give rate-payers reduced fees on accessing the pool!

1. North Sydney's SRV should be compared with the City of Sydney and Parramatta, not suburban Councils, due to similar residential-commercial mixes. North Sydney's average rates are HIGHER than both. Therefore a further increase is not warranted.
2. Council reported a \$13.1 million operating surplus in 2023/24 and continues to report surpluses in the September quarter of this year (\$3.4 million). Without a rate variation, the Council forecasts an annual CASH SURPLUS of \$6.5 million to \$8.5 million for the next 10 years, totalling \$67 million. If this is the case, there is no justification for an SRV.
3. Council is not proposing any cost containment strategies. In fact, next year it is proposing to INCREASE EXPENDITURE by \$12 million to cover wages and NEW projects (\$57.4 million on new projects by 2028.) Without any focus on expense structural reform, there is no financial justification for the SRV.
4. Council has not proposed other options for financial repair; for example, sale of underperforming assets, accessing low-interest Treasury loans, prioritising and staging future projects, internal efficiencies and a robust expense reduction plan etc. These options MUST be explored in any financial restructure.
5. Council's feedback survey does not allow us to oppose or support a lower rate rise. This seems like smoke and mirrors.

Response reference: A, D, F, M, K, E, L, Q

SRV233

The minimum rates are ridiculously low compared to the services each resident of the LGA receives. Even the option 3 proposed minimum rates are too low. I believe the minimum rate should be increased to \$1500 for 2025-26 and then the proposed percentage increases applied in the subsequent years I think having a base rate plus a list of levies separately identified is a good idea as residents can see the charges for various services. Breaking out more services into more identifiable levies would not be a bad idea.

Response reference: S

Additional response: Council is reviewing its financial processes, reporting and systems to improve transparency of how funds are generated and spent, with a view to introducing automation to increase the speed at which this reporting is presented to the community.

Special levies increase the complexity of administering rates for Council. They do not accurately reflect how much money is being spent in an area, for example Council currently spends more each year on Environmental and Infrastructure costs than the values of the respective levies.



SRV234

I object to the extremely high increase suggested in the rates. I am on a fixed income and the huge jump in rates is unacceptable. What happened to the surplus as reported in June 2024??I cannot afford your suggested increases. I've never used the North Sydney Pool and never will. Sell it off or fill it in. Waste of money and it makes me angry to think my rates will be used to fix this problem. I was always proud when I spoke about my council but these new suggested rates are ridiculous. I am on a fixed income.

In what ways will the Council be cost cutting? As far as the North Sydney Pool is concerned, sell it off to a developer or fill it in! It has cost us taxpayers way too much money already.

Response reference: C, D, F

SRV235

Not in favour of the SRV and believe financial assessment be made by council to bring costs down through robust governance and oversight

Response reference: L, B

SRV236

Unacceptable that the mistakes made by council is thrust upon the community. Community shouldn't need to suffer because of the mistakes council has made. Either sell assets, cut staff, or find better ways than to increase council rates for a pool not all community members will use.

Response reference: D, P

SRV237

The current funding situation is the result of council incompetence. The North Sydney pool site should be disposed of as it is of little benefit to most residents and ratepayers. Councillor and non-customer facing expenses should be cut.

None of the funding options below are appropriate, however the survey requires that I select one. The current funding situation is the result of council incompetence.

Response reference: D, F, L



SRV238

The increase is far too large over such a short period. Other cost saving or revenue raising options should be considered before more than doubling of rates. Look internally before putting on rate payers such as the huge legal bills and too many staff, overspending on staff expenses etc. It is far too steep an increase in one go, especially as it's very unclear what other solutions have been explored. Any changes need to be reasonable and not too high in short period and not above getting the budget back in ok shape

Response reference: F, M

SRV239

We have extremely low rates and if we want to continue with the excellent facilities and services offered within the North Sydney community then we must pay for them.

Response reference: S

SRV240

Dear Cr Baker and Ms Cole

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. It is outrageous that you are proposing such a huge increase.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C



SRV241

Why are you not giving serious consideration to cost reduction. Reduce the programs and services you provide to a level that is sustainable based on the income you generate already. Concentrate on the basic functions of a local council and do them really well. Cut everything else. Prove to your rate payers that you deserve to receive the current amount of our hard earned cash before you ask for more. The pool debacle is ridiculous, and galling that the council blames the previous council despite many councillors being the same. The wastage is insane - the Kirribilli Burton Street plaza was so hideous you had to re-do it, and it's now an expensively bland space. Frankly I can't believe so many of the councillors were voted in again - but not a single one of you raised the prospect of increasing our rates when you were asking for our votes. Again, deliver core services better and reduce or cut everything that's non-core.

Response reference: F

SRV242

I strongly oppose all listed SRV options. Aslo, I strongly advocate that council should act within the current and foreseeable financial constraints and NOT increase Residential rates at a higher rate than the cost of living.

Response reference: L

SRV243

I am totally opposed to the rate increase options. The Council should find alternative ways to cover their losses by cutting back existing spending, deferring new spending proposals, staging future capital works programs, accessing low interest NSW Treasury loans, getting the NSW Govt to help with the North Sydney Pool funding, enforcing all private schools to pay rates, and divest any underperforming Council assets. I am totally opposed to the rate increase options. The Council should find alternative ways to cover their losses by cutting back existing spending, deferring new spending proposals, staging future capital works programs, accessing low interest NSW Treasury loans, getting the NSW Govt to help with the North Sydney Pool funding, enforcing all private schools to pay rates, and divest any underperforming Council assets.

Response reference: F, H, N



SRV244

Council should be cutting its own spending first, and assessing the performance of its own assets, before asking residents and businesses to pay more.

If a special levy must occur, it should be for a fixed period only, thereafter rates should revert to present levels.

A special levy needs to be specific to what is for, how much are the costs and over what time period.

There is no accountability from councilors present or past, for putting rate payers in this predicament.

Response reference: F, B

SRV245

The short term costs are unrealistically high, the budgeted costs need review and alternate funding source must be considered.

Response reference: M

SRV246

How about tighten your purse strings and stop misappropriation public funds like the North Sydney Pool fiasco. You have no right and no place asking rate payers for more because of your inability to manage finances appropriately. Completely unreasonable. Completely unreasonable.

Response reference: A

SRV247

Charge schools the equivalent of rates as they are increasingly heavy users of public assets as they overdevelop their land.

Residents should only pay subsidised reduced fees to use the pool. Council needs to show fiscal responsibility and cost reductions while maintaining basic amenity in nth sydney in any options not just variations of increases. Financial and management incompetence. Unacceptable.

Response reference: J, E, F



SRV248

Rates are high enough. You will need to do more to balance your budget. The pool costs are a council issue not a rate payer issue Costs are too high as is. No to rate increase. Look to the state or Sydney councils to pay for the pool blow out costs as this pool is more than a neighborhood pool.

Response reference: L, I, A

SRV249

I am absolutely shocked, appalled and staggered at your proposals for the increase in rates. How your inept dealings with funding has resulted in this is beyond comprehension. This pool fiasco, is an utter disgrace, and now you expect us to cough up for your mistakes. This at the very least should be a State, and or national issue due to the legacy of this white elephant. I do not agree with the outrageous, scandalous, preposterous proposals, NONE of them.. Rises at this level are total unacceptable. The cost of living increase is the only one I would agree to. I am appalled at the suggest increases to the rates. 111% is outrageous and should absolutely not be allowed. I cannot think of any other business, enterprise, service where this would be acceptable. If the council have mismanaged the finances for this swimming pool, may I suggest either the Federal or State government bail you out and not the residents of North Sydney. How on earth has this blown out to the extent it has????! I would agree ONLY to a rise in line with other industries, NEVER 111% or anything close to that, ridiculous. Get the funds for your totally inadequate handling of finances from the Government and resign. You all should be ashamed at these proposals

Response reference: A, L, C, I

SRV250

I do not object to a modest increase in rates, but State and Federal governments should be pursued to contribute to the costs of the Olympic Pool given it's State and National significance and its use by those who do not pay rates in North Sydney. While tidier for accounting, if levies are no longer required they should be abolished and if they are required for the particular purpose they were introduced to address, then they should stay so the funds are directed to that purpose and not diverted to general purposes.

Response reference: I



SRV251

I now have a clearer understanding of the rationale for the increased funding and factors that have placed the Council in a poor financial position.

What I would like to see included in LTFP is how the Council can make it more appealing for rate payers to use the facilities and services of the Council. I would like to see more information of the Swimming Centre and its long-term viability and its positive revenue contribution to the Council and ratepayers. It seems a significant asset that has limited overall benefit for most residents and ratepayers. Nothing specific.

Additional response: A business plan for the pool has been developed as outlined in the Organisational Improvement plan. This expects to increase revenue for the facility by approximately \$1 million each year. Council will continue to consider other opportunities to increase revenue from the facility, including private hire and sponsorship.

SRV252

Council needs to look into cost cutting and managing their budget instead of demanding huge rate hikes to pay for infrastructures that residents did not ask for. The council has to take responsibilities for blowing a hole in their budget and simply letting residents take care of it.

Response reference: B, F

SRV253

I get that they have to rise but such a large amount in option 2a and 3 is unreasonable. I live in very small apartment block and with each of us paying leaves. With such the amount of development that is going on surely this is offsetting an above 75% rate rise for all.

Response reference: P

SRV254

I would prefer Council has a good hard look at where savings can be made before implementing an increase to rates. The North Sydney Pool is an asset for the long term and could be funded by a government loan. What cash surplus is held and are there any commercial assets owned by Council



which could be sold? Request council to investigate all options for economies and increased productivity before raising rates. With more new buildings with more businesses and residents perhaps a rate increase could be less. Not sure of what the “consolidation of existing levies” means.

Response reference: F, H, D, Q

SRV255

It's not acceptable that units get a large increase and the details of where this is being spent is not clear apart from the swimming pool. If this is to cover the pool then it's unacceptable.

In fact the pool will bring more inconvenience to residents with no benefit. I assume those in Kirribilli and Milsons Point won't get free access, so it's just pay pay pay.

North Sydney Council caused this issue and it's theirs to fix. Cut the budget in areas which are not vital. Cut the headcount where it's not vital.

In addition... Focus on revenue. Increase car parking charges for non-residents, make it payable on weekends when it's impossible to park in Kirribilli as a resident. Charge tourists to park here. Double the charge and people will still pay it.

Increase the rates/payments they the rich schools in the area take advantage of with little gain for residents. Charge large houses more in rates.

There are plenty of ways to increase revenue which is not impacting units which are generally lived in by less well off people. If this means residents pay 60% and businesses 40% and this is a decrease for residents then I support this.

If the levy is not a guaranteed payment each year and/or you are going to add additional levies on top of when you wrap this into the rates then I do not support it. Option 0 - no rise to taxpayers and instead the council cuts costs from their payroll and paused all vanity projects.

Response reference: A, E, P, J, L, F



SRV256

I strongly oppose any increases in council tax. The current rate is already excessively high, and I refuse to pay more. It is unacceptable for the council to misappropriate funds on projects like the Olympic pool, which is unlikely to be completed anytime in this millenium, and the cycle ramp, which will benefit only a handful of people. While I feel privileged to live in Kirribilli, the incompetence of the local council is astonishing. The council should focus on internal cost-saving measures, such as addressing redundancies and other inefficiencies, rather than imposing additional financial burdens on residents. It's very unfortunate that the council decided to punish the residents of Kirribilli for your own money mismanagement. Perhaps you could have considered other options. I am absolutely against paying higher rates, my rates are high as it is. Perhaps, you could have also considered increasing the rates that are the lowest. I am absolutely appealed that the survey only allowed to choose the increases, there was no option to oppose them. That tells me that the decision has been made already and no amount of feedback will change it. Please see above. So with the levies consolidated, are you now going to add additional levies? Presumably you will be asking for even more money from Kirribilli residents.

Response reference: A, F, L

SRV257

I am opposed to the SRV options for the following reasons:

1. Residents and businesses have been singled out to pay large portions of the accumulated Council debt in a relatively short time frame e.g. internal borrowings are repaid and 70 per cent of external borrowings are reduced by 70 percent. Ratepayers and financially penalised due to the massive rate increases proposed i.e. 65 to 111 percent proposed increases and Council should be taking on additional external debt to pay for past poor management and decision making e.g. doubling of pool renovation cost.
2. Council should develop a new financial proposition that extends the proposed 10 year time frame to a 30 year time frame. This is the useful life of major assets and much capital works and any SRV would a considerably smaller financial imposition for ratepayers.
3. Elderly ratepayers on fixed incomes are unlikely to have spare payment capacity for 65 - 111 per cent rate increases. Tenants (in a high rental catchment) already struggling with excessively high rents are also placed in the same unenviable position as fixed income residents and the Council will experience a huge ongoing protest from residents claiming inability to pay massive increases in rates.
4. Given the Council's unsustainable financial position why can't it seek financial help or long term borrowings from the Sate Government?

Response reference: L, A, C, H



SRV258

The Plan is disappointing. At no point are there any suggestions on cost savings or budget cutbacks. There is no talk of cuts to executive salaries, or termination of those involved in administration of the pool saga. There is no plan to expedite building Approvals to get additional levies and additional rate holders. The council continues to waste money on blocking every development application. I find the survey disappointing that it does not have an option for savings or cuts and maintain the rates (none of the options in the survey are preferred). North Sydney council should be run like a business. Asset Management has been terrible for years. Money is being wasted with very little results. There is little to no supervision. A perfect example is the mess on Willoughby Road. The whole program is an absolutely disappointing. It would be good to get staff back in the office full time (those that don't comply, council should look at removing). Actually have visibility on staff. Get rid of Council staff parking. Ensure leave balances are reduced to less than 10 days. Cancel any overtime. Reduce rubbish and green collections to once a month. Cut the marketing budget. Cut the workforce by 40%. Increase Approvals for developments to ensure revenues are picked up. Stop spending money on external lawyers and planners.

Response reference: L, F

SRV259

I believe that the need for this SRV is the result of deep incompetence by NS Council (yes, I know ..the previous iteration..)

However I believe that not all options have been properly investigated and that YOU are choosing the easy way out, ie. getting the ratepayers to pay for your incompetence and lack of accountability.

I am only Ticking Opt 1 as no other option is available to complete the survey (what a joke!) - DO NOT USE IT as a valid vote.! Totally against ANY adjustment, given their need is due to COUNCIL INCOMPETENCE.

If my business fails are ok with me asking to bail me out? Is the NS pool an asset or a liability?? Please sell it to NSW Govt so they can pick up the tab!!!

Response reference: L, D



SRV260

I do not believe council should proceed with any of the options presented for proposed rates increases beyond the rate peg. Council should look to reduce unnecessary spending to live within constraints of existing rates funding envelope. Minimum rate levels should not be increased beyond that permitted by the rate peg. I am not supportive of what amounts to a very significant increase in minimum rates above the current with rate peg applied. I am supportive of the abolition of the infrastructure, environmental and Main Street levies. However these should be equitably applied to only those rate payers who gain benefit from the services that these levies provide. I am not supportive of abolishing the levies, uplifting all rates, but continuing to provide the services from these levies only to a subset of residents. Council should look to achieve asset maintenance within current rates funding envelope. Council should look to options for amalgamation with adjacent councils to achieve greater efficiencies and reduce cost of delivery and unlock greater rate revenue to use for essential asset repairs and refresh. I am not supportive of any rates increases beyond the rate peg. Council should look at delivery of services and consider the essential nature of all services such that council can operate within the existing funding envelope. This may mean reduction and/or elimination of some unnecessary services that are delivered today and/or streamlining of approvals and other processes to achieve financial efficiencies. Council should consider the elimination of red tape and associated enforcement as one such example of cost savings.

Response reference: L, F, N

SRV261

I think the plan lacks austerity measures which are necessary when a negligent council has ended up becoming effectively bankrupt. I find it poor form that there is no option to cost cut. I strongly oppose the rate increases. They are high and a result of poor management. The pool expenditures have been out of control for ages but this council has done nothing to stop the bleed. Maybe it's worth considering asset sales and cost reductions as the first measure rather than a cap in hand approach I think it's not a good approach. It's not transparent and is another financial burden. I also don't see the long term benefits. So I strongly oppose I think this council has financially miss managed its budget and should be held to account. Deliver a balanced budget before any more capital investment

Response reference: F, A, D, B



SRV262

The council needs to explore other options before crippling rate payers currently struggling with the cost of living. My vote is for NO RATE RISE.

Response reference: C, L

SRV263

Council has asked for SRV increases in the past, but it's track record of delivery and poor budget management doesn't support anything more than the minimum increase necessary to avoid financial default. Asset management strategy is commendable, but SRV wouldn't be necessary if Council had better managed the North Sydney Pool upgrade. Why rip up an almost new 25m pool as part of the project, and then replace it? This is not using rate payer funds efficiently. Council should focus on budget savings, rather than continually asking for more funding via SRVs. General waste collections every 2 weeks should be reduced to monthly, or every 2 months to save both waste & cost. Seeking rate contributions from local private schools is a good initiative.

Response reference: A, F, J

SRV264

I feel this is extremely unfair to the ratepayers. This will decrease current property values in the area. The local council has over extended itself and now is asking for the people who pay their wages to bail them out. Perhaps they could decrease the green and waste collections to once a month rather than gortnightly.

Response reference: F

SRV265

Cancel the SRV by simplifying the assets of North Sydney council. A council with ~70,000 residents quite simply cannot afford a 100 million dollar asset and it's required maintenance.

Sell the North Sydney pool to the state government. This asset is well beyond the budget and skill capabilities of a local council to manage. I am against it. This obscures the nature of the costs and limits



transparency. Sell the pool, I find it ridiculous that local residents will be paying for a pool redevelopment that they will still have to pay admission to use.

Response reference: D, E

SRV266

Council should seek to amalgamate with Lane Cove, Willoughby and Mosman Council to ensure the long term sustainability of this level of Government There should be minimal rate increase beyond CPI and disasters like the pool should be addressed through an increase in user pays.

We should remove unnecessary services and increase the rate base by allowing more mixed use throughout the LGA. an additional 3,000 homes is ridiculously low for a location like north sydney now with 2 new metros

Response reference: F

Additional response: There are significant costs incurred by Councils that amalgamate, particularly around harmonising their systems, data and processes. If Council was to be amalgamated, these costs would be incurred, in addition to the financial challenges currently facing North Sydney Council. 3,000 additional homes is an estimate based on Council forecasts. The number each year will depend on several factors including New South Wales government policy, the economic conditions for undertaking developments, and the availability of builders.

SRV267

Absolutely irresponsible. The council needs to investigate additional ways to manage the budget other than doubling council rates. Look at selling assets, getting a loan and or raising other revenue measures.

Response reference: D, H, M, P

SRV268

Nothing I have read has detailed how the funds have been exhausted except for mistakes being made with the pool development. Likewise, nothing written gives confidence that the council has learned from their mistakes and as such it is very difficult for us as ratepayers to have confidence mistakes won't be made again and as such we cannot justify contributing more than the minimum.

Response reference: A



SRV269

I think options 1, 2A & 2b are all acceptable options. I agree that to ensure sustainability and to continue investing in infrastructure and services we are enjoying requires the SRV to be implemented. We agree that some level of increase to the minimum rates is required. We as property owners are willing to accept this increase- options 1, 1a and 1b being our preferences. we agree to the lives being rolled into the existing rates for better efficiency. I accept that investments are required in order for council to be able to provide for the community.

Response reference: S

SRV270

Council should seriously reconsider the financial stress residents of North Sydney are already under before passing through a minimum 50% increase in rates. Under an already stressed financial environment, council cannot expect residents to budget for such a substantial rate increase without greater notice, or incremental increase in rates.

Council should look to refinance their debt in the new year as rates are expected to ease and so too should council's debt obligations.

Response reference: C, H

SRV271

None of the SRV OPTIONS are acceptable as they are all very expensive.

withheld the proposed North Sydney Council Special Rate Variation (SRV) is unreasonable and is very expensive for residents of North Sydney council.

comparison of current and forecast residential rates with other Councils in the region and across Sydney (eg. Willoughby, Strathfield, Northern Beaches), residential land size in North Sydney are generally very small compared to these councils, therefore it is not a fair comparison.

North Sydney Olympic Pool redevelopment project was mismanaged, IE the building costs were not estimated properly, so why would the residents have to pay for these mistakes with the proposed unreasonable RATE INCREASES (SRV).

Response reference: A, L

101



SRV272

Council needs to come up with alternative funding options. With increased pressure on households, increasing rates as proposed places too much pressure on households Council needs to come up with alternative funding options. With increased cost pressures on households, increasing rates as proposed places too much burden on households.

Response reference: C

SRV273

1. The council has not provided a no change option - standard practice in any business case analysis - so there is already a presumption that rates will be increased dramatically, just a question of how much over which time period. You are not truly seeking opinions other than what you have already determined, merely endorsement by not providing any other options.
2. The council was re-elected in September of this year. No mention was made of the need to increase rates prior to the election although it is obvious that the situation was well known and given the short timespan between the elections and release of the intent for a SRV, these options had already been canvassed. So, the election campaign was essentially an exercise in deceit to ensure re-election.
3. The stated prime rationale for the increased rates is the overspend on the Olympic Pool which council tries to blame on prior administrations. There may be some substance in that point; however, the current council has had the running of the project for over three years. The only conclusion can be that it has been completely incompetent in managing this project and at this point could not be trusted to spend additional funding wisely.
4. Reviewing the other reasons given for the SRV, none are new or special and are being experienced by businesses every day around the country. Specifically, the issues raised around asset maintenance and outdated information systems are just another indication of the failure of this council to professionally manage its operations.
5. There does not seem to be any indication from the documents provided that the council has taken any action to actively reduce costs. There appear to have been multiple strategy planning exercises but no action to get council finances under control . The cost control activities cited seemed to be exercises in spending more money on reviews including process mapping. Any organisation with over 250 processes has no idea what it is doing. There was not one single example provided where costs had been actually reduced.
6. Your financial statements indicate there is plenty of opportunity to reduce current expenditure, reduce debt and together with proper restraint on future investments eliminate the need for an SRV:



- a. Your P&L costs show that Employment costs are forecast to increase by 10.9% into the coming year. Three times greater than inflation. This is an indication that council has lost control of employment costs or headcount.
- b. The P&L indicates you are expecting a surplus in FY of 4.9m and cash flow statement shows a net cash position of 21m at end of FY25 before investments. So, no financial crisis there. Only a manufactured one based on council wanting to spend more money than they have.
- c. The balance sheet shows the council has \$53.7m investments on which it earns a paltry \$3.2m (from P&L) - 5.9%. Not much better than a bank deposit. Your rationale not to sell to address current liquidity position is essentially they may be useful in the future. Any business or householder would know to sell assets to resolve debt issues.
7. To conclude, the council is in its current position because of council decisions or as likely, not making timely decisions. Discard the SRV and use the resources available. Seems reasonable. Seems reasonable. An asset strategy should principally be about how the organisation intends to maintain its assets to achieve their design purpose. The fact that you have done a review and found issues has two inter-related implications:
1. The existing maintenance strategy was ineffective which by the way is extraordinary given the state of knowledge in this field in this day and age; and/or
 2. Council did not provide the resources needed to implement the strategy
- Either way, further evidence of a lack of competence in basic council activity. Given the current situation, there can be no confidence that additional funds will be spent in a manner that provides value to individual rate payers or the community. The council needs to urgently get its house in order and demonstrate competence. Future capex should be restricted to the essential for safety until liquidity is restored and competence is proven. Then ask for additional funds.

Response reference: L, G, A, B, F, H, N, Q

SRV274

I attended the Council meeting in early December where the SRV was debated by the Councillors. I note that one Public speaker who obviously had some financial acumen, spoke very well and intimated that while in normal times Depreciation is included in a business's financials, in the current situation, by removing Depreciation, the Council is actually in reasonable shape. I believe Council can trade out of this situation by being more prudent with its Capital works programme and asking for a more realistic rate increase. I also had a sense of Deja Vu when Councillor Beregi started to talk about leaking roofs in the Council Chambers and Library, because after all Council's current travails with the Pool started because of a leak and look where we ended up. What's not to say that we give the Council a pile of money and Council ends up wasting it on another grand project such as New Council Chambers? I don't believe Council has actually properly explored all options. Spreadsheets are wonderful things. There must be



more than the four options below. As alluded to above, one option should include what if we don't include depreciation in the financials for the next 5 years?

How long would it take to trade out of the situation with a smaller incremental approach to rate increases?

Response reference: A, L, N

SRV275

I have lived in Crows Nest for 15 years and my rates have more than doubled in this time. I feel the North Sydney pool has been totally mishandled by current and previous council and now we the rate payers have to pay for this mistake. I understand that costs have risen but the pool debarcle has caused me and people (retired) on a limited income great distress. Options are complicated and hard to understand

Response reference: A, C

SRV276

I'm pleased to have the opportunity to respond the proposed options for the Special Rate Variation (SRV). I understand the Council's need to strengthen its financial position, especially in the context of the North Sydney Pool cost blow-out. I attended public meetings when the new pool was being considered, and heard clear community concern about the scale of what was being proposed. I never heard a convincing case from the then-Mayor that this was what was best for our community. However, we now find ourselves, as ratepayers, in this position, and I respect the way Council has outlined various options for consideration.

I am grateful for what our Council offers its ratepayers — from kerbside recycling, green waste pickups, household goods pickups, and the fantastic Recycling Centre in Artarmon. The Recycle Smart program subsidised by Council is wonderful, too. We were so pleased to be able to participate in the Futureproofing Apartments Sustainability Program, too. Council staff are incredibly helpful - in the offices, and whenever they are engaged in streetscape maintenance. They appear to take great pride in their work.



So:

I want to see buildings properly maintained, rather than fall into serious disrepair.

I don't want to see "assets" sold off in order for Council to reduce debt and provide the necessary resources to deliver services and infrastructure for the community.

The care and continued maintenance of parks and public spaces should be a high priority.

I am mainly concerned for those on low-incomes, for whom any of the SRV options being offered may drive them further into financial hardship. I would like the Council to consider ways in which these ratepayers might be given some kind of special consideration.

With regards to the reopening of the new pool, I would also like ratepayers' financial contribution to public infrastructure to be acknowledged with some kind of discount for pool membership, rebates on North Sydney Pool attendees' metered parking, for example. It's everyone's pool, but it's also come at a cost to the ratepayers of North Sydney. The current financial hardship borne by residents should count for something - and would go some of the way to thank local residents for their sacrifice.

My preference would be for Council to adopt Option 2 (a).

Response reference: C, E, S

SRV277

I would appreciate further information on the rationale behind the proposed changes to the minimum rates and how these changes will impact different property types and the overall financial sustainability of the council. What is being done about the management of the council? How do we know that increasing rates is going to improve the way the council's finances are being managed? Why should residents and businesses have to pay for the mistakes of individuals at the council? I would appreciate an answer to these questions. The proposed 50% increase in council rates is unacceptable and will have a devastating impact on residents and businesses during a cost of living and housing crisis. The council's financial mismanagement, particularly the exorbitant cost overruns for the North Sydney pool, should not be borne by the community. Holding those responsible for this mismanagement accountable is crucial. The proposed rate increase for businesses is particularly concerning, as it threatens their viability and the character of our local community. This decision is a disgrace and must be reconsidered. While the consolidation of levies may streamline the rating system, I believe a detailed cost-benefit analysis is necessary to determine if this approach is the most equitable and efficient for the community.

105



Transparency and clear communication regarding the potential impacts on different property types are crucial How effectively does the strategy communicate its goals and objectives to the community? Are there opportunities for increased transparency and public consultation in the asset management decision-making process? Does the strategy include a long-term financial plan for asset maintenance and renewal, ensuring the financial sustainability of these activities? Does it effectively identify and mitigate financial risks associated with asset management, such as unexpected maintenance costs or asset failures?

Response reference: B, C, A, K

SRV278

Unfairly burdens rate payers Get the NSW government to assist with pool costs. This will become the future rates at higher prices

Response reference: I

SRV279

Do not agree with additional expenditure as outlined in the LTFP, when the immediate priority should be improving the immediate financial crisis as outline in the SRV These are excessive and implementation over a short term period will place unnecessary burden on the community, especially those that are more financially vulnerable Do not approve of this plan as this reduces the transparency of levies It is not clear what is spent on an annual basis on Asset Management and the increases required over the 10 year period in the LTFP. Improved transparency in these numbers would enable a response to be made. There is no clear way from the LTFP to decipher the ongoing financial commitments and thus justify any of the options in question 9.

Response reference: C, B, L

SRV280

Why are our rates so low (Figure 3)? Please generate the revenue you need to run, maintain and improve our local council effectively. Happy with that.

Response reference: S

106



SRV281

If a rate increase means the Holterman Street Car Park 'Park' will be funded and shovels in the ground before 2026, then I agree to any of the SRV options. However, I'm not convinced council will deliver. Appendix 3 suggests council will "develop a masterplan and feasibility study for consolidating a new community center , underground carparking and significant new areas of open space for Crows Nest on the site which currently accommodates the Holterman St car park". The language in Appendix 3 sounds like council is stalling commitment to this project. Email to me from council engineering project manager dated 18/12/24 states : "This project is on hold due to absence of funding from the State Government. Currently, there is no start date to commence construction works." The council website states design concepts were endorsed on 25 October 2021 and preferred option 1 was endorsed 26 April 2022 -over three years ago! Significant funds have already been provided by developers under s92 for improved urban planning/amenities yet the money was diverted to pay for a pool in another ward. If Council implements the SRV and the desperately needed greenspace of the Holterman St park does not materialise, the council should be put into administration. Finally, I propose, as a more economical and futuristic alternative, that the car park itself be omitted (i.e. fill in the car park) and just build the park over the top. This way there will be enough funds (both state and council) to build the park. Either way this park is badly needed now that the State Govt has made Crows Nest into a TOD. There is no open green space within easy walk from Crows Nest central Too hard to follow properly

Additional response: The informing strategies provide funding for a master plan for the area of Crows Nest that currently contains the Holtermann Street car park, Crows Nest Community Centre and Ernest Place. The community will be consulted on the development of this masterplan. The delivery of the project will be dependent on Council receiving funding in the form of grants and developer contributions.

SRV282

While there is multiple references to ""improving governance"", need clarity on the exact governance arrangements in place or to be implemented (e.g. who is accountable, who is overseeing the funds) to provide comfort to ratepayers that the increased levies will actually deliver the LTFP on time and within budget, without need to raise further special levies To make an informed decision on supporting the proposed changes, need clarity on how much the residential levy will increase to, if a ratepayer is already paying more than the average minimum of \$715 - particularly those living in strata properties (apartments)

As there is no option to select ""no increase"", I have selected Option 1

Response reference: B, L

107



SRV283

I favour the long-term option. The minimum rates in North Sydney are far too low for the services provided. North Sydney provides services that many councils do not provide like a fortnightly green / household waste collection. It is ridiculous that over 80% of NS ratepayers are not paying a market rate for the services provided. I favour this in much the same way as I favour the abolition of the Medicare levy and its incorporation into the tax rate. You have to pay the levies so why not make the system cleaner and have one all up rate. Councils need to have room to manage their assets so that the community gets the best use of them. It benefits no-one to let assets rundown and only repair them when they are no longer fit for purpose.

Response reference: S

SRV284

The excess costs of NS pool should be raised by other means not rates Pensioners and struggling families will find it difficult

Response reference: A

SRV285

It's rubbish - you are taxing the locals for Councils many financial failures dont accept them - Council should cut costs and be more efficient again rejected and rates should be kept to their current levels and not used to subsidise inefficiencies and failures. Your levels of levies are ridiculous - go to the State Government for support not the locals Stop ripping up pavements time after time and other futile projects and save money

Response reference: F, I

SRV286

I do not support the increase in rates other than the minimum rates. It will necessitate the selling of non essential and non productive assets. I agree that the minimum rates are too low and not equitable. I support the increase in minimum rates for individuals and businesses. I support this.

Response reference: D



SRV287

Totally inexcusable. What do you expect when you appoint the same developer that constructed the Opal towers. The doubling of rates is simply not an option in a cost of living crisis. The excuses provided for the cost blow out are simply not acceptable. When such a budget blowout occurs we would expect the entire council to resign for complete incompetence. Secondly, North Sydney council needs to look and many other areas of non essential spending prior to increasing rates. Council to cut spending Encourage all council members to resign

Response reference: C, F

SRV288

none are suitable, rates should only be increased by cpi Car parks should be sold off especially in Crows Nest due to the Metro

Response reference: L, D

SRV289

A minimum of a 50-65% increase is too high an increase. council should look to other areas to cut expenditure. for example, Hayes St does not need new landscaping or new bus shelters. this money could be spent on the pool. A minimum of a 50-65% increase is too high an increase. council should look to other areas to cut expenditure. for example, Hayes St does not need new landscaping or new bus shelters. this money could be spent on the pool.

Response reference: F

SRV290

Savings on Council Services - Reduce frequency of General Household/Whitegoods collection from fortnightly. This discourages recycling, with many usable goods going to landfill. Mosman Council has 2 collections per year.

Totally agree with the Mayor's suggestion of an invitation to non-rateable educational institutions to voluntarily pay rates. Ratepayers are subsidising these institutions' use of many facilities such as sports fields.

Response reference: F, J

109



SRV291

The proposed minimum rate increases are completely unacceptable. When the cost of living is already so high how can you see doubling the rates as an acceptable answer to your financial problems.

Response reference: C

SRV292

Option 1 Financial Repair is my preferred option.

The NSW State Government should contribute to meeting the cost over-run of the North Sydney Pool project because the Pool is a state asset not just a local asset. I agree with the proposed consolidation.

Response reference: I

SRV293

The proposed rates variation is appalling, and we should not be held accountable for the catastrophe that is the North Sydney council's mismanagement of the aquatic centre project.

Response reference: A

SRV294

I am very opposed to the all rate rise options put forward by North Sydney Council. I am a solo mother and with the already high cost of living, the proposed rate rise (any of the proposed options) is an expense I simply cannot afford.

I also believe this survey is flawed as it does not list keeping rates at the current rate/with a modest increase as an option. I have ticked Option 1 as there was no option to keep rates the same/with a modest increase.

I am opposed to Option 1, Option 2a, Option 2b and Option 3. Council has not proposed any cost cutting or efficiency mechanisms. Could any assets be sold in order to cover renewal and maintenance costs of other deteriorating assets? I do not understand why selling the North Sydney Pool site has not been put forward as an option to securing financial security for the council.

Response reference: C, L, F, D



SRV295

This is not a proper consultation. By offering the 4 options you have already made the decision to raise rates by an extraordinary amount that will devastate local rate payers during a cost of living crisis. These options are so offensive given the issue stems from the utter disaster that was all of the decision making around the renovation of the pool. SURELY there are other options rather than hitting locals so hard. Therefore no matter what box I have to tick below in order to submit this form my true response is there should be NO lift in rates other than CPI (circa 3%) and other ways of paying for the incompetence of council and the pool renovation should be sought. This is a shameful disgrace. The disastrous financial management of the pool renovation should not be passed on to rate payers, particularly in this time of a cost of living crisis. I strongly demand that council seek other ways of repaying the financial damage they have done, as opposed to lifting rates. Also the fact that you are only offering 4 options below is also a disgrace. This means you have already made the decision to lift rates by a minimum of 65.38%. This is not a proper consultation and not allowing rate payers to hold those responsible for this financial disaster to account. I have zero confidence in this council to make any financial decisions. I have ZERO confidence in this council to do any proper assessment of any assets now or in the future. Nor can they be trusted to They are beyond incompetent. They cannot be trusted. My above responses demonstrate that I have no confidence in this council to plan anything that involves the public's finances.

Response reference: L, C, A

SRV296

I'm cynical about how the Council will spend the monies collected from increased rates which is why I support Option 1: Financial repair (3 year SRV). This will force the Council to spend our rates in a more efficient fashion, with less opportunity for wastage and 'nice to have' options which can be considered at a future date. Given its current financial position, why hasn't the Council also provided details on areas where it can save money and/or cut back on expenditure. On the surface this would appear to be an equitable change. I disagree with the proposed consolidation of existing levies into ordinary rates, as I believe Council should be open and accountable on how it spends our rates. The Council should only proceed with the updated Asset Management Strategy when it can afford it. Given its current financial position, I would have preferred to see options on how the Council can also save money in areas where it can cut back on expenditure. While the Delivery Program covers a very wide range of services and activities by Council, I believe that until the Council is in a better financial position, all but the critical services proposed should be put on the back burner.

Response reference: B, F



SRV297

111% rate increase is outrageous!! Just because the council cannot manage projects properly doesn't mean you can throw it back on rate payers - North Sydney Pool is a prime example. While money is wasted on these projects that are over time and over budget, other issues like local roads, local pathways and infrastructure are forgotten None of the foundering options are my preferred option - why doesn't the survey provide another box allowing a different option None of the foundering options are my preferred option - why doesn't the survey provide another box allowing a different option

Response reference: A, L

SRV298

It is a disgrace learning of the lack of planning by officials past and current on the council financial affairs. Regardless of the rate structure selected, how as a resident of North Sydney I am assured that in five years you are not going to raise the rates AGAIN. Consolidation is fine, but measures must be in place to hold accountable people making decisions on expenditure, how is it possible that the North Sydney Pool has created such a big hole in the council's finances? and there is no date for completion yet.

Response reference; B, A

SRV299

The proposed increase to our rates is unreasonable and puts the burden on current ratepayers to fund a deficit for projects that will benefit ratepayers for many years to come. In the current financial crisis, to even think that such an increase is OK is ludicrous and shows how out of touch councillors are. I won't even be using the North Sydney pool which is one of the major budget overspenders so this makes this even more frustrating. The rates should only go up by CPI... what is suggested is ridiculous and unfair.

Response reference: C, A

SRV300

I oppose the proposed rate rise. All options are excessive and a lower rate rise option should be made available. Keep at rate peg (base case) amount. I agree with the proposal to consolidate the



environmental and infrastructure levies to ordinary rates to simplify. I agree with the proposal to implement an asset management strategy to ensure that services are provided in the most cost-effective manner, through the creation, acquisition, maintenance, operation, rehabilitation and disposal of asset. Please ensure the cost of doing so is spread over the life time of assets and not covered by current rate payers. Rushed to push this agenda through during a period where most rate payers are on holiday and no transparency provided in this process.

Response reference: D, N, R

SRV301

I have just moved to the suburb from the Ryde council area. From my perspective the public facilities here are excellent and the public infrastructure much better than what was available in Ryde. While I'm prepared to pay higher rates for the continued maintenance of this infrastructure, I think it's good enough for the time being and would prefer cheaper housing costs given the cost of living crisis, and defer public upgrade works for a time where households are faring better financially. Happy to consolidate. I prefer simpler bills.

Response reference: C, N

SRV302

I cannot believe that the North Sydney Council (NSC) I voted for is proposing to raise rates by potentially 111% during a cost of living crisis, due to poor financial management by the Council.

The community does not have capacity to pay the proposed rates. Inflation is currently 2.8% and wage inflation is 3.5%, and NSC is proposing a 65-111% rate increase. NSC, if it follows the IPART process in full, would not be able to provide to IPART that the community understands and has capacity to pay the proposed rates.

The pressures NSC is facing are no different to any financial pressures households are facing - escalating repair costs and ageing infrastructure. NSC's complaint that revenue sources have been impacted by changing market conditions, and that costs are increasing, are not unique to NSC. Every individual and family is facing these challenges, yet continues to pay their own costs.

NSC has made historical poor investment decisions into the North Sydney Pool Redevelopment. This directly conflicts with NSC's obligations under the sound financial management principles, Section 8B of



the Local Government Act 1993. Funding this asset, and other infrastructure asset developments, are total Government costs. NSC should be asking the NSW Minister for Local Government for increased funding, before rate payers.

In the circulated factsheet, NSC states that it is undertaking works to improve performance. Activities such as workforce development and strategy should be de-prioritised in this time of organisational financial crisis. Technology activities, such as consolidation of systems, is costly (e.g. consultant costs) and should be de-prioritised, especially noting the NSC identified the 'issue' arising from the technology challenges is customer satisfaction and ""workforce frustration"". An increase in rates is significantly more harmful to the community, than slow systems and ""frustrated"" council employees.

Further, in the circulated factsheet, NSC states that it undertook an organisational restructure in 2023 to realign leadership. Despite being faced with cost issues, NSC did not (or did not disclose) FTE reduction or cost reduction objectives in the restructure. This is despite NSC's \$54,406,000 budget for employee costs in 2024-25. I am interested to know why reducing employee expenses was forgone, at the expense of rate payer's money.

Response reference: A, B, C

SRV303

Why should ratepayers be responsible for the incompetence of those associated with the rebuilding of the Olympic Pool? They should consider selling off some council assets before making ratepayers wear the shortfall. Strongly object to this drastic increase in rates. Council members are elected to run the council so this kind of financial blowout does not occur. The cost didn't just blow out - clearly it was underquoted from the start.

Response reference: A, D

SRV304

There are options outside of the proposed ridiculously exorbitant increase in rates that are not being explored. 1. Loan to cover pool to be paid back after court proceedings. 2. Further government loans or monies to cover extensive school precinct OR exploring limiting purchase of lands to extend school boundaries or increase in costs to hire any council land by schools for use by sporting or other activities etc. creative thinking and hard work to find options rather than over charging locals who are not reaping the benefits of this sporting facility. Also there should be an investigation by government of gross



mismanagement of finances both into this and the last council and funds recouped through legals if found to be the case. As above. No special increase Or maximum to 10 percent.
How dare there be no option for NO below. This is not genuine resident feedback. This is the council ticking boxes and NOT LISTENING. No levies to be incorporated. Clear transparent charges open for feedback and dispute. Work harder to come up with options that are not lazy and obvious. Manage money better. Look to other strategies to obtain monies as other councils do. So much mismanagement council and fingerprinting and blame gaming are just getting in the way of creative solutions. Still jo option for NO increase as per the Neutral Bay residents committee request. This council DOES NOT LISTEN much like the last council. Although signing of the pool contract on New Years Eve should be investigated. Gross mismanagement which his council has had time to remedy to some manner and have not.

Response reference: H, L, M, A

SRV305

As a resident of the North Sydney Council area, I am dismayed to hear about the proposed 65 to 111% increases in council rates. I have been told that much of the increase is a result of cost overruns for N Syd Pool and plans to upgrade North Sydney Oval. Surely North Sydney Council should be lobbying the Minns State Government for assistance as they are both iconic and heritage buildings? Council could also use debt facilities to help spread the burden out over a longer time frame rather than slug current residents with 2-3 years of massive increases? Debt facilities after all are a common strategy used by federal and state governments and businesses alike to fund spending requirements.
Also, where was the disclosure of these budget deficits and cost blowouts before the last council elections?? Did Council only just discover this after the election? If so, this also screams of incompetence and inadequate accountancy practices or possible cover-ups?
I implore you to think of spreading the costs out over a longer period of time, approach the State Government for support and/or use debt facilities to reduce the burden on already cost strapped residents!

Response reference: A, I, C

SRV306

There is not talk of council savings. Or how to increase revenue without burdening rate payers. What cuts will council make? This is shocking! People are already under pressure and council continues to waste millions on poorly managed vanity projects. Highly disappointed. Perhaps council should push through all the new developments and increase the rate payer base. Why is there an option 1 no



increase. Perhaps dropping some staff and some of the executive is a good idea? Vanity projects. Get back to basics.

Response reference: C, L, F

SRV307

The LTFP and SRV options make the untested and unexplained assumption that it is necessary to repay 70% of borrowings in the next 10 years. This conflates the general issues of financial sustainability (which all councils are facing) with the issues relating to the requirement to repay the debt incurred through the egregiously poor decision making on the pool (which has been acknowledged by Council). This neglects the intergenerational equity issues. Presumably the pool will have a lifespan of at least 50 years so placing an impost on current ratepayers to fund most of it within 10 years is unfair. It is impossible to separate these issues out in the LTFP and make an informed decision on the SRV proposal.

A better approach would be to provide information regarding the SRV options required for financial sustainability separately from the debt repayment relating to the pool, and for the loans to be extended so that they are more fairly apportioned across beneficiaries for the lifetime of the pool. This is what other councils that are investing in long term assets (such as sports stadiums, civic centres and libraries) are doing.

Another option would be to delay proposed expenditure on capital infrastructure as proposed in the Asset Management Plan (such as the \$15m Hume Street car park upgrade) and use it to pay down the pool debt, however that is not suggested anywhere.

With regard to the "SRV options", I note that selecting the "base case" (ie NO SRV) is not presented as an option in question 9.

This is poor consultative practice and disrespectful to ratepayers as they should be able to direct council to maintain the current rate settings and reduce expenditure by cutting services and projects as I have suggested.

Submissions on those lines will undoubtedly be made to IPART if the SRV proposal proceeds.

There is no doubt that NSC has lower rates than similar councils and probably requires an increase to achieve financial sustainability.

However, this should not be "rolled up" with the issues relating to the pool debt and, absent considerations and financial modelling of such options as proposed in the previous question, it is difficult to properly consider supporting any SRV option other than option 1.

This is a sensible idea, however including it in the consultation for the SRV only serves to make it difficult for ratepayers to ascertain what impact it will actually have on the rates they are required to pay, even if they check their 2024-2025 rate notice. The financial issues in play here are very complex and are not always clearly explained, which makes it hard for them to be properly considered, even by those familiar with council financial documents. See answer to 6. The AMS assumes that a number of currently



planned capital projects should proceed. This needs to be revisited and the AMS reconsidered so that an option is that capital is not expended on projects the community may no longer wish to pay for, but can be expended instead on maintaining assets at acceptable levels. The Delivery Program is irrelevant until the outcome of any SRV application is known and the LTFP and AMS revised. A new Delivery Program will then be required.

Response reference: A, N

SRV308

It's confusing not to mention the DMWC which, when added to the rates, means my rate notice is already about \$1,300. Very sensible - will make rate notices simpler.

Additional response: The Domestic Waste Management Charge (DWMC) is unchanged by the proposed special rate variation.

SRV309

Having read the LTFP and the options for the SRV, I understand the Council's need to ensure that essential services are repaired, maintained, and are sufficient to cater to the needs of an expanding population in the LGA. However, I also read that the projected deficits in Council's financials amount to a very significant amount of money which was compounded by the effect of the cost overrun on the NS Olympic Pool and loss of revenues during the Covid crisis. I firmly believe that, using the analogy of managing a household budget that is under significant pressure, Council needs to get its finances back on track and into the 'black' before embarking on any 'ambitious' expansion of Council services. Council's explanation that households are subsidising until dwellers was news to me.

The proposed increase in the minimum rates appears to be a legitimate attempt to ensure there is some equality between householders and unit dwellers, given both of these sets of rate payers enjoy access to the same services. I do not agree with the proposal to consolidate existing levies into ordinary rates as I prefer to see a transparent breakdown of where the monies I pay for my rates are being spent.

Maintaining current Council-owned assets should be a priority, and renewing such assets at 'end of life' use is a necessity. This comes at a cost that the community needs to bear if we, the community, are to have continued access to these services. However, based on past performance of previous NS Councils, there has been a lack of due diligence in capably addressing these matters, and I would go so far as to say that Council was 'wilfully negligent' under the direction of Mayor Gibson. I believe that the Delivery Program has been well thought out, and importantly provides services that the Community and Council



desire to have. However, given the Council's current financial situation, I believe that many aspects of this program should be delayed until the financial situation of Council is in a much stronger position.

Response reference: A, N

SRV310

It seems that the same financial people are involved with this proposal as those that did the budget on the North Sydney pool, can they really be trusted? I am surprised that there is not a class action personally against councillors that voted in favour of the refurbishment of North Sydney pool. A director of a public company would lose their house why not these reckless incompetents. At the very least ICAC should review those councillors past and present that voted in favour of the refurbishment With the sort of incompetence shown by council management and councillors can they be trusted to take the rates back to normal after this crisis?

Since management cannot be trusted with money most ratepayers should choose the least payment.

Response reference: A

SRV311

Missing information - where was the last 5 year performance to be reviewed with the forecast What steps were to taken to gain further from transport infrastructure funders and builders / property developers?

Owning two properties in the area this is untenable in the current cost of living
In particular that rental returns are down due to ongoing construction

Response reference: C, G

SRV312

Dear NSC thanks for providing this opportunity to provide comment. Whilst I have strong objections to rate rises, Option 1 Financial Repair is the preferred option and would prefer to ensure other revenue generating options are explored. I am really disappointed that it appears hastily poor investment decision making, especially regarding NSC Pool upgrade has not really made those whom made this decision be accounted for. I feel that to prevent this, that councillors should be trained in key corporate fundamentals to prevent re-occurrence, unless this is now being undertaken. I applaud council to

118



explore revenue opportunities, with some of the major "private tuition fee" secondary education institutions to provide an annual stipend to NSC. I would also explore other forms of car parking revenue generation, as part of the user/pay model. No comment, at this point of time I had a brief review of the Asset Management Strategy, and whilst it does provide a breakdown of the asset portfolio, it would have been appreciative how this translated to the 10 year asset management plans, and to review the capex/opex cashflow forecasts, to provide the insights based on a cost, risk performance dimension. However, I note a statement I cited - Explore opportunities to enhance outdoor fitness equipment in North Sydney. I pass the fitness station at Anderson Park, and I have only seen this being used once. I really think expanding this to other parks, should be carefully considered, with other critical priorities.

Response reference: A, J, M, N

SRV313

As a resident and rate payer in North Sydney Council I am appalled by the Council's flawed Special Rate Variation [SRV] proposal to increase residential rates from 50% to 75% in 2025, [depending on the SRV option] with additional increases over the following three years up to a total from 65.38% to 111.2% [depending on the SRV option]. Whilst the SRV is driven by the cost overrun in the redevelopment of the North Sydney Olympic pool, it appears to include funding for other long life assets, such as North Sydney Oval. The Olympic pool, and North Sydney Oval are iconic long life assets whose benefits will endure over their life. A redevelopment funding proposal should also be long term, so that the funding costs can be matched, as best as possible, against the future benefits. In this way all ratepayers, current and future, would share in the overall benefits and costs of development. It appears that the SRV and the Council's Asset Management Strategy [2025-2035] have not appropriately considered long term debt funding alternatives. Sales of Council owned assets and increases in business rates also should be considered as alternatives to the proposed SRV, or as additions to a long term debt funding option. Critical is the inequitable treatment of current ratepayers in the proposed SRV. I therefore reject the council's proposed SRV as being not in the best interests of North Sydney Council's current ratepayers. I urge Council to consider all funding options, and the equitable treatment of ratepayers in a revised SRV.

Response reference: A, D, M

SRV314

The LTFP should be supported by specific examples of Council taking steps to reduce services or delay undertaking new service provision in order to cut expenditure while it digs itself out of the financial hole created by the swimming pool folly; ie Council needs to demonstrate its capacity to save costs as well as seeking the SRV. Council also should publish a revised business case for the Pool project, taking into



account the higher project costs and (presumably) higher usage charges that are consistent with the higher costs; for example, what will schools be charged when using the pool for swimming carnivals etc? Has Council considered the possibility of selling the pool to a private operator?

How many senior North Sydney Council executives lost their jobs because of the Pool debacle?

I qualify my support for preferred funding option 2b (below) by seeking assurance that Councillors and staff have the managerial competence to undertake major projects in the future. North Sydney Council rates must be increased. Surely the level of rates ought at least to be equal to Willoughby; and potentially be approaching that of Mosman. Clearly assets need to be maintained. Major maintenance undertakings should be supported by a business case

Response reference: A, B, F, J, D

SRV315

I have not read the LTFP in full but I attended the community consultation meeting on 16th December 2024. This covered the situation quite well and I feel well informed about it. I thank the council (Mayor and CEO) for being quite transparent about the reasons for the SRV.

However, I asked a question via the chat about accountability for the dire financial situation and this was not answered despite assurances that all questions would be answered online after the consultation session.

My views are as follows:

- I support balancing the budget and paying down debt
- Although some of the previous elected members of council who were responsible for the dire financial position have been voted out, the council workers who had day-to-day responsibility have not (as far as I know) been held accountable. As public employees who demonstrated gross incompetence they need to have their employment terminated
- Until this accountability is initiated, I do not support any of the SRV options. The books should be balanced by making hard decisions and cutting services. Vital maintenance of assets should continue, only services should be cut. If this hurts the election prospects of the current councillors, so be it, or better yet, do the hard yards and hold council workers responsible for their incompetence I agree that ordinary rates is the most transparent and accountable way to manage the council's budget

Response reference: B, O, F



SRV316

It is remarkable that successive North Sydney Councils have been allowed to build up substantial debt, squandered rate payers' money, have not managed budgets appropriately and now want rate payers to bail them out. Rates should not be increased. They are already too high and any increase will only be approval for council to continue its profligate spending. This is further proof that council expects rate payers to cover council's profligate spending. Council must and should be expected to maintain its Asset Management Strategy within its existing budget. North Sydney Council is facing significant financial challenges and is currently in an unsustainable financial position. Despite efforts to improve financial management through organisational restructuring and other improvement initiatives, the increased costs of the North Sydney Olympic Pool redevelopment, reductions in other sources of revenue, and rising infrastructure backlogs require immediate response to ensure long-term financial sustainability.

These challenges are compounded by increased service delivery costs, ageing infrastructure, and the needs of a growing population. Without intervention, the funding gap will continue to widen, impacting Council's ability to maintain services and invest in new and renewed essential infrastructure.

This is an absolute indictment on Council's capacity to run the affairs of council. The explosion in the cost of rebuilding the North Sydney Pool is a disgrace and should be paid for by Council without increasing rates or scrapping the project and selling it to the private sector.

Response reference: N, A, B

SRV317

I would like to see more effort in reducing costs and/or rationalizing assets rather than imposing the very large rate increases on rate payers. I did not see any attempt to reduce costs or spending in the LTFP.

Response reference: F, D

SRV318

The Council has clearly dropped the ball with mismanagement of the process of the whole swimming pool fiasco.

Better management of the initial costings and discussion and attention to detail should have been of paramount importance.

Now you ask for ratepayers to pay for your mismanagement. I do not even use the swimming pool so it irks me even more. I suggest you ask the BSW government to pick up the cost. If residents are forced to



cover your mismanagement I opt for Option 1: Financial repair (3 year SRV)I have detailed my position I am disappointed and disgusted with Council

Response reference: A

SRV319

You are getting more rates due to all the development so where is your cost management

Response reference: B

SRV320

With high inflation and high cost of living, currently maybe unsuitable time to propose increases of more than 50% on expenditures and rates. Perhaps scale back for the time being because what goes up now will never go down. Living in the area will become extremely costly and people, which are an asset will move out. Another option is to not increase each year, which is too difficult for the hip pocket because everything else increase too, put them all together it's debilitating. Hence, the truth is I have no choice on the 3 funding options because \$1,300 is 55% increase. Too much in one go. Increase perhaps by 20% max and keep expenditures within the budget. Rate payers are struggling too financially. I have to select option 1 just for the sake of submitting this survey.That's fine

Response reference: C

SRV321

I started to read; but it seems to be deliberately long and complex to put people off. although some of the matters are undoubtedly complex it seems to be a deliberate attempt to swamp with information that cannot be digested easily At this time any rate increase proposed should be introduced over time. To increase to the extent proposed just suggests complete mismanagement; and because Council has an effective monopoly, other mixed solutions do not appear to have been considered in any seriousness The existing levies are just hiding rate increase from the past, but with another name.

Response reference: B



SRV322

I reject ALL options proposed. Council's own statements before the elections did not indicate any dire financial situation - so either this was misrepresented going into the elections or this is a false financial situation. Council needs to show appropriate restraint to manage costs, shift more expenses to new building developments (they should pay for infrastructure fully). Mismanagement by council on projects like the NS Pool Project should not burden the rate payers. Council should address these items collaboratively with NSW Government and look at low cost Treasury loans. I reject all options. We cannot and WILL NOT accept increases of this magnitude when council is unable to adequately prove the financial situation requires it. Further, a FULL INVESTIGATION should be conducted if there were misrepresentations made prior to the local council elections - including referral to appropriate regulators. Your FORM Is also very mischievous forcing an option to be selected WHEN NONE are SUITABLE. Council needs to push the burden to new developments and their developers, not incumbent rate payer residents and businesses.

Response reference: L, G, A

SRV323

The business case for the Olympic pool runs at a loss year on year. I believe that this is not acceptable and as a minimum it should be breaking even and ideally making profit. At break even or profit a SRV should not be needed. And an option with CIP increase in rates should also be provided. There should be other ways to generate the required funds other than an increase in rates such as effective revenue generation and financial management such as cost cutting. I do not agree to any of the options proposed There should be other ways to generate the required funds other than an increase in rates such as effective revenue generation and financial management such as cost cutting. I do not agree to any of the options proposed I believe there should be evidence provided to rate payer that the council can effectively manage the existing finance and assets before new ones are provided A new long term plan is required. One that provides effective cost management and effective revenue generation from assets such as the Olympic pool

Response reference: A, P, F, B

SRV324

Table 1 (pg 7) shows a number of reasons not to raise rates. Borrowing costs reduce to 1/4 of today's costs by 2034. Borrowing costs are a fraction of total costs anyway. Employee costs balloon compared



to other costs. Efficiencies should be found to reduce staff costs. The interest rate council is being charged for its loan borrowings is incredibly high. Council MUST seek a new lender including considering accessing low interest NSW Treasury loans. It was not intelligent to get a loan to pay for a car park management system worth \$9-10m. Perhaps the management system was a total rip off? The minimum rates don't appear justified by the LTFP. The LTFP illustrates it is employee costs and general inefficiencies that are driving costs higher for council. Councils rates MUST not

It is disgusting that no option is tabled to keep rates as they are, or that they would return to a lower level after the immediate loans are repaid. The outcomes of this survey are therefore biased as no option other than a rate increase is included.

This should only be done if it makes all services cheaper and more efficient. Otherwise it's a distraction. If there are debts to pay off, then pay them off quickly. Council can't run around with a hand out for more money and then go and spend it on vanity projects to keep its councilors in power."

Response reference: F, H, B

SRV325

I'm disgusted with Council's financial mismanagement.

Response reference: B

SRV326

Not a fan of either. What happened to the plan of selling the public road to the private school to fund the pool completion?? I think this option should be fully investigated and seriously considered. I don't have a preferred funding option below as I don't believe there should be any contribution by residents. The previous council should be held personally responsible for the mess they have left the current council with. The council needs to sell assets to get themselves out of the mess created by the needless pool rebuild. Any attempt to raise funds from residents who have already been inconvenienced by a delay in opening the pool and the disastrous Warringah freeway roadworks disruptions and noise, would be extremely distasteful.

Response reference: A, D



SRV327

Unclear as to why rates are determined via unimproved land values. This drives a regressive tax disproportionately disadvantaging less well off and benefiting very well off. Options presented make no mention of Private schools in the LGA (Australia's most dense), multi million dollar profit making businesses relying on council infrastructure for free. Significant property interests not used for educational purposes should be taxed at full rate.

Response reference: J

SRV328

Options are not reasonable for residential rates. The rates should be increased over the lifetime of the Olympic pool and rate should be increased more for business customers than residential customers. The current proposals are not acceptable. Options are not reasonable for residential rates. The rates should be increased over the lifetime of the Olympic pool and rate should be increased more for business customers than residential customers. The current proposals are not acceptable. Options are not reasonable for residential rates. The rates should be increased over the lifetime of the Olympic pool and rate should be increased more for business customers than residential customers. The current proposals are not acceptable.

Response reference: A

SRV329

To propose increased spending during this time is ridiculous It is atrocious you think this is an acceptable solution. The standard 5% increase would be much more realistic for the majority of this area. None of the below funding options are preferred and if this goes through I will ensure I vote for anyone that is against it in the next election. Reduce yours in-house costs if you believe further funding is needed for our assets. Why was this not brought up prior to the election? This is blatantly abuse of power and the fact that your putting a 65% increase as the minimum option shows your lack of understanding of the current economic climate It is an absolute joke.

Response reference: C, G, F



SRV330

The LTFP should just be rate pegged and the council should only commit in its forward plans what it can afford. If the council has overspent in areas such as the Olympic Pool - then it must manage within its own means. I can't go to my clients and say 'sorry the prices are now up because I spent more on my renovations than I had anticipated'. Any increase above the rate peg would be outrageous. Most of the LGA is no where near the Olympic Pool - so why should the majority have to pay for this complete mismanagement. Why is the base case not given as an option below

Response reference: A

SRV331

The proposed rate increase is so excessive that it will recover the entire overrun of the North Sydney Pool in a year or two. This means we are being asked to pay the majority of the costs upfront, instead of spreading the cost through low-interest government loans that can be paid back over time through our normal rates. Asking us to choose between a 65% or 111% rate increase is not a reasonable choice, when rates only need to raise a small amount, for a short amount of time, to pay for the ridiculous North Sydney Pool project (that by the way, no residents wanted it to become a huge restaurant and shopping precinct, we just wanted a renovated pool). There are many other financial options for Council to consider such as asset sales, not increasing other project spending, not upgrading the barely-used Oval until the money has been saved up over time. Council should create a long-term budget for all the things they want to spend money on, and spread their mostly "beautification" projects out over time, the way the rest of the residents have to do for their own home renovations. I've lost track of how many completely perfect sidewalks in North Sydney have been ripped up and replaced with very expensive sandstone or marble - what is the purpose of projects like these? Just to spend our money to justify jobs for the council workers? No resident has asked for these sorts of beautification projects and they are completely unneeded. A lot of money could be saved if these sorts of projects were dropped. Council should consider selling its non-community assets like luxury apartments, retail stores and office space to afford its own budget over-runs, and eliminate the need for steep rate increases for residents. This delivery program includes significant increases in salaries, projects, and non-cash items such as depreciation, that have little to do with the residents. The June financial report gave no evidence of an impending need for drastic rate hikes, and the sudden and extreme rate rise package coming right After the election leaves a very questionable stench of suspiciousness in my mind.

Response reference: A, D, N, G



SRV332

This increase in costs is absolutely outrageous, the entire council was elected on the premise of wanting to cut costs so that rates would not need to increase. Following being elected we have now been presented with 4 options with the minimum increase in council rates being 65.38%. This speaks of gross incompetence through not being able to reduce costs in any way shape or form and moving straight to hiking costs on an incredible scale.

I note that I am required to select one of these ridiculous options below and would like to clarify that my preferred option is to keep the rat pegs as is as these increases are absolutely taking the piss. This increase in costs is absolutely outrageous, the entire council was elected on the premise of wanting to cut costs so that rates would not need to increase. Following being elected we have now been presented with 4 options with the minimum increase in council rates being 65.38%. This speaks of gross incompetence through not being able to reduce costs in any way shape or form and moving straight to hiking costs on an incredible scale.

I note that I am required to select one of these ridiculous options below and would like to clarify that my preferred option is to keep the rat pegs as is as these increases are absolutely taking the piss. As this should only combine these current options and enable businesses to pay a higher rate with residents costs reducing (quite laughable to even claim this seeing the proposed rate increases really) I do not see this as an issue

Response reference: F

SRV333

Council needs to consider sale and consolidation of its property assets before expecting rate-payers to foot the bill for its catastrophic miscalculation to the costs of repairs and renovations of the North Sydney Pool. Many rate-payers in North Sydney are not residents, but landlords who will necessarily pass on the additional rate payments to their tenants. This will drive up rental costs which are already putting households under pressure.

Response reference: A, D



SRV334

The LTFP is a limited and unimaginative document. It has no scenarios for significant cost cutting. It provides no scenarios for asset disposal. NSC has property assets of over \$50m which are unrelated to Council's core mission (including Ward Street car park [a car park in an office district that has a brand new Metro station and where council is supposedly aiming to support public transport use], subsidised dwellings [a state, not a council responsibility]). The yield on Council's non-core real estate assets is not discussed. There is no analysis of property yield compared to market yields. There is only very limited discussion of access to low-rate loans from NSW Treasury. In short, the LTFP is not worthy of a competent and responsible Council. No rate changes are necessary. Refer to response to item (6) above.

Response reference: H, D

SRV335

1)SRV: NSC should NOT increase residential rates above CPI and normal IPART NSC rate peg.
 2)Instead NSC should undertake an immediate intensive financial, asset and organisational strategic change. NSC Budget estimates to be assessed according to meeting an agreed target reduction across all NSC costs.

This means a complete and thorough forensic overall of the 24/25, 25/26 and 26/27 NSC budgets, and categorised as either:

- 1) human operational services (permanent and casual workforce, outsourced contractors) or
- 2) asset maintenance, repairs, replacements (buildings, ICT, open spaces, roads, equipment & machinery)
- 3) NSC targets cost efficiencies and disposal of assets to achieve a necessary financial correction, turnaround and repair of all financial debts. This means earmarking for sale or lease over the next 12 to 18 months any NSC owned real estate that is high maintenance, duplicated, poorly utilised, poorly located, poor capacity, poor functionality.
- 4) NSC seeks urgent financial and management assistance from State and Federal Government, including the Federal Govt Future Fund, and deliver solutions to remove the ridiculous and offensive debt burden caused by inexcusable incompetence and malpractice. The North Sydney Pool should be paid for through a consortium of stakeholders from State & Federal Governments, and Private Investors. The North Sydney Pool should be recognised as a State Significant Asset, owned by the NSW State Government, and all costs associated with its upgrade excluded from the calculation of future residential rates.
- 5) NSC should be placed into the hands of an external Administrator, appointed by NSW Govt, until such time as the North Sydney Pool project, and any other costly major capital work, is completed and fully paid for without the contribution of residential rates.



Inappropriate and disrespectful to residents.

See (6) especially point [5]. Option 1, 2a, 2b & 3 - wrong, insulting and incompetent

Option 1 has been ticked to enable submission.

However, this survey demonstrates corruption of process that reflects on malpractice and maladministration.

NSC must be placed under Administration asap.

Forensic review . Given NSC has recently completed a review, and still remains in financial ruin, the Administrator should be tasked with targeting non asset and asset debts, including the removal of the North Sydney Pool project from NSC ownership/responsibility.

See 6), especially point [3] All plans to be reviewed, targets set to lower costs or scrap. Only essential programs that demonstrate exceptional management and administration to be considered for next 3 years, or until the North Sydney Pool project has been resolved without residential rate support."

Response reference: D, H, I, A, O

SRV336

Residents should not be punished for poor financial management by the council.

We cannot afford the outrageous rate rise increases during this cost-of-living crisis.

My wages are not keeping up with the increased cost of living.

The proposed rate increases are a ridiculous exorbitant amount !

A much lower option of 10% rate increase a year would be more fair.

Response reference: C

SRV337

This is a disgrace . The North Sydney Council needs to be put into administration and all councillors dismissed. White collar crime

The NSC has made a complete botch of this pool and they should sell to a private equity firm. All councillors should be removed and administrators appointed. Why should residents pay for NSC incompetence?

Response reference: A

SRV338

I am inclined for option 1 , but it is still a significant rate increase.



The council should seek to sell some of its assets such as current commercial investment property, more cost control and spreading new project further over the years. Sell assets to cover some of the costs. Sell the Ridge St parking lot - hardly anyone uses it, it is so expensive.

Response reference: D

SRV339

None of these should be applied. North Sydney council should be put into administration. Full disclosure of all of the funding that's been provisioned for the hundred and \$120 million pool should be disclosed to the public and be challenged. None of these should be applied. No special levies this pool is well above the normal investment required and a full audit needs to be conducted and disclosed by an independent body. Like all organisations who have spent investment - assets need to be consolidated and sold to pay for the overspent. As above. There's very little confidence in this council's ability to set and execute basic strategies such as an upgrade of infrastructure.

Response reference: A, D

SRV340

No rate raised

Response reference: L

SRV341

The level of proposed level of increase is ridiculous, nowhere else would such a large increase be considered. The minimum for large businesses should be higher. I disagree with this as all it does is increase rates forever, with no clear plan to reduce in the future. I am unhappy that the council is holding assets that are not required for the community. We are now paying for mismanagement of past councils which is unacceptable.

Response reference: D, B



SRV342

The options below provide insufficient choice. There should be an option with an increase less than 50% based on full cost recovery / user pays for council assets, such as sports facilities including swimming and use of public spaces and extending financial repair over longer period. I do not approve any of the available options, there should be an option with increased rate linked only to inflation reflecting revenue uptick from non rate sources and cost management The rate increases should not be in perpetuity. A one or two year increase for financial repair only Dont approve of the consolidation. Levies provide granularity and transparency. Council should look to increasing revenue from existing assets by aggressively targeting user pay model for full cost recovery. Rate payers should not be forced to pay higher rates in order to subsidise the activity if minorities such as swimmers and other sports

Response reference: P

SRV343

North Sydney Council has not proposed other options for fiscal repair, and in fact has proposed increase spending on a wide range of new initiatives.

North Sydney Council should be proposing options such as all of the below:

1. Internal efficiency programs and cost-cutting.
2. Deferring new spending proposals which include an additional \$57.4 million in the first three years
3. Exploring divestment of any underperforming assets that don't fulfil council purpose within their \$53.7 million investment portfolio
4. Staging future capital works and infrastructure programs like IT up
5. Accessing low interest New South Wales Treasury loans.

The four scenarios proposed and approved by council with consultation occurring over the quietest part of the year ie Christmas and early January are unacceptable. All rate scenarios propose at a minimum a 50% rate increase in 2025 alone, with the top cumulative three year increase reaching 111.2%. These are not one off increases and will be incorporated for perpetuity making them misleading, and unreasonable.

Council should be cutting their own spending first before asking residents and businesses to pay more. Under no circumstances should the rate path proposals be implemented and under no circumstances should they be incorporated in perpetuity. North Sydney Council has not proposed other options for fiscal repair, and in fact has proposed increase spending on a wide range of new initiatives.

Response reference: F, D, N, O, R



SRV344

The rate rises are only looking to cover the next three years and are way too steep for that. Considering the cost of living pinch everyone is having, the projection need to look for a longer period. Future rate payers can also contribute to the assets owned by the council instead of penalising the current ratepayers for the council's mismanagement of funds - the current council has been stable for the last two elections so had the rates risen over the years that should have been considered. The council needs to find an alternative approach, some councillors have the suggested alternatives - these alternatives should be presented to the public too as an example.

Response reference: C

SRV345

The rate rise is excessive. There should be more alternatives and more transparency on why the increase is so high.

Given the pool does not need to be paid back immediately the residents should not need to pay and suffer such a huge burden.

The new buildings in North Sydney should attract more rates rather than the residents and also non community assets could be sold such as shops etc.

There should be more alternatives and sharing more information about the impact of rate increases closer to 20%. Given the cost of living this is ridiculous that there is an expectation that those of us who rent flats that are almost unaffordable have to pay an excess of 50% and 111% is just insane. They are completely unnecessary and there are other ways to fund the pool. Also delays or cost cutting for the pool should be considered. There should be more options than the above and considering I voted for independents I am disillusioned in this choice now as this should have been known and part of the election campaign. This is very sad to see how these councillors have deceived the ratepayers and voters.

Please provide more options, look at business paying more and assets that are not used by the community. Also consider not upgrading the pool wasting more money when this is unnecessary at the current time and financial climate.

Response reference: D, C, N, G, B



SRV346

I believe that Council should not undertake new projects until it has completed existing projects and brought existing infrastructure and systems to an acceptable level of performance. This means that the SRV can be much lower. Agree with initial minimum rate but normal increases after 2025/26A good idea Assets should not have been allowed to deteriorate so much. Repair should be the top priority, not new projects No new projects

Response reference: N

SRV347

i'm in favour of other alternatives being explored in regard to the proposed rate rises. i'm in favour of maximum rate rise of 10%

Response reference: L

SRV348

I am disabled and have low functionality so I am unable to read lengthy detailed documents. The published ""Fact Sheet"" Page 5 states ""Unit holders receive the same level of service from councils and often have comparable ability to pay rates as those in houses."" This is inherently incorrect as here are restrictive quantity restrictions on apartment dwellers on bulky waste pick up.

I refer you to your own website <https://www.northsydney.nsw.gov.au/waste-recycling/book-bulky-waste-pick>

""Quantity: The allowance for single residences is two cubic metres – the equivalent of a small box-trailer load. There is a 0.5m³ allowance for each unit in multi-unit residences.""

This is clearly not the same, unit dwellers can only put out on quarter of what house dwellers can put out. How is this fair if we pay the same rates?

This disinformation made me angry and frustrated, as this year alone, I paid \$1,000 to for commercial rubbish removers for bulky items, that had I been a house dweller, I could have put outside my home and had collected for free. Due to my disability I am unable to comment

Additional response: The difference in bulky waste pick-up rates is based on the premise that a house or standalone property are larger, generally with more inhabitants and bigger outside areas, which may generate more waste. Council acknowledges this may not always be the case.



It should be noted that the bulky waste pick-ups costs are covered under the domestic waste levy, which will not be adjusted as a result of the special rate variation.

SRV349

I would prefer that the option of a 3 year SRV Strength and Sustainability option was included to allow people to cope with additional cost Council could consider cutback in frequency of household and green waste collections to every 4 weeks instead of fortnightly. Another consideration is to have charge for certain household waste items in order to get people to move from throw-away mentality. Fridges and whitegoods should be on specific dates (every 3 months?) with recyclers encouraged to collect these items for recycling.

Response reference: F

SRV350

I believe businesses particularly schools need contribute more and residents less than proposed. Businesses use local assets funded by ratepayers. Prefer option one but as above it is inequitable that residents are paying for facilities and infrastructure used by the business community and wider population Prefer separating to provide transparency Council needs to prioritise. Some investment appears to be wasteful eg new paving in Waverton park

Response reference: J

SRV351

At this time of so called financial crisis, Council should cease or postpone some of the non urgent projects to keep the residents rates the same or just a moderate increase. My wife and I totally disagree with proposed rate increase of 65% and more.

This is completely absurd and not acceptable.

I will strongly voice my opinion in the next council election if the initial rate increase proposal goes thru.

We are very against this plan to consolidate the existing levies into ordinary rates.

Please stop at all means. Council should consider selling some of its commercial non community assets to help with the financial shortfall and help keep the annual rates low.

Response reference: C, D



SRV352

This is absolutely outrageous and grossly negligent on the council to pass such dramatic rate increases to tax payers. I am vehemently opposed to this and urge you to reconsider

Response reference: L

SRV353

Seems that we are in a pickle now owing to lack of insight and foresight of previous Councils. The review of the initial planning and execution of the NSOP was scathing - we are now paying the price! Options have quite different financial consequences, making it difficult to choose. You are assuming that there should be a SRV. How about other strategies such as cost cutting, deferring new spending, accessing low interest loans from NSW Government. selling assets. I like this proposal. We are again paying the price for previous poor management. Cash them in and use some creative thinking to get developers onboard to enhance the possible use of these assets. Delay new projects so we don't incur more debt.

Response reference: F, A, H, D, N

SRV354

The tax payer is being asked to pay for the Council's financial mismanagement. Instead of cutting back on spending we are expected to pay more so the council can waste more money on fruitless projects like the bridge cycle way. The council needs to demonstrate to rate payers greater financial control by cutting expenses before proposing increases to fund further projects. The council should resign and put all its councillors positions up for reelection. Many members of the council are responsible for the council's current financial situation.

Response reference: F, B

SRV355

Need to cancel all plans so major hike in rates do not happen. Can't make residents pay for council's mistakes. Despicable, not fair, can't go ahead. Unacceptable. Please place all projects on hold until council is able to afford new projects.

Response reference: N



SRV356

I believe Option 1 should be followed in Year 1, while further research is undertaken, particularly on the condition of assets, and the Asset Management Plan is revised. Additionally, lessons learned from the poor project management and project governance approach to North Sydney Olympic Pool Project be developed and published, to demonstrate how Council will not fail again on large projects. As well, look at all the assets Council has and determine their necessity.

For example, the Coal Loader is more a liability than asset and should be sold off to developers. This would help council's funding. An increase in rates is expected. Sure, we are lagging other councils in rate contribution, but perhaps that was due to good stewardship of assets and good governance of council in the past. Certainly we want to demonstrate civic pride in our area, and that is evidenced by residents keeping their own properties in very good condition within the council area. So we also want council to have an asset management plan that reflects the civic pride approach that rate payers exhibit. But, as mentioned above, we want an AMP that is professionally and thoughtfully developed that does not unnecessarily waste funds on bringing assets up to a standard that exceeds reasonableness. Consolidating is good but do not hide the detail.

The Asset Management Plan/Strategy as presented is flawed as it does not properly address the level of condition required by rate payers for various assets. Raising all assets to one high standard (and that standard level is undefined in the AM strategy) is not the approach for professional asset management of infrastructure assets. I am bewildered at the staggering amount of roads that are shown as being in disrepair and requiring enormous sums to raise the road standard to a standard of "satisfactory" - whatever that means. Perhaps it is correct, but I feel, as a resident that does travel through the North Sydney area regularly that the status of poor condition is over-stated and enlarged. Generally, there is nothing wrong with bringing infrastructure up to a level of "satisfactory" so that it requires maintenance to keep it there, as that is often the most cost-effective approach. I have extensive experience in infrastructure asset management for railways (ARTC in particular), and overseas as a consultant, and the approach used internationally for asset management plans is based on need and level of service, however council's plan does not use this approach it seems.

If need for condition improvement is driven by the rate payers demand for aesthetic beauty (say) then that needs to be dealt with, but for aspects such as roads, a level of satisfactory for service is quite sufficient, and regular maintenance is applied. As well, the approach shown in the AMP appears to be a lot of unnecessary cost numbers. Total replacement cost is not the measure to determine how much should be spent on the maintenance of an asset. It is the condition of the asset and the predicted deterioration of that asset that should be used in budgeting for asset management. As such your charts are there to confuse the uninformed about how asset management is undertaken, and I feel your approach lacks merit. Over the coming 12 months I suggest that the AMP is recast by professionals who know about infrastructure asset management and represented to the rate payers for their understanding. The outcome of such an approach could well demonstrate that less funds are needed in



the short to medium term. I Like the approach to utilising open space and recreational facilities. But, sell off the Coal Loader. It's a liability and not something Council should be running.

Response reference: A, D

SRV357

In order for ratepayers to know how much they would pay under each option it would be helpful if Council included a calculation formula on the website. Ratepayers could put in their address to confirm the new rates under each option. I agree with the changes to the minimum rates. I value community facilities but realise that Council's buildings and assets are in disrepair eg NS and CN community centres and bus shelters and require significant money to function into the future. I agree with consolidation of the levies into the rates but the rates notice should include a note to say the charge includes the following levies. It is essential to maintain Council's assets because they are valuable in themselves and because they provide the community with the means to function as a community. Planning for population growth will also require new facilities. Hence I support the increase that will allow Council to do this. I generally agree with services provided by Council however the fortnightly green and general waste pickups should be reduced to 4-6 per year. The current frequency of pickups only encourages waste.

Response reference: F, S

SRV358

Until Council can prove it's claim that the Council is financially unsustainable I disagree with all options. As a retiree I can not afford a rates increase of this magnitude. This increase represents a significant cut in my disposable income and consequently my standard of living.

At a time when so many people are struggling with the cost of living (particularly the young mortgage holders) this increase could not have come at a worst time. This rates hike is the equivalent of a significant RBA rate increase which young home owners with a mortgage can ill afford.

Will this put upward pressure on rental properties?

Does Council not understand the significance of this? Are they so removed from reality?

Also, less disposable income will also impact on local small business when people have less cash to spend.

What cuts are being made in Council, including salaries, (mayor, general manager, councillors in particular) staffing, projects etc. to help fix this "supposed" financial situation? Why is it that its the rate payers are having to pay for Council's mismanagement, eg. the pool? I am opposed to this in "in perpetuity therefore I am opposed to this proposal.



If consolidated the increase in rates can not be reversed once the Council financial is repaired which I believe they should be.

This appears to be a blatant permanent money grab by Council. No comment as I am opposed to any changes until Council prove it is financially unsustainable and demonstrate what cuts Council is making to rectify this situation.

Response reference: C, F, B, A

SRV359

Do not agree with this plan. Please implement cost cutting and efficiency mechanisms before rate hike. I oppose rate hikes before cost cutting is implemented. Do not raise rates without first implementing efficiency mechanisms.

Response reference: F

SRV360

Do not support any of the Options. This has occurred through poor management. Support current rate peg.

Response reference: B

SRV361

Happy with option 2b

Response reference: S

SRV362

The proposal to increase residential rates by up to 75% (or more) next year and over the following three years is OUTRAGEOUS!! The proposed increase will mean that my rates will increase by approximately \$1500 per year.

Response reference: L



SRV363

You have limited your options and have not addressed alternatives including cost savings. It is a very blinkered approach Use debt better to manage impact of current costs which have longer term benefits. Cut cost, use debt and take smaller rate increases. Think like a business not a fat and lazy bureaucracy Sell investment assets that have no community value to cover some of your costs All care no responsibility

Response reference: F

SRV364

I feel that our council has not demonstrated effective leadership and may need to be reconsidered. Despite having educated individuals in charge, they have been unable to complete the pool rebuild in four years, which raises concerns about their ability to manage the broader responsibilities of the council. Furthermore, their proposal to increase funding appears to be a way of addressing inefficiencies without truly resolving the underlying issues. The council seems focused on raising more taxpayer money rather than finding efficient solutions to complete existing projects. Meanwhile, internal disputes continue to take precedence over progress. No comment, all options below are rather unacceptable.

Response reference: A, B

SRV365

None - sell your assets or look at low interest rate borrowing. This is not your residents doing - you knew about this before the last election. No faith in any of you. Where is the option for none of the above???

Response reference: D, L, H

SRV366

This is a 50 year asset that has caused the financial distress. It is unreasonable and excessive to fund the cost overruns now. Future generations can pay online with expected use by a small rate increase or a government loan. Increases are too excessive at a time of significant financial distress. None of the below options are reasonable increases. Council should and can seek better options from Tcorp or banks.

Response reference: C, M



SRV367

All the rate increase options proposed to Residences are unacceptable, especially as the project spend and overrun on the pool benefits many more than residents. The pool access cost should be significantly increased. Also the Business should be carrying the majority of the increase proposed in line with the original arrangement for forgoing developments in the 1980's. The majority of residents are struggling with costs of living and are NOT high net worth individuals. There are many long term residents including retirees and younger recent residents who are financially challenged already. All the rate increase options proposed to Residences are unacceptable. Businesses should be carrying the majority of the increase proposed in line with the original arrangement for forgoing developments in the 1980's. The majority of residents are struggling with costs of living and are NOT high net worth individuals. There are many long term residents including retirees and younger recent residents who are financially challenged already. No matter how you structure the levies, it is still the total costs. Though separate levies ensure the costs go to the correct areas of spending.

For Q9 none of these are acceptable Over time certain assets no longer benefit the community so should be disposed off (ie retail shops and landlord commercial offices and industrial spaces) and the proceeds allocated to new community beneficial projects and assets Alternative funding options must be considered such as low cost government loans, less lofty ambitions and sale on non-core community assets

Response reference: A, C, D, H

SRV368

There should be more consultation on the increases. It is an extreme change and we should have other options to consider that includes lower rate increases over a longer period of time rather than such significant increases over a short period of time.

Has there been consideration to adding a 'special levy' (or charge) for those visiting and using the north Sydney pool from out of the council area? Why should council residents foot the bill for what I would deem to be a State asset that is bigger and broader than just North Sydney.

Response reference: A



SRV369

The council spends excessively on its staff and beautification of the surrounding areas of st Leonard's oval, while making ratepayers shoulder the burden of their poor financial planning. Cut spending where it's not needed first, get rid of some of the more useless members of council. The options are an easy way out for council to pass on their poor financial decisions to rate payers who never had a say in the construction of an overly hyped, unnecessary pool that a majority won't get to even use due to the cost of entry and its location.

Response reference: A, F

SRV370

I do not support any increase in rates above the State Government allowed increase. There should not be any levies, and all council rate income should be within ordinary rates. Council should sell assets to fund the swimming pool deficit.

Response reference: D

SRV371

I do not agree with any of the proposed options and request council provide an explanation for how this situation occurred and alternate means of mitigation. I do not agree with any of the proposed options and request council provide an explanation for how this situation occurred and alternate means of mitigation. I do not agree with any of the proposed options and request council provide an explanation for how this situation occurred and alternate means of mitigation. I do not agree with any of the proposed options and request council provide an explanation for how this situation occurred and alternate means of mitigation.

I am incredibly disappointed that the elected council who have been entrusted to support this community have completely let this community down. I expect greater accountability for what has occurred not only to provide alternatives that do not directly financially impact rate payers in the immediate but to ensure this mismanagement does not occur again in the future.

Response reference: B



SRV372

'While I understand the need to address budget shortfalls, I am deeply disappointed by the circumstances that have led to this situation and feel compelled to call for accountability and a change in leadership.

The budget overrun on the North Sydney Olympic Pool redevelopment is an unacceptable demonstration of financial mismanagement. This project's handling reflects a lack of due diligence, effective oversight, and prudent financial planning. Ratepayers are now being asked to shoulder the burden of decisions that were outside their control, a burden which many households will find untenable.

The responsibility for this crisis lies squarely with the Council's leadership. The mismanagement of public funds and the inability to foresee or mitigate such significant financial risks are failures of governance. This undermines public confidence in the Council's ability to effectively manage the resources entrusted to it.

I respectfully call for the resignation of council members who were directly involved in approving and overseeing the Olympic Pool redevelopment and other financial decisions that have contributed to the current fiscal crisis. Leadership accountability is critical to restoring trust and demonstrating that the Council takes its role in serving the community seriously.

Additionally, I urge the Council to:

- Improve Transparency: Provide a detailed, independently audited breakdown of the budget overruns and the factors contributing to them.
- Engage in Broader Consultation: Ensure that residents are given a meaningful voice in shaping future financial strategies and projects.
- Adopt Stronger Governance Measures: Commit to more robust project management practices to avoid similar issues in the future.

While I support efforts to address the financial challenges the Council faces, I strongly believe that fresh leadership is required to steer North Sydney in a direction that prioritizes fiscal responsibility and community trust.

Response reference: A, B



SRV373

It is not Balanced rate increase on the back of incompetent council management which punishes the rate payer is terrible and alternatives not considered properly Sell some assets and do it quickly this needs to be a priority

Response reference: D

SRV374

I am absolutely opposed the rate rise of every option. Why should ratepayers fork out the it money for council incompetence since Jilly Gibson approved the gold plated option. If this incompetence was in private industry people would be sacked. Council collects rates from business in the North Sydney CBD as well as from the rapid growth in apartment dwellings and needs to learn how to manage a budget within their means. I'm angry about this and I'm not the only one. I thought levies were for a short period. I have only ticked option 1 for question 9 as I have no alternative. Nice trick. Why haven't you included another option....no increase! As, again I am vehemently opposed to be funding council incompetence. Find another way to fund the pool including State Govt assistance, lottery etc. council needs to take responsibility and stick to basics likeroads rates and rubbish

Response reference: A, L, I

SRV375

Please consider carefully the commentary of Councillor Spenceley before reaching any decision. I have been to the The presentation by our CEO and it is a very narrow set of solutions to a very complex problem. I completely reject the councils's preferred solution. It cannot be a rates only approach (65% or 11%) Please accept Councillor Spenceley's proposal of modest increases oh 5 and 10% in rates Is this to provide less transparency? The council should be seeking to provide more transparency Updating the asset mgt strategy is a good idea, But not at the total expense of the 2025 Ratepayer. The development of the Pool, North Sydney oval and the Sports centre will take years and council should seek all avenues fro revenue as suggested by Councillor Spenceley other than ratepayers. for example the Council should ensure that there is a commercial kitchen a the pool so high end functions can be attracted. This program should be tailored to meet the reasonable needs of ratepayers. So that would be with modest rate increases. 65 and 111% solutions are short sighted and unfair for the current rate payers

Response reference: B



SRV376

I do not accept any rate rises to fund the North Sydney pool. I do not support any of these rate rises below. The Council have been incompetent and mismanaged the budget of the North Sydney pool. Council should sell this pool off and pay back the debts arising from this project. Do not ask the Rate payers to fund the North Sydney pool to fix Councils mistakes. I do not accept any rate rises to fund the North Sydney pool. I do not support any of these rate rises below. The Council have been incompetent and mismanaged the budget of the North Sydney pool. Council should sell this pool off and pay back the debts arising from this project. Do not ask the Rate payers to fund the North Sydney pool to fix Councils mistakes. I do not accept any rate rises to fund the North Sydney pool. I do not support any of these rate rises below. The Council have been incompetent and mismanaged the budget of the North Sydney pool. Council should sell this pool off and pay back the debts arising from this project. Do not ask the Rate payers to fund the North Sydney pool to fix Councils mistakes.

Response reference: A, D

SRV377

There are many studio apartments in North Sydney that are single occupancy. The rates are already the same or within a few dollars of what 1 and 2 bedroom rate payers are paying for double & triple occupancy. It seems very unfair to increase minimum rates for rates for studio apartment owners. Strata rates are less for studios why cant council rates have a similar formula."

Additional response: Rates are calculated based on the land value of a property, using a percentage (ad valorem rate) set by the Council. A minimum rate is also applied all properties contribute a fair share. Studio apartments, like other properties with lower land values, cannot be charged less than the minimum rate. Minimum rates ensure fairness and revenue stability, preventing lower land value properties from paying disproportionately little.

SRV378

None of the options are acceptable. The budget repair should occur over 10 years by slashing spending, borrowing and through other means. The people that got us into this mess with the pool should be sacked.

Response reference: A, F



SRV379

It is indeed unfortunate that the Council finds itself in this situation. However, after listening to the indepth presentation by the Mayor and the General Manager at the recent Wollstonecraft Precinct Meeting and the frank discussion that followed I can at least understand the need for a very substantial rate increase if the Council is to maintain the high level of services rate payers have become accustomed to. An excellent idea ... for reasons of simplicity and transparency.

Response reference: S

SRV380

Proposed rate increases are excessive and Council should consider other options to control costs/reduce expensesoverly excessivereduce future expenditure

Response reference: F

SRV381

Nowhere is there any option to reduce the financial burden being asked of ratepayers by reducing Council staffing costs and the sale of Infrastructure such as the Council Chambers to pay for for the mismanagement of the pool project. There is also a question of whether the decision making around this entire project should be regarded as not simply poor planning but rather wilful neglect. These rate hike options come at time where NSW is in its most precarious financial position since 1991 (SMH Monday 6th January). The Council has its own major cost cutting responsibility in the pursuit of rectifying the negligent decision making that led to this position. Assets must be sold and staffing levels must be cut before ratepayers are once again treated as a bottomless pit of funds to bail out those responsible. Comes a time where the net benefit to the community must be evaluated in light of the financial burden.I do NOT agree with any of the options because nowhere is the Council being asked to also make sacrifices - that is a significant cut in staffing and the sale of prime real estate to address the problem . Placing voting OPTIONS in this communications piece (Q9) constitutes a forced choice survey and invalidates the statistical results. (I led market research teams at Amex, Westpac, NRMA and Optus). There is no option for none of the above, or sale of Council assets or staff cost reductions. this is ludicrous

Response reference: D, F, L, B



SRV382

It is valuable to do option 3 and deliver expanded services and infrastructure upgrades. It is important for NSC to be financial viable and sustainable into the future. Increasing rates is necessary to achieve this. Makes sense. Please add the Holtemann Street Car park redevelopment. There are not enough parks and open space in Crows Nest, and if we are to continue to densify the suburb, especially under TOD, the area needs to have recreational spaces available to facilitate the extra residents. This building is old and underutilised and can benefit from redevelopment.

Response reference: S

SRV383

How come before the new council elections we didn't know about these financial difficulties? It's seems unfair to act like surprised a few months after the fact (the elections). It doesn't make sense to over-tax current residents for three years to pay for a long term asset that's to benefit generations to come. Why doesn't North Sydney take a low rate loan for the completion of the olympic pool? The loan will be paid in more than 3 years (e.g. it could be 30) and will be paid by more people - given that all of them will benefit from the upgrade. I'm sorry but you've lost my trust. I will never vote for this council and mayor again if we proceed with any of the proposed rate increases.

Response reference: G, H, A

SRV384

The LTFP seems to be very narrow in focus and options. The SRV being proposed are ludicrous. The pool is a facility used by many people outside of our LGA and there is absolutely no incentive being provided to rate payers to support the SRV. I still do not support any option proposed for the SRV but council must be tone deaf to have not offered some sort of incentive (e.g. free entry to the pool). The proposed rate changes are absolutely unpalatable and other options should be considered including putting the council into administration due to financial mismanagement and dysfunction (e.g. inability to propose realistic and palatable options to rate payers). I am not supportive of any of the options proposed. No issue really but needs to be more transparent. I am not supportive of any of the options proposed. Council should not be managing large projects as they have proven themselves incapable of doing so. The current council blaming the previous council is unacceptable. I have no confidence that the current council is capable of delivering very much at all. There is a severe lack of consultation with rate payers and council seem to be "tone deaf" as to what is important to rate payers (e.g. the parking meter fiasco)

Response reference: E, B, A



SRV385

I strongly reject all the options for rate increases. They are all significantly above current rates and do not explore other lower rate options, cost constraints, alternate funding approaches, asset sales and spreading the burden of rate increases to later years or greater weighting to business rate payers. This is just shuffling the deck chairs.

Response reference: F, D

SRV386

Keep North Sydney rates as low as possible - the current services are adequate. However to address the issue of capital projects other different options need to be considered. In the near future the North Sydney Council area will be overrun with thousands of new residents (which by the way I am not happy with). Please ensure that future rates are taken from these new comers as well for capital projects, not just the current residents. In the meantime explore low interest government borrowing options so that we current residents don't need to be hit hard at a time when costs are increasing exponentially. With regards to the North Sydney swimming pool, firstly the people responsible for making bad decisions should be held accountable (I don't need to be paying for bad decisions). That is abhorrent. Secondly as North Sydney is also a Sydney tourist attraction this should be funded by the Federal and State governments as well not just us residents. The cost should be spread over a longer term and should not be funded by residents over 3 years. Please refer comments above. I also agree with James Spenceley that different options need to be explored rather than hitting us residents hard for the benefit of other people out of area. I only support minimum rate hikes - longer term capital costs need to be spread over a longer period. Find a better way to fund this - I do not support any of your options

Response reference: H, A, I

SRV387

Dear Councillors and Mayor,

I am writing to express my deep concerns and disappointment regarding the proposed 50% increase in council rates. As a long-term resident of North Sydney for the past 16 years, I find this proposed rate rise not only unjustifiable but also financially harmful to many in our community. It is disheartening that the burden of the council's financial mismanagement and poor decision-making is being placed squarely on the shoulders of residents.

147



A 50% rate increase is not only excessive but also unreasonable, particularly in the context of the already significant cost of living pressures that residents are facing. This decision, which will undoubtedly lead to financial hardship for many individuals and families, fails to account for the fact that not all members of our community have the means to absorb such a steep rise. As Mayor Zoe Baker has rightly pointed out, the impact of this increase will exacerbate the financial strain felt by many in our area. It is deeply concerning that council feels comfortable imposing such an extraordinary burden at a time when residents are already struggling to make ends meet.

Rather than implementing such an abrupt increase, it would be far more reasonable and responsible for the council to phase in any necessary rate rises gradually, allowing residents time to adjust and plan accordingly. The steepness of the proposed rise will only serve to alienate long-standing residents and make our community less accessible to those who have lived here for years, contributing to the local economy and fostering a sense of belonging and inclusivity.

What is particularly troubling is that the council's decision to raise rates so drastically appears to disregard the broader economic realities faced by residents, particularly in terms of housing affordability. Many individuals may be forced to sell their properties simply to meet these inflated costs, thus undermining the diversity and vibrancy of our community. The very nature of our local government area is at risk of becoming increasingly exclusive, and this proposal does nothing to maintain the sense of unity that has been a hallmark of North Sydney.

As a dedicated member of this community, I urge you to reconsider this decision. The council must explore more equitable ways to balance its budget without resorting to such a burdensome increase in rates. I strongly believe that there is a fairer, more balanced solution to managing the council's finances that does not disproportionately affect those who are already feeling the pinch.

I respectfully request that you review the proposed rate increase and consider the long-term consequences this decision will have on residents, particularly those who are already struggling financially. It is essential that the council act with empathy and fairness in these matters, ensuring that the decisions made today do not harm the future of North Sydney.

It is extremely difficult to trust the Council. In the SRV fact sheet, numerous figures are presented without sufficient clarity, and it appears Council are attempting to soften the impact on residents by making comparisons with other local government areas, as well as between residents and businesses. Given the Council's history of gross financial mismanagement, how can we have confidence that they will deliver the services to which we are entitled? As Mayor Baker states, "at a time when everyone is under pressure from the rising cost of living", the proposed rate increases of 65.38, 87.50% or 75% would have a significant adverse impact on my financial situation along with many other local residents.



In such a case, we may be forced to consider relocating from the area. Consolidating levies into the rates will inevitably increase the overall rate amount, which will then be subject to further increases. This approach does not seem fair and places an unnecessary burden on residents.

Response reference: A, B, C

SRV388

As a family of four residing in North Sydney, I strongly oppose the proposed SRV. While I acknowledge the Council's intention to address financial challenges, I believe the SRV is inequitable and fails to deliver tangible benefits to local residents.

North Sydney already has less parklands per capita than other areas in the state. Despite paying rates, residents are already receiving fewer services and amenities than communities in other council areas. Raising rates through the SRV would exacerbate this disparity, increasing the financial burden without proportionate improvements to local services or public spaces.

The North Sydney Olympic Pool redevelopment is cited as a key driver of the SRV, but this project also benefits tourists and visitors from across Sydney, not just local residents. For those funding the SRV, there are no proposed direct benefits such as discounted memberships or exclusive access to this "iconic landmark." This raises significant questions about the fairness of asking locals to bear the financial burden of a project that benefits non-residents.

The ongoing cost of living crisis affects every household, including those in North Sydney. A substantial increase in rates at this time will disproportionately impact residents already struggling with rising expenses, including housing, utilities, and groceries. It is unreasonable to expect residents to absorb such a significant rate hike during these challenging economic conditions.

Projects like the Olympic Pool redevelopment, which attract regional and tourist use, should receive additional funding through state or federal grants and the ultimate user-pays systems, such as increased entry fees for non-residents. Local residents should not bear the full financial responsibility for assets used by the wider Sydney community and tourists.

The cost overruns of the Olympic Pool redevelopment, now exceeding \$122 million, highlight serious shortcomings in financial planning and project management. Before imposing additional financial burdens on residents, the Council must demonstrate greater accountability and ensure such overruns do not occur in future projects and take action to hold liable those who should be held accountable.



While I understand the need for financial sustainability, the SRV is an unfair solution that fails to address systemic issues in the Council's planning and service delivery. I urge the Council to explore alternative funding mechanisms, prioritize equity, and provide residents with tangible benefits in return for their contributions. I strongly oppose the proposed increase to the minimum residential rates, particularly the jump from \$715 to \$1,300. While I recognize the Council's desire to achieve a more equitable distribution of financial contributions, this substantial increase places an undue burden on residents, especially those with lower incomes or those already struggling with rising living costs.

The services and facilities provided by the Council do not justify such a significant hike. As noted, North Sydney residents already have access to fewer parklands and public amenities per capita compared to other councils. Raising the minimum rates without addressing this disparity in service delivery is inequitable and will further alienate residents.

The rationale for the rate increase seems to be tied to the need to cover financial gaps, particularly stemming from the Olympic Pool redevelopment. However, there is no clear indication of how residents will directly benefit from this increase. If the Council cannot provide tangible, local benefits—such as improved amenities, discounted access to facilities, or expanded services—it is unreasonable to demand significantly higher contributions.

The increase comes at a time when households are grappling with a cost-of-living crisis. Many residents are already struggling to manage mortgage repayments, rent, and basic expenses. This proposed hike adds further pressure to families and individuals who are doing their best to stay afloat.

I urge the Council to reconsider the proposed increase to minimum rates. Any adjustment should reflect the actual level of services provided to residents, prioritize fairness, and account for the current economic realities faced by the community and to ensure that residents are not unfairly burdened. 'While the proposed consolidation of existing levies into ordinary rates may offer some administrative efficiencies, I have concerns about its potential impact on transparency, accountability, and equity for ratepayers.

Consolidating levies into ordinary rates risks reducing the visibility of how funds are allocated and spent. Currently, specific levies allow residents to see where their contributions are directed, such as infrastructure projects or environmental initiatives. Rolling these levies into general rates creates a lack of clarity, making it harder for residents to understand how their money is being used.

With levies tied to specific purposes, the Council is held accountable for delivering outcomes related to those funds. Consolidation into ordinary rates removes this direct accountability, increasing the risk that funds may be diverted to other projects without clear justification or consultation.



Levies are an effective way to address targeted needs, such as maintaining local infrastructure, improving green spaces, or funding specific community programs. Folding these into ordinary rates may dilute their intended impact, leading to a perceived or real decline in the quality and scope of services provided.

If consolidation leads to an overall increase in ordinary rates, it will disproportionately affect households already struggling with rising costs. Without a clear breakdown of how funds will be used post-consolidation, residents cannot assess whether they are receiving fair value for the additional financial burden.

Consolidation reduces opportunities for residents to provide input on specific levies and their purposes. By maintaining separate levies, the Council ensures ongoing dialogue and engagement with the community regarding funding priorities.

Suggestions for Improvement:

- If consolidation is to proceed, the Council must commit to detailed reporting on how funds are allocated and spent post-consolidation. A transparent framework should be developed to ensure residents can track spending and outcomes.
- The Council should consider a hybrid model where major, long-term initiatives retain separate levies to preserve accountability and transparency.
- Any changes must be accompanied by assurances that services funded by existing levies will not diminish in quality or scope after consolidation. The strategy does not adequately outline how the management of assets will directly benefit ratepayers. For example, with significant projects like the North Sydney Olympic Pool redevelopment, there is no clear articulation of how these assets will improve the quality of life for residents who are funding them.

North Sydney has the least parklands per capita in the state, which is a significant issue for residents. The strategy does not provide a clear plan to address this critical shortfall in public green spaces. Children need a place to play sport and to run around. Particularly so given the significant increase to density that is planned without a solution for an increase to green space.

While the strategy outlines the need for ongoing maintenance and investment, it lacks sufficient detail on how funds will be allocated and how residents can track progress.

There appears to be a disproportionate focus on high-cost, high-visibility projects like the Olympic Pool redevelopment, while more routine but essential services (e.g., footpath maintenance, tree planting) may not receive adequate attention.



The strategy does not account for the financial challenges faced by residents in a cost-of-living crisis. Major investments in assets should be tempered with sensitivity to current economic pressures. The updated Delivery Program reflects important aspirations for the North Sydney community but falls short in addressing key issues like parklands, financial equity, and resident engagement. To better serve the community, the program should focus on increasing open space, diversifying funding sources, and ensuring initiatives are both financially sustainable and aligned with residents' priorities. Transparency, accountability, and responsiveness to community needs will be essential for its success.

Response reference: A, B, C, E, I

SRV389

How did we get into this mess with the pool and what procedures do you have in place to stop something like this happening anywhere with Council (resident) funds again?

Minimum rate increase please - I do not earn much money.

Perhaps you need to be more creative/dynamic with how you raise money in future, rather than moving to increase rates.

Why do you argue we need to raise rates to fund more residents? I would think with every new unit, you can get new rates from them and this money can be used? Minimum rate increase please - I do not earn much money.

Are you seeking best quotes, etc for works done?

Response reference: A, P

SRV390

Increase in Business Rates The SRV document states, "The assessment concluded that the current split – 60% residential and 40% business– remains appropriate.". The document then goes on to compare the rates for businesses in Waverly and Sydney. A conclusion that could be drawn from that data is that North Sydney CBD could be increased from the current rate to something like the rate for Sydney CBD. Surely the appropriate decision should be what is the appropriate rate for the North Sydney business users and whether North Sydney should adopt a split rate for Businesses of CBD and Other. If that results in a higher revenue from Business v Residential, then that's a good outcome. To state that the current split is appropriate without any supporting documentation is no appropriate. 2. North Sydney Olympic Pool The SRV document talks about a Profit and Loss for the NSOP. It shows that NSOP is expected to make a cashflow operating profit, but not enough to support the debt and depreciation/reinvestment. What is not discussed in the SRV document is any discussion as to how the Revenue line was arrived at. This brings me to a discussion on Equity, Differential Pricing and Elasticity of



demand a. Equity There is an issue to be addressed called "Equity" and this is focussed on people paying for services and usage of assets on an equitable basis, as opposed to providing usage of assets and services on an equal basis. This concept refers to fairness and justice and means recognizing that we do not all start from the same place and must acknowledge and make adjustments to imbalances. That imbalance is that some people (Rate Payers) pay rates to fund the asset (i.e. Swimming Pool) and some people (NonRate Payers) don't pay rates to fund the asset (i.e. Swimming Pool). Why should NonRate Payers pay the same Entrance Fee to swim in the Swimming Pool. Assets and services that Councils own can be divided into 2 categories:

- Assets and services that can only be used by Rate Payers - eg Libraries (subject to sharing via Aurorashore), Garbage collection
- Assets and services that can be used by Rate Payers and Non-Rate Payers - parking, Swimming Pool

Assets and services that can only be used by Rate Payers

- There is no usage charge to use these facilities as they are funded by rates.
- Access is limited to Rate Payers
- The benefit of the services is available to Rate Payers

Assets and services that can be used by Rate Payers and Non-Rate Payers

- There is a usage charge to use these facilities
- They are funded by a combination of rate and user pays
- Access is available equally to anyone - Rate Payers and Non-Rate Payers

To make the use of assets and services that can be used by Rate Payers and Non-Rate Payers equitable I think there should be differential pricing of the usage charge.

2 of 2 6/01/2025 A classic example is parking on the Northern Beaches:

- Rate Payers don't pay for parking
- Non-Rate Payers pay for parking.

The asset is the parking bays and the cleaning and patrolling of the beaches

There are also some pools in Australia that do differential pricing. In the case of the NSOP I would propose that a lower entrance fee for swimming and gym usage charges is available to Rate Payers.

b. Price Elasticity of Demand If something has a high Price Elasticity, that means that as you put the price up demand (usage) will reduce. The price elasticity of a swimming pool entrance fee is generally considered to be relatively inelastic; meaning that a change in the price of admission will likely not lead to a proportionally larger change in the number of people who choose to visit the pool, indicating that people are somewhat insensitive to price fluctuations when deciding whether to swim at a pool. There will be a point when the price increase starts affect usage. Therefore the price setting would need to be done having regard to that and the pricing of other swimming pools nearby and maximize price to get maximum revenue.

3. Support for Option 1 Subject to addressing the issues identified I would support Option 1. My reasons are:

- Budget repair is something that should be address generational equity
- The other options focus on generating extra services/investment but also generate extra cash reserves way in excess of the minimum benchmarks presented by council show as a minimum.
- The infrastructure backlog is slower to repair under Option 1, but that is a decision that can be addressed as the council works through the 10 years – reducing cash available or increasing borrowings to fix that issue sooner.

Response reference: E, M, Q, Q



SRV391

I feel that all options are too much and other options have not been explored. I could support a one off increase (i.e. one year only), but only if it reverts back to the original rates (allowing for inflation). Other options have not been considered, including pulling back on spending for a couple of years to get things back under control or spreading out costs rather than paying upfront

Response reference: F

SRV392

I don't agree I don't agree with proposed changes

Response reference: L

SRV393

I do not support the SRV and increase in rates. This has come about due to poor management by council. The current mayor constantly blames the previous mayor - but she has overseen continuing cost blow outs from the swimming pool project. It is not good enough to just blame the previous administration - what has this mayor/council done to reduce costs of this project? The SRV is a lazy option. The mayor talks about inter generational equity - but this SRV just places the burden of the pool on the current generation - without sharing the costs across future generations, who will also benefit. I would support a slower ramping up of rates, with a view to still remain below the average - to reflect a continuing commitment by council remain a low rates model. Consolidation / simplification is good.

Response reference: A, B, F

SRV394

1. I think it is simplistic to assume that revenue from sources outside rates will remain as they are. More businesses are pushing staff to return to the office, which should manifest in increased revenue from parking, etc.
2. Before SRV is requested, I would like to see concrete savings to be estimated and articulated from cost reduction measures, what has been provided in the LTFP and information sheets are rather nebulous statements around 'we have implemented a program to...' with no tangible savings listed. Have any savings from these been built in? 1. Council appears to have been either withholding

154



information or negligent in its accounting to have not realised, planned and communicated about a lack of revenue in previous years. COVID issues commenced almost 5 years ago and interest rates/CPI have been high for at least 3 years and apparently no planning has been done.

2. As stated in the previous question, concrete savings from cost reduction programmes should be articulated before a rate rise is factored in and investigations into new revenue channels should be undertaken and communicated.

3. Has there been any work conducted into contract compliance and procurement governance? Has there been any supplier management conducted to ensure spend is controlled?

4. with the increase in units being built in North Sydney council area, this will bring in extra revenue as there will be more rate payers paying minimum rates. i.e. two houses are knocked down and 25 apartments are built in their place. Although you state in your information that 90% of the revenue generated from the levies are derived from residential rate payers, you have neglected to tell us what proportion of rate payers are currently paying these levies! Why should those rate payers NOT currently paying the levies pay increased rates for something they don't derive benefit from to make accounting at Council easier?

Council appears to be taking the path of least resistance here by squeezing more rates, rather than looking for cost controls. Like all bodies, Council must learn to live within their means. Tighter Procurement policies and supplier/contract management will undoubtedly reduce the spend on maintenance and increase the life of assets already owned. What work has been completed around this? Council must learn to live within means - if residents are willing to accept current services delivered by council, supported by current rate levels, so be it."

Response reference: P, G, F, B

SRV395

I don't believe that the approaches are realistic. A more balance approach should heave been taken including long term NSW government debt, selling commercial assets as well as considering future services we could afford not ones which we would like to have (and then by the way lets work out how to pay for them). I don't believe that the approaches are realistic. A more balance approach should heave been taken including long term NSW government debt, selling commercial assets as well as considering future services we could afford not ones which we would like to have (and then by the way lets work out how to pay for them). A more reasonable approach should be explored. In particular

- funding long term assets (which may never be used by the majority of ratepayers) using short term rate "hikes" rather than long term low interest Government debt is totally ridiculous.



- Retaining commercial properties (please explain how Council ended up with these anyway) when faced with these cost blowouts and other financial mismanagement should be very carefully considered.
- If delivering the pool demonstrates Council's ability to deliver any services or infrastructure we need to very carefully consider what and how they are delivering everything.
- Surely a zero based approach should be taken to make sure we are actually paying for the right things and at the right price. Simply telling us that rates have to go up to continue to deliver "services" is just not good enough.

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Response reference: D, H, A

SRV396

The council has not considered all possible options to raise funds (sell property) or reduce costs. The SRV is an impost on ordinary residents most of whom (like me) do not or will not benefit from the new pool. It is hard to believe that there is declining revenue from parking charges or fines, rentals etc. The biggest cost is the pool - rate payers should not have to bear the cost of many years of infighting amongst councillors in making decisions about the pool and overall poor management to the pool upgrade None of the funding options presented below is acceptable. There should be a 'do nothing' option plus options that involve asset sales.

Response reference: D, A, L

156



SRV397

Good idea. Keep it quick, simple and transparent.

Response reference: S

SRV398

No transparency on plan, and with the proposed rate rises it appears that plans are not achieved with this sudden large rate rise when Council was financially sound just 6 months ago do not understand how the Council was financially sound at June 2024, and now we are in this position. Where does accountability rest for mismanagement, and what action is Council taking to reduce costs in line with what individuals and corporate Australia are doing. In addition, as residents of North Sydney our lives are being severely disrupted by the Warringah freeway works, perhaps there is some leeway to get support from the State.

Has Council considered asset sales to fund the additional capex, reducing headcount or unnecessary services, and looked at productivity measures. Council is asking residents for a large financial repair, with no alternatives to cost cutting or asset sale measures to reduce the burden. Where are education and consultation arrangements for residents to be better informed and be able to ask questions?

Response reference: B, G, F, D

SRV399

None of the options are acceptable, the North Sydney council should seek funding from the State government to cover the redevelopment cost of the pool. Residents did not ask for the pool to be upgraded and most of us do not even use the pool.

Response reference: I

SRV400

highly favourable to the LTFP and SRV highly supportive less funding for onstreet parking - more funding for active transport options

Response reference: S

157



SRV401

I am writing as a North Sydney ratepayer regarding the recent announcement of a significant increase in municipal taxes, ranging from 65% to 110%. This measure is not only disproportionate but also insensitive to the current circumstances.

North Sydney's population is growing, which should, in theory, expand the tax base and allow for a reduction in taxes, not an increase. This rise places considerable strain on families, particularly vulnerable ones, potentially forcing them to leave the municipality.

This situation clearly highlights poor financial management by the Council. Resorting to a tax hike as a quick fix demonstrates a lack of creativity and responsibility in exploring viable alternatives. Your role as council members includes seeking solutions beyond immediate measures, such as increasing the fiscal contribution to commercial (rather than residential) or extraordinary events (e.g., New Year's Eve celebrations, concerts), or implementing long-term financing strategies for infrastructure with a 50-year operational lifespan.

It is equally concerning that new initiatives, such as upgrades to the Oval, are being proposed while existing projects like the Olympic pool remain incomplete. Prioritization is essential - complete ongoing projects, evaluate mistakes, and avoid skipping critical stages.

For these reasons, I urge the Council to reconsider this tax increase, which is clearly neither the most reasonable nor sustainable solution to the challenges we face. Lack of creativity. Brutal increase. It feels like a trap for analysis purposes, I do not agree with any of the options in question no. 9

Response reference: C, P, N, L

SRV402

Do not increase rates above the rate peg. We are all experienced a cost of living crisis - now is not the time. Your residents can not afford it. You'll be putting additional financial stress on your community and forcing people to pick between putting for food on the or access to critical services like access to preventative health. Increasing the rates shows a total lack of awareness and empathy for those already struggling. Do not raise more than the peg. The community do NOT want the SRV. Look at cost reduction initiatives first as well as other income/ revenue streams. The pool blow out and mismanagement is not the responsibility of north Sydney rate payers.

Response reference: C, L



SRV403

I have commented before but have now seen the analysis from Dr David Bond detailing the impact of the inclusion of Category 4 assets in the modelling for asset upkeep
North Sydney Council is be commended on its methodical approach to asset upkeep vs other councils 2. Having identified the future asset upkeep cost my view it would be wrong to keep deferring it to future generations, but perhaps the inclusion of category 4 assets could be ramped up over say 5 years. 3. I've previously written to the Mayor to suggest the sale of at least some of the \$57m of Investment Assets shown in the balance sheet to part repay the NSOP debt. The Mayor has told me in broad terms what these assets are and I understand that Council is aware of the possibility but is reluctant to sell at fire sale prices. I note interest rates are expected to fall soon and this should cause current values on these properties to rise. My view remains that some of these assets should be sold

Response reference: D

SRV404

Why are there no proposals that look at less than 50% rate increases. There is also lack of any accountability as to the causes of the financial instability. There has been no accountability for the North Sydney pool disaster and this is a major cause of the council's problems. Why has there been no proposals that look at management and councillors taking pay cuts as a symbolic contribution. Given the cost of living crisis in Australia it is incumbent on council to present a proposal that looks at an inflation indexed increase and the trade offs this would entail. Don't know enough to comment.

Response reference: L, B, A

SRV405

Opposed in total to the proposals as Ciuncil members lied to the community about the financial situation and due
To the complete
Incompetence if council to manage developments in recent years Consolidation means hiding the details. In view of councils lack
If transparency honesty and openness I oppose this I oppose all increases

Response reference: G, B



SRV406

The long term financial plan favours just penalising the rate payer instead of looking at other alternatives. The biggest one is selling off the pool, but that is not really an option. There are other sites that could be used, ie, turning that building in the middle of Ted Mack Park into a cafe, or restaurant, taking the rent. Small things like this can make a difference. Slugging the rate payer should be the last option, god knows our LGA has been totally raped by the NSW State Govt, surely they could kick in a life raft on the pool. I think in the current cost of living crisis, which is not going away any time soon, it is outrageous of NSC to contemplate slugging the rate payer. I totally reject the suggestion. Rates should not rise anymore than the current index.

Response reference: L, I, M, P

SRV407

Residents should be rewarded with free access to the pool once opened as compensation for having to fund council's mismanagement. As a resident I am happy to invest in future growth as long as council is transparent and accountable for their actions.

Response reference: E

SRV408

The problem with the various SRV proposals is there is no attempt to prioritize. In the private sector gross incompetence and overspend of budget like this one would result in (1) the board being fired (2) A reprioritization of planned expenditure.

Rather than continuing to spend on ""reducing infrastructure backlog"" in each of the 3 options there should be a fourth option which is cancellation of planned non critical projects that make up the backlog (as a North Sydney resident I see spend on non critical projects by council on a daily basis) so as to rebalance the budget and avoid an incremental cost such as the ones proposed.

Response reference: N



SRV409

I am a resident as well as an owner of commercial premises and a business in North Sydney. The proposed increase in rates is unacceptable for a number of reasons.

Firstly, I would like to see a thorough investigation and explanation of how the pool project could be allowed to be three years behind schedule and \$50 million over budget. Who is responsible for this debacle?? How is it that you, as councillors, are not held accountable and still operating? In addition, I am not a user of the pool facility (over 40 years) and have no interest in it. I see no reason in having to immediately pay for a total debacle of a vanity project that I don't use, while future residents who will use the facility, bear none of the costs.

Secondly, there are any number of financial approaches that would spread these costs across a longer horizon to reduce the immediate impact in the short term on current residents, especially during a cost of living crisis. Such approaches would include debt financing, asset sales, cost control (no new projects in the short term, minimum salary increases etc.) these are the means by which any commercial enterprise has to manage its way out of financial difficulties, not simply increase rates/prices!

Thirdly, the choice of a 65% or a 111% rate increase is a ridiculous proposition!! It's not a choice that anyone should be asked to make, without some consideration of the implications that a lower increase (e.g. CPI plus small pool levies) would have on the longer term projections. This is no choice at all. :(

Response reference: A, C, H

SRV410

Why are Council not considering a longer term loan for the pool? what is the expected life of pool?

Response reference: H

SRV411

i am concerned with increased rate application SRV given that information should have been detailed before council elections and the debacle with North Sydney pool. Quite clearly the pool project should have been handled by State Government project team and not come from council funds I support minimum council rates increases only ie 25/26-- 4 %---26/27 3 %--- 27/28 3 % only.



NSS council should introduce ""major policy"" change and have private schools pay rates (no exceptions)
council given status should charge for services that they cannot offer for free
Council needs to manage financial costs much more and reduce services that are not essential SELL ASSETS THAT ARE NOT FUNCTIONAL

Response reference: G, A, J, F, D

SRV412

I am not convinced that council has considered all options available to avoid such horrific increases in rates. If Council believes there are no other viable options, I would like to hear why such options as asset sales, long term borrowing, expense cut-backs should not be entertained.

Response reference: D, H, F

SRV413

I am concerned about the higher immediate rate rises for families struggling with the cost of living and interest rates. The lack of transparency before the election concerns me. This is a good idea.

Response reference: C, G

SRV414

I think we should sell off the North Sydney Olympic Pool or close the project in it's current state and sell the asset. The Pool provides little to not value to rate payers in the North Sydney Council area as this is not a community facility rather a private facility that still has a cost to use. Rate payers should not be expected to foot the bill for a mismanaged projected and one that has impacted our councils financial position. Council should be exploring other ways to increase their revenue and not just by raising taxes. Council should look at it's assets and determine the best way forward without impacting rate payers considering it was councils poor management. Option 3 is out of the question as this is an unreasonable ask for rate payers. I think Council should also consider what the implications or declaring bankruptcy would be.

Response reference: D, P



SRV415

There is no option to reject an increase in the scenarios provided. Hence I object to any increase in current rates The Council should seriously review their overall spending and asset management. If assets are not viable consideration should be given to sale/rental. Council should not be considering expanding services when they are unable to fund existing services. Perhaps Council should consider ceasing funding "The Pool" and allow for the State Government to take over what is really a State issue.

Response reference: L, N, D, O

SRV416

The council has not project managed the redevelopment of the North Sydney swimming pool in an appropriate manner. Any external project management firm would have ensured that the project stayed on budget and time by managing and foreseeing risks. It is clear that inexperienced personnel are responsible for the time delays and budget blow outs. The contract should have had penalties for delays and be a fixed price contract. I do not agree with any proposed changes to the special levy or increase in rates. I do not agree with the proposed consolidation of existing levies into the ordinary rates. Why should the residents wear the financial burden of poor project management.

Response reference: A, L

SRV417

There's no clear justification as to why the rates are rising so much This is well ahead of inflation and there's multiple different avenues for the council to raise money. Why don't you raise the rates that businesses in North Sydney pay?

Also - why haven't you given an option of no rate rise below? You're forcing people to make a choice on something that is utterly ridiculous. The incompetence of this council and the sheer nerve to do this AFTER an election is deplorable. You should be ashamed of yourselves.

Response reference: L, G



SRV418

Council, whether it be the current members or the previous, made serious mistakes in their decision making regarding the North Sydney Pool redevelopment and the project management. They should not make the ratepayers pay for their mismanagement, especially in this cost-of-living crisis which many, even if not all, are experiencing. How do the proposed rate changes assist people in this crisis?

Response reference: A, C

SRV419

Changed the reporting details which adds \$100 m to debt to raise. Retired to this council area after downsizing. Unfair to have to pay more rates than did on house in adjacent council area. Council needs to use other ways to raise money than from residents who dont use most of the costs Unfair to may residents pay for poor council governance. Ns pool is a sydney wide tourist attraction. Should be funded by state or feds. Developers and Commercial ratepayers also more likely to benefit from facilities therefore could contribute more Unfair to new residents Should raise money eg charge for cremorne point viewing of fireworks Dont agree with any of the proposals Raise money in other ways than through the rates. Report fin same as other councils Go to state or fed for pool Charge for events lije new years eve

Response reference: A, B, I

SRV420

1. There were limited options to choose from, with a glaring omission of no changes to current rates. The information also fails to explain why the proposed options are the ONLY options which seems to be the case.
2. The excessive increases proposed would likely far exceed the blowout in costs of the pool upgrade. This seems to be a very convenient excuse from council to apply an increase that will remain in place forever (let's face it, they will never reduce again).
3. I accept that projects can exceed budgets and some issues are unforeseen, but as a ratepayer I have no detail on who let this occur or how it happened. Also, good, responsible project management should have taken out insurance against such events or appropriate clauses be included with the contracted developer.
4. Further to point 3, if Council have already blown the budget on such a project to the tune of being in such a poor financial state, why should ratepayers bail them out with zero assurance or confidence they won't waste the additional income?



5. The pool delays have already impacted our time to access this facility (compounded by the closure of Willoughby pool also). Most unfortunate with 3 kids. Not only are council proposing that we cover the cost by increasing rates, but we also get slugged for ridiculous parking costs and no doubt would pay for pool access on top if it is ever completed.

I would be willing to accept a smaller increase to rates but nothing to the tune of the options proposed by the current council. I think they should go back to the drawing boards and consider alternate options for funding and ways to dig themselves out of the current hole they are in. It is seriously lacking options and fails to explain why increasing funding from rate payers is the only viable way forward. What about other revenue streams? Also, what confidence can we have in a council that blew the budget already in order to hand them more funds to mismanage? I am against the proposed variation. I have little faith in council to manage financial sustainability. I would be open to a small increase (smaller than all current proposals), but suggest council should look at other options like delaying projects, borrowing funds, taking on financial partners or increasing business rates. It is very ordinary and fails to instill confidence it will be managed well.

Response reference: L, A, P, H

SRV421

This is fiscally irresponsible given the current cost of living crisis that many people are experiencing. The council's attempt to justify the additional revenue raising due to comparison with other "selected" councils indicates that the business justification is flawed. There is no option in the SRV or LTFP to seek alternative avenues to recover from the \$120m pool blunder and the all the council's strategies call for more spending rather than trying to fix the current solution. If the council is in financial crisis, then the 1st action is to reduce programs rather than to expand them and spend more. Everyday I see funds being spent on beautification of the area or traffic mitigation on perceived risk rather than actual whilst neglecting basic infrastructure repair. These actions go to show that the Council is irresponsible and reckless in its planning and spending of rate payers' money. Fix what you have 1st and reduce the "strategic" programs before heading off to raise more revenue in such a difficult climate. None of the Options are acceptable and I don't see the option which examines a "Do nothing" status. The options are all based on raising revenue for more spending rather than looking at what extraneous programs can be cut or delayed till the council has recovered from its pool stuff up. The absence of the Do Nothing option tells me that you haven't thoroughly examined what can be done. Don't as it doesn't provide transparency which the council seems to want to hide what's really going on. The separation provides information as to where the funds are going and if there is a significant change in one area such as garbage, then people can see what the drivers are and make a change at home. The Asset Management Strategy is flawed as it doesn't consider a review if the Asset is needed, could be retired,

165



or if there is another solution to improve a return on Investment. If the council hasn't been able to maintain it's current assets, then this shows that poor management practices are in place which indicates incompetence at the executive level. Removal of the senior management and reappraisal to include options of divesting of the asset should be done 1st before asking for more money. If you can't manage what you have, then you shouldn't be managing it at all. Financially irresponsible and reckless."

Response reference: C, N, L, F, B, D

SRV422

I have a huge affordability concern relating to the immediate increase in rates proposed. It is a steep jump in rates at a time that we are all feeling the impacts of cost of living issues. Additionally, some of what I have read indicates the majority will go towards the debts incurred as a result of the initial mismanagement of the North Sydney Pool renovation. As a resident who will not benefit at all from this renovation, you can appreciate the disappointment and resentment I feel at being made to fund the incompetence of the previous councils decisions, especially given there seems to be no recourse or accountability from those members who have now left. Has any alternative fund raising been investigated? Selling any existing Council assets? Are there any co-funding opportunities with businesses in the area? Is there any guarantee that this fund raising exercise will not be repeated in the future? Can the increase be spread out further across the coming years, to prevent the huge impact in year 1. The increase really does frighten me to be very frank. As a single income household, who is part-time and about to hit retirement soon, I am terrified that the increase will leave me struggling. I do not live extravagantly, and have no notches on my belt to tighten any further.

Response reference: C, B, D, M

SRV423

Why have you not considered reducing costs rather than sky-rocketing rates? Why has Level 4 been included for the first time (unlike other Councils)Your inability to handle financials is breathtaking! Pouring so much extra money into swimming pool, while threatening to close and redevelop Cammeray Golf course show clearly you do not understand local community needs...

Response reference: A, B



SRV424

Option 1 should be adopted. The tens of millions of dollars of ratepayers money squandered on the NSOP amply demonstrates that the NSC simply cannot be trusted to spend their money on anything but the most essential projects. NSC needs to demonstrate it has the requisite competencies to undertake large projects before undertaking any more discretionary spending. The proposal to increase rates as set out in options 2a,2b and 3 should be deferred for least a few years so as to allow the council to demonstrate to ratepayers that it has addressed the issues that lead to the NSOP debacle.

At a minimum the NSC should:

- provide an unequivocal apology to ratepayers for the NSOP as recognition that it has actually fundamentally failed it's ratepayers;
 - undertake an appropriate root cause analysis to identify the how and why failures identified in the PWC report occurred and how these mistakes can be avoided in the future;
 - review the roles, responsibilities and accountabilities of councillors and senior NSC management so as to ensure that appropriate governance arrangements are put in place to ensure that the NSOP mistakes are not repeated and future priorities are managed with an appropriate degree of accountability.
- This would at least be a start for the NSC to try to win back the trust of its ratepayers. Agree there should be a minimum amount imposed. However, a benchmark review should be conducted to ascertain whether the proposed minimum is actually high enough. All residents should share more equally in the cost of the services provided by NSC. Agree if this will lead to a reduction in administrative overhead.

Response reference: A, B

SRV425

How can the ratepayer be convinced that the LTFP will be adhered to considering that LTFP of the past has indicated that this has not been carried out successfully. In particular the upgrading of the North Sydney Pool. It is evident that the decisions made by the councillors that pushed through the approval did not have the required expertise to correctly analyse and cost this project. The proposed SRV to cover the overspend of the pool upgrading should not have to be borne by the ratepayer but should fall on the shoulders of those Councillors who pushed through the initial approval. The Councillors that made this decision walk away (without financial cost) from the damage caused and the cost is borne by the ratepayer. I notice that Council meetings withhold many items for discussion by labelling them as confidential. The ratepayer is entitled to be better informed regarding matters that may commit them financially to poor decisions made by our elected councillors. I do not support offloading assets (that are performing) as they can only be done once. Similar to selling off the farm and a productive asset, which has had long term disadvantages in Australia. Also noted in the explanatory documentation is that \$6.4million in employee benefits and costs are to be reallocated. This comment requires more



clarification. The debt still remains and there is a possible disadvantage to the employees. Whatever decision is made regarding the SRV survey it is imperative that a proper monitoring system is developed to oversee the implementation of the repair to council's activities and finances. Also, has council considered low interest loans from the State Government, or grants, to cover the cost of the increased cost of the North Sydney pool? I consider the consolidation of the existing levies into ordinary rates to be a positive move. Does this include the SWMC Residential Unit rate? Asset renewal and maintenance is important but until council can prove that it is able to carry out Option 1 successfully then the other options should be considered. To date council has not shown a good track record. Concentrate on Option 1 and then revisit options 2a, 2b and 3 when Option 1 shows action is successful and to plan.

Response reference: A, B, H, I

SRV426

I oppose it. It will just entrench incompetence if the cost of stupid decisions are passed onto ratepayers- council needs to take responsibility. Has anyone been sacked or reprimanded? What would you do differently Oppose

Response reference: B, L

SRV427

Quite simply, we can't afford it. We have seen green space disappear to state infrastructure projects, the Warringah Freeway expansion, and are expected to accommodate a vast increase in population but are not seeing the NSW state government assist in any way except heap additional costs on us such as increasing tolls to be bi-directional and add numbers to the already ambitious Crows Nest-St Leonards 2036 plan through the TOD and disgraceful decisions such as the 22-story development at Five Ways (Pacific Highway, Alexander St, Falcon St). Our schools are full, with new enrolments being pushed to Mosman High from Cammeraygal, and this is prior to the new TOD. The NSW state government needs to step in and assist. Quite simply, we can't afford it. We have seen green space disappear to state infrastructure projects, the Warringah Freeway expansion, and are expected to accommodate a vast increase in population but are not seeing the NSW state government assist in any way except heap additional costs on us such as increasing tolls to be bi-directional and add numbers to the already ambitious Crows Nest-St Leonards 2036 plan through the TOD and disgraceful decisions such as the 22-story development at Five Ways (Pacific Highway, Alexander St, Falcon St). Our schools are full, with new enrolments being pushed to Mosman High from Cammeraygal, and this is prior to the new TOD. The



NSW state government needs to step in and assist. Is this a stealthy way to increase our taxes over the longer term? We have no confidence in the council and do not trust them.

Response reference: B, I

SRV428

Agree rates need to be raised in line with other comparable socio economic and demographic local govt areas. Think the proposed rate rises are excessive. I would be much more comfortable if Council had provided more info re the impact of the N Syd pool blowout on the proposed rate rises. Dr Dave Bond provided valuable info re how Council has justified the rate rise and apparently the only other NSW Council to use a similar calculation is Camden. I cannot understand why Council does not see how important it is for the community to understand the impact of the pool. It is unreasonable to expect the locals to fund the cost. We have no input other than to put blind trust in Councillors. Its surprising that a public enquiry has not been called. The pool is in an iconic location . Its open to all of Sydney, to international travellers. Its frequented regularly by a small section of the local community and occasionally by others for specific events. Its used by a small section of the community for swimming coaching. Many families prefer to go elsewhere for lessons. Its saltwater which does not appeal to all. While the broader community has always supported the upkeep it should not be penalised for the cost of the renovation and from all accounts the debacle of the cost blowout. Saying this I hold little hope of any Govt support. The area has now been decimated federally and even at a State level where a significant area was hived off into the Willoughby electorate. I for one am not proud of the legacy this mess will leave. This area has many elderly ,single parent, low income apartment dwelling constituents who are just managing with the cost of living. Those that work are tax payers rather than having access to the dual economy. Many are families with a mortgage ,school fees and small discretionary expenditure. Raising the rates in this manner will add further to their burden. Council would be very aware of the changing fortunes in the local restaurant and small retail businesses. This is a population which does not have spare dollars after expenses to support discretionary spending. Yes there are some pockets of affluence in some areas but very few are cashed up or in the wealthy elite. As I mentioned I would not be proud of the legacy. My preferred option would be for Council to privatise the pool and work with the State Govt to improve/upgrade appropriate harbour areas as has Woolhara Council with Nielson Park to enable equitable public access

Response reference: A, C, D, I



SRV429

ALL options are unacceptable and without merit given the absence of legitimate reasoning as to why our rates may be historically lower than elsewhere - 'lower' relative to what other equivalent council areas and on what measure is the comparison made (relative land size?) There's no explanation as to what the consolidation achieves other than minimise the cost of administration I am concerned that Council has mis-managed the financial development of the North Sydney pool (which I don't even use!), so much so that it now has insufficient capital resources available to fund its future development works program (upgrade of bus shelters and other necessary infrastructure). Insufficient and dis-engenuous community engagement regarding the rate proposal increase, as well as your updated 'Delivery Program'

Response reference: L, A, N

SRV430

Such large rate increases may lead to me being unable to live in this area. As a resident and worker in this area for a decade now I have finally been able to purchase a unit in walking distance to the hospital I work at. I love living here but the proposed rate increases are likely to make it impossible for me to afford my mortgage. Living costs in Sydney are already too high for most my age (early 30s) and if we are pushed out from ever owning local, North Sydney council will be left as a rotating churn of renters living in properties owned by companies and the rich few, rather than an actual community Try charging large corporations more for their mass-owned properties rather than struggling individual residents

Response reference: C

SRV431

Feedback on the Long-Term Financial Plan (LTFP) and Special Rate Variation (SRV) Options

1. Governance Failures and Financial Mismanagement

The LTFP highlights profound governance issues that have directly led to the council's current financial difficulties. The North Sydney Olympic Pool (NSOP) redevelopment exemplifies these failings, with key decisions—such as signing construction contracts before finalising designs and inadequate risk management—resulting in substantial cost overruns and increased financial pressures. These governance failures undermine confidence in the council's ability to manage ratepayer funds effectively and responsibly.

2. Maladministration Concerns



The circumstances surrounding the NSOP redevelopment raise potential questions of maladministration that warrant further examination. Key issues include:

- Inadequate Risk Management: Entering into major financial commitments without comprehensive planning or risk mitigation.
- Lack of Oversight: Removing experienced external project managers reduced control over costs and timelines.
- Expansion of Scope Without Justification: The project's growth in scope appears misaligned with community priorities and represents poor financial stewardship.

These issues require scrutiny to determine whether there has been a failure to meet basic governance standards, which may necessitate external investigation to ensure accountability and transparency.

3. Call to Halt Non-Essential Projects

In light of the council's precarious financial position, all discretionary projects must be halted until governance frameworks are strengthened and financial sustainability is restored. Specifically:

- The NSOP redevelopment project should be paused pending an independent audit of costs, risks, and governance processes. The council must demonstrate that continuing with the project is fiscally responsible and aligned with community needs.
- No new non-essential projects should proceed until robust risk management and oversight measures are in place.

4. Rejection of Rate Increases

The proposed SRV options to increase rates are unjustified and unacceptable under these circumstances. It is unreasonable to expect ratepayers to bear the financial burden of governance failures and mismanagement.

- The council must first address inefficiencies, reduce discretionary spending, and improve project governance before seeking additional revenue through rate increases.
- Rate increases should only be considered as a last resort, following clear demonstration of fiscal responsibility, operational reform, and community consultation.

5. Lack of Transparency and Accountability

Ratepayers deserve a full explanation of how the financial mismanagement occurred and what steps the council is taking to address it. The council has failed to:

- Provide clear communication on the financial impacts of governance failures, particularly regarding the NSOP project.
- Outline specific measures to improve oversight, reduce costs, and ensure accountability for poor decision-making. The absence of transparency undermines public trust and reinforces the perception of maladministration. A full disclosure of the facts, coupled with detailed plans for reform, is urgently needed.



6. Structural Governance Reform

The governance failures exposed in the LTFP demonstrate a systemic lack of accountability, oversight, and risk management. Immediate reform is required to prevent further financial mismanagement. This includes:

- Strengthening risk management frameworks to ensure robust decision-making for all major projects.
- Establishing independent oversight of large-scale projects to ensure compliance with best practices in governance and financial management.
- Reviewing internal processes and accountability structures to address the deficiencies that contributed to the council's current financial challenges. Feedback on Proposed Changes to Minimum Rates

1. Unfair Burden on Ratepayers

The proposed increase in minimum rates is unreasonable and places an excessive burden on ratepayers, particularly in the context of governance failures and financial mismanagement. Expecting residents to absorb higher costs without addressing the systemic issues that created the financial pressures is inequitable and erodes public trust.

2. Misalignment with Financial Accountability

Increasing the minimum rates to address financial shortfalls resulting from poor project management, such as the North Sydney Olympic Pool (NSOP) redevelopment, shifts the consequences of these failures onto ratepayers. This approach undermines the principle of financial accountability and should not proceed without demonstrating significant reforms to governance, oversight, and cost control.

3. Impact on Vulnerable Households

The substantial rise in minimum rates will disproportionately affect low-income and vulnerable households, exacerbating financial hardship during a period of economic pressure. This is particularly concerning given that the council has failed to provide adequate justification or assurance that these funds will be effectively managed.

4. Structural Issues Not Addressed

The proposed changes to minimum rates do not address the root cause of financial instability, which lies in governance deficiencies, inadequate risk management, and inefficiencies in council operations. Without structural reform, increased rates risk becoming a recurring solution to ongoing mismanagement.

5. Alternative Approaches Needed

Instead of raising minimum rates, the council should:



- Halt non-essential projects and review existing financial commitments to identify cost-saving opportunities.
- Improve efficiency in service delivery and reduce operational expenses.
- Focus on building trust through transparency and consultation with ratepayers before imposing higher charges.

The proposed changes to minimum rates are unjustified and fail to reflect the council's commitment to fiscal responsibility or equity. Ratepayers should not be made to bear the costs of governance failures without first seeing meaningful reforms and improvements in financial management. Feedback on the Consolidation of Existing Levies into Ordinary Rates

1. Potential for Simplification

Consolidating existing levies into ordinary rates could simplify the rates structure, improve administrative efficiency, and reduce operational costs. This change, if implemented correctly, has the potential to benefit both ratepayers and the council by providing a clearer and more streamlined approach.

2. Safeguards Against Misuse

However, the consolidation must not create opportunities for funds to be diverted to unrelated purposes, particularly those stemming from financial mismanagement or governance failures. Ratepayers need assurances that this change will not result in the creation of a "slush fund" to finance poor decision-making or incompetence. Specific safeguards should include:

- Mandating that funds previously tied to levies, such as for infrastructure or environmental projects, continue to be allocated exclusively for those purposes.
- Implementing stringent reporting and accountability measures to track how funds are used.

3. Need for Transparency and Accountability

Consolidation risks reducing visibility into how funds are spent. To maintain public trust, the council must:

- Clearly and regularly report on how the consolidated ordinary rates are allocated to the original purposes of the levies.
- Ensure that any reallocation of funds is subject to public consultation and justification.

4. Equity Considerations



The council must ensure that consolidation does not unfairly redistribute costs among ratepayers. Modelling and transparency are critical to avoid undue financial impacts, particularly on vulnerable households.

5. Reinforcing Good Governance

This change should be implemented as part of broader governance reforms, ensuring that consolidated rates are managed responsibly and in alignment with community priorities. Without addressing systemic governance failures, the risk remains that these funds could be mismanaged, perpetuating the cycle of poor decision-making and financial strain.

6. Community Engagement is Essential

Ratepayers must be consulted thoroughly on this proposal. The council should provide clear information on:

- How the consolidation will affect their contributions.
- How funds will be tracked, reported, and safeguarded to ensure alignment with the original levy purposes.

Consolidating levies into ordinary rates is not inherently unreasonable but must be approached with caution. Safeguards, transparency, and accountability are essential to ensure that ratepayers' trust is maintained and that funds are not misused to finance incompetence or poor governance. Feedback on the Updated Asset Management Strategy

1. Addressing Asset Backlogs and Maintenance

While the strategy acknowledges the importance of addressing infrastructure renewal backlogs, it must prioritise essential maintenance and renewal over expansion or upgrades. This approach is critical to ensuring public safety and service reliability without overextending the council's already constrained resources.

2. Need for Alternative Funding Sources

The council must explore alternative funding mechanisms to support the Asset Management Strategy. Relying solely on rate increases or reallocation from existing budgets is unsustainable and risks further burdening ratepayers. Options to consider include:

- Grants: Aggressively pursuing state and federal grants for infrastructure renewal.
- Public-Private Partnerships (PPPs): Leveraging partnerships for co-funded asset development or upgrades.
- Divestment of Non-Core Assets: Selling or repurposing underperforming or non-essential assets to reinvest in critical infrastructure.



3. Cost-Cutting Measures

Before committing to substantial expenditure on asset management, the council must identify cost-saving opportunities in other areas. This includes:

- Reducing Non-Essential Spending: Halting or deferring non-critical projects.
- Streamlining Operations: Improving internal efficiencies and cutting administrative overheads.
- Reassessing Project Portfolios: Ensuring only high-priority projects aligned with community needs proceed.

4. Transparency and Community Engagement

Ratepayers need assurance that funds allocated to asset management will be used effectively. The strategy must include:

- Detailed, transparent reporting on how funds are spent and the outcomes achieved.
- Community consultation to ensure asset priorities reflect public needs and preferences.

5. Realistic Implementation Targets

The strategy must set realistic goals, particularly in light of the council's financial challenges. Clear timelines, cost projections, and accountability measures are essential to ensure successful implementation without further financial strain.

6. Focus on Core Asset Renewal

The council must prioritise maintaining and renewing existing assets over developing new infrastructure. Expanding the asset base without addressing current backlogs risks further compounding financial and operational challenges.

Summary

The Asset Management Strategy must be grounded in financial realism, with a focus on maintaining existing infrastructure and seeking alternative funding sources. Ratepayers should not be expected to bear the cost of poor financial management, and the council must demonstrate cost discipline and transparency. By cutting non-essential expenses, exploring innovative funding options, and engaging the community, the strategy can achieve its objectives responsibly and sustainably. Feedback on the Updated Delivery Program

1. Focus on Core Services and Immediate Needs

The delivery program must prioritise essential services and infrastructure maintenance, aligning with the council's current financial constraints. Ambitious or aspirational projects should be deferred until the council demonstrates improved financial stability and governance. A clear emphasis on maintaining public safety, addressing infrastructure backlogs, and delivering critical services is essential to restoring community trust.



2. Alignment with Financial Sustainability

The program should reflect the financial realities outlined in the Long-Term Financial Plan (LTFP). Any planned projects must have clear funding sources, and there should be no reliance on further rate increases or unsustainable debt. The council must also demonstrate a commitment to cost reductions by:

- Reviewing operational efficiencies.
 - Halting non-essential projects and discretionary spending.
 - Pursuing external funding opportunities such as grants or partnerships.
3. Transparent and Measurable Outcomes

The program should set realistic, measurable objectives with clear timelines and deliverables. Ratepayers need assurances that funds allocated to the delivery program will result in tangible community benefits. Regular progress updates, accompanied by financial reporting, will improve accountability and build public confidence.

4. Strengthened Governance and Oversight

Effective delivery requires robust governance and risk management. The program must include actions to improve project oversight, ensure compliance with best practices, and avoid repeating past mismanagement issues (e.g., the North Sydney Olympic Pool redevelopment). Independent reviews of major projects and regular public reporting will enhance transparency and accountability.

5. Community Engagement and Consultation

The delivery program must align with community priorities, which can only be achieved through meaningful engagement. The council should:

- Clearly communicate the financial constraints and trade-offs involved in project selection.
- Actively involve ratepayers in decisions about prioritisation and resource allocation.
- Provide transparency about the rationale for each project included in the program.

6. Shift Focus from New Initiatives to Recovery and Reform

Until governance and financial management reforms are fully implemented, the program should avoid allocating significant resources to new initiatives. The focus should instead be on:

- Stabilising finances and rebuilding reserves.
- Completing existing projects efficiently and effectively.
- Implementing structural reforms to governance and financial management.

7. Integration with Broader Council Strategies



The delivery program should align closely with other key council strategies, such as the Asset Management Strategy. Coordination between these plans will ensure resources are used efficiently and priorities are addressed comprehensively."

Response reference: F, I, M, B, A, P

SRV432

gradual increase rather than big jump in rates betterincrease in minimum rates betteragree with consolidation

Response reference: L

SRV433

Rate payers should not be faced with rate increases to this extent. Many of us are struggling in the current financial crisis and these rate hikes would destroy me and many others in our very tight financial situations. Make schools pay please and seek assistance from the NSW govnt as many of us never use the pool and it provides no benefits to us. Please demand that the plentiful large private schools in the council area to pay rates for the pool and area. Together with large businesses. As the NSW government was so enthusiastic about the upgrades to the pool ask for NSW financial assistance to fund some of the shortfall in funds. Sell assets in the area to help fund the shortfall in financing the public swimming pool. Sell Greenaway and move the tenants to cheaper areas. I will have to sell and not live in my community if the rates were increased and it's high time Greenaway was sold to make money fir the council and NSW government. Find sponsors to fund the pool rebuild. It is grossly unfair and unjust to expect individual household rate payers to fund the pool and the mistakes made throughout the years of renovations and negligent decisions made by the council. Many of us own homes in the area but with interstate increases we are unable to manage increases in our rates and would be forced to sell. I'm retired and couldn't afford increases and it's grossly unfair to expect this at this level of I crease.

Too high, too unfair, unjust, ridiculous to expect rate payers to pay such massive increases. Impossible for so many to pay thus like myself. Councillors need to be fully qualified in financial management. They made a complete hash of the renovations. Their pay should be docked and any bonuses recovered. They have been negligent. This is not up to rate payers to fund as there is no direct benefit to us re the hugely expensive blow out in costs for the pool upgrade. The pool is used extensively from people out of the council area. Schools in the area need to pay up too. It's not up to rate payers to fund this blowout. Sell assets in the area and other such ideas to fund this massive cost.

Response reference: C, J, I, D, A

177



SRV434

I reject all of the options You should adhere to the rate peg (base case)

Response reference: L

SRV435

I am of the view that Council has not been fiscally responsible to date that continues to spend beyond its means. I am concerned at the lack of accountability for previous excesses including "study tours" by previous mayors to Europe to research pedestrian malls and the like. I consider it utterly unacceptable that rate payers are now being expected to bail out Council for these shortcomings I consider that proposed changes do not include the option to cut back on spending and "live within means". Council does not appear to have considered sale of assets and other revenue raising measures. All up I am of the view that one of the options is entirely satisfactory. The option of "future growth" is particularly hamfisted at a time of cost of living pressures and no guarantee that council has attempted to learn from previous mistakes. The direction led by council at community forums tended to be misleading in that the elephant in the room - blow up of costs and mismanagement of North Sydney pool - was minimised/not raised. Instead Council tried to pitch a future focus which was unconvincing. All up my preference is to minimise increase in rates at this point in time and consider sale of assets and other reasonable measures. I don't have a strong view on this. However, if levies are time limited there may be a case for continuing with these in the future.. As indicated, I don't think this is particularly relevant to the main issue facing rate payers - which is an expectation that rate payers should bale Council out of the financial issues created by mismanagement. I think it is time to live within means/ cut your coat according to the resources before you. I don't see that rationale in anhy of the options provided. Nil. Except to note that any backlog is due to mismanagement and Council should cut back on its operating costs to remediate. By way of example the "glossy" documentation presented at community forums was excessive and served little purpose. it is time to rationalise what rate payer dollars are used towards!

Response reference: B, D, C, A, F

SRV436

I wholeheartedly object to the additional levies driven from the inefficient management of the North Sydney swimming pool The failures in management should not be handed to local residents to solve I object to incremental fees related to the swimming pool

Response reference: A, L



SRV437

Having "attended" the recent zoom session on need for rate increases, I have every confidence in current North Sydney Council to look after my interests.

Response reference: S

SRV438

Council should explore avenues to reduce on going costs, asset sales and restructure prior to any SRV. No issues with consolidating levies into ordinary rates and for a minimum rate. These are sensible changes. No issues with consolidating levies into ordinary rates and for a minimum rate. These are sensible changes. Council should explore avenues to reduce on going costs, asset sales and restructure prior to any SRV. No confidence in Councils program considering the significant delays and cost overruns for the NS Pool

Response reference: F, D

SRV439

Need to increase rates to cover north Sydney pool disaster

Response reference: A

SRV440

North Sydney residents are already embarrassed by their Council (including the former Mayor) for the abject disaster of North Sydney Pool. To then be told that we need to pay to fix this financial mismanagement is a slap in the face. Council's lack of imagination in coming up with financial solutions, and lack of transparency of this issue going into the prior election, only erodes the little faith residents still had.

In examining the figures of Council's alleged financial crisis, it appears that council has assessed its financial needs including infrastructure replacement, using a metric that is not used by any other Council in greater Sydney bar one.

Council is also proposing new spending projects. The purpose of council is to represent its constituents, however if constituents do not want to pay extra money for new projects, and would rather have rates

179



maintained, that should be heeded. If council says these projects are necessary, this should have been transparent at the recent election.

Much of Council's argument in the LTFP are that revenue has decreased since the pandemic. More significant than that is the strain on household incomes that has increased since the pandemic. Constituents have had to make tough decisions to cut back spending to allow us to stay afloat, whereas Council wants to offload that burden onto the people it allegedly represents. Times are tough for constituents and Council, but we do not have the capacity to carry Council's problems especially in the face of disaster brought on by itself with the pool.

In summary, not only are the LTFP and SRV not supported, but the underlying basis that suggests these are needed are disputed. The minimum rates chart is based on average residential rates, not recognising that Hunters Hill is predominantly single dwellings with higher land area compared to North Sydney which has a much higher amount of units.

If Council is going to do this it should make the purpose and intended benefit of this clearer than in the LTFP. The update to the Asset Management strategy appears to be based on misleading statistics. Every other council in greater Sydney (bar Camden council) only calculates the rate based on infrastructure in very poor condition. While North Sydney Council is in apparent financial crisis, it is not the time to upgrade infrastructure that is not urgent and also inflate the figures. This does not need to be forever, and ideally things in poor condition would obviously be upgraded, but now is not the time to change this definition. See above - now is not the time to expand the delivery program if council is in alleged dire straits. Constituents do not have the money right now to support Council's ideal program. You can't have it both ways of being in crisis but also wanting to upgrade everything, the ratepayers know this all too well.

Response reference: N, O

SRV441

Disappointed of all 'options'. These options do not provide adequate choices. This is an ultimatum where rate payers are the victims of mismanagement. Shame on North Sydney Council.

Response reference: L



SRV442

Rate rises and special levies are not inevitable and must be an absolute last result. My rates, as a resident of North Sydney, are already over \$4000. This is unaffordable, particularly after retirement. Council must look at any and all means to keep rates low and if it cannot it should look to merging with adjacent Councils. I think it is deceptive to say rates are lower than Willoughby Council- the absolute quantum of rates paid by North Sydney residents maybe higher due to higher land values. Willoughby Council maintains vibrant shopping, dining, residential and office environment, updated community spaces and a weekly green bin service. North Sydney Council does not and has done nothing to increase attractiveness of the areas after work hours. North Sydney should audit all its spending including on the Milsons Point pool and be held accountable. Maybe if it facilitated development instead of spending high legal fees challenging any and all development, we would have more developer contributions and more urban renewal- a win-win. Council exists to serve its residents, not for itself. Residents are interested in the total rates and the total service provided. Burying certain costs among others or earmarking funds for certain goals is not going to change anything. Council should sell any properties that are under-utilised or in need of repair/replacement. (The pool demonstrates that Council would struggle to successfully manage renovations on their own.) I note community centres are under-utilised. Please examine Council's current service delivery and delivery costs - who is responsible for Council's "declining financial situation"? Without doing this, council would just find itself in another dire situation in the future.

Response reference: C, D, B

SRV443

I am a long-term resident and owner in North Sydney LGA where I purchased a one-bedroom unit in 1984 and have resided and paid rates since that time, over 40 years. I currently own two strata unit rental properties in the LGA. I do not support the current proposals, as I think other alternatives could be explored and it is very difficult to read through all these documents over the Christmas period with a deadline of 10th January 2025. It is not possible to pass on these increases to tenants who are already under pressure with the cost of living increases. Whereas I can pay them and they are tax deductible, I can appreciate other retirees are not in this fortunate position. I support a special levy to pay for the pool which would be dedicated and annotated for that purpose over a set period. The pool has proved to be a millstone around the neck of the ratepayers and we need to get it finished. It was sadly ill conceived from the get go. I would suggest a document exploring the sale of underperforming property assets (I worked for 28 years as a real estate agent) would be a good start. In the Organisational Improvement Plan - Sale of Land \$5million (page 82 of 217) is noted. Yet just a paragraph covers this with no detail. Consider sales of land Council holds some parcels of land with limited community value. To fund renewal of Council's asset backlog and projects, some of this land will be considered for sale. I

181



note other residents have stated In the case of North Sydney Council, the sale of the Ward Street car park and a few retail outlets in Greenwood Plaza would likely deliver near \$100m in cash I would like to see avenues such as this explored before ratepayers are expected to fund such a large increase.

Thank you for reading my submission.

Prefer to keep separate

Response reference: C, D, B, R, Q

SRV444

Last year rates increased by 20+%, now further strain put on ratepayers to fund a Council mistake. Not all ratepayers in North Sydney fit into the ""silver tail"" category. We are currently enduring unacceptable noise issues from WFU issues and then expect further detrimental impacts with threatened/impending building developments. Moving somewhere else would only deplete finances further.

Understand infrastructure needs maintenance.

Additional response: The 2024/25 increase to rates was the IPART rate peg amount of 5%.

SRV445

These numbers are insane, and totally detached from the reality of what is affordable and achievable for residents to pay. Suggesting 85% increase when workers in this LGA are receiving a wage price index increase of under 3% just can't occur.

Response reference: C

SRV446

All options raised in the SRV document will increase costs for residents significantly, at minimum by 65%, during a cost of living crisis. The most significant reason stated in the TFP and SRV documents is the financial mismanagement of the pool project, which is a failure on the part of council. In my view it is unreasonable for council to pass on these costs in full to residents, while stating that it is essential to keep spending at current levels for council programs and maintenance costs - council should look into alternative ways of fixing the issue that council has created. In particular the stated infrastructure backlog ratio appears to be significantly inflated - including both class 4 and 5 assets in this calculation is



a definition change made in 2023 and results in an overestimation of costs to the tune of \$100million. Unfortunately class 4 assets may need to be left unattended to until councils debts are paid.

The huge amount of data included in these reports appears to be intentional to obfuscate the real issues. This document does not effectively inform residents of the relevant information necessary to make a decision on the SRV. There is significant repetition.

Significant cuts to council spending need to be made urgently. Unfortunately the \$50mil of council owned assets may need to be sold to address the shortfall, the stated infrastructure upgrades costing millions of dollars to improve st Leonard's park and bradfield park foreshore or to add new bathrooms to the coal loader should all be put on hold until the financial position improves, and the "current level of service" which council asserts needs to be maintained needs to be seriously scrutinized as it is this ineffectual service that has caused this issue. Residents do not have the option to simply pass on our growing costs to someone else, and we certainly don't have the option to simply decide to increase our income to pay off a recklessly accrued debt. The increase to minimum rates appears to directly reflect the mismanagement by north Sydney council. These increases are significant, and all of them assume that the current level of service by council will not be reduced. Every option unfairly expects residents and businesses to "foot the bill" with increased rates. This approach also unilaterally increases rates for all residents, despite a significant spread in owned land valuation between apartment vs house residents - there is even a stated hope that the increase in apartment buildings in the area over the coming years will result in a total increase to council income. Essentially this approach requires the young and the less affluent, who are much more likely to be residents in apartment buildings, to carry the same weight of rate increase as residents who own land and free standing houses. It appears that north Sydney council is proposing to eat its own young. If ordinary levies are consolidated into existing I suspect that this new total will become the new normal, and years from now the severe austerity measures now being proposed will be forgotten. For this reason I am opposed to consolidation as it will make it far more difficult to undo these increases in the future. If the issue is temporary, the fix should also be temporary and specifically targeted at fixing the debt. This question is also appearing out of nowhere and has not been explained in the reference documents. I am opposed to all increases, as north Sydney council assets are already incredibly over services in comparison to other Sydney LGAs I have not reviewed this sufficiently to provide comment.

Response reference: C, F, D, O



SRV447

You can only spend what you have rather than be passing your failure for good planning onto ratepayers I can not double my income so council should be curtail spending until they have sorted the financial Problems Rate payers should not have to bear the burden of council bad management as we are not the main users of the facilities

Response reference: L, B

SRV448

the options you have provided are not acceptable. You need two explore other options rather than rate increases like selling commercial property, using long term debt , cost control, and increase rates to businesses. NSC is under utilising the power of its balance sheet and should be using debt to fund projects rather than increasing rates. Additionally the NSC needs to control its costs the options you have provided are not acceptable and dont provide us with a range of choices. We need to have options that have very low rate increases like 10, 15 or 20%. You need to consider other options like selling assets (non community assets) and the effective use of long term debtI tried to follow this but it's very hard to comprehend. Hence I cant give any meaningful feedback

Response reference: D, H, F, H, L, K

SRV449

In the Long-Term Financial Plan (LTFP) for November 2024, North Sydney Council is asking ratepayers to choose from several Special Rate Variation (SRV) options aimed at raising significant funds to address a financial shortfall caused by recent Council mismanagement. Importantly, I am critical of the plan as it does not present any alternative solutions to restore the council's financial position through detailed cost-cutting programs, and it also proposes additional spending on a large number of new initiatives (64 projects) despite the council's already limited financial resources.

Furthermore, I am concerned that the ""Have Your Say"" submission form on the North Sydney Council website:

- only lists Special Rate Variation (SRV) options, with no option that explicitly calls for improved fiscal accountability from the council (Question 9).
- bundles the decision to increase the minimum rate together with the Special Rate Variation (SRV) options (LTFP pages 27,33,38,43) (Question 7).



- bundles the decision to incorporate levies into the new minimum rate (Question 8), again implying indirect support for the SRV.

By excluding a focus on strengthening financial management, cost-cutting measures, and addressing inefficiencies, the consultation process appears to limit meaningful feedback on how the council can better manage its finances before considering substantial rate hikes. Apart from the request for input over the vacation period, the views of the ratepayers derived from the current North Sydney Council submission form are likely to be misinterpreted or potentially misrepresented.

Feedback on Long-Term Financial Plan (LTFP)

From 2019 to 2024, North Sydney Council's Revenue from Rates and Annual charges has risen from \$58 million to \$75 million (Annual Reports)—an increase of 29% over five years, which outpaces inflation. The proposed SRV options are significant, with rate increases ranging from 50% to 75% in the first year alone. Given the recent history of poor financial management, any SRV commitment well above inflation should be conditional on the council first demonstrating improved fiscal responsibility and efficiency through concrete cost-cutting measures. Ratepayers should be provided with clear disclosure that the council has taken concrete steps to address inefficiencies, reduce unnecessary expenditure, and implement stronger financial oversight before imposing such significant rate hikes.

In relation to cost controls measures, "the Council launched a comprehensive program of organisational review and transformation in late 2022" (LTFP page 6) and in 2023 "a major realignment of the organisational structure was implemented" (LTFP page 9).

- Despite that the organisational realignment has been operational for 2 years, the cost savings have not been disclosed to the public in the LTFP. Ongoing monitoring and reporting of Key Performance Indicators (KPIs) are essential to ensure that the realignment continues to lead to a long-term reduction in operating expenses.
- A "reallocation" of \$6.4M does not represent a saving to the ratepayer (LTFP page 9), it is a redistribution of existing funds within the council's budget.
- The scope of the "process mapping initiative" should be determined by a cost-benefit analysis of the proposed changes rather than employing personnel to achieve "1000 over time" (LTFP page 9). A fiscally responsible business would prioritize process changes based on monetary impact and complexity, considering the costs involved in implementing these changes. This would determine which changes are most worthwhile, with a clear cutoff point where the return on implementing the change diminishes. By focussing on a number, the initiative risks becoming an exercise in process for process's sake and will diminish the impact of any cost saving program.
- The cost savings associated with the introduction of initiatives such as the "new service level review framework," "service unit planning," "development and performance framework," and "new workforce strategy" (LTFP, page 9) are not specified. Additionally, these changes would likely add to the complexity of the council's operations, potentially requiring more resources and time to implement effectively. Without a detailed breakdown of expected savings



and a clear plan for managing the increased complexity, it's difficult to assess whether these initiatives will deliver a net benefit or simply add administrative burden.

In relation to improving efficiency:

- The LTFP does not seem to address efficiencies associated with reducing project cycle time. For example, the delay in completion date for North Sydney Olympic Pool represents 12 months of lost revenue (approx. -\$1.5M). Despite project cost overrun and delays, the decision to spend an additional \$250k on the café and gelato bar at the NSOP further increases costs and delays. Delays in project completion result in assets that are not generating revenue as planned, which in turn leads to additional costs for ratepayers to maintain cash flow.
- All the options presented in the Long-Term Financial Plan (LTFP) include allocations to address the "infrastructure backlog," with Options 2a, 2b, and 3 also earmarking additional funds for "expanded, new, and upgraded infrastructure." Ratepayers may question why they should commit to funding expanded programs when North Sydney Council is already struggling to execute existing projects efficiently, both in terms of time and cost. Given the current level of national infrastructure activity, which has skills shortages and delays in the current economic cycle, there are likely to be further supply chain issues, cost overruns, and project delays. It would be more prudent for the Council to focus on completing current projects within budget and on time, rather than overextending its capacity by pursuing new and expanded infrastructure initiatives.

Other issues from information listed in the LTFP:

- It's concerning that, as of 2024, North Sydney Council has only now "resolved to develop a comprehensive governance strategy aimed at preventing future financial missteps, such as those experienced during the North Sydney Olympic Pool project" (LTFP page 6). Given that North Sydney is one of the oldest council organizations in NSW, it would be reasonable to expect that the council already had established procedures in place for managing major capital works. These procedures should have been followed before committing funding to the NSOP project. This is not the first major project to have taken place within North Sydney, so it raises questions about why existing governance frameworks weren't adhered to from the outset. In the interest of continuous improvement, conducting a root cause analysis that led to a commitment of major capital expense at odds with existing protocols in relation to the NSOP would be a more cost-effective and expedient approach.
- The forward estimates of the Grants and Contributions included in the LTFP are listed as approximately \$12.5M pa. This seems to be substantially less than the historical average of \$23.5M pa (Annual reports 2019 to 2024).



I am in favour of increasing the minimum rate on the current ad valorem values. It is currently inequitable that a single dwelling pays multiple times the rates of a high density dwelling for the same council services. Agreement to increase the minimum rate does not imply that I support increasing the ad valorem value to match the SRV proposals.

The “have your say” website is misleading in that it bundles the decision to increase the minimum rate together with the acceptance of a Special Rate Variation (SRV) option as specified in the LTFP. This presents a false choice, as ratepayers are essentially being asked to accept a rate increase without the ability to separately assess the impact of the minimum rate adjustment.

I am not in favour of consolidating existing levies into ordinary rates. Consolidation would lead to a lack of accountability as the levies are currently designated for specific purposes. In addition, consolidation into ordinary rates carries significant risk that the amounts would be subject to future SRV inflationary adjustments, as is happening with the current proposals. Given the current cost constraints, the Asset Management Strategy should continue to focus on maintaining assets at a “satisfactory level” (as outlined on page 28) and only commit to achieving a “good” standard in exceptional circumstances where there is a clear and near-term economic benefit.

However, the Asset Management Strategy has not quantified the potential benefits of divesting non-core assets to reduce the council's exposure to significant ongoing upgrade and maintenance costs. Given that the cost to bring Operational Property (Table 12) to a satisfactory level is \$62 million—representing 42% of the total upgrade budget—and that the forward 10-year funding for property upgrades is \$99 million, or 26% of the total depreciation and upgrade budget, it is worth exploring whether there are opportunities to divest certain assets that have limited future value for the community or can more efficiently operated by private interests.

Appendix 3 of the Delivery Program lists 64 new and expanded projects that are set to be funded by the Special Rate Variation (SRV) in 2025/26 alone. At a time when council funds are already limited and ratepayers are being asked to shoulder a significant rate increase, it is difficult to understand why the council is adding such a large number of new projects instead of focusing on the urgent need for fiscal repair, particularly in light of the mismanagement of the North Sydney Olympic Pool.

Given the financial constraints, the list of proposed projects should be thoroughly reprioritized. Projects that are necessary for maintaining core services or addressing critical infrastructure should be given precedence, while “nice to have” projects should either be deferred or deleted altogether. This approach would allow the council to focus its limited resources on stabilizing its financial position and restoring public confidence before embarking on further expansions.

Response reference: L, O, F, A, N

187



SRV450

The council has wasted millions of dollars for years and is now using information that has been distorted and riddled with misdirection to get away with robbing the local public while taking ZERO accountability for the erroneous mistakes you continue to make unpunished. I will not be paying your rip off rises, you should be thoroughly ashamed of yourselves. These rises are disgusting and unreasonable and you know this. The community is not just a money pit for your to exploit, lie to and plunder because you are unable to do your jobs properly. If you have even the tiniest shred of decency you will rescind this, but you have already shown that integrity is not a part of your vocabulary. An 8yo could do better, Any plans you put forward somehow never come to fruition. Your plan is not worth the paper it's written on as like with everything else, you will grossly miss all goals and have nothing but excuses and shirking to avoid actually doing anything to understand how you got it so wrong in the first place. The rates should not be raised by insane proportions because you have atrocious financial and project management. You need to look at yourselves honestly and be honest about how much of this was caused solely by your total ineptitude and find ways to fix it that does not mean screwing over the public again. Nothing you suggest ever creates the promised savings and outcomes you claim will come to pass. You should not be suggesting any financial changes en masse. Any business would look at their assets and liabilities and audit how they spend money. You should start there and it be done by an independent party who will show the truth of your financial incompetence, not a PR redacted fairy tale you share which does not even come close to representing reality. Forcing people to pick one terrible option is not a choice. I don't agree with anything that means the public have to pay more than they already do, for what they get which is nothing more than excuses and gaslit There is not one positive thing to say

Response reference: B, L

SRV451

The rates decision was made at an improper time, namely shortly after the election of of the current council. There was no time for full consideration of the issue by the new council. There is informatioin re cosideration of alternative funding options.

Response reference: L, G, R, M

SRV452

Having recently purchased a property (Apr24) appalled by the dramatic rates hike. Disgusting act by council from poor decisions and management.

188



Response reference: B

SRV453

In my view, if council finances have been mismanaged in the past to such a degree that special levies are required, there is no reason to pay additional money to be sent down the drain. If the council financial situation is as dire as it is presented, I would like to see professional financial managers brought in to remedy the situation. It is clearly outside the purview of our elected council.

Response reference: B

SRV454

North Sydney Council through complete incompetence has managed to waste over \$100m in building a new New Sydney Swimming pool, rather than relining or recounting the existing historical Olympic pool and in the process tearing down a perfectly functional indoor swimming centre. In doing this you have bankrupted the ratepayers and shown your complete lack of financial literacy and now you have the temerity of asking hardworking ratepayers to pay thousands more dollars in rates (yes for me I own a number of investment properties in the area so will be impacted multiple times impacting my retirement. This shows a complete lack of respect to ratepayers, not giving us any option to limit increases below 50% for the first year. You should all be removed. How was it that this dire situation was not brought to the attention of voters earlier this year in the council elections. This is a complete betrayal of trust to ratepayers. As for minimum rates this should be no more than 10%, we are in a cost of living crisis you know. No find another way to fund your follies, try charging extra for the facilities or even shut down some, stop WASTING OUR MONEY. Not interested in the council wasting money. Why was this not considered when thinking of wasting over a hundred million for the pool? Also, consider merging with a stronger council such as Willoughby and or Mosman, so that there can be economies of scale. All councillors deserve to be sacked and the sham election results rescinded given the lack of this information prior to the vote. Not interested in the council wasting money. Why was this not considered when thinking of wasting over a hundred million for the pool? Also, consider merging with a stronger council such as Willoughby and or Mosman, so that there can be economies of scale. All councillors deserve to be sacked and the sham election results rescinded given the lack of this information prior to the vote.

Response reference: A, L, C, G, B



SRV455

The LTFP is in DRAFT and unfairly, unjustly, seeks to get rate payers to bail out North Sydney Council from following difficult pathways to resource Council operations, particularly funding the Olympic Pool rebuild. If this was netted out of the DRAFT LTFP you would have the CURRENT workable LTFP as contained in the North Sydney Councils CURRENT Resourcing Strategy 2022-2032. North Sydney Council has had recent success in achieving SRVs. The current SRV is an absurd attempt to get rate payers to fund the rebuilding of the Olympic Pool. There should be no SRV awarded to bail the North Sydney Council out from performing their statutory duty. Can't find the Updated Asset Management Strategy (AMS), but am familiar with AMS 2018/19-2027/28 and commend the Council for achieving a pleasant living environment. Can't find the updated Program but as it's the result of a DRAFT revision of the LTFP and relies on a SRV to bail out the Council, I have confidence that the Council will achieve acceptable outcomes in an SRV-free environment.

Response reference: A, L

SRV456

Rate increases are too aggressive and are not required to the extent proposed. All options propose paying off 70% of a 20-year loan immediately, which isn't necessary as interest costs are a very minor expense in comparison to total revenue. Operating cash flow is positive, so there is no immediate financial disaster. For future capital projects, they could be funded by a more gradual rate increase and extra borrowings if necessary. With such a large increase in rates, the council will be generating huge surplus cash flows on an ongoing basis, which is likely to encourage wasteful spending.

Response reference: L, I

SRV457

I think it is unreasonable for North Sydney Council members to ask and/or expect residents of North Sydney Council, due to the Council's incompetency to pay through increased levies the deficit caused by poor management for the North Sydney Pool. On completion of the pool, will the Council provide North Sydney residents a rebate on their rates from the income it will receive from tenants and pool users? Will they provide us with any benefits as residents? Why should we fund their mistakes when once the pool is completed it will be used by residents of Sydney as well as interstate and international visitors? By doubling the council rates, it takes the increases beyond 3% which is CPI - residents' salaries do not increase annually by 100%. What is being done to address the issues within the council to remove office bearers who have underperformed, what other options have been explored to undo the damage done



and move forward to pay off the debt? Why is this not both a state and federal issue? As a North Sydney resident it sickens me to think I have been asked to pay for someone else's mistakes. either the levies are consolidated it makes no difference if the rates are increased by 100% to pay for the pool! Any increase over 3% year on year is outrageous. Forcing me to choose one option below when I don't agree to any is unreasonable. There is not option to select that you don't agree. The only reason I have ticked option 2a is because it makes reasonable business sense - but the council should not be looking into new initiatives until the pool has been completed and the current debt paid off.

Response reference: A, E, L

SRV458

65-111% rate increase proposal is excessive and more reasonable options should be explored. Why hasn't the council promoted this survey more to residents and consulted them on options. My preferred options are not reflected in this survey.

Response reference: L

SRV459

I do not agree with any of the proposed rate increases at all I have little faith that this is of benefit to rate payers.

Response reference: L

SRV460

Im not across across the LTFP or SRV. In principle i am for rates increased well above the rate peg but the ratios proposed seem quite excessive. While it is understood that the increases were required even when excluding the costs it seems to me that the pool does contribute to this significantly and with that in mind covering for the pool should not require a permanent raise in rates. I personally feel that it sounds like the option 2 is required in the immediate term and should be temporary with its need reassessed at intervals.

Response reference: L



SRV461

The LTFP lacks clear evidence and reasoning behind it, and the SRV options are hardly options at all with all the choices being excessive in the proposed increase. The proposed rate increases are excessive especially given the current cost of living crisis, other avenues for funding should be pursued rather than placing the burden solely on residents. The lack of transparency on the issue prior to the local election is also concerning.

Response reference: L, C, G

SRV462

This long term plan is not based upon good financial governance. I fully support James Spencerley's analysis as detailed in his letter to residents of North Sydney. This is an example of 'Sophie's Choice'... we either take your son or your daughter!! The North Sydney pool is an Icon, just like the bridge and opera house. It should be mainly funded by those that use it, which means user pays. I am unlikely ever to use the pool, but many tourists and others from Greater Sydney will use the pool so make the entry fee appropriate to cover the cost. Over time it must be possible to fund it through user pays and low interest loans.... Just like a toll road. This is a complete con. You can't submit the survey without looking like you accept the choices below. Do not bundle the levies with ordinary rates. It masks transparency. All the financials are wrong, so it's not possible to make a reasonable assessment More nonsense

Response reference: L, H

SRV463

At a time of huge economic distress to most families in this municipality it would be an impossible impost to double the rates this year Council waste of money must be addressed to keep any rate invrease minimum. For example the SLOWN DOWN signs throughout the community are useless, ugly and in need of constant replacement due to weather stress. Stop wasting money! Existing levies should be clearly defined and publicly available not included in rates

Response reference: C



SRV464

we are keen to see the upgrades to the holteraman street public plaza take place

Response reference: S

SRV465

It is a load of rubbish. Yes, I understand costs have increased due to overall post-pandemic inflation and interest rate rises, I understand that very well because I am making sacrifices to deal with these pressures. This does not seem to be the strategy of this council, there seems to be no effort to cut costs or services, in fact, all of the proposals listed in the the section 'What is Council doing to improve its performance?' involve SPENDING money, not saving it!!! It lists developing strategies, frameworks and plans, all of these things cost money!!!The proposal does not show any information on what happens if rates are kept the way they are now. Its as if you are not even allowing this as an option. I AM NOT AN IDIOT, I CAN SEE WHAT YOU'RE DOING. You want me to choose between a 65% increase or a 111% increase is OBSCENE... that is offensive and disgusting by accepted standards of decency and morality. And even this survey doesn't allow me to express these opinions without clicking on one of the funding options!!! I DON'T WANT ANY OF THEM !!Where are the options for the large corporates? Are you proposing that the local cafe gets an increase in rates to the same degree as Cisco? As TPG? as the Winten Property Group? LEAVE RESIDENTAL RATES AT THE RATE PEG AND DEVELOP A NEW PROPOSAL FOR LARGE CORPORATES THAT MAKES THEM PAY A LARGER SHARE. Where are the cuts to staff? Where are the cuts to salaries? Lots of companies and organisations had to cut costs because of the pandemic and the resulting economic pressures. Where are your proposals for this?

Response reference: C, L, F, O

SRV466

I support option 3, as I think it is very important that North Sydney council is set up for success. However, I would expect the Council to be much better at getting value for money in its infrastructure project, and I would want Council to explain how it has learned from the North Sydney Pool debacle for future projects.

Response reference: A, S



SRV467

I dont want to pay for a pool that ive never and will never use, its a disgracenobody wants to fund the councils stupidity when it comes to budgeting and financial management

Response reference: L

SRV468

On 22/12/25 I submitted the below email to Mayor Zoe Baker and cc'd all current NSC Councillors.

Dear Mayor Baker

I understand that some the the issues / financial challenges confronting North Sydney Council may have long dated origins

However, it is disappointing that Council in the main seeks to reverts to a traditional Public Service mentality when finances get difficult.....that is it substantively seeks to take an easy route by raising taxes / rates rather that what would be occur in the corporate world where restructuring would include asset sales, trimming of services, shrinking the workforce, debt restructuring, seek out alternative sources of revenue etc etc.

As I understand it, the Council's Plan essentially relies on a continuum of current services, albeit with some slight reduction etc.

I do note from researching the North Sydney Asset Plan 2022 to 2032 that Council has \$76m in Car Parks and \$52m in Investment properties. Surely this is an opportunity to release cash and offset some of the effects of the financial dilemma Council now finds itself in.

Also, I note there is some discussion of offering rate payers a usage discount for the upgraded Milson Point pool. I am sorry that is unjust and unfair...a benefit would only occur if one uses the pool. I venture to suggest that only a relatively small proportion of the North Sydney Council population does and / or will in fact use the pool.

I also believe Council should seek feedback from the Community on reducing costs by way of curtailing various services. For example, they could quantify the cost of mowing roadside verges, bi weekly Household waste / Green waste etc. etc. and ask the community for feedback on the level of interest in or reshaping such services. I am sure that Council could find many other opportunities to quantify and



seek community feedback as to whether they would prefer to continue paying for such or obtain a rate reduction but discontinuing the relevant service/s.

Finally, I attach a copy of Ian Mutton's December Newsletter and would welcome a response addressing the various issues raised by Ian.

I received a reply from a '■■■■' (no other details provided) on 23/12/25 which in essence suggested I make my concerns know via the SRV online community Consultation process. I responded to ■■■■ stating that I was seeking a specific response to the matters raised hoping such would provide a framework for my SRV submission. Disappointingly, ■■■■ did not respond to two follow up requests.

I also have had the opportunity to view Dr Dave Bond's YouTube Video

(https://www.youtube.com/watch?v=sFTdUSM_GJo&ab_channel=drdavebond)

.....that apparently evidences an incidence of lack of full disclosure and transparency on the part of Council re the changed definition as to the 'Estimated Cost to bring assets to a satisfactory standard' This change in the 2024 fiscal year added \$100m to these works which clearly has a significant impost on the Councils cash flow demands and in turn household rates. Why has this matter not been clearly disclosed by Council in its reasoning as one of the causes of the financial crisis it now finds itself. In addition, maybe some of these works just need to be deferred as events have overrun the Councils ambitions!

I also find it disconcerting that Council is attempting to squeeze everyone into 1 of 4 options. I for one DO NOT support either option as I consider there are undoubtedly a number of other viable lower cost solutions. However, I note that you force people to vote for one of the options or presumably the submission will not be uploaded. Would not it have been fair and reasonable to have an option 5 for those who do not support any of the stated alternatives. Minimum rates favor people living in apartments. How can a apartment in say Milsons Point with say an equivalent value as say a house in Neutral Bay with 2 residents in each, have widely disparity rates. The individuals of each property consume similarly levels of Councils resources / services. Maybe Council should consider just disproportionately increasing the minimum rates. We all know Special Levies are sold on the basis that they are introduced to cover special one off events / requirements. We also know they never get removed. So, unless a levy has a specific time frame for being removed, then I see no purpose in retaining them.

Response reference: E, B, N, L



SRV469

The LTFP is flawed. Most of the capital expenditure should be secured through long term finance and paid back through the income and user fees rather than burden the rate payers with outrageous rate rises while the cost of living pressures are felt at all fronts. The Council should not hike the rates for depreciation and non-cash flow items. I oppose any rate increases beyond the CPI or what is reasonable, say 10% max. A prudent approach is to separate capital expenditure from recurrent expenditure. Capital expenditure should be financed through grants, loans and non community asset sales. It should be repaid through revenue streams from the asset's utilisation. Also non cash items such as depreciation and capital write off are generally relevant to a public body if it was subject to income tax and wished to minimise its tax liability. North Sydney Council should raise the rates for the businesses who occupy prime real estate in North Sydney. The Council has botched the redevelopment of the Olympic Pool and is trying to cover its mismanagement through this ridiculous proposal that will put many, particularly retired people and low income residents under significant financial strain. I know of many who struggle to pay their bills and their debts keep climbing.

Response reference: C, L, I, H, D, K, A

SRV470

I completely reject all the Rates options being proposed by Council. I am being forced to select one option in order to proceed with this submission and have reluctantly done so. For a number of years, Council has been requesting SRVs well above the official inflation rate. However, this year's SRV proposal is quite extraordinary for its bold-faced audacity.

I believe that it is acceptable for Council to use our Rates to finance the upgrade of essential infrastructure such as seawalls. However, I do not consider the North Sydney Swimming Pool to be an essential piece of infrastructure, but rather a desirable amenity. Therefore, funding for the swimming pool upgrade should in the first place have been approved outside the Rates framework. Now the cost overruns that are apparently crippling Council's finances must be funded from outside the Rates framework.

If council indeed holds a significant commercial property portfolio, then the swimming pool cost overrun fiasco should be funded through the sale of all or some of these assets. Alternatively, Council should seek long-term low-interest government loans to address the financial challenges posed by this cost overrun.



Ratepayers should not have to shoulder the burden of the swimming pool cost overrun. I would sooner put up with an incomplete and abandoned swimming pool construction site turned into green public open space than have to accept the proposed exorbitant Rate increases.

Response reference: L, A, D, H

SRV471

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal as owners / managers of the Victoria Cross over station development at 155 Miller Street, North Sydney and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases.

This SRV will significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission.

The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council:

- Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work reducing demand for floorspace and the development of premium-grade supply in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta.
- Retail trade generally has suffered due to the increase of the remote work post-COVID as its trade is predominantly driven by office workers. The initial 24 months is critical for the stabilisation and success of a retail operation and whilst we have negotiated deals to support these businesses during this period the proposed SRV will lead to unforeseen significant impact to expenses.
- The proposed SRV increases cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney asset(s) and our ability to retain tenants and attract new businesses. Further, the magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment/ spending on other cost items within North Sydney Council.

197



- These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.

- Development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The proposed SRV will only slow the progress of development into the future which will directly counter council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy. The proposal will also have the following impact on the future development and repositioning of commercial and retail assets within North Sydney Council:

- o Development of commercial property has become increasingly challenged post-COVID with several planned projects in North Sydney Council either paused indefinitely or not proceeding due to slowing demand for commercial and retail floorspace (impacting achievable rents), the ongoing significant escalation in construction costs, and the cost of development finance. These outcomes have significant cost implications for the owners / developers.

- o The refurbishment of existing office buildings within North Sydney Council is equally challenged as the pressures on achievable market rents make it difficult to feasibly support the cost of refurbishment which has escalated significantly in recent years. The refurbishment of existing office buildings is essential to supporting a diverse and vibrant local economy by providing engaging workplaces at varying cost levels.

- o The proposed SRV will significantly impact both future commercial development in North Sydney and the refurbishment of existing office buildings given the impact the quantum of the proposed increase in council rate charges will have on project feasibility. The level of statutory outgoings are already an issue for existing and prospective tenants in our buildings and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants.

- o The future development and the continuing refurbishment of existing office buildings is crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.

We trust the above makes it clear that an SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported on any basis."

Response reference: L, K



SRV472

The LTFP is flawed. Most of the capital expenditure should be secured through long term finance and paid back through the income and user fees rather than burden the rate payers with outrageous rate rises while the cost of living pressures are felt at all fronts. The Council should not hike the rates for depreciation and non-cash flow items. I oppose any rate increases beyond the CPI or what is reasonable, say 10% max. A prudent approach is to separate capital expenditure from recurrent expenditure. Capital expenditure should be financed through grants, loans and non community asset sales. It should be repaid through revenue streams from the asset's utilisation. Also non cash items such as depreciation and capital write off are generally relevant to a public body if it was subject to income tax and wished to minimise its tax liability. North Sydney Council should raise the rates for the businesses who occupy prime real estate in North Sydney. The Council has botched the redevelopment of the Olympic Pool and is trying to cover its mismanagement through this ridiculous proposal that will put many, particularly retired people and low income residents under significant financial strain. I know of many who struggle to pay their bills and their debts keep climbing. Please see the above feedback. Please see the previous feedback.

Response reference: L, I, H, D, A, C

SRV473

Council does not provide any clear plans for internal cost reductions and efficiencies. Council must identify further internal and external cost cutting before any of Options 2 and 3 are considered. Sensible

Response reference: F

SRV474

The timing of this consultation (across the busy festive/holiday season) is most unfortunate given that many ratepayers' attention will be elsewhere. One has to wonder whether this timing might have been by design, perhaps in an effort to minimise objections. Overall, the proposed options represent extraordinary overreach in terms of the excessive level of rate increases put forward. I do not favour any of the options proposed. I have therefore not answered Q9 below as there is no tick-box marked ""none of the options"". Council should look again at these proposals and temper its request of residential ratepayers and also temper its spending aspirations at a time of increased cost of living pressures. Council should also ensure that they have provided apples-for-apples comparisons in order that ratepayers may be properly informed regarding how North Sydney's total rates revenue compares with other relevant councils such as Waverley and the City of Sydney (recognising the additional



role/contribution of the North Sydney CBD). The BAU projections in the LTFP and the Option 1 Financial Performance Indicators appearing on p28 suggest that even Option 1 is much too aggressive. The LTFP should have set out more clearly a range of other, lesser options - including a rate-peg only option and options involving lesser increases than those proposed in Option 1 (e.g. 10% and 30% in the first year). For example, there should be an option which only just attains the FPI benchmarks, rather than the "comfortably exceeded" outcome shown on p28 of the LTFP for Option 1. Council should also consider blending in other solutions. One option would be a clearer strategy for addressing the post-2019 underperformance of other revenue sources - the LTFP clearly sets out how the reduction in other revenue sources is a key (if not the key) cause of overall revenue deterioration. Another option concerns the pool - since the pool is a key contributor to the issues described and since the LTFP suggests that the pool is likely to remain an underperforming financial asset, why hasn't Council considered either a user-pays special levy on pool users (akin to the ongoing NSW taxi/uber levy) and/or selling this asset and the development space above it as an alternative remedy to the debt burden of the pool. I appreciate the Council argument about asset sales, namely that they can only be sold once, but the pool is not a strategic asset and is an underperforming asset. Council should have a more open mind about the sale of underperforming, non-strategic assets, and should include options for such sales in their current proposals. Council should also provide a clearer picture (via the table of green and red "dots") regarding which elements would remain green under these lesser-increase options. For example, the LTFP appears to imply that a substantial portion of debt is repaid over the next 10 years even under a BAU rate-peg option. As things stand, there are a number of aspects of the overall presentation of information which could be regarded as misleading and deceptive. For example, the summary information does not provide a comparison of post-increase average rate levels vs other councils (one has to read the LTFP so see this). The comparisons also focus on residential rate levels only and do not provide a comprehensive view (by council area) of total residential and business rates income in a manner which would present a meaningful comparison of overall revenue (e.g. per household or per capita). The post-increase chart of residential rates in the detailed pages of the LTFP suggests that, under some options, North Sydney would become the 3rd most expensive residential-rates council among those listed, and would be well in excess of Waverley which may have a more comparable mix of residential and business rates income. I also note that the comparison chart has not included the City of Sydney which would have provided another, more comparable council (blending residential and business/CBD sources of revenue). Consistent with my other comments in Q6 above, the proposed increases in minimum rates are much too high under all of the proposed options. I have no objection to this one aspect of the proposals if Council considers that these existing levies have, in practice, become embedded as a permanent revenue source.

Response reference: R, L, C, M, E, D



SRV475

Disgraceful all due to immense incompetence

Response reference: B

SRV476

The Council needs to recover from the over expenditure on the pool through exciting resources to rectify the current financial status. I note the issues are from the previous council however there are other ways to fix the financial issues. I do not agree with another SRV to fix the problem. I disagree with a comment about unit holders under "What is a Minimum rate" - often have comparable ability to pay rates as those in houses. As a rate payer in a house we had dual incomes and a family, as a unit holder I have a single income much less to my ex partner. We have a shrinking population with often only one person in units rather than 2 or more in houses. An increase of 50% or more to the rates is unacceptable and then to also want to add on the SRV. Consideration to unit holders often actually being single income or retired, as more people retire with minimum super and a pension and paying strata fees, rates need to be reasonable. Prefer a breakdown to know future changes Please refer to notes above

Response reference: L, C

SRV477

I accept part increase but not enough to fund 10 yr plan North Syd Council - regardless if past or present ... needs to demonstrate tight fiscal / project management. In private industry people associated with this pool project would be fired for any overruns! The council need to adopt a reputation rebuild and as such more transparency & accountability for project choices & spending. I would like to have transparency about levies returning to their pre-SRV levels. As above Until there sustained accountable performance I won't agree to more increases.

Response reference: A, B, L

SRV479

My wife and I have been residents of North Sydney Council since 1987 and have resided at [REDACTED] since February 1990. From Jan 1989 to July 1999 I was also [REDACTED]

201



██████████ the main supplier of waste services in the Sydney Region including Councils, thus I have some understanding of NSW Local Government.

We are of the view that the main business of Local Government is still Roads, Rates and Rubbish. Additional services should be provided on a user pays basis. We have only used your roads, footpaths and waste recycling, composting and disposal services apart from planning services which we have paid for separately. We have no need for other services but would be happy to pay for them if we needed them. Rates today are \$3020 per year compared with about \$250 in 1990. We do want our rates are being used for services we never use.

Re your Long Term Financial Plan it appears not possible to see what the revenues and costs of roads, footpaths and waste management are, the main areas of service. Good financial management requires budgets and actual revenues and costs for major programmes but this is not part of the plan.

There are costs of many programmes of a social nature in table 6 and 7 for which no cost/benefit analysis is provided. For example, Social Inclusion in table 6 for 2025/26 is planned to cost \$855,000 but what are the benefits or are there not any tangible benefits. Open space and recreation in table 7 costing 4,884,000, again is there any revenue or reduced cost to offset the expenditure to offset the expenditure.

Re capital works, I suggest a Financial; Plan must have an estimated return on investment for each proposed investment. If there is no resultant revenue or cost reduction offset this should be clearly stated. What is the return on investment for \$3 M on the Quarantine Depot, \$10 M on the Hume Street Park and \$14 M on the Tramway Viaduct. If it does not meet investment hurdles it should not be in the Plan. Re \$32 M for upgrade North Sydney Oval, what is the return. If not sufficient return should it be sold? \$3.15M for gender neutral player facilities - do all facilities really need to be upgraded or just some of them to provide sufficient female participation? \$18 M for cycling infrastructure is a lot of money when it appears there is very little demand.

Is the replacement of gas boilers in the Stanton Library for \$200,000 and the Council Chambers for \$200,000 for economic reasons with an adequate return on investment or is it for ideological reasons. The Victorian Government appears to have had second thoughts about banning the use of gas once the facts were properly established. Again are electric vehicles economic and practical at this stage? What is the return on investing \$ 1M in the old Woodleys shed?

In summary, whilst the Council is committed to open government and keeping the community informed, just what programmes are commercial or not commercial appears to be a complete mystery. Any increase in the minimum rates seems unjustified at this juncture unless user pays principals are adhered to and an adequate return demonstrated. Most of the proposed new programmes are hardly urgent and



could be put on hold for 2 or 3 years until they have been properly assessed. Levies should be kept separate so that they can be separately justified on a user pays basis. It appears to me that this strategy requires optimisation. For example the Council appears to be replacing all the kerb and guttering in Waverton whereas probably on some parts need replacement. Put on hold until programmes are properly evaluated.

There is no space for additional comments but I would like to add that the Council is the second slowest at proving approvals and this needs to be addressed if the Council wants North Sydney to be a good place to invest. I am happy to discuss my submission further.

Response reference: F, O, D, N

SRV480

The Minimum Rates should be substantially increased. I am concerned that the combination of the rate increases eg 50% when combined with the recent VG increases of up to 90% in my case will effectively mean a rate increase of about 140%. The minimum rate increases should be substantial, ie up to 100% as the rate value in the unit is not great compared with the Rateable value increase caused by the VG latest valuation increase on the unimproved capital value on house properties. agreed, but not to include Garbage collection charges that should remain separate. There should be a careful but vigorous sale of all non core property assets. eg all shops owned by the Council (on Miller and Ridge streets) which effectively do not pay council rates should be sold at a profit that will maximize the property value with increased development and ensure rates are paid by the new owners. Council should make better use of its property. eg At a time when the electronic availability of information previously only available in printed form or subscriptions at libraries the library should be reduced in size and expense. All non residents, including students should be required to pay a daily fee to use the library that covers the cost. Inter library loans of books should cease as they are generally more out than inwards. The space saved should be used to replace the old Council Chambers and office space in the old building. A meeting Room in the saved space could be used for multiple uses including the holding of Council Meetings with greater use of Technology to hold meetings by Video communication. An alternate use of the Old Council Chambers should be assessed, possible for profitable income like Boronia House or possibly demolition as the upkeep is an unnecessary drain of cash in a building that requires considerable repair and updating. As the Stanton Library could be better utilized as explained above to provide all of the necessary services, we do not require both buildings. The library should be reduced in size by about 50% in 2 years. All sales of property should be considered before the Rate Increases are planned beyond the first year. If needed, we should consider selling the soon to be completed swimming center if the property can be sold for say \$180M to \$200M to a developer of expensive high-rise housing and entertainment purposes with a more modest Swimming center (possibly \$30M) like the new one at Lane Cove constructed on the land (St Leonard's Park) next to North Sydney Oval.

203



Nothing should be off limits in assessing necessary services and assets. If needed, we should consider selling the soon to be completed swimming center if the property can be sold for say \$180M to \$200M to a developer of expensive high-rise housing and entertainment purposes with a more modest Swimming center (possibly \$30M) like the new one at Lane Cove constructed on the land (St Leonard's Park) next to North Sydney Oval.

Response reference: D

SRV481

Consideration should be given to the sale of Monford Place to Redlands. A sale should generate significant proceeds given the values the school has paid to acquire nearby residential properties. While the potential proceeds cannot be used to repay debt, the proceeds will be available to fund roads expenditure included in the financial plan releasing these funds to fund debt reduction. I am reluctantly prepared to support Option 3 as it maintains current service levels but would support asset sales if the same outcome can be achieved without such a large increase in rates.

Response reference: D

SRV482

I would love to see a more efficient and modern monetising of Council's existing assets as seen in other LGAs, for example: 1. through sponsorship of properties, programs, and events. 2. Through higher numbers of high-yield leases on existing properties 3. Through increased utilization of grant funding for both large and small projects 4. Through an entirely re-worked and modernised bookings system to better leverage the existing assets and provide a positive CX Should there not be an option for CPI raises in the questionnaire? I think a lot of the ideas could be funded from the existing budget if cleverly executed. Great ideas are not always about more money.

Response reference: M

SRV483

As a resident of NSC and a rate payer , I am extremely disappointed that council have allowed the financial situation to reach a stage where according to your documents is is unsustainable. I hold the previous Mayor and Councilors and the Council management including the General Manager fully accountable. It is a disgrace that the previous Council under the stewardship of Mayor Baker displayed

204



such poor governance. The LTFP and SRV blame the loss of parking and fines. That occurred during covid and remained low throughout the whole term of the previous Council. The decision to project manage NS pool internally despite no one on staff had any experience for a project of such magnitude was a decision made by the previous council. The commercial arrangement in place for this project again were ratified by the previous council. The decision to tap into reserves including staff leave liabilities demonstrate such poor governance and again a decision of the previous council. If this council were a Board of a listed company they would be sacked . It is unfortunate that all this information was not shared prior to the most recent council election. The current General manager has been in that role for over 2 years. I would have expected a competent GM would have identified these issues in the first 100 days and taken action. It is disappointing that the step to address the poor financial position of NSC were not taken earlier. It is clear that the financial position of NSC due to declining revenue, increased project costs did not occur in the last 2 months as presented by these document. They have been detreating for many years and Councilors have demonstrated poor governance in not addressing the situation earlier.

I note that Council enlisted PWC for a review and I note that the new GM has indicated an executive structure that may save some operating costs. Council through the LTFP has concluded that their is one solution to addressing the "" sudden"" poor financial situation and that is through significant impost on rate payers. Sound management and competent governance would disagree. Firstly the situation should not have been allowed to reach this position. responsibility of the previous council. Once confronted with this situation and I am sure the new GM is well intentioned to establish "" best practice"" at NSC, good management practices and good governance would use many levers. In fact good management would use all levers . This would include expense compression which may include salaries; entering into partnerships to share assets rather than having to incur new capital and maintenance; identify non strategic assets and dispose of them.... that immediately free up cash as well as eliminates future expenses. (I note LTFP states that not assets will be sold. Again a poor decision. The LTFP proposes an number of strategies and also an infrastructure replenishment plan. The strategies are stated as resulting from community consultation. That is fine. However that community does not expect NSC to implement all those strategies in the time table prosed and therefore create a need a need for an unreasonable rate increase. The community expect council to should judgement and to stage the implementation of those strategies in a timely fashion governed by the financial capacity and the balance sheet of NSC. LTFP and the asset management plan propose significant capital expenditure over the 10 year plan. The justification is that all asset are critical and strategic and need to be retained, secondly that they all need to be rereported to a "" good "" level. Sound management nad good governance again confronted with the NSC situation wold say no. We will identify non critical asset and dispose of them Through the risk assessment in the LTFP, select those asset that can be maintained at a "" satisfactory "" level and those that really need to be elevated to a "" good"" level. I note that LTFP states that NSC has had a policy of "" satisfactory"" and now with the new GM we need to bring all assets to a "" good"" level. I also note that some assets such as stormwater, the proposed capital expenditure for "" satisfactory"" and "" good"" is not that different. When I look at the Balance sheet

205



and cashflow projections associated with the various options I am surprised to see surplus cashflows of \$100 mill in year 10 and current ratios of over 4 and 5 when the benchmark is only 1.5. I understand that council are asset rich and desire to minimise liabilities, but does NSC need such high current ratios. This point is highlighted by the proposed building renewal of some \$15 to 18 mill pa which cumulatively is equivalent to another North Sydney Pool project, i.e. over \$100 mill. In summary, the cashflow projections of some \$50 mill in year 10, the significant capital expenditure either to quickly reach "good" status, the need to implement all 8 strategies immediately all seem reflective of poor management and poor governance. These plans should be staged to reflect the capacity of NSC. Rather than significantly surge up the capacity of NSC through massive rate increase to then justify the capital and strategic plans. Finally on debt, I would urge council speak with State Treasury asap and secure immediate loan to restore the poor reserves that the previous council have approved. Do this while NSC generate a better LTFP along the lines suggested above. The proposed rate increase is totally unacceptable. LTFP and SRV justify their rate increase by highlighting the unsustainable financial situation of NSC. It is clear as highlighted in the response to 6. above that the poor financial situation has occurred because of poor management and poor governance of the previous council.

It is a disgrace that the GM after 2 years in the role has just surfaced this LTFP plan which has been supported by the Mayor and council. As indicated above, GM needs to produce a new LTFP in line with above suggestions, which does not rely solely on a massive rate increase on residents. I support consolidation of levies. It is an exercise in smoke and mirrors that additional levies are introduced. If NSC had a useful LTFP which reflects the external environment both financial and physically, the one level of rates would be all that is needed. Please refer to my response in 6 which covers the Asset Management Plan. In summary the year 10 current ratio of over 5 is well above benchmark of 1.5. The financial situation which NSC is in due to bad management and poor governance of the previous councils means that asset plan of bringing everything to "good" in the timetable proposed cannot be supported. There are some assets that should be maintained to "satisfactory" and some through a risk analysis been brought to "good". This will be governed by the capacity of the NSC balance sheet. Again I have addressed this in my response above.

As a concluding comment, I am disappointed that this survey has been released over Xmas period. I am disappointed that the LTFP has been released after the recent council election. I am disappointed that the LTFP has just one solution to address the current financial situation in NSC. I am disappointed that the consultant who prepared this survey for NSC has deliverable only provided the 4 option which all proposed massive rate increases and then add that you must choose one otherwise your comments will not be considered. How disgraceful!!! I have not selected question 9 as I REJECT ALL FOUR OPTIONS. For the reasons listed principally in my response to 6. I look forward to my survey results being included in the final survey report and will seek confirmation of such."

Response reference: A, G, D, N, H, L



SRV484

If Council is planning for long term benefits, e.g. the swimming pool, then Council should stretch out the duration and lower the increments required through rates. None of the options presented acknowledge this. Moreover, this principle applies to the several questions following. It is regretted that a wider and earlier discussion of this issue was not attempted over a longer period. The single issue of the swimming pool, of course, has been subjected to lay press commentary over a long period but Council commentary has been notably sparse until after the last election period.

Response reference: L, G

SRV485

Nth Syd Pool is NOT an asset of the North Sydney Council Area but a SYDNEY ICON. The paltry amount of \$10 million contributed by the STATE GOVT is appalling and should have been pegged at at least 65% of the total costs of the project. My understanding is that around 25% of households in the Municipality are sole occupants. Any increase in the percentages set out in the 4 options are simply scandalous and unaffordable. The way levies are currently set needs a TOTAL OVERHAUL. It is hugely unfair that a unit with four bedrooms and four bathrooms only has to pay the minimum rate whilst a house with the same number of bedrooms is paying many times that figure. (see below under 7) Council always tries to get increases in rates above the peg - history shows this. What is not mentioned in the paperwork is that as land values creep up, so does the levy applicable - this gives the Council 'hidden' and not transparent increases in income. This is unfair and deceptive I submit. I would like some immediate pain that is unavoidable given the history of the mismanagement and the total blow out in the costs for the pool and then return or pull back to current rates - this would be in some way OPTION 2B. Option 3 is just in fantasy land in my opinion. Many schools in the area - primary private schools - are building on every square metre of their privately owned land, they DO NOT PAY RATES and they heavily use Council's sportfields and parks etc etc. There should be a LEVY set for such use - surely the parents who can afford to send students to local schools in the area can afford to help sustain and improve sporting facilities etc!!! OK - around 75% of households are single occupants. There is a significant increase in the building of units in the municipality. The minimum rate system NEEDS TO BE OVERHAULED totally to a more fairer system. For example new 3 bed unit - minimum rate, whilst a house of 3 beds has rates many times higher. A studio unit should NOT be paying the same as a three bedroom unit i.e. MIN RATE. A new system should be based on the number of bedrooms with studios and one bedders ONLY BEING SET ON THE MIN RATE. A committee etc needs to be set up to look at all of this - if it cannot be done at Council Level then it should be done at STATE GOVT level. The min rate should NOT BE INCREASED for studios and 1 bedders, anything bigger I agree to \$1300 per annum to start with pending any



investigation and recalculation of rate. It is plain that there are costs involved in upkeep of assets etc etc"

Response reference: L, C, J, A

SRV486

I think it is quite clear from Council's LTFP that a rate increase is required. At this stage I can only support Option 1 for financial repair. Trust between Council and the community needs to be rebuilt prior to supporting anything beyond this. The documentation advises that a review of the rating structure was undertaken and that minimum rates is the best option. It does not clearly show why through comparing to other options e,g 50% base rate and 50% ad valorem. Without this it is hard to know if this is the fairest and most appropriate structure. Generally I support the levies to be consolidated into ordinary rates as this provides Council with the good flexibility in utilising the funds in the most appropriate manner. The risk however is that funds needed for infrastructure will be diverted to inefficient or unnecessary operations/services. Given the improvements being made to governance within the organisation I hope that this risk can be mitigated through strong asset management plans, good management and an effective service review and performance imoframework. Please continue the good work in this area however at this point until trust between Council and the community is rebuilt I do not support a rate increase designed to bring the overall infrastructure condition level beyond satisfactory. I would be happy to support further rate increases in future years to bring asset conditions to a higher level. As previously noted in my submission, until trust has been rebuilt between Council and the community I can only support Option 1 and nothing beyond this.

Response reference: N

SRV487

The LTFP is an extremely detailed plan which sets out all of the issues confronting Council. The fact sheet and supporting documents for a SRV explain and justify the need for the proposed levels of increases of the average rates necessary to move Council quickly key to a level of sustainability to service the growing population of North Sydney LGA. It is a sad indictment on the previous Council that was voted out in 2020 that led to an extra \$51 million of external debt and the additional raiding of reserves. The LTFP defines in detail the steps taken and planned to ensure that such a mis-step should never happen again. The work done to date in structural reform its recognised and supported. Keep up the good work. I note that the fact sheet and the LTFP deals with averages for rate income. My own circumstances as one of the more than 75% of residents on the minimum rate show that depending on the Options finally chosen my cumulative increase over 3 years to the minimum rate will be somewhere between 75% and 117%. The proposal to commence with a big hit to \$1,300 (64.4%) in 2025/26 is fully

208



supported because of the urgency facing the Council. • The plan for Hume Street Park is a modified version of the adopted plan by retaining and refurbishing the existing indoor sports centre. This appears to abandon forever, the adopted plan for a visionary project of almost 9,000 sqm which required the under grounding of the indoor sports centre and carpark. When the plan was adopted no one expected the TOD program now rezoned to add another 5,900 dwellings on top of the 2036 plan. That combined program when completed will see 36,000 residents in the SLCN Plan area with just two parks within walking distance. The project cost is \$10 million 50% of which Council will provide from developer contributions.

- The plan makes no provision for the redevelopment of the Holtermann Street carpark (1,600 sqm) which was a commitment by the NSW government but not funded. Why does the plan exclude a project proposed by the NSW government. It should not be excluded just because the government has failed to honour its contribution to its own proposal.

- There is no mention either of the possible partial pedestrianisation of Willoughby Road even though it is mentioned as a strategy elsewhere in other documents.

- Conversely, there is a plan to work with the NSW government to convert the under-utilised tramway viaduct near North Sydney Station into a 4,650sqm active recreation space and to be fully funded by government of \$14 million. This may be a low cost project in terms of cost/sqm but 9t has no budget or firm plan.

- No mention of doing anything for Ernest Place or St.Thomas Rest Park
The SRV impact on my minimum rate is shown in the attached file. Option 3 results in a cumulative increase over 3 years of 117%. I would prefer an outcome closer to 100% over this time frame. However, I acknowledge the crisis facing Council. The proposed consolidation of environmental levies is well overdue. They are a hang over from previous Councils taking the asylum way out instead of raising rates by application for a SRV.I am fully supportive of planned maintenance. Asset management has been allowed to decline. The case has been made to restore the Assets to a minimum satisfactory level so that the backlog can be tackled and urgent repair done as necessary.. "

Response reference: S, N

Additional response: The informing strategies provide funding for a master plan for the area of Crows Nest that currently contains the Holtermann Street car park, Crows Nest Community Centre Ernest Place and Willoughby Road. The community will be consulted on the development of this masterplan. The delivery of the project will be dependent on Council receiving funding in the form of grants and developer contributions.

The delivery of the tramway viaduct project near North Sydney Train Station will be dependent on receiving grant funding.



SRV488

Residents should not have to foot the bill for Council's poor decisions, past or current. As an investor in the LGA, I do not need my cost base to increase beyond what it currently is where I am already operating at a significant loss. The Council's proposal, at a minimum, is to almost double my current residential rates and that is unacceptable. My vote is against any rates increase for residential properties. I am disgusted that residents are faced with this dilemma and I disagree with all options presented. See above and: any rate increases should be confined to the commercial sector. That was Ted Mack's plan - build up the commercial sector so that the rates paid by that sector would allow resident's rates to remain low. Instead of presenting the current sensible level of rates paid by residents in comparison to other LGAs as a negative, how about fighting to preserve this huge positive that Nth Sydney residents have that other LGAs do not have on their doorsteps, Sydney's second commercial area, and allow residents to continue to have the benefit of that. I agree with the proposal for existing levies to be consolidated into ordinary rates which presumably will provide Council with more flexibility as to where those levies are spent. I do not have the expertise to make a comment on this.

Response reference: L, K

SRV489

I do not support a special rate variation. I already pay an annual council rate of \$1300+. I do not support a special rate variation. I do not support a special rate variation I do not support a special rate variation.

Response reference: L

SRV490

Well, based on the past numerous failures I have no faith in this plan Rate payers shouldn't have to pay for council bungles This council is a joke and you couldn't run a bath None of you have any qualifications or experience to spend other people's money. So, stop.

Response reference: L



SRV491

Much too high. I read the Amendment to the LTFP and I did not see where the proposed changes to minimum rates was mentioned. ? The changes where detailed in a newsletter I received. I am against a large increase over a short time. could not find this proposal

Response reference: L

SRV492

The increases are substantial and are unreasonable. Given the cost of living crisis, residents can't be expected to cover such dramatic increased rates in such a short period of time. It is not affordable.

Response reference: C

SRV493

This is the least acceptable proposition. Yiuas Council have found yourselves in this position, not the ratepayers per se. It is your responsibility to provide other options for raising required amounts to service depots and projected shortfalls. How about selling Council owned real estate that is not directly beneficial to the ratepayers of North Sydney? How about taking out Govt loans? Do not burden the current ratepayers and residents of this great area with rate hikes which future residents will also benefit from and enjoy. It is unfair thatnotonlybyhebcurrentratepayers be responsible for the shortfall and debt which you and your predecessor council created. Not acceptable to me and most ratepayers. There are other ways and means of raising required monies and covering the debts. Also see above. [↑](#) Not acceptable. As for the below question, none of those options are acceptable

Response reference: D, H, L

SRV494

Rate Rise way to high

Response reference: L



SRV495

I consider NSC's proposal to be outrageous. How dare you to even consider such a rate rise in these financially dire times. You have no shame to exploit people without providing sound reasoning. I totally and utterly object to the proposed changes. You massaged the numbers to suit your own purposes, misleading people. I do not agree with the proposed changes. It leads to even less transparency of how taxpayers money is spent. Your AMS is incoherent. Why the need to change the rates after agreeing on a budget. This is unnecessary. Work within the budget you have.

Response reference: L, C, B

SRV496

Rates hikes are ridiculous , I'm a first home owner and a single women in her 50s and none of the four options are acceptable. As per the cycle way is no option to vote on none of the options.

Response reference: L

SRV497

Not acceptable to raise rates to cover council's own financial issues. Shortfall needs to be found h Through other options eg. Selling assets, long term low rate loans, privatizing services Not acceptable to raise rates to cover council's own financial issues. Shortfall needs to be found h Through other options eg. Selling assets, long term low rate loans, privatizing services Not acceptable to raise rates to cover council's own financial issues. Shortfall needs to be found h Through other options eg. Selling assets, long term low rate loans, privatizing services.

Response reference: L, D, H

SRV498

Outrages of North Sydney council to propose such a substantial rate increase in such times and especially with so less transparency and budget constraints which raise a lot of questions. Rate payers are not cash cows. The provided budget numbers have to be far more detailed. The whole proposal looks like a greedy grab of money. This allows for no transparency. North Sydney Council needs to show where money actually goes and is used for. The council has not shown in the past that they can deal within their budget, so there is maximum transparency required to gain back trust from the rate payers.

212



The provide necessary investments do not line up with the reports provided in former years. Suddenly much higher costs are stated and the assumption provided do not line up with how other Sydney basin councils base their calculations on. North Sydney Council does not need to provide new services. They should work within their budget like everyone else does and deliver the current services.

Response reference: B, G, O

SRV499

It's insane. All options in question 9 are ridiculous. Pathetic that our leadership rivals that of a group of Grade 5 school kids. Stop spending money on shit we don't need and can't afford!!

Response reference: L

SRV500

Ridiculous increase due to council incompetence- cut councillors salaries and reduce staffing prior to any rate increase. Maximum in line with inflation or just make cost of living worse in hard times with high mortgage rates. Don't care if minimal increase False survey making you have to accept an option I don't agree with.

Response reference: F, C, L

SRV501

I believe the financial plan is flawed and the current position is skewed by re-categorisation of asset maintenance. I object to the increases as I'm by no means wealthy and already struggling to pay \$1920 per year on a single income

Response reference: C, L

SRV502

The increase feels unnecessarily high. And there are no proposals about other cost savings. It is harsh to be punishing the residents of Kirribilli for the incompetence of previous councils. There must be savings

213



that can be found without increasing the rate, for examples charging for parking on the weekend. If the increase is unavoidable then it should be minimal, perhaps maximum 5%.

Response reference: M, F, P

SRV503

The rate increase is done without any effort on part of council to critically look ay efficiency improvements of deferment of expenditure. All Council ratepayers are hurting with cost of living increases. Good management practice by Councils requires and examination of the efficiency of work that is undertaken, the productivity of personnel and work activities. What work has been undertaken to reduce expenditure? What is proposed is unsustainable. We have to learn to live within our means and look for opportunities to project manage all assets better. The lack of control of costs at North Sydney pool is an indictment on Council and those responsible within Council for managing the project.

Response reference: C, F, B, A

SRV504

I had to go and find this document - it hasn't been made obviously available to the residents of north Sydney.

In short the proposed astronomical rate rise is due to the pool blow out in costs. To expect the residents of north Sydney to foot the bill for the extreme financial error made by the gov/council is disgraceful and shameful. People are already struggling with usual household bills - these proposed rate rises are unrealistic and unjust and simply cannot be met by the residents. The pool is for all of Sydney to enjoy - the poor residents of north Sydney should not have to struggle to wear the cost of paying it off.

Response reference: A, C

SRV505

I disagree with the proposal based on the fact some of the content I believe was misinformation, council themselves don't appear to be making any fiscal decisions to assist the financial situation, and countries to spend money on unnecessary pocket parks, street closures etc that are not necessary given the current situation I own a small apartment. The averages rates provided in community information circulated by council mis represented my current rates by more than 50%. With the proposed by rates



will be close to \$4k pa. I shudder to think what a large apartment/ stand alone residential property would be paying

Response reference: B, N

SRV506

As a rate payer I'm appalled at the Council's lack of commerciality and business-savvy. There is no rationale provided as to why the North Sydney Pool debt needs to be repaid so quickly, no consideration of low-interest rate loans to repay the debt, nor any real assessment of how the sale of assets might alleviate the financial position. The first port of call is to slug hard working rate payers. It is shocking. See comments above. The graph comparing average rates with other councils is meaningless in circumstances where the demographics of North Sydney are fundamentally different to those of Hunters Hill, Woollahra etc.

Response reference: A, B, D, H

SRV507

Sell the swimming pool; construct a fenced harbour pool.

Response reference: D

SRV508

All the provided options are unsustainable for ratepayers A minimum 65 percent annual increase means a person paying 2000 annually for council rates goes up to over \$3000/year. With the median salary in Australia at \$65000 a year that is already 5% of post tax income The lack of transparency from this council not stating any financial issues during election is really concerning, none of the options presented are sustainable for rate payers in this cost of living crisis North Sydney has assets that need to be sold off and financial restructure need to be done before asking unreasonable increases from council rates

Response reference: G, C, D, F



SRV509

Management of North Sydney Pool renovation needs investigation Contractor and Project Management need investigation why budget has blown out so much

Response reference: A, B

SRV510

None of the SRV options provided below are acceptable as they completely out of the normal CPI based rate rises. The proposed changes are not reasonable as they do not consider the community nor its ability to pay for such proposed changes. Council should only be embarking on projects and work it can afford within its existing finances and budget. Existing levies into ordinary rates is only acceptable if such does not mean that residents pay more. The options below need to include an option that is 'none of the above'. I have left the options blank as I do not accept the options as reasonable. IPART should be made aware of the fact that council has not made it clear to rate payers that no option needed to be chosen and hence the option choices made via this survey are probably an inaccurate representation of community views and should be disregarded. The updated Asset Management Strategy is not feasible unless Council has the funds to deliver it. Where no funds are available Council should be re-working its strategy NOT putting rates up by more than 100% in perpetuity. The updated Delivery Program is not feasible unless Council has the funds to deliver it. Where no funds are available Council should be re-working its program NOT putting rates up by more than 100% in perpetuity.

Response reference: N, F, L, O

SRV511

I am against both the LFTP and the SRV. I think the council has been less than transparent and potentially dishonest about the situation and are not capable of managing the finances of North Sydney I am against this and I do not believe it is necessary. Council should not plan for increasing expenditure . Don't spend money you do not have and unnecessarily burden residents who are already struggling with the cost of living. I am against the SPV. I should not have to pay for council's mismanagement and council should have to find alternative ways to balance their budgets - just like I have to live within my means, so should council. I think they should NOT be consolidated as I think transparency should be maintained and consolidating them hides their true purpose. I assume the funds are used as they are described and consolidating them would just give council one big slush fund to mismanage. I am against anything that reduces transparency and consolidating all the levies reduces transparency. I think the council needs to look at asset disposal of underperforming assets. Also why have council changed the

216



definition of assets that must be renewed to include a much larger portion of assets - out of step with historical definitions and other metro councils? Don't spend what you don't have - live within your means. Don't plan for new additional expenditure.

Response reference: B, N, F, D

SRV512

The proposal does not indicate how the council will review internal processes and costs. Surely there are more rates due to all the new apartment and office buildings. The management or lack of North Sydney pool is another indication of poor management. Not happy as I do not see how the council is managing costs. Do not increase the rate by more than COI. Do not increase rates more than CPI - you should have more coming in with additional apartments and commercial buildings.

Response reference: F, B, A

SRV513

If a SRV as proposed is required to implement the LTFP then the LTFP should be pared back. For example the upgrade of North Sydney Oval - this may be a worthwhile project but not if it means hitting ratepayers with massive rate rises. And Council should consider financing options to spread the cost of funding the North Sydney Olympic pool project.

Response reference: F, N, H

SRV514

I do not agree with any of the proposed options. The proposed rate increases are excessive and not justified. The council has mismanaged its budget and ratepayers should not be held liable to repair the damage. Council must make savings, reduce expenditure and in particular should not undertake any new developments or projects, unless necessary for maintaining essential services, until such time as it can afford to do so.

Response reference: B, F, N



SRV515

Outrageous. This will severely impact my family's livelihood. In a cost of living crisis the proposed rate rises on account of mismanagement of funds by council should not be borne by the rate payers.

Response reference: C, B

SRV516

Whilst I understand that council claims it has a shortfall in monies, I do not agree with raising rates. Poor management and council officials making these decisions that affect us should be held accountable. Blaming so much of the issue on a "pool" that many outside of the council area use and never pay for is unacceptable and points to a lack of financial planning and leadership. The documentation sent out is very slick advertising and does not offer all the options - no increase? I am appalled that house owners pay rates far higher than unit owners when we receive the same benefits - how could this ever be seen as fair? Disagree that house owners should pay more.

Surely the first issue is to get everyone paying the same rates for amenities received, and not targeting house owners? Why put these levies into the rates other than to make them less visible to all, and then apply rate increase percentages on them as part of the bigger ordinary rates, and make a greater compounded financial windfall for council? It is not needed. Poor planning leads to poor delivery - its clear that the appropriately skilled staff are not employed in council, leading to judgement errors on managing assets. The degradation is due to a council that continues to make poor decisions for its rates payers. why not quit building the pool, fill the hole in, sell it to a developer, and put a 32 story social housing building on that land?

Response reference: A, L, B, F, D

Additional response: Rates are charged based on unimproved land value. This means that in general houses pay more in rates than apartments.

To improve the equity between residents of houses and apartments, Council proposes increasing the minimum rate which is what most apartments pay.

SRV517

Expecting the residents to foot the bill for Council mismanagement is so offensive. There has to be a better way. Back to the drawing board Councillors!

Response reference: B



SRV518

I support not burdening smaller dwellings as higher minimum rates provide a cross subsidy to larger property owners with more residents enjoying council services. I object to including asset condition 4 items which appear to have increased the forecast spending by close to \$100m. There has been no case made to me that justifies such a step change increase which is way above all other Councils (except Camden)

Response reference: N

SRV519

Totally opposed because it burdens small business and families in the area so unfairly at this critical time No changes without full and properly reasoned explanation to the people BEFORE giving all an opportunity to properly debate. Sell if necessary to correct your now recently admitted poor financial position

Response reference: C, D

SRV520

It is impossible to understand the LTFP, is this a deliberate strategy by the council to confuse the ratepayers? If there is a long term financial plan, how come you are proposing a rate increase out of the blue. It feels like Council has no long term financial plan. It is unacceptable for North Sydney Council to be proposing a rate increase, I am totally opposed to any rate increase. If the council is financially struggling, you have assets that can be sold and you have to look cost savings within the council. I do not want any change to the current system. Assets should be sold to cover the overrun costs for the North Sydney Pool. Based on North Sydney Pool, I fear that Council is incapable of delivering anything.

Response reference: D, F, A

SRV521

I understand that Council need to raise rates and agree changes need to be made I support Option 2b

Response reference: S

219



SRV522

No SRV should be implemented; only the otherwise standard annual increases should be applied. The Council's reported unsustainable financial position should be managed by deferral of both any new projects or increased spending. The proposed increases at each option should be scrapped, See 6. Above. No such consolidation is acceptable in the interest of transparency and accountability. This review should prudently have been ongoing over the last decade and progressive maintenance and renewal actioned to avoid such an untenable 'catch up' of funding against current and future ratepayers, Any non-urgent maintenance or spending whether for asset renewal or new projects should be deferred in a revised budget and serious cost cutting implemented.

Response reference: F, N, B

SRV523

I agree on the need to increase rates to enable Council to provide the required services and keep debt under control. Option 2b is my preference

Response reference: S

SRV524

North Sydney Council Special Rate Variation will significantly impact my financial situation. I should not be punished for someone else's mistakes that resulted in overblown pool infrastructure cost. My husband and I just extended our family. We have no family support and are trying to make ends meet at the time of unprecedented cost of living pressure. I strongly oppose the proposed rate rise.

Response reference: A, C

SRV525

The proposed rate hikes will put significant financial burden on my family, potentially driving us out of the area.

Response reference: C



SRV526

Reject the special rate variation units entirety. Rates should continue at the base case 4% 3 % 3 %. Council should reduce existing spending and no increase in spending as outline (57.4 million over the next three years. No consolidation. Seek a low interest loan from NSW treasury to cover the blowout cost associated with the North Sydney Pool - a consequence of the inept and unaccountable management and governance. No expansion of service and no new services. Return to the basic requirements of the community needs in accordance with the role of local government.

Response reference: F, H, A, N

SRV527

There are only four options, all of which are completely ludicrous. You have proposed different options, all of which require rate payers to fix your mess with significant rate hikes. We are a young family and purchased our first home 2 years ago in Cammeray. My wife is a GP in North Sydney, serving the local community. With the cost of living crisis, interest rate increases and the birth of our second child we are hanging on by a thread. Find another way to fund the pool - sell assets, get a loan. You will destroy young families like us already under financial stress

Response reference: C, D, M, H, L

SRV528

Option 1A is the best choice for current residents. North Sydney Council will have an enormous increase in the number of rate paying residents due to new apartments being constructed. Option 1A is the most logical choice.

Response reference: S

SRV529

The proposed increases to rates are not a choice, nor are they acceptable. At a time when residents are already under financial strain, we need solutions that are fair, sustainable, and equitable. Ratepayers should only be asked to take the burden of such an unprecedented rate rise as an absolute last resort. There are a number of other more equitable financial options (such as those suggested by James Spencely) for raising revenue.

Response reference: M, C



SRV530

I found it quite difficult to understand completely, and am not convinced of the need for such a huge rate rise, especially for pensioners There seems to be no real effort to curtail spending or take responsibility for the cost overruns. I appreciate covid reduced income and that the pool had been very badly managed, but this should require severe cuts in spending, not a demand that rate payers pick up the pieces and fund mismanagement. The % rise/increase is just too large and will never decrease. There has to be a rethink and a compromise. Council must show areas where funds can be found.eg cut back on frivolous expenditure. Ludicrous amounts have been spent on new parking meters and systems in recent years. Also, cut back on expensive gardens and street trees, planter boxes and bike lanes. Need to slash expenses and show that an effort is being made so that rate payers have faith in the council decisions.

I'd like to say I support the current Mayor and realise she inherited a big mess, but still the proposed increases cannot be accepted and have to be reduced. See comments above, need to seriously reduce expenditure on asset management for the next few years and spend only on essential repairs.eg do we need such frequent household throwout collection? reduce to quarterly and charge users. Nothing more to add, thanks

Response reference: F, A

SRV531

Mismanagement of the North Sydney pool project has affected the increases of rates. This should be stopped and make the North Sydney Council Executive Management responsible for this - by cutting back on other costs, cancel projects that are "nice to have" and restructure the Council Executive team and employees. I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: A, F, C



SRV532

Ridiculous, council should take some accountability and not make rate holders beholdent to there own mistakes, perhaps council should consider receivership and liquidation.

Response reference: B

SRV533

Council needs to do more work in finding options that are more financially acceptable for residents and business owners.

Council should not have asked residents to provide a wish list of services without disclosing Council's financial position. If the financial position was disclosed at the time of seeking community feedback on 10 year plans it is very likely Council would not have received a shopping list of items.

The presented options therefore need further refinement. Not against a minimum rate. Not against this idea. If Council is struggling to maintain existing assets to a good level, what is the justification of providing new assets? Please refer to above comment in 6.

Response reference: M, O, N

SRV534

My overall view is that the proposals are the result of extraordinary mismanagement by the council - likely past members - that has led to an unfortunate financial position. It's unacceptable that residents are being subjected to increased rates due to absolute incompetence, particularly in relation to the North Sydney Pool. As above - also the Council needs to investigate alternative options to address its financial situation.

Response reference: B, A

SRV535

Council's proposal for financial repair is based on a changed basis of assessment of the present financial position effectively overstating the deficit by approximately \$100-million.

Numerous options exist for liquidation of underperforming capital assets to rectify any deficit without impacting ratepayers who, in the current cost-of-living crisis environment are incapable of absorbing the



proposed inordinate rise in costs. See above (6). Council has not approached ratepayers honestly and is misrepresenting the true financial position.

Response reference: C, D, B

SRV536

The council is mismanaged and incompetent. These are unacceptable. The council is incapable of financial management.

Response reference: B

SRV537

why should rate payers in North Sydney have to deal with the fall out from mismanaged funds at Council., particularly due to the mismanagement and badly handled contracting and engineering at North Sydney Pool. Many of us don't use the pool, why should we pay for it? Why don't you increase the price of entry of North Sydney pool for user pays system? I don't know of more than two people of hundreds I know personally who are NorthSydney rate payers who use that pool. Mismanaged and badly handled contracting should not be passed over to rate payers... the people responsible should be held accountable and lost their jobs No one wants a rate increase... providing the cheapest option is not ok the rates are increasing too much and people won't be able to afford to live here and sell up thanks to your mismanagement

Response reference: A, B

SRV538

Rate increase is excessive & unwarranted. Alternatives should be considered such as long-term debt funding to spread the burden across multiple generations that will benefit from the pool. Cost reductions should also be actively pursued. All rate increase proposals are excessive. Previous SRV increases don't appear to address outstanding projects - will this one be managed differently? Please consider cost reductions such as why we need General Waste collection every TWO weeks - it could be monthly or even 6 times per year. Saves money, reduces waste & stops our streets being an all year dumping ground.

Response reference: A, M, F

224



SRV539

- there is some u certainties about office occupancy but we are at the down of the cycle and in the next 12 to 24 months business revenue should be reassessed and could clearly improve. 60% resident /40% business to fund rates is questionable: 50/50 would be fairer given the high business presence and the dominance on the characters of the council Ok, there will be increasingly more appartments

Response reference: K

Additional response: Council reviewed the distribution of benefits received by residential and business rate payers as part of the planning for the proposed special rate variation. This analysis showed a fair distribution was 60% residential and 40% business. This will continued to be reviewed in the future as the North Sydney community grows.

SRV540

Main reasons:

1. Increase of NS Council rate.
2. Concern about NS iconic pool development and cost of it.

NS council rates are already one of the highest rates. Unceasing council rates is unjustified and no reason to be uncreased. I have many concerns about Council performance. Spending public money on development which are not necessary, while other needed to be done are not in plan for improvement. No plan on how to allocate public funds into necessary development e.g roads and pathway improvement, finalising swimming pool development. Unnecessary and disagree. Minimise staff in council. We have to much spending on staff employed. Do we really need that many employees in Council. The cost of the employee is generally around 70% of council spending from the budget.

Response reference: A, F

SRV541

It is appalling that NSC councillors were only presented with 4 options for discussion. That there was no consideration provided to them of the options say:

- * if there was only an inflationary increase, what services might need to be cut.
- * nor whether NSC can borrow to cover the pool funding shortfall.
- * nor consideration of what actions a NSW Government appointed person might do if the NSC Councilors were all suspended.



* More excruciating was that there has been no consideration of selling the Council owned car parks with air developments rights. Both Ward St & Ridge St car parks are worth a fortune if sold with the ability to build above and around; especially as the State Government are crying out for accommodation to be built asap around the Train & Metro.

The lack of financial awareness of the Council officers and the options presented to the Councillors is appalling. The swimming pool is a capital investment and so the funding should be on the basis of long term funding or selling other capital assets.

Raising revenue to solve an asset issue is bad practice and smacks of inexperience and desperation. NO option is acceptable and the fact that this feedback provides no ability to reject all the options is pure manipulation. Based on the information provided by another resident of the local council area, it is unforgiven that NSC have not disclosed that the basis of the calculation has changed and that an addition category has been included.

NSC Councillors should investigate whether there was a deliberate intent to deceive them.

Response reference: N, H, D, A, F, L

SRV542

I've owned here for two years and in that time north Sydney has built quite a lot of high rises increasing their capacity to receive revenue. In addition the pool debacle seems to be driving your need to extract more money from us. This situation is not our problem to resolve. Costs are high enough. As above. I don't believe increasing the rate is any benefit to the people instead causing more impact to our budgets which are already constrained with mortgage rate rises.

Response reference: A, L

SRV543

In both the LTFP and SRV options it seems like the easy option of slugging the ratepayer is first and foremost. I see no evidence of cutting the myriad of wasted money and fixing incompetence within the council to fix the problems as any company would do rather than increase their price by this exorbitant amount. Minimum rate is low compared to many councils, however each annual increase should be reasonable, even up to 10% for, say, 10 years and then drop back to CPI or other reasonable measure. Massive increases are not acceptable in this cost of living crisis just to pay for council incompetence. I would rather existing special levies be fully transparent rather than hidden.

Response reference: F, C



SRV544

Councils mismanagement of funds, particularly with relation to the north sydney pool, should not become the responsibility of residents. A slower increase in rates should be spread out over several years, and follow a more aligned approach with inflation levels, rather than arbitrary levels set by council. This is fund. Assets acquisition should not be the priority when financial mismanagement is such an issue. Focusing on financial repair should be where funds are spent. As per the above, when there is a lack of financial responsibility from the council, requiring residents to not only fix but also fund future projects is untenable. Council must first prove financial literacy before asking residents for funds for future projects.

Response reference: A, F, L, B

SRV545

The council have just taken the easy options of increasing rates rather than be more creative. It is a disgrace. The proposed excessive rate increases should not go ahead. Find other solutions. Fill in the pool site with concrete, I don't care about it and will never use it. Sell the site. Absolutely not. See above. Disgusting that we are only provided with options of excessive rate increases. The council should be sacked.

Response reference: M, A, D, F

SRV546

Rate variation is unforgivably high!

We already had previous SRVs needed for earlier projects, including as recently as June 2022 - where did this go? Please look at ways to spread the burden to future generations that will get use of the pool.

The increase is excessive - 100% - Just not fair! Cost saving measures should be looked at immediately!

A simple one that stands out is bi-weekly General Waste Clean Up. As well as saving money & waste it would stop our lovely LGA continuously having rubbish in our streets, and would stop residents from OUTSIDE our LGA using North Sydney LGA as a free dumping ground (we know this happens). Make the Clean Up quarterly, or 4-6 times per residence per year by booking only! Fine

Response reference: F, B



SRV547

This is not our problem & we shouldn't be forced to pay for local council incompetence. We don't want the pool - don't bother finishing it.

Response reference: B

SRV548

The LTFP draconian rate increases should be the last option for the Council to use and then only in a limited way with greatly reduced rate increases, not 80%. Council needs to explore all other possible options, such as a reduction in administration costs relating to non-essential services, sale of Council assets, etc

Response reference: M, D, F

SRV549

Cut costs and retrench poor performance staff before raising rates. Especially fire everyone involved with the swimming pool fiasco.

Response reference: F, A

SRV550

I disagree emphatically with the Special Rate Variation as I believe the Council has not looked at all the options available to them - reduce expenditure and sell assets to resolve their financial problems. The maximum rate increase should be no more than the CPI increase that I received for my Defence Pension ie less than 2%. That's what the Government expected me to live on. The same should apply to the rates. I do not want any other changes. I do support any of the options for rate variations as put forward by the Council. The Council should reduce all expenses. This would include reduce staff numbers and wages as well as nice to have but non-essential social programs. If there are still insufficient funds to carry out essential Council service delivery programs then the Council should sell assets to fund the capital necessary to keep operating.

Response reference: M, D, F



SRV551

It's a disgrace Rate Payers have to pay for Councils mismanagement of funds. Our Councillars are a disgrace

Response reference: B

SRV552

The new proposed levies are very high.

Response reference: L

SRV553

Am concerned the council is after a short term fix that will provide excessive income in five years. A Loan to cover the costs of the pool should be sought as the pool will be functioning for at least another 25 years. The pool is a cost the whole community bears, not just the users, it will never make a profit. Documents relating to the pool were kept private by Council as ""Commercial in Confidence"" so residents did not know what was happening. Minimum Rates are only a guide and as such do not reflect the true rates of residents and businesses. Rate increases should be no more than 10% this year. Agree that existing levies be consolidated into rates, however this opens the way for future levies against the same cost items. Therefore special levies should be outside of the rates as they should only be for a limited time. Future levies should only be in the ""Special Levy"" category and for a limited time. The North Sydney Pool funding should not be subsidised by street parking. True costs should be reflected and true income shown. A lot of street parking is not for pool purposes. Asset Management is an ongoing process and I am surprised that Council has only now worked out that its previous processes were not effective. Sometimes as all businesses know an asset has to be moved on, Council appears to be reluctant to do this. I do not agree with the quick fix options under any of the preferred funding options. They will generate excess income after 5 years, as the rates will never be reduced back to their previous levels. I feel that an external consultation for the best way forward would have made sense, with no ""guidelines"" being set by the Council ie ""This is the problem what is the best way forward"".

Response reference: H, A



SRV554

We do not want rate rises of this magnitude. Council need to cut spending rather than rase rates to this extent. The proposed rates are are still too high. Council needs to stop spending millions on frivolous and political L&E Court matters for developments which get approved anyway.

Response reference: F, L

SRV555

N/AI have had it on good authority, Felicity Wilson MP, that the State Government offered North Sydney Council and interest free loan to complete the construction of the North Sydney Olympic Pool. I have taken this to a Council meeting and tabled the matter. It is all I have to contribute at this point in time.

Response reference: H

SRV556

I believe the oval upgrade should not be done immediately until the pool is finished.
I believe long term projects should be funded partly by loans.I do not agree with the rate options.
Council should reconsider what it proposes to fund and how the funds are obtained.

Response reference: N, F, H

SRV557

I understand that none of the options tabled contemplate a zero or CPI increase in rates. This is unacceptable, and would never be contemplated by a financially responsible entity. A maximum rate increase of CPI alongside a list of initiatives to clip Council spending. I'd also like to see Council invoke termination clauses within the pool development contract. Get rid of the current contractor and re-open the tender for the development. Nope, this is simply a means of hiding the actual increase in rates. The levies should be terminated as soon as practical and rates returned to their base level. The levies were implemented to address specific deliverables, these should be addressed to wrap up or abandoned as soon as possible. Council should rely on rate-payers to identify and report where necessary, the condition of assets. Make reporting of issues more efficient through the Council website.

Response reference: L, F, A



SRV558

Rates are already very high. The council should be looking at other cost saving and alternative sources of revenue rather than financially challenged residents.

Response reference: F

SRV559

This LTFP and the proposed SRV is out of touch with reality and unacceptable. ps: to Pt 9. of this survey: there should have been another box of the option: NON OF THE ABOVE which my choice would have been. I do not agree with any of the options but the way this questionnaire is set up, I am forced to put in Option 1 to think that somebody who could come up with such an outrageous suggestion in a time of 'cost of living crisis' is beyond belief! It appears that NSC wants to put the total burden of its own poor management (the Olympic Pool and other projects) on the community and thinks that this outrageous proposal is a quick fix solution. Who has been held accountable for the Olympic Pool disaster? It is not the community that should bear the brunt of it. The proposal is vague with many question marks and the proposed SRV hike is totally unacceptable. I therefore reject it outright. For Council it probably makes it easier to use money out of one big pot, but it can also lead to a 'fudged' picture for the community and could be prone to irregularities. Council must remember that trust within the community has been eroded. So any changes that cloud transparency are not welcome. more options should have been explored. eg: sell off commercial investment properties. the money could be used for Community based projects like repairing the Olympic Pool and the proposed North Sydney Oval upgrade as mentioned before the whole scheme is vague, unacceptable and out of touch with reality

Response reference: L, C, A, B, F, M

SRV560

Unacceptable increase in rates. My family and I are unlikely to ever use the pool yet I am expected to pay a huge increase in rates due to the project mismanagement. Please sell the site to a private company and let them deal with the cost issues. Unacceptable. Should be looking at ways to reduce costs. This was not mentioned in the recent local elections. Unacceptable Do not do it. There is a cost of living crisis. Rates should not be increasing at rates higher than inflation.

Response reference: C, D, F, G



SRV561

The examples of rate variation in the fact sheet provided to residents show a bigger increase than 50%. It would be helpful to know the actual amount residents will be paying in order to be able to make a clear decision on this. We already pay more than the minimum rate provided in the example i.e. \$1300/year. Question 9 below provides no option to suggest an alternative and is more than 50% so whilst we have selected Option 1: this is not a preferred option. A 50% increase is a significant increase in 1 year at a time of high inflation.. Whilst I understand the council is in financial difficulty perhaps you need to explore other options to managing the debt than asking residents to pay. Since COVID every business has had to reinvent itself in order to survive. I can't see any clear information on what North Sydney council has done e.g. what cost saving initiatives have been implemented and what are the results from these? Also your funding options below indicate the minimum increase is 65.38% which is different to the fact sheet and table provided. From the information provided I have no clarity on what this actually means. These levies are already listed on our rate notice so we are unclear how this is actually a change. We believe it is more important to focus on the repair and maintenance of existing assets to maintain safety and usability rather than investing in new initiatives other than the Olympic pool until the pool is finalised. Also with the North Sydney Pool, given that residents from other Councils use this pool perhaps Sydney Council or local government could assist with costs to finalise this landmark facility. In addition future revenue from pool use should be discounted for North Sydney residents if we are mainly funding it's completion.

Response reference: L, F, H, E, N, I

SRV562

The increase is outrageous , and there is no attempt to reduce staff headcount to manage costs There should be an option to have an increase of say 10% would rather be kept separate

Response reference: F, L

SRV563

We do not agree to a significant raise in our council rates that is being brought upon to cover the cost of North Sydney miss managing the swimming pool project. We do not have an issue with the consolidation. It is extremely disappointed and it has been politicised enough. Young people, families and the elder should be spared for having to pay additional council fees.



Response reference: A, C

SRV564

I always considered myself lucky to be a residential property owner in North Sydney as the rates were a lot less than adjacent LGAs. I am appalled to discover, that this has led to Council assets being degraded to the point that some, such as the children's library at the Stanton, have been closed and others are in such a bad state of disrepair that maintenance work will be now more expensive and take years to be completed. Setting aside the issue of funding the North Sydney Pool project, I find it hard to accept that such significant rate increases are being proposed as the only solution. Apartment owners will particularly hit hard. Consider taking a longer period of time to address the financial deficit. E.g. Propose a 50% rate increase for residential properties each year for a longer period of time which would be somewhat easier for property owners. I will identify ""option 2a: Strength and sustainability"" but would like the period of 2 years to be extended to at least 4 years. I think it is important for rate notices to detail the purpose of individual levies and fees being charged. Any increase in rates should be directed asap to maintenance of assets to ensure no further deterioration and to hopefully support an increase in fees of that those assets that are leased/rented to generate improved income. Proposals to expand services should be put on hold until the financial position is improved. If Council's current financial position cannot support the current level of service and infrastructure I make the following suggestions:

Taking a longer period of time to address the financial deficit. E.g. Propose a 50% rate increase for residential properties each year for a longer period of time which would be somewhat easier for property owners.

Reduce services e.g. Provide a Quarterly household clean-up collections instead of fortnightly.

Increase all user fees for Council premises and sporting facilities

Lobby harder the State Government to require private educational facilities to pay rates, in particular for property that they own to provide revenue rather than conduct educational activities.

Charge private schools to use Council parks as their de-facto playgrounds.

Response reference: L, J

SRV565

I don't agree that the constituents should be forced to cover the financial failings of the existing government. If they can't maintain fiscal responsibility, by all means let them resign and we will find a different leadership. They are way too high, particularly with such a lack of transparency

Response reference: B

233



SRV566

Must be other ways to avoid rate increase I ì

Response reference: M

SRV567

While I appreciate the financial difficulties caused by the pool under the previous mayor and general manager, there will be longer term benefits from the pool and I consider that the additional costs could be recovered over a longer term than is currently proposed. 'North Sydney rates are low. I support the council seeking contributions from the very rich schools in our area who contribute nothing towards the amenities they use.

Copy of email sent to councillors yesterday:
Dear Councillors

I appreciate that the decisions made in relation to the North Sydney Pool were made under the previous mayor and without the support of the current mayor and Councillor MaryAnn Beregi.

The situation could not be much worse and I do urge council to consider whether there should be any referrals to ICAC in relation to the past actions of the former mayor and general manager. Any current councillors who supported the pool development need to reflect on whether their position is tenable.

When I moved to North Sydney nearly 25 years ago from a much smaller property in Glebe, I was surprised and delighted to see that my rates went down significantly. North Sydney rates have been amazingly low for a very long time. It is, however, disappointing that the reason for the increased rates proposals has been one very poorly conceived and executed vanity project. I think "sticker shock" is the appropriate term for the proposed rate increases. The renovated North Sydney Pool will be enjoyed by many residents over a very long time and I question whether the cost needs to be absorbed so rapidly. I appreciate you need to balance funding requirements but I consider that more gradual and longer term budget repair would be more equitable and more manageable for those in our community who may find the increases unaffordable and for the many who do not live close to and/or will not use the pool.

Supported.I urge council to reconsider the time frame for budget repair to reduce the impact.

Response reference: S, J



SRV568

I am unconvinced that these significant structural changes to rates are justified. The cashflow sheets look balanced, even under the existing conditions. I can sympathise with the requirement to increase rates to account for the requirement to improve services and repairs; but the proposed increases appear excessive. E.g./ under options 2 and 3 this results in the council obtaining nearly a billion dollar increase in net assets in the next decade. I do NOT want the council run as a for-profit endeavour.

I am concerned that there has been some financial sleight-of-hand used to justify these increases. E.g./ the chart on page 4 of the SRV does not seem to correspond to the financial tables. Additionally, blurring depreciation & amortisation in the justification and implying it is cashflow does not seem honest. Also, I think that the grants for capital works have been excluded from the bottom line, but it's not clear why this should be?

I do not want any of these proposals to be embedded in perpetuity - particularly since the end result seems to be massive investment outcomes for council, rather than being returned to the community.

I would be open to lower structural increases - or potentially a short term increase - but the proposed rate variations seem excessive and to me they do not look required.

I also don't want council to unnecessarily dispose of council property (even the investment properties, unless these do not make holistic financial sense. Note that I do see value in council maintaining shops etc. and providing these for less than market rates, to ensure that small businesses can compete against larger chains etc. if this is occurring. This is what I mean by 'holistic' sense).

I'd also question the comparison of average rates between councils – particularly where there is a significantly greater proportion of large houses than small apartments (e.g./ Hunters Hill) compared to the North Sydney council.

Again, I do not want the council to be a for-profit enterprise, which these proposed rates seem intent on achieving. But am amenable to a more considered discussion about the true requirements for council financial stability and sustainable service provision.

I would like to see a more independent assessment of what is required as I suspect that achieving financial stability can occur with significantly lower increases in residential rates. These were not presented as any sort of option, which is disappointing. The options of a minimum 65% increase in rates in perpetuity do not seem justified with the information provided so far. I believe this appears to be shifting some of the burden from residential to business?



Note 4 on page 20 of the LTFP suggests that this seems to shift the burden of existing levies from business to residential and conflicts with Note 2 on the same page.

However, if the end result is the 60/40 split between residential and business (where it is currently 90/10) then I'd support this.

I would want to see an accounting of what is contained in the rates (including levies) rather than having an unaudited pile of money.

The sub-categorisation of business rates would seem appropriate – as hitting small businesses does not seem productive.

Note that the vacancy rates for office space don't seem exclusive to the North Sydney CBD. I hold the opinion that the best way to attract business is to ensure a thriving CBD.

Additionally, there may be some scope to obtain NSW government occupancy in the North Sydney CBD, given Chris Minns's directive about return to office?

The Asset Management Strategy seems reasonable; however, my earlier points regarding the SRV still stand. I'm not convinced there is a clear link between the Asset Management Strategy and the options provided in the SRV (they seem to significantly over-budget). I've not read this thoroughly. Though I am glad you're accounting for the changes in environment due to climate change"

Response reference: L, K

Additional response: Depreciation expenses are a non-cash item; however, they are included as depreciation serves as an indicator of future infrastructure needs. It should be regarded as a minimum threshold for capital renewal costs, which have a direct impact on the Council's cash flow.

Note 4 on page 20 of the LTFP should indicate that approximately 10% of the total levies are currently paid by businesses, this has been amended in the LTFP.

SRV569

The rates increase proposed is due to poor management on behalf of the current council

Response reference: B



SRV570

Definitely against the increase in rates !!!Firmly against!!Against!

Response reference: L

SRV571

I do not support the Council's SRV proposal

"This is a fine mess you've gotten us into" – said Hardy to Lauren

The SRV proposal for very significant and permanent increases in rates is rushed and the Council's approach puts political expediency over transparency and proper consultation. The case for an increase in rates has not been debated and presented in an open and staged approach by Council. Additionally, the Council has been disingenuous by not making the financial position and proposed rate increase an issue at the recent Council election. The mandate for the SRV proposal being pursued in a rushed manner over the holiday season is questionable. It is a crash through approach, with the hope that ratepayers will feel less critically about them by the time of the next election. Underlying this is poor financial management by recent Councils. Issues of revenue shortfall, backlog of maintenance and pool cost overrun have been obvious for years, and how to deal with financial sustainability issues should have been an election issue. They must now be consulted on in a less rushed and more considered manner.

Analysis and understanding of the SRV proposal are a confronting one for ratepayers. The long-term financial plan is both complex and incomplete. It offers an ambit claim of four similar options and does not consider in any detail options with reduced increases around reviewing and reprioritising proposed infrastructure projects, additional internal efficiencies and immediate asset sales. The SRV process for the 65% to 111% SRV permanent increase should be stalled. This is possible as the Council has enough cash to operate in the short term. In its place an SRV/Special Levy application should be submitted to IPART in February for a short-term rate increase (3-4 years) to fund construction of pool costs only. The case for this is clear and has been raised and debated by Council for years. The funding of the pool overrun should not be funded through a permanent increase in rates.

Rushed and inconsiderate consultation

Ratepayers are being asked to digest more than 200 pages of wide ranging and complex information, especially the financial details, over the holiday season during December and January. This is not a considered and timely process, and is an affront to ratepayers.

237



As part of the SRV proposal the Council is requesting feedback on eight supporting strategies and plans.

1. Culture and Creative Strategy
2. Economic Development Strategy
3. Environment Strategy
4. Governance Strategy
5. Housing Strategy
6. Integrated Transport Strategy
7. Open Space and Infrastructure Strategy
8. Social Inclusion Strategy

There is also a growing list of FAQs for ratepayers to consider. These are reactive additions and a further example of poorly designed and very rushed consultative process.

2 It is convenient for the Council to claim that it has followed a strategic approach. The Council prepares updated plans and strategies on an ongoing basis required by statutory and internal processes. For example, the Long Term (10 year) Financial Plan for 2022- 2032 is updated annually. It is fortuitous how the incremental process has produced such a distinctive set of funding options for an SRV at this time. Further, if the SRV is part of a strategic process, the aim of increasing rates was likely recognised by some on the Council around 12 months ago. A further indicator of the rushed and questionable approach is the appointment of SRV consultants in the election caretaker period on 19 September 2024 before counting was finalised. Ironically, Council is not following its consultant's advice. Morrison Low's website recommends that Council's should engage early in presenting a case for rate increases as it is daunting, and requires engagement in multiple stages over time. The Council's offering does not come close to a business case process that considers the pros and cons of a range of funding options that can be considered (debated) in a detailed and timely manner before a decision (recommendation) is made. It is not unreasonable that alternative, more moderate rate rise options be considered and offered in the SRV proposal. Only in the FAQ's supplement to the SRV proposal does Council request feedback on 'what specific services or infrastructure you feel could be reduced.' This community consultation should have been either conducted earlier or delayed until later in the year. The so-called strategic approach consulted the community on what it wanted of Council services without the community having any reference to how they were to be funded. Ineffective financial management by recent Councils
Recent Councils have been negligent in their financial management. Since Covid revenue from fees and charges has been declining. At the same time the asset maintenance backlog has been increasing and rates income static. The Council's focus on pool cost increases has distracted them from the bigger picture. Warnings in financial reporting about financial sustainability concerns were not debated at Council until late 2024 following the election. The following records of recent Council meetings verify that councillors turned a blind eye to financial management. In November 2023 the Council received periodic reporting that the Council's financial position was deteriorating and requiring strategic attention. Prior to this in April 2023 the Council received the independent review report into the pool's



increasing costs. On 27 February 2024 the Budget report stated: 'To maintain a satisfactory Financial Position, the deterioration in income streams requires the close strategic attention of Council.' At its meeting on 24 June 2024 Council approved fees and charges increases of 5.6% for 2024-25 with no mention of a need for an increase in rates. This was despite the Council being advised at the same meeting, and at the 27 May 2024 meeting, that continued deficits are unsustainable and requiring long term strategies for financial repair. At its first 'full' meeting after the election (on 14 September), the Council on 28 October 2024, when the signed Financial Statements for 2023-24 were presented, were advised that '...the Council will need to make critical decisions to improve its financial position' and that that 'Rates remain below where they would be if they were based on inflation increases alone over the last five years.'

3 No recommendation was made to Council, nor did Council request, that the rate base should be reviewed. Nor was mention made of Council officers working on the revised Resourcing Strategy and LTFP that would recommend increasing rates. At their meeting on 25 November, Council were presented with the SRV report to increase rates. The report advised that 'Currently, Council's financial position is very weak and the financial outlook is unsustainable, requiring significant structural reform.' Something they had been hearing for at least a year. In the SRV Fact Sheet of late November 2024, the Mayor has complained of a decade of financial neglect by councils. This is the seventh year the Mayor has been a councillor. Due to a lack of transparency it is unclear who the councillors and executives were that sponsored the studies by Council staff into the rate increase during the last months of the Council before and after the election. Limited analysis There is a case to increase rates to address revenue and infrastructure backlog shortfalls, and to address imbalance between apartment owners who pay the minimum rate and house owners paying higher rates who receive similar services. However, the magnitude of the increase is a problem, especially when compared to the like councils of City of Sydney Sydney and Parramatta. As can be seen below the SRV proposal puts NSC minimums from parity to roughly twice that of the other two councils. Residential 2024-25 minimum and NSC proposed Base amount NSC – current NSC - proposed City of Sydney -current Parramatta -current Residential 715.24 1,300.00 668.50 709.35 Business CBD 715.24 1,400.00 855.50 809.92 The Council's analysis understates the total amount of rates and charges paid annually by not including the annual charges for Domestic Waste Management Charge (DWMC) and Stormwater Management Charge (SWMC) which can be around \$500 pa for residential owners. There is no detail in the SRV proposal on when the sale of land of \$5million identified in the new Organisational Improvement Plan will be achieved. There is no detailed analysis in the supporting Long Term Financial Plan of the impact on the 23% of residential taxpayers who pay higher than the minimum rate. They pay rates based on unimproved land value. Most of the SRV analysis relates to minimum rates and average rates, nothing directly on the impact on residential ad valorem rates. It is also not clear if the Council's proposal to include infrastructure and environmental levies will be incorporated into rates calculated on an ad valorem basis, whereas it is clear for minimum ratepayers. Council added an FAQ on ad valorem rates on 8 January 2025. It is too late and provides only limited commentary on the impacts. It appears that the percentage increases in residential ad valorem rates are less than the minimum rate under the SRV proposal. The ratepayers'



capacity to pay receives little direct attention in the SRV documents. In the LTFP the Council state they have conducted an analysis of ratepayers' capacity to pay the proposed increased rates. The analysis is required by IPART. But the SRV documents do not expand on the analysis. What were the findings on ratepayers' capacity and willingness to pay the proposed increased rates?

4 Ratepayers are experiencing a decline in living standards, high mortgages levels and many older ratepayers have limited funds. The Mayor addressed this in the SRV Factsheet by saying it is incredibly frustrating that the significant rate increase is occurring when everyone is under pressure from the rising cost of living. IPART approval unlikely Based on IPART SRV approvals over recent years, it appears unlikely that they will approve the very significant increase in rates proposed by NSC. In addition, the proposed SRV increase takes key financial ratios well in excess of the acceptable levels required by IPART and the Office of Local Government. For the operating performance ratio (OPR), NSC analysis indicates that it will just miss meeting this ratio over the next 10 years applying an estimate of peg rates from 2025-26. This indicates it will struggle to have sufficient cash to cover its costs by a small percentage. This obviously requires attention. However, all suggested options in the SRV proposal take the ratios well in excess of IPART's acceptable level over 10 years. The situation is similar for the Infrastructure Renewal Ratio (IRR) where assets are kept near or in excess of their original condition. IPART's SRV increase approvals have tended to focus on meeting benchmarks, not exceeding them excessively. Over the past three years the highest initial SRV rate increase approved by IPART has been 36.5% and the highest over three years 58.8%. Well short of Option 1 of 50% in year one and 65.4% cumulative over three years. When assessing the applications IPART expected that Councils had consulted over longer periods and were able to make additional information required by their communities over a longer period. The December-January period is too short for the Council to add and amend information and extend consultation before a submission to IPART in February. IPART has approved a temporary SRV increase for Council in the recent past. They approved an SRV for a 7% rate increase for the three years 2019-2022 to largely address infrastructure backlogs. Consistent with this, a temporary SRV/Special Levy should be applied for now to fund the pool overrun. More unnecessary haste We do not know how the Council and its consultant will take the feedback forward in such a short time with only limited debate. The 'Have your say' period ends on 10 January 2024. There is no room for further consultation with the community on any variations to Council's proposal. The final decision on whether to proceed with an SRV application is to be made at the council meeting on 10 February 2025. Again, this an unnecessarily rushed timeline and poor consultative practice. Déjà vu – another pool fiasco? The Council's SRV approach comes close to paralleling the now discredited approach for the awarding of the pool contract. Where there was a rushed decision before Christmas, a flawed tender contracting option chosen to meet the deadline and a tender scope increase in deference to community feedback.

Response reference: B, G, A, C, R



SRV572

I am strongly opposed to the SRV. I understand and appreciate the importance of Council's LTFP however it does not justify any of the funding options Council proposes. The whole process has been extremely poorly managed by Council. I have serious concerns with Council's governance, integrity and ability to provide services to the LGA. Council needs to: (1) re-evaluate all future projects; (2) focus on bringing North Sydney Pool to completion (3) obtain government debt to finance North Sydney Pool and other current projects (4) explore sale of assets, particularly commercial buildings noting that parts of the LGA have recently been rezoned (i.e Crows Nest) and would be extremely attractive for developers (5) reassess its calculation of the anticipated infrastructure backlog figure, noting that Council has recently changed the manner in which that figure is calculated. I strongly oppose for the reasons identified above. This seems practical and reasonable. It has been identified that Council has recently changed the manner in which its infrastructure backlog figure is calculated. Council must revert to its previous methodology in circumstances where it is relying on this figure for a massive increase in rates. Moving forward Council should consult on changing its methodology so that future rate increase proposals can be analysed by ratepayers.

Response reference: B, H, D, F, N

SRV573

Sneaky sneaky sneaky. Say not a peep before the election, get re-elected, then whack us all over the head from behind. Outrageous.

Response reference: G

SRV574

Aged pensioner who cannot afford any increase in the already exorbitant rates charged on my residential home.

Response reference: C

SRV575

The LTFP and SRV should not be approved before a full scale government inquiry into why the Council which in theory, given a large and thriving CBD, should be wealthy, is drowning in debt. Despite

241



successive LTTPs, services and project delivery has been poor. The Olympic pool debacle, shrouded in in secrecy, is a disgrace. Accountability has been non-existent. My wife and I are elderly North Sydney residents and ratepayers. We have pension concession cards. The huge increase in rates will be a heavy financial burden. The present rates concession amount has not changed in years. It must be doubled to compensate for the changes. Existing levies should be reviewed as to their relevance and necessity before any rate rise, and consolidated in the rise.

Response reference: A, B, F

SRV576

It is disappointing that we have reached the point where such a material SRV is required. However, as a community, we need to look forward and focus on how best to remedy the situation. Therefore, I support Option 3, and the sooner we start fixing the underlying issues, the better we will be as a community.

Response reference: S

SRV577

Residents should not be penalised for NS Councils ineptness in managing its budgets. We are in a cost of living crisis with people struggling to make ends meet and I object to any increase in levies. As long as there is no overall increase as a result of the consolidation Council need to strategically think about what is required for its residents, gain our input prior to commencing upgrades/works. Are they really necessary, look at where we are now with the swimming pool - it's a pure shambles!

Response reference: C, A, F

SRV578

Asset Management" is a misnomer, I believe Council has not diligently managed ratepayers money and we are now being asked to subsidise mismanagement to which I vehemently object to. (North Sydney Swimming Pool is at the forefront)

Response reference: A, B



SRV579

I think that increasing rates every time you ask could make council wasteful. I would like to see examples of where council is saving costs

Response reference: F

SRV580

Diappointing. Half of the LTFP is nothing but full page 10 year number projections based on a variety of accounting lines. It has limited investigation of the drivers and scenarios for the projections, and those that are placed there are based what could be assumed as the worst case scenario, e.g., Olympic pool revenues, car parking, new dwellings. There is no consideration of options of how to improve the profitability of the Olympic pool operations, lack of consideration of the changing business environment whereby business are now mandating a return to office policies and the development of new dwelling is largely in the control of Council. The Council has been a staunch opponent of any new residential developments, which they can change their positions and allow developments to occur especially when they are replacing small amount of unit dwellings into a new high riser buildings.

Additionally, there is no discussion of what the investments are needed; only some high level statistics which are not possible to verify and an appendix at the end with a large wish list. There is only vague promises to improve efficiency of the Council, but no discussion or strategy of how this can be achieved. There is no discussion of the investment needs, why they are needed, scenarios for staggering investments by different years.

Also, there is an element of putting the cart before the horse here. While Council conducting a large variety of different 'Have your says' to create some informing strategies, they have not even been finalised yet, but the Council is already placing a minimum 50% increase in levies. This is just not good governance. You cannot go around asking residents of a laundry list of things they would wish for, without at some point, asking them again with the price tag added. Also, at the same time, not providing any good judgement to consider how would priorities change across all the informing strategies at the same if there was this decision of increasing your levies by 50%-100%.

For example, Upgrade the existing library and expand the floorspace into the adjoining James Place development at an estimated cost of \$24m. Why is this needed? What is the burning demand here? Can it be monetised to then reduce the overall cost? Why does the expansion need to be so large?

As another example, Provide wayfinding signage across the LGA to increase awareness of safe, convenient and accessible walking and cycling routes between key destinations at an estimated cost of



\$2m. Why? Given everyone has and uses a smartphone and are used to using maps to directions and navigation, can't a digital replacement be more cost-effective?

Ultimately, as an owner-occupier, I have no idea what I will be getting in return for such a significant increase in rates and what the Council can do differently to limit the required increase. I disagree with the proposed minimum changes. They have not been substantiated as to why they are needed and has not followed good governance to get to this position. It seems the Council is over-reliant on making fancy PDFs (e.g., strategies, consultations, new strategies, different research, and so on; which is also very difficult to locate the extent of it all on the website), rather than brainstorming creative ways to resolve problems more efficiently.

Also, I do not recall any of the candidates in the recent Council elections making the promise to increase the rates by 50%+. I wonder if the did, would they have been voted in? So you can reasonable conclude that the Council does not have the mandate for such drastic increases in the rates, given 50% increase is the minimum. This should be an absolute maximum position out of the 4 options.

I do not support any of the proposed increases. What difference does it make what you call the payments imposed on the owners, whether residential or business? The whole point is about how much will be required to be paid and what will be received. It is not possible to provide new feedback, as it is not clear on what has changed since the Delivery Program was orginally launched (as per the notes below). Also, I wonder how many people at North Sydney Council actually can clearly reconcile the differences between Delivery Program, Asset Management Strategy and LTFP and all the other documents and strategies. There is no clear hirerchy of which document is primary one that inforams what you actually do and plan to do. Can you plase create an easy to navigate page where all this information can be accessed and to understand what is the now, the purpose and hirerchacy? Lastly, why have you updated the Delivery Program with information that has not been approved yet? Why LTFP has been added with the SRV options when this is still in the open feedback phase and has not been approved? Alternative, you already know the answer and this feedback process is just a tick-box exercise, and so my time has been thoroughly wasted.

Response reference: B, G, F, N

SRV581

We have received no official correspondence from Council regarding information sessions, town halls and the like regarding proposals to increase rates to the extent envisaged.



In addition to our rates, we pay a further seven levies and charges with our rates. It is not clear whether these are to be incorporated into the proposed rates options and how that would affect our rates bill or whether they will remain separate charges.

The messaging is completely opaque and we cannot realistically assess from the information that Council has provided, what the impact of the proposed changes will be on our rates bill.

Hence I cannot agree to any of the proposed options for rates increases. However, since there is no option in the survey to reject the proposed options, I have chosen Option 1. It is likely that any options survey will be invalid without the option to reject all options.

Response reference: L

SRV582

This does not seem to be a long term plan just a plan to bridge the funding gap created solely by an ineffective council and local government. The rate hike as proposed is considered by this household to be terrible and totally unfair. The causes were totally avoidable and occurred due to total poor management. Anything over a 30% increase in the North Sydney Pool budget is due to incompetence and why should your clients pay for that. In terms of your fiscal position there must be other options than simply increasing rates and we have heard nothing on them as detailed by Felicity Wilson our state member. There are no other options detailed - what about reducing the costs of the local government - what about seeking funding from the state government - what about the options detailed by Felicity Wilson and possible sale of assets. What about possible asset sales.

Response reference: A, D, H, F

SRV583

Due to former Council incompetence and mismanagement of funds why should rate payers be liable for a rate increase? A longer term gradual approach is needed. NSC needs to appoint an independence Finance Advisory body to put forward a new and clear strategy. I feel Council should consider a most gradual and longer term budget recuperation. Not everyone in the community is financially secure and many would not be using the future pool, if every it is completed. Too soon and too rapid.

Response reference: B, F



SRV584

Queensland Investment Corporation (QIC) understands that the North Sydney Council is currently considering a Special Rate Variation (SRV) that would significantly increase the average council rates charge for all commercial ratepayers by between 74% and 122% in the next four years (2024/25 – 2027/28). QIC strongly opposes this SRV proposal as the owners of 1 Chandos Street, St Leonards, and on behalf of our tenants, who in part are also liable for council rate charges in accordance with their respective leases.

The proposed SRV to significantly increase council rates charges for commercial property owners and their respective tenants cannot be supported for the reasons set out in this submission below.

- The commercial property market has not recovered post the COVID-19 global pandemic, and the North Sydney commercial market remains one of the most challenged markets in particular. Inflated vacancy rates, due partly to a shift in working habits has led to a significantly reduced demand for floorspace, larger incentives, and lower levels of rent.
- The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within the North Sydney Council area. This impacts the competitiveness of the North Sydney commercial real estate market and all Landlords ability to retain tenants and attract new business.
- The extent of these increases and the volatility in the council rates charge will directly impact our tenants broader business decisions such as employment and investment / spending within the North Sydney Council area.
- The proposed SRV will detrimentally impact the future development and repositioning of real estate assets within the North Sydney Council area. The slowing demand for commercial floorspace has reduced achievable market rents making it difficult to feasibly support the cost of development/refurbishment, which has separately escalated significantly in recent years. The refurbishment of existing office assets is essential in supporting a diverse and vibrant local economy by providing workplaces to a variety of tenant groups at varying cost levels. Continuous reinvestment through development and refurbishment of existing office buildings in North Sydney is essential to the ongoing success and competitiveness of the North Sydney office market.
- These above impacts will directly oppose the objectives of the council's Economic Development Strategy to 'revitalise and growth the North Sydney CBD as a high-amenity top-tier office precinct' and 'cultivate a diverse connected and resilient business environment'. Investment from owners into development and refurbishment provides direct and indirect economic benefits to the local economy and businesses. The proposed SRV will slow progress and directly oppose the Councils commitment to revitalise the North Sydney CBD.

We trust the above-mentioned response clearly articulates QIC's position that the proposed SRV to significantly increase council rate charges on commercial property owners and their tenants cannot be



supported on any basis. If Council intends to pursue this SRV, QIC would appreciate the opportunity to meet with Council to discuss the impact on our property and tenants.

Response reference: K, C

SRV585

For most households if their costs exceed their income they 'tighten their belt', cut back on purchases, defer or eliminate expenditure. A privileged few may be able to increase their income to compensate for cost increases. Most households would be forced to implement cost-cutting measures.

North Sydney Council is effectively seeking to 'stick its hand out' to receive higher rate income at a rate that exceeds the current inflation rate. It is seeking to impose that increase on households many of which are unable to increase their income let alone at a rate that exceeds the current inflation rate.

Accordingly many of Council's rate payers consider Council's intention to increase rates unacceptable.

It is particularly galling to be advised that one of the reasons for Council wanting to increase rates is to address a doubling in the cost of delivering a swimming pool.

The management of the project has been less than ideal and measures should have been taken earlier to reduce the financial exposure faced by the rate payers of North Sydney. Instead the project has been allowed to continue at an ever greater cost.

In my discussions with North Sydney rate payers I have not encountered support for increasing rates; indeed I have encountered dismay at the delivery of the pool, a facility the cost of which will be paid for by all rate payers but will be used by a limited number of them. There is a further and alarming concern that has been expressed to me by rate payers who reside and/or own property in the Crows Nest Transport Oriented Development Precinct (or Crows Nest TOD).

Land within the Crows Nest TOD was rezoned in November last year to accommodate a higher yield of residential development. The concern of residents is that such rezoning may increase substantially the rateable value of land thereby increasing significantly the rates that will otherwise apply to the land. It is understood the increased rates that Council is seeking would be applied to any revaluation of land as a result of the rezoning and not to the valuation of land prior to the rezoning.

An additional concern relates to misinformation regarding the Wollstonecraft Precinct Committee (WPC) scheduled for December last year at which the following guest speakers were named on the Agenda:



Therese Cole CEO and Zoe Baker Mayor. The former was scheduled to talk about 'Proposed Rate Reviews'.

The Agenda for the August and October WPC last year stated the December 2024 WPC would take place on Wednesday 11th December. WPC meetings generally always take place on Wednesdays and whilst it is acknowledged a flier distributed prior to the meeting made reference that it would be held on Tuesday 10th, it was in small print and could have easily been missed by residents receiving a deluge of mail in the lead-up to Christmas.

It was of great concern to a number of residents who arrived on Wednesday 11th December 2024 at the Uniting Church Hall in Wollstonecraft to find the door locked and to be informed a short while later that the meeting had been held the previous evening. Some of the concerned residents said that Council's website indicated the meeting was scheduled for the Wednesday and were most disappointed at not being able to attend the meeting and to listen to the guest speakers.

A further concern is that Council has not offered a straightforward way to lodge a submission regarding the proposed rate increase, instead it expects those wanting to make a submission to complete a survey which discourages some from making a submission.

It is for the reasons expressed in this email that an objection to the proposed rate increase by North Sydney Council is made.

Response reference: C, A

SRV586

Sell or abandon the pool! Enough already it is bordering on absurd. Pass it over to the highest bidder & sell the debt. Of course some residents use the pool but not everyone does so invest in other things for the whole community not just a POOL. Its a tourist attraction let it be run as that by a private owner. We can no longer use residential rates to pay for ONE item only. Regardless of past financial incompetence this is enough - now we are paying an extra 50% for a pool?!? Seriously just close it we are used to it being close now anyway. I strongly object to this rate increase brought about in the main by a POOL! A pool that wont even cover its costs once operational. Outsource the pool

Response reference: D, A



SRV587

I believe that N Sydney Council should cut costs and not proceed with this SRVI do not support this SRV, as it is too expensive. Better to cut council costs instead not agreed cut back on projects and costs instead of doing the SRV not agreed

Response reference: F

SRV588

I oppose all four options. I have lived in my semi for 47 years and am alarmed that as a small self funded retiree I will be now be required to pay such a huge increase in my rates with my dwindling finances . There must be a better option for home owners.. The private schools all around me are not pulling their weight. Rate payers in units could have their contribution re assessed. As I live in a home I have a high rate in comparison which will double !! hope by not answering 9 and 10 you will still consider my objection as there should have been a 4th option of no rate increases for home owners..

Response reference: L, J

SRV589

Unfortunately, I don't believe that SRV option 3 is viable. It is too much of an increase with options 2 a & b not far behind. If that means that we must forgo any significant capital expenditure in the near future, so be it. Get the pool finished and recover the financial position from that debacle before you start spending more money you don't have. While I understand that rate rises are inevitable and necessary, and council makes some good points about increasing costs, decreasing revenue and the like, the scale of these proposed increases is too great, especially at a time when residents are already struggling financially. I encourage council to reconsider the plan and propose a more modest increase. Generally speaking, a simpler rate structure is better, but it is not exactly clear whether any individual resident would be better or worse off under the proposed structure.

Response reference: F, A, C

SRV590

Council should sell off some of assets such as apartment blocks to assist making up the shortfall.



SRV591 Having demonstrated total incompetence, why would I believe essentially the same players to be competent to remediate the issue?

Response reference: D

SRV592

I am not convinced that NSC have considered the wishes of the majority of ratepayers. There appears to be too much expenditure on services for small minority groups My husband & I are now retired & think the increase is excessive. We are all trying to make ends meet. Like other businesses, try to run more efficiently within your means Not in favour

Response reference: B

SRV593

We are where we are. If we need more rates to pay for necessar services, you should increase the rates, especially for those on minimum rates Excellent idea. This group has been freeloaders for too long Sell any assets which are not part of a long term plan but keep the rest

Response reference: D, S

SRV594

Totally opposed to rate increases. Not needed and should not be established as they are a burden for all local residents in a time of cost of living-crisis, high interest rates and high inflation. It shows total disregard for reality and lack of caring for the community.
Council should start by implementing proper financial management.
COUNCIL MUST CUT THEIR OWN SPENDING FIRST. Any measure that will cause an increase in rates to residents must be stopped. Please ready the comment above.
Item 9 in this survey does not provide the option of ""NONE OF THE ABOVE"". THIS IS MANIPULATIVE TO SHOW RESULTS THAT ARE NOT THE REAL OPINION OF THE PERSON ANSWERING THE SURVEY.
THIS OPINION WILL BE SENT TO THE NSW GOVERNMENT FOR FURTHER PROCESS. Any justification for increase of rates with the excuse of ""managing assets"" is manipulative and must NOT be implemented.
SURPLUS MUST BE USED TO ADDRESS ANY ASSET MAINTENANCE. Any justification for increase of rates with the excuse of ""managing assets"" is manipulative and must NOT be implemented.

250



SURPLUS MUST BE USED TO ADDRESS ANY ASSET MAINTENANCE.
COUNCIL MUST CUT THEIR OWN SPENDING FIRST BEFORE ASKING THE RESIDENTS FOR MORE FUNDS.

Response reference: C, F, L, B

SRV595

It's a joke - we have another expenses to deal with esp with the current inflation over the past few years. This is the last we need!

Response reference: C

SRV596

I am against a forced rate increase.

We have effectively been provided one option; a rate increase, and three variants of this option. In order to agree to a rate increase, residents should be assured that all options have been considered, including cost reduction and reprioritisation of projects. For example, we can see projects like the bike ramp in progress, where given the financial situation, a restrictive budget would force projects to be prioritised.

I also question how efficiency the council is operating and items such as head count costs, etc, as to whether the organisation is set up for development and growth.

My issue is not with raising the rates, necessarily, it is that it appears that North Sydney Council wants to continue as planned and can only do this by raising money - I propose that doing this is risky; the inefficiencies that caused this situation must first be addressed, introduce strict project management and optimise costs. I selected Option 1 only because this form does not have a 'None' option.

Response reference: L, F, N, B

SRV597

North Sydney Council should take this discussion to an election - resign now and let the locals decide if they want these dramatic changes

Response reference: G

251



Additional response: The community is represented by democratically elected Councillors, who encourage decisions that reflect community priorities and are in the best interest of the collective population of a council area.

The 2024 Council election cost North Sydney Council over \$700,000. If an election was run on this issue now it would likely cost a similar amount and would not result in progress towards addressing Council's unsustainable financial position.

SRV598

I wish services provided by North Sydney Council to be maintained, and assets maintained to a good standard. Good idea.

Response reference: S

SRV599

The budget is under pressure and there seems to be no intention to cut back on spending to align with the financial realities. New activities should be delayed, the effective life and depreciation rates on infrastructure should be reviewed for a time, more competitive rates from suppliers could be negotiated. Previous gross mismanagement and attraction to vanity projects of previous councils has caused the problems and led to a lack of confidence and trust in Council. The current Council does not seem to be acting in the best interests of ratepayers. I am totally opposed to increases beyond CPI and think Council is being sneaky and manipulative in presenting only four funding options for feedback that all include outrageous increases. My belief is that this proposal is just another trick by Council to extract more income from rate payers. Don't be afraid to sell some assets to help fund the Olympic Pool debacle and please be very selective in the purchase of new assets.

Response reference: A, B, D, L

SRV600

It shows financial (and Pool project) mismanagement that North Sydney Council allowed the financial position to become so bad that they are seeking to increase rates by at least 50% in the first year. Rate increases should be kept to a minimum - even a 5% increase in one year seems very high to me. A 50% increase in one year is very difficult to budget for. I think there should be state legislation that private schools and selective schools should contribute to rates - as most of the students are NOT from North



Sydney council and if they can afford private school fees - they can certainly afford to make an indirect contribution to council services that they are currently using for free. Suggest merging with other North Shore Councils so there is economies of scale and efficiencies realised for administration, waste collection services and engineering services When charging for upgraded pool entry when it eventually opens - allow some options for ratepayers and residents of North Sydney Council area to obtain some discount(eg multi entry pass if they have a local address) as we are already contributing to the very expensive \$122m capital cost through rate increases - however all the tourists and non-locals should pay a premium entry fee to enjoy the best pool in the world(I am sure they will not mind as it is certainly a fantastic pool and location and they are not contributing for capital cost). Make sure the wealthy private schools pay for entry too.

Response reference: A, J, E

SRV601

I strongly disagree with the approach taken by Council in relation to addressing its financial issues. Like many other Sydneysiders, residents of North Sydney are not immune to cost-of-living pressures and it is untenable to ask residents to cover the costs caused by the poor financial management of Council, particularly the costs caused by the poor management and scoping of the refurbishment of the North Sydney Pool site.

My general understanding is that up and until this point in time, Council has been in a relatively stable financial position, notwithstanding the budget blowouts caused by the North Sydney Pool development. In addition, it appears that changes in various definitions for the purposes of the Council's financial statements have overstated the Council's financial issues. Accordingly, the proposed options for rate rises appears to go above and beyond what is necessary to ensure that Council is in a good financial position to continue to provide and maintain the assets required by the community.

On a separate note, the LTFP document prepared by Council is poorly presented and does not clearly set out the critical information that residents need to know in order to adequately respond to the survey. Given the diversity of the residents in the area, it should be noted that not all residents will be able to decipher the information hidden behind fancy marketing and endless tables of numbers in the LTFP document. The minimum rate options do not provide the residents with much of a choice. A minimum rate increase of 50% across the next few years is excessive. As noted above, many residents are struggling to make their mortgage payments each month and to pay their day-to-day living expenses let alone having to prop Council up financially.



Council should explore other options in order to finance itself, noting that investment in major assets such as the North Sydney Pool renovation are typically financed by additional debt (to be paid down by residents (both current and future) over time particularly given the projected life of the asset which will be enjoyed by not only current residents but also future residents) or an injection of additional capital for the project by the NSW Government prior to asking residents to bear the burden of excessive rate rises. Council should also consider cost cutting or deferring or staging capital works, particularly in this economy. It does not seem that Council has taken these preliminary steps before proposing increased rates.

Response reference: C, A, B, M, F, N

SRV602

I request an amended Option 2b with the removal of the funds to "deliver expanded services" and also the "unallocated" funds seems reasonable in this current economic climate. I request an amended SVR Option 2b with the removal of the funds to "deliver expanded services" and also the "unallocated" funds seems reasonable in this current economic climate. It is unclear at this time what financial impact of the consolidation of existing levies into ordinary rates.

Response reference: C, O

SRV603

I skimmed it. Releasing this before Christmas and during holidays and given how complex and long it is, is not enough time for people to read this. I would have liked to ask others in the community and understand it. This was disappointing. Giving forced options below is unfair. The cost of living is going up and the financial mismanagement of council is not the responsibility of rate payers. I am sure council could run under a much leaner structure reducing the leave liability etc. I do not trust council with new strategies or initiatives at this stage. Finish the pool and then look at new initiatives. I currently travel to UNSW to do laps and pay tolls to do so as lane cove is too crowded because of all the pool shut downs. As long as you keep community events such as the farmers markets the crows nest festival I am a happy resident. Council have messed up with the pool and parking metres and it is so frustrating. Do not sell off assets to rectify the mistakes of past councillors. Assets are important to keep and you are responsible to hold on to and care for them on our behalf- our custodians. Please stop allowing private schools to purchase private properties and business reducing the rate contributions to Nth Syd council. . Incredibly complicated and long.

Response reference: L, A, B, J, C

254



SRV604

I realise that since Council has created a situation of debt, that financial inflow is required, however the 65-110% suggestion is unreasonable, even outrageous, especially without any consultation nor with any creative brainstorming on other possibilities such as selling council held property or increasing law enforcement in a number of areas that would provide a lucrative income. The community has many resources and people who could work on business ideas and models to increase income without severely compromising the entire population of North Sydney.

It is unacceptable. Also as above.

Since point 9 has no possibility to REJECT all options, I do regard this survey as biased and limited, directed away from community involvement already, by leaving it set within Council's own parameters. To be fair, point 9, should include another option for rejection? To create improved business practice would be the first start, investigating why Council ever ran into difficulties and how best the model needs amelioration to prevent any further outcomes in the future of the same magnitude? I am therefore forced into financial repair option, which means addressing budget forecasts and other management issues where I do believe that creative planning could prevent and address positive change within council itself unless proved otherwise to be impossible. To me the survey is not entirely free and options are limited. What a wonderful world it would be to have creative business brains employed or community generated, working out the best management plans for the entire community with innovative solutions not only price hikes dished out to the community. Council needs to consider consultation and community involvement."

Response reference: D, L, F, B, M

SRV605

The 3 "options" fail to provide a meaningful option for residents. The cost of the pool project should be spread over rates in the next e.g. 10 years, as is commonly seen in similar commercial project financings. It is unrealistic to make residents pay up for the >50m loans over a short term when most Sydneysiders are facing a cost of living crisis already.

Council also fails to take into account more feasible ways of cost cutting and cashflow management such as divestiture of assets, further long-term borrowing (e.g. loans and bonds, as is the norm in the Australian commercial world) and deferring non-critical projects/spending.

255



Finally, transparency in Council's accounting practices would be most welcome. It is baffling to see that Council reported a surplus in June 2024 before declaring unsustainable financial position only 6 months later. If the perceived change in financial health is due to any technicality in accounting practice, Council should reconsider its proposal and should disclose any such factors to residents.

If there were going to be a rate hike the appropriate level should be between 10 to 30%, not the minimum option given in question 9 below.

Response reference: C, F, N, L, B, G

SRV606

'1. Drafting an LTFP is clearly sensible as part of providing the community with visibility over the finances of NSC. The challenge with the document as drafted is that it presents a limited set of options, all of which have a material impact on rate payers. It's a question of prioritisation, timing and cost. Why is it not reasonable to consider a smaller increase in rates that delivers uplifted services over longer timeframes? It appears that NSC is trying to address many large projects at once and to fund them largely upfront rather than over longer timeframes through borrowings.

2. I have multiple concerns regarding the SRV:

- The lack of warning of any need for an SRV and then the size of the proposed variations. This gives me limited confidence in the process.
- NSC has provided a limited set of options, all of which represent a material uplift to current rates. It doesn't make sense to not include options that provide a more extended trajectory for the delivery of the services and infrastructure proposed by NSC
- The consultation process undertaken by NSC: the time allocated is unreasonably short and coincides with the Christmas / New Year period when many people are away on the holidays. NSC need to do a better job of engaging the community on such a material uplift to finances.
- The comparison of NSC rates to other councils is deceptive as only councils charging higher rates are included in the comparison
- NSC is in a largely unique position that it has a large business community that are capable of bearing a greater portion of any uplift. This does not appear to have been accounted for under the proposed variations. Fundamentally, NSC are trying to increase the total funds raised through rates to then uplift services and infrastructure. The 2 main inputs in that process are a) the % uplift in the total rate pool and b) the distribution across rate payers.

My view is that the proposed overall increases are higher than they need to be and the uplift should be spread over a greater time period.

I'm not averse to the minimum rate level increasing, but increasing by 100% seems excessive. As mentioned earlier, I'd like to see large commercial interests bearing more of the burden. Consolidating

256



existing levies into ordinary rates makes sense in simplifying the process, however I think it's a question of what percentage of the community are bearing the cost of the levies as I'm also a strong supporter of "user pays". So if most ratepayers are bearing the burden of a particular levy then I'd argue that it makes sense to consolidate but where that's not the case then it should be "user pays" and the levy remain (e.g. development levies). Like for the LTFP, drafting an Asset Management Strategy makes complete sense but it's then a question of timing and prioritisation. NSC needs to better engage the community on what's being proposed when, particularly given the damage through the poor management of the upgrade to North Sydney pool. NSC has low credibility in light of the overruns on that project and so they need to restore community confidence in their ability to deliver projects and manage a budget."

Response reference: L, M, N, A, B

SRV607

Disappointed to see the mismanagement of our areas funds by bureaucrats I hope staffing & wages are revised

Response reference: B, F

SRV608

Do not agree with any of the options but forward Do not agree with the increase to \$1300 . Would support the existing residential charge CPI increase only Do not support any change to existing situation. Why has the council allowed the current situation to develop!

Response reference: L

SRV609

I do not think it is acceptable that the people of North Sydney should be solely responsible to pay for the mismanagement of the North Sydney Pool project. This project at the time came with federal government support but they (and the State Government) have left North Sydney residents holding the very sizeable bill for the this poorly managed infrastructure project that benefits all of Sydney and the harbour, the state and country as the gateway to Australia. Who has been held accountable for this except the ratepayers? Where was the oversight on the spending of these funds? Where was the due diligence from them (and the council) on the proposal in the first place. The ballooning of costs is really unacceptable and to expect residence who had no say in this to pay for it at this time of ballooning cost

257



of living is all aspects of life is an outrage. Option 1 is the least-worst of all options. I do not trust this council to spend any additional funds at this time for any other purpose. Also, as an additional measure, if ratepayers are going to have to pay for the pool we should at least also get free entry when it is finally open again! Any means of simplifying payments etc is worthwhile, so long as transparency is not lost in the future as to how and where funds are spent or rates increased. I do not trust this council to spend any additional funds at this time for any other purpose. There needs to be some space between this fiasco and building back up trust with ratepayers to allow them to spend amounts on new projects.

I do not think it is appropriate to consider this to be public consultation on this document at the same time as the special rates variation - it is 50 pages and i have not had appropriate time to consider at this time. I do not think it is appropriate to consider this to be public consultation on this document at the same time as the special rates variation - it is 70 pages and I have not had appropriate time to consider at this time.

Response reference: A, C, E, B

SRV610

I understand the need to keep reasonable standards for our community , residents and neighborhood but are there better ways to achieve this at lower cost to all residents I think the proposed rate increases are a big jump when everyone is struggling with expenses and costs These need to be first agreed by everyone and to make sure it is separately demarked and also for a defined period so everyone knows when these levies or extra amounts will be removed agree the priority assets agreed by the community need to be maintained at minimum cost. In the light of the high proposed levies proposed this may need to be reviewed and reprioritize.

Response reference: C, L

SRV611

Suggests a long term failure to plan appropriately and to maintain accountability for decisions made . A degree of dishonesty with regard to timing after the election process Too much too soon . We all understand that prices rise but you as a council are seeking to remedy these problems with an enormous increase which of course sets precedent for future incompetent councillors to follow Too much too soon

Response reference: B, G, R



SRV612

I am very disappointed that Council have chosen to conduct this survey over the busiest holiday period of the year with submissions closing 10 days after NYE. It's cowardly and dishonest. Clearly, Council aren't interested in receiving submissions. The LTFP seems to be an admission that Council and their Executives have been incapable of planning ahead. Most of the actions are normal activities for Council Executives and the elected Councillors. The LTFP is only needed because everyone has been asleep at desk and not doing the for which they get paid.

Why wasn't the LTFP issued before the election?

Cowardly and Dishonest! I don't agree to any of the four changes proposed - 1, 2a, 2b or 3.

I prefer to cap rates as they are and to force Council to spend the ratepayers money more wisely.

Why wasn't the SRV published before the election?

Why is there not a fifth choice? To not adopt any of the SRV options - forcing Council to manage their existing budget more effectively.

Cowardly and Dishonest!!!

Deceptive and misleading conduct by the Mayor. Keep the levies separate from ordinary rates. Ad levies, they are transparent and visible. Everyone can see how much is paid for each service, audit the application of the levy to ensure it is spent as intended and decide if the service should continue. they are, ie visible

Response reference: B, F, G, L

SRV613

After analysis of the NS Council's past Financial accounts(over the last 10 years), and observing that the Council's financial and operating results have been consistently negative, I believe more emphasis is required on the Financial Management at Council. In fact, Council can ill afford the 8 Informing Strategies, and should focus on the immediate issues in resolving the current financial and operating issues, including those emanating from the disastrous NS Olympic Pool re-build. I believe the current Council and Councillors are demonstrating they do not have the required Financial knowledge to understand, or correct the issues relating to the pool, and therefore those issues affecting other operational aspects of the NS Council. The current rates should not be changed The current rates should



not be changed I believe the AM Strategy is flawed, given there was a change in the way Council accounted for its assets in the 2022/2023 accounts.
I feel it would be better to have an external body appointed to look at and consider these Strategies, people with more expertise than Council.

Response reference: A, B, F

SRV614

What a joke. I'm not paying for the incompetency of the council. I can't afford it. I don't and never had used the pool. What a joke Don't do it it's unfair I cannot afford it. I'm going to be selling and moving from the area as a result if this Your mismanagement shouldn't impact me financially Should all be sacked and hire competent people

Response reference: B, F

SRV615

I remain unsure of the way in which this process has evolved and the reliability of such long term planning options. I have formed the opinion that the merging of so many substantial issues into one singular financial decision point is diluting focus on the varied issues. There was no alternative presented which reflected no change to existing rate increases and a reduction of staffing and council operations with a capital debt aligned to the long-term benefit of the pool. The weight of rate increases should fall to rate payers that harvest North Sydney's location to commercial benefit, including educational institutions. Many students live in other LGA's yet use North Sydney infrastructure with therefore rate contribution directly or indirectly. These same argument rests to major employers. Rating differentials for organisations based on desk capacity are worthy of exploration. I do not agree with the consolidation of existing levies into ordinary rates. If the logic of the original council decision to set the levies apart from ordinary rates as peculiar benefit or assignment arose to specific ratepayers then the council should stand by that decision process. If council have correctly accounted for assets and used depreciation and asset management appropriately in the past then future funding of asset maintenance and upgrades should be already funded. The management of funds arising from depreciation should be considered and reported seperately. The delivery program appears considered but given the timing and evolution of this issue and the scent of council performance and management that surrounds this should an election follow for the consideration of alternate plannings. If council management are the custodians of the assets beyond the intermittent meddling of politicians, what does the current situation suggest of the quality of the management team?

Response reference: F, J, G, B

260



SRV616

I challenge the options I am totally opposed to the proposed rate increases I am not in favour of proposed consolidation I have no faith at all in Council to provide valid asset management Applicable Council staff should resign

Response reference: F, B

SRV617

I have developed a petition to oppose the SRV with 1565 names as at 10/1/2025 - this can be referenced here <https://www.change.org/p/urge-north-sydney-council-to-stop-its-proposals-for-massive-rate-increases>

Additional response: Council notes the petition.

SRV618

The Council should consider selling assets that will not be able to be development in the foreseeable future. This can be by outright sale or by ay of a 99 year lease. An example is the former industrial land at Berrys Bay. The area has been lying dormant for years and the buildings vandalised. Given the current financial situation nothing is going to change. There should be no increase rates other than the normal inflationary increases. Costs should be trimmed back and assets sold. The North Sydney pool could be sold on a 99 year lease to cover the debt.

Response reference: D, F

SRV619

Please do not raise my rates. I am just hanging on. I was made redundant on 31 July and am still out of work

Response reference: C



SRV620

How is the pool 4 times the original budget How come the pool is four times the original budget Budget blow out needs to be answered firstly

Answering question 9 is impossible till a full disclosure of cost overruns is explained Is there a credible Asset Protocol A full investigation is needed to unprecedented cost blowouts and resulting negligence

Response reference: A, F

SRV621

First North Sydney had no problems. We were financially sound, and denied any need for amalgamation. Then Council decided to take on a redevelopment plan of the Pool which was way beyond its competence, and way outside the bounds of risk that the City's revenue base could tolerate. The project started going pearshape. We all read about it in the "Sydney Morning Herald", but the Council itself said nothing. Gullible ratepayers may have thought Council's silence was supposed to be reassuring; but Council was just burying its head in the sand. Now, suddenly, when everyone is on holiday, Council wants us to take seriously the proposition that we need to more than double our rates in order to remain viable.

Any non-government organisation making such a claim would immediately be considered actually, if not legally, bankrupt. The proposition is breathtaking in its arrogance. To put it into perspective, its implementation would make council rates my biggest single expenditure item - more than total utilities (gas, power, water and internet), more than total expenditure on my car, more than total health costs for myself and my wife. The sums are so great, you would think the last Council election campaign would have been dominated by this issue.

But not so. Someone is going to have to pay for the Pool fiasco. I accept that that someone will include me. But I think that the fiasco is so bad, that the Council's honesty about it has been so lacking, and its ability to dig itself out of its own hole so inadequate, that any solution has to be without them - without anyone who has had anything to do with the Pool.. North Sydney Council has run itself onto the rocks. Someone else will have to save us. It can't be done by a feedback process designed to format out true opinions by restricting questions to a handful of arbitrary, business-as-usual alternatives. I'm know I'm going to have to pay. But I want to see heads roll - lots of them. hardly relevan

Response reference: A, G, F

SRV622

SRV Minimum Rate

262



Blanket increase to minimum is a now an unfair way to increase and inequitable.

Blanket minimum rate increases do not properly account for rateable value i.e a \$500k is the same as a \$700k. Under the existing minimum rate scheme of \$715 is tolerable however under the proposed SRV is unfair for people living in units (noting we all get charged a further separated rate for waste \$500)

For example a 50m2 one bedder will pay the same rate for larger two and three bedders and this disparity will be further extended to single dwelling residences based on the current scheme.

Unit blocks on say increasingly smaller blocks with low rateable value x high no against the SRV flat minimum rate is not transparent as the most equitable and fair method. These people are usually the lowest income earners, or young families and first homeowners that bare the highest m2/rates burden. North Sydney currently charges 23/24 ~\$1300 pa (via the minimum rate) for say small one bedder to two bedders this is much higher when compared to similar density suburbs such is City of Sydney south (Alexandria, Green Square etc). This will be further exacerbated if this SRV is approved pushing it to \$2000 p.a 24/25 for a smaller units (50m2-90m2). This with increasing strata costs, building insurance and high interest rate etc further reduces lower income earners and single income families to afford it (I cannot go to anyone for my cost of living pressures)

Comparison rates against similar high density areas should be factored rather than cherry picking councils that are predominately lower density single dwelling areas

Therefore there needs to be greater transparency and revision to make the scheme transparent to ascertain fair and reasonableness

LTFP

LTFP in Appendix A provides a whole laundry list of works that need to be further prioritised ie playgrounds, bush walking paths etc these seems to be not essential and can be deferred. Therefore greater transparency is required especially against revised conservative condition assessment.

Further major capital upgrades to North Sydney Oval and IT systems, community centres should be put on hold and not be considered until proper planning and independent pricing P50 and P90 can be ascertained and presented for consultation against current construction markets and or IT markets (i.e no surprises).

Other Considerations

Deferring of SRV is strongly recommended until the impacts of an ongoing renewed call for working back in offices takes place and commercial leasing outcomes, new competition of large commercial buildings and large residential developments currently inflight potential income are factored when they come online in 24/25.

All schools apart from primary public schools should be made to pay significant North Sydney levy/contribution considering their large land holdings over many blocks. These institutions are run as high fee and or selective educational or facilities (Wenona, Loreto, Marist, Aloysius, North Sydney Boys and Girls) therefore student intake is not for the primarily purpose of supporting local students like



public or catholic regional schooling. Include ACU if they are not too. Residents should not contribute to their wear and tear to North Sydney's road, footpath, park etc infrastructure. This should not be optional these institutions are run and present themselves as a business not primarily schooling based on old legacy ideals (plus they will just Levy per student so it is just a pass on).

Unfortunately the pool redevelopment is a poor outcome which is understandable. But as funding to do the decision was partly funded by Federal and State grants these should be pushed harder to pay the short fall. The pool is a very bespoke use full fee asset and not for all rate payers i.e need to be able to swim (in the case of North Sydney lap swimmer) also the location is very inconvenient i.e no parking and difficult access to public transport.

This asset due to its history should be made safe deferred indefinitely until a firm independent P90 price is ascertained, value engineered to ensure no more surprises. Or and better still due to location the area be offered to the State Government as part of the Luna Park precinct with an agreed council contribution to an agreed solution (i.e it may not end up a pool).

I do not endorse any options SRV the LTFP only the Rate Peg I would prefer consistency with prior year condition assessment protocol that is in line Office of Local Government norms"

Response reference: F, O, N, J, A, M, I, H

SRV623

There is no description of any of the savings council is proposing to make - only increased expenditure Firstly, the revenue reductions experienced through COVID are unlikely to be permanent and should therefore not justify a permanent increase in rates. Unit charges can also be lifted eg. parking prices. Paying down debt incurred for infrastructure investment is not essential, but rather a choice. A permanent increase in rates in perpetuity appears excessive and unjustified. There is no discussion of whether business users could carry more of the rates burden as initially intended during the original 80s/90s concept for the Nth Sydney CBD.

There are no concrete savings proposals. Initiatives like process mapping, structural re-alignment and service review framework do not guarantee financial savings or service improvements, that should should spelt out and quantified in the LTFP. There is insufficient detail provided to assess its merits. If there is an efficiency saving, this should be more clearly described and quantified. There is insufficient detail provided in the LTFP to provide feedback. Not provided with LTFP. At the very least, you should have provided links to these documents"

Response reference: F, B



SRV624

I object to the proposal to increase rates as the Council has been negligent financially. A better proposal is for Council to review its staff and practices to ensure that rates are spent for core responsibilities of the Council and not on matters which are more appropriately dealt with by State and Federal governments. In particular when Council is negotiating contracts care should be taken to ensure that money is not wasted as on the Olympic Pool.

Response reference: F, A, I

SRV625

As I have just today been made aware of this, I have not read all material, other than the proposal to increase rates by an obscene amount. This reeks of a council not in control. While I accept there may be grounds for incremental increases, on occasion, we, like many, are suffering from increases in cost of living. The numbers proposed are simply eye-boggling, and totally unfair on the residents. Following on from above, a 2-3% pa rate increase (roughly akin to cost of living increase) is, we suggest, more feasible and manageable by residents. I don't understand the concept and whether it makes us worse off, or better off. Why has this not been done on an ongoing basis, rather than panic stations"" now? To meet submission close-off, we have not been able to fully read and assess this.

Response reference: C, B, F

SRV626

Fact sheet provided in mail boxes about the SRV was quite difficult to understand. And contains many sweeping statements - more backup details would have made it more transparent. Also - only allowing ratepayer feedback over Christmas and summer holidays (closing 10 Jan 25) looks like this is designed to minimise feedback.

Other funding options for the pool redevelopment should have been included. As this asset is a state and national asset, so the cost should not be borne by the ratepayers of North Sydney. The fact sheet should have included mention of the Standard DWMC charge - is this going to remain the same or increase dramatically too?

Comments about reducing revenue are annoying following the recent change from Council relating to parking charges and fines. The practice of not giving motorist an immediate copy of the fine is possibly

265



illegal and definitely immoral. And the new parking meter app/QR code seems impossible to use on older phones - very frustrating. But the reason given for the change is that it is more cost efficient and ensures revenue collection. So why the huge increase in rates as well? a 50% to 75% increase in the first year is too high.

And its disappointing that such a large increase is proposed - which will remain in the rates ongoing. Why not issue one-off levies for the next few years to address the pool cost overruns, and backlog of infrastructure. Then stop the additional levies. It may simplify the process, but leads to less transparency and accountability The Fact sheet should have included details of the change in definition of the degraded assets. As the Mayor writes about wanting to be more transparent. But making the problem sounding worse than before (due to a change in definition) is Not being transparent."

Response reference: M, I, B, R

SRV627

All options are unacceptable. In a time of severe financial hardship throughout the community, it is beyond words how the council believes that ratepayers would agree to these massive increases. I absolutely reject any option encompassing the rate increases proposed. Why is the council not pursuing cost cutting measures, alternative cost effective options to complete the Nth Sydney Pool (this budget overrun is difficult to understand and accept)? A modest rate increase in line with inflation would be acceptable - but NO more. No, transparency is needed, all levies and rates need to be separately detailed. There is no asset Management strategy until the Elephant in the room is sorted.

Response reference: C, A, F, B

SRV628

I am to opposed this SRV. Due to current financial stress on every house, I think the NSC should stop this significant SRV increase. NSC should provide additional information and strategies. I think procurement strategies should be consider to reduce costs and drive savings. I think Delivery Program should be revisited as per priorities for the community

Response reference: C, F



SRV629

Council has failed to adequately explore cost reductions and asset sales before seeking SRV measures. There should be more aggressive cost minimisation alternatives - including at least one option without an SRV. The fact that Council was recently re-elected is not enough for a justification for stinging residents so aggressively during a cost of living crisis. Justification is weak and other alternatives should have been explored - including asset sales and more aggressive cost minimisation within Council. It's our rates and services - and we should be given a full range of alternatives. Supportive - but not supportive of the very aggressive increase. More aggressive asset sales should be explored

Response reference: F, L, C, D

SRV630

Critical criticism is the hugely increased capital expenditure for the North Sydney Olympic Pool. The costs associated with this expenditure are incredible and it is not worth the money being detailed by the Council Cut Costs and leave rates revenues where they are. North Sydney Council has been in the enviable position over the last decades of having a large Commercial Customer base paying business rates and effectively assisting to subsidise residential ratepayers. Huge increases in rates receipts are going to be received due to the new Crows Nest Railway Station area high rise development. Where is all the revenue going to get the Council into the tight financial position it says its now it? Reduce your Expenditure North Sydney Council. Your rate revenue is already increasing due to all the increased residential and business developments around the new Crows Nest Railway Station

Response reference: A, F

SRV631

I believe North Sydney Council (NSC) have not adequately explored cost cutting and asset sales as alternatives to the proposed SRV. Additionally NSC does not have a great track record of managing projects (North Sydney Olympic Pool) in a financially viable way to give residents confidence that further special rate increases will not be required. The recent reelection of NSC is not justification for the SRV and if this progresses I will actively work to ensure the mayor and current council member are not reelected in the future. There should be more aggressive options that include cost cutting and asset sales, including at least one option that does not include the SRV. To be clear, I've selected Option 1, but I'm not supportive of any of the options provided. Being forced to select one of the proposed options is disingenuous and not in the spirit of gathering honest feedback from residents. I'm supportive



of the consolidation for improved transparency related to our rates, but not supportive of the SRV.
Explore more asset sales to reduce or eliminate the need of the SRV.

Response reference: F, D, A, B, L

SRV632

The North Sydney Council have totally mismanaged the Olympic pool repair and it is totally unacceptable to put the burden of this mismanagement onto the rate payers. There should at most be a rate increase in line with inflation. Get a long term NSW State loan to fund the gold plate North Sydney Pool project

Response reference: A, H

SRV633

I strongly oppose Council's LTFP and SRV. It is a knee-jerk reaction to a financial crisis inherited from former gross financial mismanagement, vainglory and a lack of relevant expertise, Please DO NOT repeat this. Dire predicaments require tough action.

HALT ANY FUTURE INFRASTRUCTURE PROJECTS especially the Cycle Path and projects that cost money instead of bringing in money to Council.

Council cannot afford to pay for them and WHY didn't it they acknowledge this year's ago with transparency. I oppose any changes where a liquidity crisis of Council's own ineptitude is passed on to the innocent ratepayer.

It is time to PRIORITIZE the basics NOT the ""feel good"" niceties. Residents will not be fooled. Another smoke and mirrors strategy

APPOINT AN INDEPENDENT FINANCIAL ADVISORY BOARD consisting of people with relevant expertise Put ALL informing Strategies on hold for up to 5 years and the costs associated with it while financial positions are addressed and hopefully improve. CALL A MINIMUM 6 MONTH DELAY for calm and disciplined response to this crisis based on INTEGRITY, TOUGH CALLS.

Only this will increase the constituents confidence that they will not become scapegoats for former Council's mis-management.

Take the TOUGH DECISION

Response reference: N, F, B



SRV634

Two questions, firstly are we able to levy the private schools if the aren't already? They use the services so seems to make sense. Secondly, are rate paying residents able to use the pool for free? Given the special levy is primarily for this reason, it seems to make sense that they should be able to get the benefit.

Response reference: J, E

SRV635

Since the Nth Syd pool has been one of the reasons for the need to increase the council rates, the rate increase would be better received by the community if locals were provided free or heavily discounted entry to the Nth Syd pool once built.

In addition, Council should explore options for private schools to make financial contributions towards public amenities since they are frequently use by these schools.

Ok to pay an increase in rates when the funds will go directly towards improving amenities in the local area which locals will benefit from. Makes sense to consolidate and uncomplicated council rates/levies

Response reference: A, E, J

SRV636

This is not fair to rate payers - we did not mismanage funds or arrange ridiculously expensive pool renovations (a pool not accessible to most due to lack of parking) - the Council did.

With the metro and new developments you have many more ratepayers.

Increase the rates of all the commercial properties in the area. Increase the rates for all the filthy rich private schools in the area - that cater for all those students who live out of the area yet burden the roads and infrastructure.

It's unreasonable to increase rates for locals who live in the area in a cost of living crisis.

Also cut unnecessary costs like the weekly household tip run - the streets look like a dump and it encourages people to dump stuff for landfill instead of taking perfectly good items to charity shops or give it away to those in need. "

Response reference: K, C, F, A, J



SRV637

Where is the explanation of why asset sales are not an option? The North Sydney Pool project seems to demonstrate that the asset cannot be effectively managed, and the community has now been long deprived of the amenity of the pool. Can North Sydney Council please consider selling this asset to enable it to be appropriately managed for the benefit of the community? This would also alleviate the impact of this situation on the rate payers through the SRVI want to understand what other options to fund the strategy other than these rate increases

Response reference: D, A, M

SRV638

Excellent report, however the options not recommended by council such as extending the loan repay period or selling assets should be included and the reasons these options were dismissed. A listing of assets, their performance and reasons for retention/redevelopment should be included. Agree that minimum rate should be increased. Agreed.

Response reference: D, H

SRV639

Council needs to consider other options for refinancing the budget. There have been a number of economic analyses undertaken which speak to things that Council can do before hiking rates so much. Why did council not declare its financial position sooner?

Why is council not considering other options to refinance or addressing the financial crisis? For ex: selling assets, belt tightening, increase business rates, other considerations

I do not agree with this. Further consultation is required with community. I have chosen an option below but only because I need to in order to submit.

Response reference: G, M, D, K

SRV640

NOP will be a drain on Council resources for many years to come. Ratepayers should not be expected to carry this burden without considerable contributions from users of the NOP and assistance from State and Federal Government who will benefit from this tourist icon. I understand the need to increase the

270



minimum rate. NSC (and all councils) must continue to lobby other levels of government to remove some of the rate exemptions that are available to Private Schools, Religious Institutions, etc. There should be a minimum rate applied to many of the institutions that are currently exempt from paying rates.

Response reference: J, I

SRV641

We object to any rate increase.

Response reference: L

SRV642

1/ Is the financial projection for each of the options, reviewed by an independent source to provide confidence that the suggested funding options will 'work'? and to perhaps provide additional suggestions for other revenue generating streams?

2/ Are there any alternatives for increased revenue to supplement a SRV? Noted, that onsell of assets is a short-term solution only. Understand that schools are exempt from paying rates -- is this something that could change, especially as Nth Sydney LGA has many private schools on large parcels of prime real estate.

3/ Could events in our LGA bring in revenue -- using Nth Sydney oval for prime sporting fixtures (broadcast payments) but noted upgrades are required to these facilities, however if an upgrade will future increase revenue, this spend is valuable.

The Marathon now part of the world circuit could add increased revenue ? There are a lot of words in this document (as with the others). Isn't asset management (protecting the asset) a key function of the Council? Why isn't/wasn't this asset management assessment carried out as a usual part of business.

While all these words look great, how as the rate payer, can we be assured due diligence is being done/will be done. Is there an independent audit carried out? Why wasn't it done in the past -- which likely would have highlighted the issue. Does Council look to overseas to see what others are doing?

Look to other Australian councils to see what they are doing? To learn from their successes and failings. The 2020 customer satisfaction survey results are perhaps now out of date? Can this be rerun to see if improvements have been made, and where the dissatisfaction is, to link with the SRV -- since our rates are contributing to the key service items listed, pages 145-146.

Response reference: M, I, B, J, F, G

271



SRV643

I do NOT support any of the options.

I do NOT support raising rates without first cutting back on expenditure. No effort has been made to identify and implement savings.

I am very disappointed with the council for mismanaging council funds and now expecting rate payers to pick up the cost of that mismanagement. The whole council should be dismissed and the council's finances put into administration.

The management of the rebuild of the pool is ridiculous. By the council's own admission, this was not properly managed. It has now left a giant hole in the budget with more money needed to bail it out. Meanwhile, it remains a giant hole in the ground. A very expensive hole. It is a scandal that the council's finances were allowed to get to this point.

It also amazes me that we just had council elections not that long ago and not a word was mentioned about poor finances. I cannot believe that the council just woke up and realised they were in financial strife. Council would have known this and covered it up so they whole lot of inept councillors would not get thrown out at the election. They should have been.

It is also very poor form to run a consultation over the Christmas and New Years period when most people are on leave. This is underhanded and designed to avoid scrutiny. Council should be ashamed of this.

If council decides to ignore all the feedback and move to increase rates, then it should be the minimum increase. I do not support any of the options and I do not support increasing rates without first looking at reducing expenditure.

You can start by stopping to pay the useless councillors that got the council into this mess in the first place. Inexcusable!

Also, the numbers don't add up. According to the plan, a 50% increase on \$715 somehow equals \$1300. In reality, this is more like an increase of over 80%. Even if it was supposed to be a 50% increase plus \$129.34 in fees, this still does not add up. Council should be ashamed for putting out numbers that do not add up. I do NOT support incorporating fees and levies into rates. All that does is then allow them to be increased each year in line with the rate increases. Levies should be a straight cost recovery exercise. I do not support additional funding for asset management purposes.

To quote from the Asset Management Strategy "A key ongoing issue facing local governments in Australia is the management of ageing assets in need of renewal and replacement."

If the council is managing assets the way it has managed the redevelopment of the pool, then god help us all.

All of the evidence points to the fact that the council is incapable of managing assets or funds. The redevelopment of the pool is a case in point. The running of a consultation process over the summer holidays is another case in point. Council is clearly trying to hide it's incompetence and pull the wool over rate payers.

272



I think the council should be placed into administration and let professionals run it properly. I have no confidence in the councillors or the council administration to manage anything. All the plans were developed before the ""financial crisis."" They need to be redeveloped to reflect the reduced amount of funding available instead of increasing rates to deliver unrealistic plans. It is completely inappropriate to continue to push for the delivery of plans that were developed and consulted with incomplete information about the financial position. Delivery plan should reflect the constrained financial position. Sort out the pool, then come back and see what else the council can afford. I DO NOT SUPPORT FORCING RATE PAYERS TO COVER THE INCOMPETENCE OF THE COUNCIL.

Response reference: F, B, G, L, R

SRV645

It is not fair or reasonable to expect the residents of North Sydney to fund the mismanagement of infrastructure projects by local residents. Local residents are already facing the rising costs of living. This proposal was not needed nor wanted by local residents. Many residents simply do not have the budgets to pay for irresponsible council spending. Council must explore all other avenues to find the overspend on this project . Including but not limited to reduced or cancelled spending on all other projects and the sale of capital assets. Ratepayers should not pay for council mismanagement. None of the plans are acceptable. How did a 28 million dollar renovation become 22 million.? Why wasnt this proposal made public before the last council election? Should be transparent.

Response reference: C, M, B, D, G

SRV646

In the 20 years I have lived in the area I have never written to the council but I feel quite desperate with this issue. The proposed rate increase will place an undue financial burden on households and individuals, particularly during a time when many are already facing economic challenges. Many residents, including families, pensioners, and low-income households, will struggle to meet this new financial demand. I kindly request that the council reconsider this proposed rate increase and explore alternative solutions that do not disproportionately affect the most vulnerable members of our community. It is essential that we find a more balanced approach that ensures services can be maintained without causing undue hardship. The increase of rates is for a swimming pool that all Australians and International tourists can enjoy not just the residents of North Sydney council. I am pleading with you to save up for this construction just like any person who wants a renovation or a

273



pool..It is quite literally the difference between food on the table for me and many members of our community.

Response reference: C, A

SRV647

Suggest Council sell off some assets to realign the budget. What are the council properties in Greenwood Plaza & what are the used for?

Response reference: D

SRV648

Seems like a money grab to me Fo people on a fixed income this is a stab in the back during a period when a lot are struggling during this cost of living crisis I supposed the council outsourced the creation of this strategy to a consulting firm which probably cost us a fortune as well. And i am sure they couldn't care less about the cost of this to residents.

Response reference: C

SRV650

I feel that there needs to be some improvement and equity in the rating system for all the multi million dollar apartments paying the minimum amounts;

I don't agree with freehold residences having to pay such increased rates. It is unclear from your explanations for households to calculate how much their rates will be under these proposed changes. So very difficult to see what rate options would be preferred. Your explanations of including all levies into the common rate is appreciated to be made simpler.

I appreciate that the business rates should pay a greater share of the rates burden. Although many commercial buildings in NS LGA are under-utilised or empty, and it could take some time to fill again, post covid and "work from home" mindset, even with new Metro. Hence, if business rates are increased it will not assist with filling office spaces!



Agree that this should be done. It is appalling that Council assets have been allowed to deteriorate to such an extent - eg Council Chamber building, Library - needed a new roof and repairs long ago ... what was Council's asset manager been doing? Let alone the state of the NS Oval's grandstands and function areas - which I attended a function in that space in December - and the exposed trip electrical cords, the damaged grandstands seats etc., let alone the poor designed bar and function space. These assets should have been being maintained more regularly in a planned manner over many years - rather than being left to 'rot'!

These assets need to be brought upto a 'good' standard or better immediately - and be completed before any NEW projects as per the informing strategies are commenced Repair what you have before starting anything new ..

Response reference: K, S

SRV651

I do not believe that the council have truly assessed all options before proposing the SRV. The proposal feels like it is the easiest option vs sale of assets, review and renegotiation of existing and future contracts, review of all current spend. The future rates from all new developments. It would even make sense to review items like proposed cycle paths - whilst I understand federal funding, there is still an element of out of pocket to be funded by local councils, After a thorough review, then it would be a better time to propose all possible options.

Due to all of the above I would not support the rates variation. Once SRV and existing levies are consolidated, then it is almost impossible to foresee a time when they would return to normal rates. It seems this is a trick to increase rates by a substantial amount and not address the underlying issue of council not managing rate payers funds correctly. Again, I would like council to assess existing assets and maybe lease out to business to run them in a more commercial manner

Response reference: D, F, B

SRV652

Abhorrent behaviour from the council. I don't support any of their SRV policies and they should consider looking at existing council assets/resources before residents. Don't propose new shiny projects when the existing ones are struggling to be delivered. No. No. No.

Response reference: F, B

275



SRV653

I don't believe the current plan truly assess all the available options. Council has not engaged external financial consultants to look at other options. The pool can be handed over to the state government. Assets can be sold. Council should consider selling assets (houses) to raise funds. Additionally there still appears to be large waste i.e. cycle path costing \$5million. Yes, the state government matches \$3 for every \$1, but it's still an unnecessary expense which is far from utilised. Council should consider a PPP with the pool or handover the pool to the state government. Absolutely disagree with this. Special levies should not be rolled into ordinary rates. There is no guarantee that these levies will go back if rolled into ordinary rates. Lease assets such they're run in a more commercial manner rather than the council trying to manage these assets. Council should consider selling assets (houses) to raise funds. Additionally there still appears to be large waste i.e. cycle path costing \$5million. Yes, the state government matches \$3 for every \$1. Council should consider a PPP with the pool or handover the pool to the state government. No comment until the delivery program is reassessed with regards to financial viability.

Response reference: M, I, D

SRV654

I understand the importance of the work and services that Council provides, and that these require funding. However, the situation with the Pool's budget overruns is absolutely abhorrent, and it is disgusting to think that all of North Sydney's rate payers will have to bear the cost of a facility which 99.999% will never even use.

The whole project has been handled so badly that I simply don't think Council even deserves another additional penny from rate payers. Perhaps Council can sell the rights to the pool to help cover the budget deficit?

Response reference: A, D

SRV655

I do not support any of the options presented as they simply shift the cost and burden of council's incompetence and inability to act in the best interest of ratepayers onto the ratepayer. Furthermore, the infrastructure backlog increased from 3.1% of gross replacement cost of assets in 2023 to 13.11% in 2024 through councils amendment to its definition without providing ratepayers notice of this amendment. This change council is now using to alarm ratepayers of a ~\$100m increase in costs to in what simply seems to be scare tactic and a diversion away from the calamity that is the North Sydney pool development cost blowout

276



I do not support any of the options presented by council, Council in their wisdom chose to redevelop north sydney pool for no valid reason and in doing so did not correctly tender or contract the works leaving ratepayers exposed during a cost of living crisis. Council or the state government should bear the costs of this negligence not the ratepayers. Council is misrepresenting to ratepayers the actual infrastructure backlog through councils decision to amend its definition without providing ratepayers notice of this amendment. This style of scare tactic continues to highlight Council's lack of transparency, incompetence and inability to correctly manage ratepayers money

Response reference: B, A, F, C, I

SRV656

The lack of transparency on Council's financial position until now and the recategorisation of assets in a non-transparent way to justify the SRV is appalling behaviour by Council towards the rate-payers Council is meant to be working for. The options presented by Council are unjustifiable in the current economic environment. If Council needs to raise funds, instead of increasing rates, there are a number of other options that can be considered - reduce Council internal expenses to save opex, look at creative ways to increase revenue given the variety of venues and assets Council holds, sell some assets and overall hold the people that have mismanaged Council funds to account. Not supported as indicated above. Any increase to minimum rates is not supported. Look for alternatives. Not supported as indicated above. Any increase to minimum rates is not supported. Look for alternatives. Complete lack of transparency in terms of how assets are now categorised to justify renewal and maintenance - to increase rates, misaligned with previous approach and the majority of other Councils. Not supported

Response reference: A, D, L, N, P

SRV657

I disagree with the proposed avenues to return council to financial sustainability. Council should be making informed decisions, yet we saw at the first meeting of this newly elected council in 2024 that it supported by-elections in the case of causal vacancies without even knowing the cost of these by-elections. Council should consider selling assets it does not use, or those assets which have commercial value that it could get a good market value for .This survey should contain an option to respond against the SRV in its entirety, which it does not. Existing levies allow residents to understand where their rates and other fees to council are allocated.

Response reference: G, D, L



SRV658

Why was the situation allowed to deteriorate to such an extent, if revenue had declined since the pandemic, why was it not addressed earlier? Why has the infrastructure backlog costs jumped so dramatically even though the number of assets remained the same? How do we know that even with an increase in revenue that the same mistakes e.g. pool will not be repeated. There is really no true incentive for the council to improve its way of working. The council should stop all new development until the financial situation can be rectified. If the North Sydney pool cannot be complete within the current budget then the project needs to be halted or sold off. Other assets should be sold as well. Everyone has had to cut back on their goals the last four years and so should the council. Many people are dealing with flat or reduced income and so should the council. An increase from \$715 to \$1300 represents an 81% increase! No business would dare such an increase. It would be a massive shock to many lower income groups. Find other ways to generate revenue. Reluctantly supportive of this as it spreads the load more evenly. Wonder how more businesses will close along Military Rd as their rates go from 6,724 to 10,601 57% (at minimum). Focus only on repairing assets that would result in injury or additional financial losses. Do not start any new projects. Why has the infrastructure backlog costs increased so dramatically as compared to previous years. Why is the capital expenditure so high for 24/25, still the pool. Cut back on this."

Response reference: G, A, D, F, C, N

SRV659

I am a resident of the North Sydney Council area, living at [REDACTED]. I understand that the Mayor Zoe Baker, was talking on the radio that the Council might need to increase Council Rates to pay for the pool. On hearing that I was concerned as to the equity of that concept absent a mitigation.

The North Sydney Olympic Pool was, prior to its closing to be redeveloped, available to everyone to swim in for an entrance fee. There was no differentiation with regard to the entrance fee charged to residents and non-residents. The pool redevelopment has cost a sum of money that needs to be financed either from the council's accumulated funds or borrowing. Whether it is appropriate to allocate long-term debt to the pool (as a company might for a long-term asset) or aim to pay debt down over time, is a matter for the council to decide having sought quality financial advice.

On any borrowings the interest [and principal] payments could need to be funded by:

1. Profit from running the Pool complex; and
2. Council Rates

If the Council was to increase the rates, then that cost would be borne exclusively by the residents of the North Sydney Council area. The people who swim in the North Sydney Pool (noting that some of them



are residents and some non-residents), would not be subject to that rate increase. With regard to the Entrance Fee (which would be the main driver of the Profit from running the Pool Complex), if the Council decides to charge the same fee for North Sydney Council residents as for non-residents, then North Sydney Council residents would be paying more to swim in the pool.

A more equitable way would be a reduced Entrance Fee for North Sydney Council residents and a higher Entrance Fee for non-residents. No doubt the Council has the data on where the people who swam at the North Sydney Pool prior to closure for redevelopment came from. I used to swim in the North Sydney Pool when I didn't live in the Council area as I did it on the way to work or alternatively ran over the bridge from the city.

There is plenty of precedents for this differential charging in the Sydney area:

- On the Northern Beaches – local residents don't pay for parking at the local beaches
- Residents can apply for a Resident Parking Permit, which exempts their vehicle from parking time limits in designated areas in most Councils including North Sydney
- The City of Wollongong provides lower fees for residents using their aquatic facilities

I would imagine that depending on the final cost of the Pool redevelopment, that mix of differential pricing for admission to the Pool and also an increase in the Council Rates may be needed.

Response reference: A, E

SRV660

Take the hard decision and let us pay off the pool debt in three years Do not dither .. then careful budget control And get on with the good job you guys are doing, Don't sell off assets Let's feel the pain but end up with a great swimming complex

Response reference: S

SRV661

I would like to submit my feedback on the rate hikes due to the mistakes made by councillors. This would be ridiculously unfair for residents to cover the blow outs due to Council inefficiencies and not waiting for all the plans and designs to be finalised before passing the motion and starting work on the pool too many years ago. I am outraged and could not afford the rate hike. Why should we pay gift the Council's gross mismanagement of the work? I have 2 properties in north Sydney and am 67 and retired. Please work out other solutions. In a cost of living crisis these demands are impossible for residents to pay Also the pool is used by many Sydney people. Not just rate payers . Rate payers also never receive a

279



discount for entry into the pool either so please refrain from increasing levies. Please take responsibility and work out other ways. I will not be able to pay any levy increases at all. Can you borrow the money and/or sack those involved with this scandal and appoint new knowledgeable councillors. The current ones need to acknowledge their errors and pay for this gross error. I speak for a majority of rate payers in North Sydney area.

Response reference: B, C, E, F

SRV663

We've recently received an Informal GIPA requesting: Asset Backlog referred to in the Special Rate Variation for \$146m. There is a list in the Appendix, however I can not see where the totals match the \$146m number. In addition, is there proposed timelines and any status details aligned to each project? eg) examples highlighted in council meeting for council chambers leaking roof and library sewage issues would be urgent.

Seeking documents pertaining to the Special Rate Variation and the financial modelling. Please provide any modelling and documents that resulted in the 3 options presented in document 10.7 presented at Council meeting on Monday 25 Nov. please also provide details on other options considered and the financial impact of alternative models. Please provide recommendations as to why alternative options were not provided for public consultation.

Response reference: N, D, P

Additional response: The backlog of \$146 million is listed in the Council's Special Schedule Report on infrastructure assets as of 30 June 2024. This amount represents the cost needed to bring existing assets up to a Condition 3 (satisfactory) standard.

The project list in the appendix to the Long-Term Financial Plan (LTFP) is taken from the eight informing strategies and focusses primarily on upgraded and new infrastructure, it does not list every asset renewal that will be required over the next 10 years to address the backlog and maintain existing assets in a satisfactory condition.

The timeline for renewal and backlog projects scheduled for each year will be listed in the 4 year Delivery Program and 1-year Operational Plan. Projects are prioritised based on industry standard risk assessment. The 2025/26 Operational Plan is currently being developed and will list the renewal and backlog projects scheduled for 2025/26. This plan will be placed on public exhibition in April/May before it is adopted in June.



SRV664

I'm attempting to respond to the SRV survey: <https://yoursay.northsydney.nsw.gov.au/srv/surveys/srv-survey> but question 7 is a mandatory question and only offers the options provided, and all of them include a significant rate rise. It would not be conscionable that you would present 4 voting choices, with a mandatory answer for submission, with each of them requiring additional spend, for which the only published outcome would be "the people of North Sydney are happy to have rate rises". This would give an egregiously false set of conclusions and would render the survey statistically invalid (I run a statistics consultancy and would testify to the false conclusion should it ever make it to IPART). So, there must be an error on the page. Could you please fix it (and allow an alternative "none of the above" option, or another set of submission choices).

Response reference: L

SRV665

Dear Maryann, It is unfortunate that we rate payers are likely to be bearing the cost of mismanagement of the refurbishment of the NS pool, but I suspected that this was inevitable if we ever want our pool back. I would suggest as a concession for the inconvenience of not having access to this amazing local amenity for many years as well as the significant cost impediment to us that ratepayers should be allowed free access to the pool and its amenities for a period of 3 years.

Response reference: A, E

SRV666

Ive just received the SRV Fact Sheet. Thank you for consulting the community. Im a long term resident of NSC and understand the rates history of NSC and the great work that former NSC Mayor Ted Mack undertook in the 70s. I completely understand the difficult decisions that NSC is now having to make My query is: Is there any way that you could supply the most simple of spreadsheets either to individuals who request or a spreadsheet in the FAQ of the factsheet on line whereby one puts ones current annual rates into the current 2024-25 column of the Proposed rates table on page 6 of the SRV FactSheet and it calculates and displays the proposed rates under the four different options over the three years. It is difficult to work out the approximate cost impacts from the Tables in the SRV FactSheet which outline the rate path proposal table on page 4, the minimum rates table on page 5 and the Proposed rates table on page 6. A spreadsheet would ensure the complex assumptions in the tables are clear if council supplied the spreadsheet which generated the Proposed rates table on page 6. If one applies the maths

281



outlined in rate path proposal table on page 4 one does not get the same answers when applied to Proposed rates table on page 6 because of complex levy calculations. This would be so appreciated and be one vital piece of information to supply feedback on individual financial impacts against the public and community benefits of Council's financial sustainability. The spreadsheet would only take a few minutes as its already available to do the calcs to generate Proposed rates table on page 6 of the SRV FactSheet

Additional response: The proposed increase to your rates is dependent on several factors. Rates are charged as a percentage of assessed land value, with a minimum rate if the percentage of land value would be below this threshold.

If you are currently paying the minimum rate (\$715 a year) it is likely you will move to the new proposed minimum rate (\$1,200 in 2025/26). For comparison purposes it is important to consider this new \$1,200 minimum includes the current special levies, currently charged in addition to Ordinary rates which are on average \$129.34 per residential ratepayer.

If you pay an amount above the minimum rate, you will pay approximately your current rates charge multiplied by the proposed percentage increase. Again, this new rates charge includes the current special levies and this should be considered in any comparison.

SRV667

The Long Term Financial Plan accessed from today's email from council reveals that Council (on behalf of ratepayers) holds Investment Property amounting to \$53,698,000 Whatever this property is, North Sydney Council should be in the business of providing services to ratepayers, not investing in property, whatever historical reasons there may have been for it. Please advise urgently (so that I can consider it within the 10 January deadline imposed by Council) exactly what this property is, and whether any steps have been taken to sell this property to another investor so that Council's borrowings may be repaid.

Response reference: D

SRV668

Dear Zoe, I understand you are contemplating doubling the rate for residents as a way of paying for the pool cost. My feedback is as follows: - * Why should residents be punished for councils mismanagement of this project? * Given Luna Park and NS Pool are state icons which draw visitation from overseas tourists and outside the council, why should council residents be asked to fund this mess? I.e. NSW State Government should also be asked to put their hand in their pocket. & my last key point - if you ask residents to fund the pool black hole, then NS residents should be given something in return - i.e. free membership to the pool / gym as a way of softening the blow. Why is it fair to charge NS residents,

282



when Mosman, Greenwich, Manly, Seaforth etc residents will also gain benefit from the amenity and won't be slugged with the SRV. I think fining residents for this mismanagement will damage the councils image and is an expedient way to solve a problem not of residents making.

Response reference: A, I, E

SRV669

There is another viable option and that is to expand the pool for rate collection to include schools and any other entity that enjoys either paying a subsidised rate or no rate at all. The local schools benefit from the investment in the area currently paid for by the residents and businesses and so they should pay rates as well.

Response reference: A, I, E

SRV670

I am a long term resident living in North Sydney Council area. I object to councils proposed SRV. I wanted to respond to the request for community feedback to the proposed SRV however, the online community survey does not allow for residents to object to proposal at all. This hardly seems like consultation. With only 3 very significant rates increases presented, I object to all options. While the published information about current and proposed rates references "average rates", clearly many of us pay much more than that. My rates are currently more than twice the rates that council is using to illustrate their proposal. Obviously, the proposed increases would have a much greater impact on some of us, particularly retired and fixed income residents. Asking residents to pay for Councils exceedingly poor financial mismanagement is outrageous. Council should develop a plan for future services that allow it to function within its budget, like we all are required to do . Perhaps a suggestion would be for North Sydney council to move from being one of the highest litigating councils in NSW to the lowest. I wish for my objection to be noted as well as the manner in which Council has made it very difficult to lodge such an objection

Response reference: M, B, J

SRV671

I am lodging this complaint with you first as required by the Office of Local Government complaints process. I refer to the NSC Have Your Say online Survey / Submission form for the proposed SRV as

283



below: <https://yoursay.northsydney.nsw.gov.au/srv/surveys/srv-survey> Question 7, which is mandatory, as per the screen shot below, requires the user to choose from Option 1 (an SRV of 65%) to option 3 (an SRV of 111%). However, there is no option for "No SRV". Therefore, ratepayers who are opposed to any SRV are unable to save the online form unless they agree to an SRV of at least 65%. This is highly improper and egregious, and gives the perception that the survey / submission form is deliberately skewed to favour the council's preferred outcome, and to silence those ratepayers who are opposed. Please immediately update the online form to provide a "No SRV" option. Please note that this is the second occasion on which I have found it necessary to complain to the council about biased surveys – last time, I was assured that this was completely unintentional and inadvertent.

Response reference: L

SRV672

Further to my complaint earlier today as below, my concern is that the current "Have Your Say – SRV" online form is invalid because it does not accommodate ratepayers who oppose an SRV. There is nowhere on the form where users are asked "Do you support an SRV application Yes/No?" And Question 7 does not include an option for "No SRV", but compels respondents to choose a minimum increase of 65%. As such, in my view this does NOT constitute a valid "Community Consultation", and hence the results should NOT be presented to the meeting of councillors in February, nor to IPART. You may recall that something similar happened with the SRV application in 2019, hence my previous complaint of November 2018 about the biased presentation of the survey. I am afraid that history is about to repeat. At that time, the council strongly pushed for the most expensive Scenario 3 (a 40.26% increase), and the survey disparaged the rate peg option Scenario 1 (a 14.10% increase) - users were told that they would lose services under the rate peg and were asked to nominate those to be foregone. Then when the council presented the results of its "Community Consultation" to IPART in 2019 along with its (successful) application for Scenario 3, the council stated that "The community values the services which it receives, and overwhelmingly supports Scenarios 2 and 3". I questioned the validity of the "Community Consultation" in 2019, and am questioning it again now.

Response reference: L

SRV673

Your SRV Submission Form does not allow for any comment without agreeing to one of your four proposed rate increases, there is no way to provide any feedback if you do not agree with one of these four proposals. This is not community consultation. The form should be redesigned and reissued. Also



your cumulative totals are wrong as you do not include the Rate Peg of 3% for Options 2a and 2b when this peg rate is built into the 5% for option 1 and the 20% and 10% fr option 3.

Response reference: L

SRV674

There is no opportunity to vote for "No SRV". The online form is biased., Complaint - Have Your Say - SRV - Online submission form does not have a "No SRV" option. Form is biased.

Response reference: L

SRV675

Hello Council, I have received and carefully read the brochure council left in our letter box about the proposed Special Rate Variation. I understand the proposal is to lift the minimum rate from \$715 to \$1,300+, but what happens to the rates for rate payers such a myself who are part of the 23% of rate payers who already pay well above the minimum rate? Just wondering how the proposed SRV will impact on us. It's not at all clear from the brochure or council website. I'd be grateful if someone could explain how much rates will increase for those who already paying above the minimum...or will we not be affected by this change?

Additional response: The proposed increase to your rates is dependent on several factors. Rates are charged as a percentage of assessed land value, with a minimum rate if the percentage of land value would be below this threshold.

If you are currently paying the minimum rate (\$715 a year) it is likely you will move to the new proposed minimum rate (\$1,200 in 2025/26). For comparison purposes it is important to consider this new \$1,200 minimum includes the current special levies, currently charged in addition to Ordinary rates which are on average \$129.34 per residential ratepayer.

If you pay an amount above the minimum rate, you will pay approximately your current rates charge multiplied by the proposed percentage increase for ad valorem, as outlined in the Council report. Again, this new rates charge includes the current special levies and this should be considered in any comparison.



SRV676

Dear Mayor and Council Members, I write to inform you of significant anger in those I meet with on the North Shore, at the NSC and its delinquent management of projects such as the NS Pool. It is recognised that this appalling management has been not just by the present Council, but by past Councils as well. This anger is compounded by NS residents, such as myself, witnessing the spending of massive amounts of taxpayers money, by other arms of government, on massively expensive projects such as a cycle path on the Northern side of the Sydney Harbour Bridge. This project is overstated in terms of need, it is destructive of a significant number of trees, a pollution of visual amenity, hugely expensive and over-engineered. I strongly object to any rate rise at all, and do not support ANY of the options suggested by the SPECIAL RATE VARIATION. Governments at State and Local level, have proved themselves, time and again, to be unworthy managers of taxpayer monies. I also object to proclamations of Council wanting constituents to have their say - and providing a survey instrument that merely asks what sort of rate rise we would like. I don't want any! Council does not deserve it! Speaking with many NS residents, I find there is exasperation at the financial wastage by the NSC, and its appetite to spend significant monies on minority projects that assist with its "virtue signalling". The typical rate-payer is being treated as a "cash-cow" to bail out the mismanagement of projects such as the pool, and a variety of minority causes. The current economic climate and decline in spending power in most households, do not help your cause. Better management is needed. Priorities need to be re-assessed. Greater sensitivity to the current financial climate needs to happen.

Response reference: A, L, F, C

SRV677

As a rate payer of more than \$66,000 PA I am concerned at the proposed steep increases in rates. Having read the information available would your office kindly respond to my questions below or direct me to where I may find the answers. What is the % split between residential and commercial rate payers? How is the "loading" on commercial rates calculated and how is it justified? Commercial rate payers don't use the library, the swimming pool, NS oval, or the recreation areas - What is the dollar value they are funding such services they don't use? To be fair, are the residential rate payers funding services the commercial rate payers solely use? Is there any reason why education and religious organisations should not pay rates in the future as they enjoy the benefits the same as other rate payers.

Response reference: I, J



SRV678

I have submitted a reply to the have you say survey however it didn't allow me to say all that I wanted so I hope you have time to read my email. As a resident of Reynolds St for over 45 years I have experienced councils who have been well managed and some who have done an extremely bad job, wasting ratepayers money through mismanagement and neglect. The current council can improve their systems and avoid wasting money and I will give you three examples near my home. 1. Road repairs crn Winnie St and Waters Rd (photo below). The road surface at this location has been breaking up after a long wet period and council have had contractors repair the road for at least a decade. The road base is unstable and needs to be replaced but your staff simply have contractors resurface the road which they did a couple of months ago and already there are signs of the surface breaking up. Council needs systems in place that will alert staff if they are being called back to the same location multiple times. Whoever is signing off payment for this repair should be held accountable. 2. Road repairs Waters Rd near junction with Grassmere Rd. Once again you have had a section of the road where a pot hole appears after heavy rain and council has repaired the road several times. It is where Ausgrid dug a pit during the laying of the Artarmon to Mosman cable and the road base is unstable. The area was resurfaced a couple of months ago but already there are signs of a depression forming that will be a pot hole in the near future. 3. Dividing fence Reynolds St. This fence was last painted around 22 years ago and is now in bad condition. I emailed council several years ago asking them to paint the fence but didn't get a response to my email. One section of the fence near my home is sinking into the ground. These are just a couple of examples of council wasting rate payers money and I am sure it would be repeated all over North Sydney. What can be done ? I see in your leaflet all sorts of wonderful performance goals but none will be achieved unless council staff get out from behind their desks and out into the community to observe what is going on and how our money is being spent. Maybe council should consider employing there own staff in some areas instead of using contractors. The key points I would like to see come out of this consultation. 1. I agree with council adopting either option 1 or 2a. 2. Council look at the rate base and limit discounts being offered to various groups as I am sure there are many who can afford to pay more. An increase in business rates should be considered. 3. Stop wasting money on cycle infrastructure which benefits a small number of residents. 4. Put upgrade of Cremorne Plaza and Langley Place on hold until council are in a better financial position. 5. Under no circumstances do I agree with council selling off council property or Streets in the case of SCEGS. This is the family silver that once sold you won't get it back.

Response reference: L, F, M, N, K



SRV679

Zoe I note I have not received a reply to my email below to "council@northsydney.nsw.gov.au" so am trying your office. You have been handed a very difficult financial problem by the previous council, and as a Chartered Accountant I can see the reasoning behind the options you have presented to ratepayers. But if Council is sitting on \$53.7m of investment property, as the financial accounts appear to show, then I think ratepayers ought be given the option of requesting Council to dispose of some or all of that property so as to repay the North Sydney Pool borrowings, rather than expecting ratepayers to bear the brunt of it. After all, many ratepayers will have borrowings of their own in the form of mortgages, and by asking them to repay Councils borrowings rather than their own is simply shifting the debt to them

Response reference: D

SRV680

I'm considered an intelligent person with a couple of uni degrees (Pure Maths) plus Postgraduate studies, but after reading your recent flyer I'm unable to quantify the FINANCIAL IMPACT FOR ME. Could you provide ratepayers with this information? An online calculator would be ideal but do let us know that it's there.

Additional response: The proposed increase to your rates is dependent on several factors. Rates are charged as a percentage of assessed land value, with a minimum rate if the percentage of land value would be below this threshold.

If you are currently paying the minimum rate (\$715 a year) it is likely you will move to the new proposed minimum rate (\$1,200 in 2025/26). For comparison purposes it is important to consider this new \$1,200 minimum includes the current special levies, currently charged in addition to Ordinary rates which are on average \$129.34 per residential ratepayer.

If you pay an amount above the minimum rate, you will pay approximately your current rates charge multiplied by the proposed percentage increase for ad valorem, as outlined in the Council report. Again, this new rates charge includes the current special levies and this should be considered in any comparison.

SRV681

I am writing to raise my objection to the rates increase. I believe strongly, that the population of North Sydney should not subsidise the ego driven ineptitude of the previous mayor, who should face liability for their actions. As someone who incurred financial and professional harm from this person's actions, I

288



am in no mood to pay more. I am very sorry that our lovely area has been so mistreated IAXA-
^A,,jLLI_, we need beter systems to prevent this in the future.

Response reference: L

SRV682

The purpose of my letter is to raise with you a number of issues relating to a proposed increase in rates by my local council, North Sydney Council. The council has indicated through correspondence that there will be an increase in rates between 68% and 100%. According to the council, this increase is needed to ensure 'a positive legacy for future generations.' One of the issues raised by the council in correspondence is 'increased costs at North Sydney Olympic Pool redevelopment' The mayor of North Sydney (Zoe Baker) admits that these increased costs are the result of what she calls 'the legacy of poor decisions.' From media coverage of the pool redevelopment (Sydney Morning Herald, Mosman Daily, North Shore Times, North Shore Living, ABC Radio, ABC TV) this legacy includes: an inadequate original engineer's report on the condition of the pool; unviable scope of works for the redevelopment; inadequate costing of the redevelopment; lack of acceptable management by council of the project; unethical spending by a former mayor on activities related to the redevelopment (including an overseas trip to assess pools in other countries); an improper and perhaps illegal tendering process; and general unprofessional conduct by the council in the redevelopment project. For the council to now expect rate payers to fund the costs of these negative aspects of the pool redevelopment is unacceptable. My request to you is that as any rate increase will require approval from the NSW Parliament, you request North Sydney Council to (1) rethink the proposed increase, (2) provide other means of raising the funds needed to cover the enormous cost blowout for the redevelopment of the swimming pool (we are told that the blowout is approximately 100 million dollars), (3) investigate alternative means of solving financial problems which are of the council's making, (4) not expect rate payers to The proposed rate increase will be impossible for many rate payers. Retired people, such as myself, who own their own properties in the council area, do not have the financial resources to pay any increased rates at the level the council is proposing. The proposed increase is much higher than could be expected; an increase equivalent to the current rate of inflation in Australia, or to match the current Australian GDP would be justifiable, any increase above those levels is indefensible. The council maintains that it welcomes input from its rate payers, and this can be done through a survey on the council's web site. I have made a submission through this web site, however, the survey is flawed. It asks for respondents to select which level of rate increase they feel is acceptable. The choices are a range of percentages from 68% to 100%. This means that a survey respondent must indicate approval of at least a 68% rate increase. The survey does not allow respondents to indicate that they do not approve of the increase, that they would be happier with a lower percentage rate, or would like to suggest a viable alternative. The survey results will be used by the council to state that rate payers approved/agreed with the rate increase, when in fact respondents have no choice but to select one of the rate increases listed if they wish to proceed

289



through the survey. A flawed survey will result in flawed information which will be used to justify the council's position. My request to you is that as any rate increase will require approval from the NSW Parliament, you request North Sydney Council to (1) rethink the proposed increase, (2) provide other means of raising the funds needed to cover the enormous cost blowout for the redevelopment of the swimming pool (we are told that the blowout is approximately 100 million dollars), (3) investigate alternative means of solving financial problems which are of the council's making, (4) not expect rate payers to 'bail out' a council that has shown itself incapable of managing a redevelopment project, (5) hold the people responsible for this state of affairs responsible, and (6) consult properly with local rate payers. I also suggest that the mismanagement of the whole pool redevelopment project should be investigated by the NSW Parliament as a case of unprofessional, perhaps unethical, conduct

Response reference: A, F, M

SRV683

RE: Special Rate Variation. Dear All, You may or may not realise or care, but the community does not have the option of going cap-in-hand to some friendly benefactor or the like in order to pay for this SRV. It can only come from two sources increased income (work more) or from savings. Therefore, I object to the SRV unless the Council and its Councillors join in sharing our pain. Here are my requirements:

- I have looked at the Council's Financial Reports for the past 5 years and note that salaries and expenses have increased in everyone of those years - same further back. Therefore, I am proposing that Council reduce its' salaries and expenses by the same amount (50%). Expenses are normally the first area to undergo cuts in a commercial world. The same should apply to the Council. Why should the community do all the heavy lifting.
- I am proposing that all Councillors also have their stipends reduced by the same amount (50%). Once again why should the community do all the heavy lifting. A note - when I first moved to Sydney in 1986 all the Councillors were competent retired business men/women who worked on Council Committee's pro-bono - Ted Mack comes to mind. There are still plenty of such people who would be prepared to serve under the same conditions. Therefore, I don't accept that your work is so onerous so as to justify a stipend. It's a conjob to fill your own coffers whilst dealing out pain (climate change, DEI, Meters -the list goes on) to the community. Roads, rates and rubbish and servicing the community's daily needs are your core responsibilities. One more observation. I note that North Sydney Council has been identified as having one of the longest development consent times - 266 days. Therefore, I am not at all surprised renovation of the North Sydney Pool is over time and budget. The problem is internal. There are too many unnecessary rules and regulations (box ticking) which result in excessive unnecessary headcount. It's still called 'empire building'. You don't have to follow State and Federal lax examples in this regard. My last comment goes to the Councillors. How many of you campaigned on providing financial transparency as part of your platform - plenty. Therefore, I am astonished that no one mentioned that

290



the Council was in severe financial trouble prior to the elections. Since many of you were already serving Councillors it's impossible for one of you (Spenceley, Baker) not to have been aware of this situation. So, wait until after the election when you are again ensconced to deliver the bad news. Talk about abusing the trust of the community - you lot are a doozy. I would be happy to see the Council abolished and have outside Administrator installed. We needed a new set of unbiased eyes to look over the books. This is my opinion and will be my submission to IPART irrespective of the Council's own submission.

Response reference: F, A, B, G

SRV684

Firstly, your percentage increase calculation for Option 1 - financial repair - 2025-26 - is not 65.38% - it is 81.90%. $\$715 \times 65.38\% = \467.26 $\$715 \times 81.90\% = \585.59 THIS IS A TOTALLY UNACCEPTABLE INCREASE IN ONE YEAR. Council has obviously mismanaged funds and spent on unnecessary projects. e.g. Designated bicycle lanes are very expensive and cause chaos to install - they benefit no one. They introduce more problems than they solve. Total disruption to traffic flow because of the narrowed streets and make parking extremely difficult, if not impossible. In fact, I have never seen any cyclist using the ones near me. Whilst this is just one example, councils' failure to spend within its means, has resulted in the need to apply for an increase. The only option I would even consider is Option 1 - financial repair. I would only consider this if the increase was reasonable - not 81.90%. The rate peg is there for a reason. What you are asking for is totally unacceptable.

Response reference: A, L

SRV685

Dear Mayor Baker, I live in North Cremorne (I own my property) and I would like to ask you some questions about the recent consultation on rate increases. From your perspective what on earth has happened with the pool redevelopment? And who is responsible for the train wreck that has become the pool redevelopment project? I don't mind paying additional rates when required, but I feel like ratepayers have been blindsided with this large rate increase. We have heard nothing and all of a sudden we are being told that the Council is in financial distress and there are no other options. This is outrageous. Do you think the council needs additional funds? And do you think other options such as asset sales and other cut-cutting measures have been put into place or have been considered? And why are we looking at increasing services at this time when the council is claiming to need more funds? It's deep troubling from a transparency perspective. Is the incompetence with Council management ie the CEO and CFO and the Director for Infrastructure or is it Councillors? I would like to better understand how we have got ourselves into this mess, who is responsible, and what other options do we have that

291



should be considered rather than ratepayers having to pick up the pieces. I voted for your team of Real Independents but I have to say that I am not happy about this and the options provided are not good enough - there need to be other options to deal with this and ratepayers cant always be the ones picking up the piece of Council incompetence.

Response reference: A, F, D, B

SRV686

I had the privilege of meeting you at the North Sydney Council volunteer celebration last week (I was one of the 'chicken people'). Thanks for being there and for drawing our attention to the future strategies you are exhibiting and the reason for the unusual timing of the consultation. I have segmented my feedback for ease of referencing and hopefully to make it easier for it to go to whichever departments it needs to go to. Environmental strategy I support the initiatives outlined in the strategy. Things that are important to me/that I value: Preserving our tree canopy. We have lost so much of it to infrastructure, transport and also most and foremost to development. We have such high density in our LGA and the loss of vegetation will be of much detriment. An example is a DA that's been updated at bridge end from a smaller development to one that will result in tree loss near Badangi reserve and a prominent Norfolk pine. We must not prioritise buildings over trees. Care for our reserves and harbour through the programs you have in place and those that are proposed. Cleaning up our foreshore, including the campaigning you have been doing to get Maritime to move leaking unused vessels. I support recycling and waste avoiding measures. I support the work you do in creation and placement of infrastructure such as nesting boxes for your birds. I support all measures that help look after animals in our area as development continues to encroach in natural spaces. Housing I support preserving the 'missing middle' that is Wollstonecraft, where I have chosen to make my home. However, as I mentioned when we spoke, I don't feel safe due to the Liberal government passing the changing the rules to the 75% rule that might any day put me under compulsory acquisition if I am a 'holdout' if my neighbours want to sell my home. It is unspeakable that even with a mortgage paid, I will never truly own my home. And that 'just terms' kicks in if I don't want to, with a developer leveraging the type of acquisition process that key infrastructure projects do, with a 'fair price' just for my unit, when they get the benefit of the whole block. If there is anything that the council can do to thwart, shed light or advocate on the reversal of this rule that would be amazing. I have nothing against the sale and redevelopment of a block, so long as the will to do this is unanimous, as it used to be.

My place is not an investment, it is the home I bought and where I hope to age and die. In this age where housing insecurity is a massive issue, this matter is not discussed much. Height and zoning – related to the point above, I would love to see the current height restrictions in Wollstonecraft and Waverton stay how they are. That is the only silver lining at the moment to make greedy development less attractive, where developers can't go up from where the heights are. I understand that some mass rezoning such as TOD and the St Leonards precinct is not imposed by the council but by the State

292



Government. But council can influence – just like Fairfield Council's mayor helped scupper the 800 metre around a station free-for all that was proposed. I support 'density done well' and hope council continues to influence this. St Leonards is an example where that has not happened – the wind tunnels are constant, there is very little green space near buildings and unsympathetic architecture. Again, I realise that this was not Council's doing. Commercial and public spaces I have seen a lot of land-banking at the centre of Crows Nest shops over the decade, with many shop fronts (including in the Pacific Highway) shuttered and increasingly derelict. I wonder if Council can do anything to keep owners of commercial properties accountable for their upkeep, or make it costly for them to bank them. I don't support the short-term act of selling valuable public assets. I support the maintenance and preservation of important community and council assets such as the pool in public hands. I note the renovation of the pool has been a disaster, and remember being concerned when I heard the developer of the Opal Towers was given the job. Hopefully that nightmare will end soon.

I love the regular markets, be that the food one on Saturday, the ones at the Coal Loader and the one at Kirribilli. They are great ways for community meet. I am a massive fan of the Stanton Library and its membership of the Shorelink network. This has the effect of giving us multiple libraries in a wide geographical area. Waste management I support the extent and frequency of our waste services, such as fortnightly council collection. While I try to minimise how much I throw away, I think it's excellent that we have services to that extent to support the high density of the area. If those services were cut, we would have garbage-strewn streets. Sustainability I applaud Council's work on the sustainability space, from the Coal loader centre for sustainability to the gardens and many of the courses and services. You have been a leader in this space and it is very valuable in building community and making North Sydney a great place to live. I have participated in more than one volunteering program and am so glad they are in place. One downside of all the amazing green space is the horrible din of leaf-blowers, particularly the old diesel kind. Working from home during Covid saw me get a faceful of fumes and noise pollution multiple times per week. This may be well beyond the reach of Council, but is there anything that can be done to incentivise (or curtail) gardening and maintenance companies from using two-stroke engine/diesel/fuel leaf blowers and gardening equipment? There is extensive research from the EPA in the US to show the damage from the fumes and pollution of these appliances. Perhaps start by upgrading the equipment used by Council and lead by example? I'd love to see programs to help apartment owners to increase their energy efficiency. It's a challenge in a strata framework to get 'big' things done, such as replace gas boilers with electric heating in a building, or get solar panels on the roof of a strata building. I understand such initiatives may be beyond scope and funding for council, but thought I'd put those out there in case they are such that council could advocate for, or promote if they exist and are not popular. Economic development strategy I support the measures to create more employment in the North Sydney and St Leonards CBDs. While it is fantastic that they are good residential areas, to be able to work near home would be amazing. Again, thanks for all the work you do with your team of Councillors and Council staff. I am sure the hours are long, the work is hard and undoubtedly can feel thankless. But for every person complaining, there are many that silently give



thanks each day for the beautiful place in which we live. Thank you for being independent, and for serving the community in the way that you do.

Response reference: A, S, R

SRV687

We object to the proposed Special Rate Variation (SRV) and the various options proposed by Council. They are premature and unrealistic. We note that the Council admits that poor planning, poor governance and poor decision making has been made in the past. Let the Council demonstrate that this will not be the case in relation to the SRV and the various Strategic Plans. But now Council appears to be proceeding on the basis that one of the SRV options outlined in Council's fact sheet will be adopted and that this will be the end of the matter. This is not good enough and unacceptable. The SRV should at least be deferred until other possible actions are explored and evaluated. Where are actions and financial outcomes identified to sell Council assets, to defer proposed capital works (such as the Community facility at Berry's Bay and the North Sydney Indoor Sports Centre) and to significantly defer the implementation of much of what is contained in the Culture & Creativity strategy, the Economic Development Strategy, the Environmental Strategy, the Integrated Transport Strategy, the Open Space & Recreation Strategy and the Social Inclusion Strategy. We believe that the savings (based on Council's own numbers) would be very significant and may even indicate that an SRV for anything other than a nominal rate increase is unnecessary. No responsible person, where finances are in a mess, continues to spend as if there is nothing to worry about. He/she accepts the situation and develops a plan to remedy things particularly in relation to planned expenditure. We expect Council to be similarly responsible. When funds from asset disposal and from deferment of planned expenditure (preferably over a 3 or 5 year period) have been determined then the Council can look at the issue of an SRV and whether it is in fact required.

Response reference: M, D, F

SRV688

We are a longtime residents and rate payers to North Sydney LGA. This is my say: We oppose any rate rises above the CPI. The management of LGA should look to cut the spendings to save money.

Response reference: L



SRV689

I would like to object strongly to the proposal of the Special Rate Variation. We are longtime residents and rate payers and we strongly object to proposed increase of the rates. It will be too difficult for many people to find additional funds to satisfy your proposed request, some may be forced to sell their homes. The steep hike in rates will also have a negative impact on the value of the properties and rentals in North Sydney and will have inflationary consequences. It will also have a very negative effect on the survival of the local businesses who are already under pressure.

Response reference: L

SRV690

I have just received a factsheet from the Council explaining that they are in financial difficulties and want to increase my rates by a staggering 65% to 111% over the next three years. A significant reason for this SPECIAL RATE VARIATION has been the cost overrun on the upgrade to the North Sydney Pool of over \$50m. This cost overrun is the product of many things, not least by poor management not just by this Council, but by past Councils as well. I am also angered by the Councils invitation to have "your say" and giving a survey instrument that essentially asks what rate of increase between 65-111% we want. I don't want any of the options. Therefore, I strongly object to any rate rise of the amount being suggested, and do not support ANY of the options suggested by the SPECIAL RATE VARIATION. Governments at State and Local level, have proved themselves, time and again, to be unworthy managers of taxpayer monies. The typical rate-payer is being treated as a "cash-cow" to bail out the mismanagement of projects such as the pool, and a variety of minority causes. The current economic climate and decline in spending power in most households, do not help your cause. Better management is needed. Priorities need to be re-assessed. Greater sensitivity to the current financial climate needs to happen. I hope to see a better solution than just always using us as your money source to fix your problems.

Response reference: A, L, F

SRV691

as a long term rate payer, I have a valid suggestion to cut down on costs. We dont need 26 pick ups for "general" household clean ups. This simply encourages people to throw away often items which should be going to charity. I see it all the time. Sheets, towels, blankets, china, furniture etc should not be

295



going to landfill. I know for a fact, Woollahra, Waverley and Kuringai only have 2 pickups for this per year. If these pickups were significantly reduced we could make worthwhile savings for council.

Response reference: F

SRV692

We have reviewed information regarding the proposed SRV provided in a recently distributed circular and on the Council website. Although there is reference to many issues which allegedly contribute to the Council's present financial problems, it would seem that the major issue is the disastrous blow out in costs associated with the North Sydney Olympic Pool redevelopment. The latter is no doubt due to poor planning and implementation by previous council management. We consider it grossly unfair that the residents of North Sydney LGA should be burdened with the responsibility of salvaging the financial disaster resulting from this marked incompetence. North Sydney Olympic Pool is generally regarded as a Sydney icon and not just another facility available to North Sydney and its residents. Because of its harbour side location, facilities and history, the pool is typically frequented by people from all over Sydney and particularly the lower north shore and the inner city areas. Workers in the North Sydney CBD have been regular visitors to the pool before and after work and during their lunch hour. Also it attracts visitors from outside the NSC LGA for competitive swimming events and has been the venue for breaking many swimming world records. It is also a venue for schools, both public and private, to hold annual swimming carnivals so is used by students outside the North Sydney Council area. It also hosts district, regional and state carnivals. The pool operates a Swim School that also attracts students outside this LGA. The residents of NSC LGA comprise many senior citizens who are constrained by limited finances due to reliance on pensions and superannuation with fixed income streams. It also has public housing with residents who also rely on fixed public pensions. Likewise many residents, particularly working parents of young children, are suffering from high interest rates and are already in a cost of living crisis. A doubling of rates would be untenable for this sector. Reference was made in the circular to the fact that there was minimal consultation regarding the redevelopment of the Olympic pool. So it seems unfair that a community that had not been part of the decision making process should shoulder the financial burden when they were not directly involved in the planning process. Consequently, we consider that financial assistance should be sought from a much wider source than local residents. A massive SRV imposed over a number of years is untenable and punitive. Funding should be sought through other avenues such as state government, large corporations, sale of NSC assets or increased entry and membership fees for the pool when it eventually opens. As residents of North Sydney Council LGA for 45 years we feel strongly about this matter and urge you to consider the points we've raised and devise a more equitable strategy for solving the current financial situation.

Response reference: A, D, I, C

296



SRV693

The Council "Have Your Say" survey on Council's proposed special rate variation only allows participants to progress beyond Question 7 if we agree to one of the options for a rate rise. This is unethical and is not a genuine consultation as it gives no alternative options apart from the considerable rate increases and steers the outcome of the survey. I have not completed the survey due to this & object to the current survey and the huge rate rises suggested.

Response reference: L

SRV694

The current proposal for a variation to rates for North Sydney residents is unfair and unethical. Your "Have Your Say" survey only allows participants to progress beyond Question 7 if they agree to one of the options for a rate rise. This is blatantly steering the outcome of the survey and is not genuine consultation. We should not have to pay for the massive mismanagement and poor financial decisions your council has made in the past. Please provide us with more alternative solutions and seek support from the government to help get the council out of their massive debt they found themselves in.

Response reference: L, B

SRV695

Please be advised that as a resident of Neutral Bay and North Sydney Council rate payer for the past 23 years, I fully object and reject the proposed council rates increases. I also object to the "Have your Say" Survey which does not offer an option to vote against all proposed rate increases. North Sydney Council should be fully responsible for the improvement of it's funds due to possible mismanagement and over spending. Rate payers should not in any way be imposed the proposed high rate increases to resolve the Council's financial situation.

Response reference: L, B

SRV696

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from



Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV697

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV698

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV699

Dear ALL. I HAVE REPEATEDLY OFFERED A FREE WIN-WIN-WIN REGARDING YOUR CASH FLOW PROBLEMS, THE UNNECESSARY SRV, AND FOR EVERYONE INCLUDING THE AGEING DEMOGRAPHIC. AGAIN I FORMALLY REQUEST AS I HAVE RECOMMENDED IN THE PAST "I would like to kindly request that NSC (via your Rates Team board proposal) set up a rates trust account so that people with disabilities, dementia, memory problems, etc can pay their future rates in advance when they think of them. If you had not kept these records I would have almost no idea. IF NSC had a Rates Payer Trust Accounts I could pay say about \$7,000 into it for NSC to benefit for services etc and know that my next 7 years or so of future rates may be covered, and I/my family would not be evicted etc. My memory is getting worse, not better. I read recently that a number of mid-north Coast properties were sold by their Councils to recover relatively small amounts of money. A Rates Payer Trust Account(s) seems like a WIN-WIN-WIN for all. Even my Strata company does it and accepts payments in advance whenever, as seen below:"



PLEASE TAKE ACTION SO THAT I DO NOT HAVE TO STOP YOUR SRV. THANK YOU

Response reference: D

Additional response: Council can accept payment for rates in advance. Please contact Council to discuss your individual circumstance.

SRV700

DEAR ALL. HAVE U EVER TRIED CALLING NSC TO MAKE A COMPLAINT, OFFER WIN-WIN-WIN SOLUTIONS TO PROBLEMS, ETC, I HAVE IT'S IMPOSSIBLE, FRUSTRATING, ETC THEY ALSO DON'T RELAY INFO TO NSC COUNSELORS, NOR THE SRV TEAM, BOARD, HENCE MY EMAILS TO YOU. RE: SIMPLY ALLOW ALL NSC RATE PAYERS TO PAY NSC RATES YEARS IN ADVANCE LIKE STRATA DOES, LIKE SYDNEY WATER DOES, AND PRESTO U NO LONGER HAVE A SHORT TERM CASH FLOW PROBLEM NOR NEED TO SELL OFF DELINQUENT RATE PAYERS PROPERTY LIKE THE CENTRAL COAST DID

Additional response: Council can accept payment for rates in advance. Please contact Council to discuss your individual circumstance.

SRV701

I'd like to lodge a complaint about the special rate variation survey that is on your website. There was a question on the survey asking people if they are willing to agree to a rate increase and giving respondents the option to select numerous rate increases but no option to reject a rate increase. There is no option to skip this question, and there is no way to progress with the survey unless this question is completed. I find this survey quite biased to agreeing to a rate increase which is not what I wish to do. Numerous people have pointed this out on various social media forums. I would like for council to change the survey question so that participants are given the option to reject a rate increase and that way you will get a proper consensus of what ratepayers really think

Response reference: L

SRV702

I am writing to oppose the dramatic rate rises that North Sydney Council has proposed. I am a rate payer in Wollstonecraft. During this year's council election campaigners told me the main problem was mismanagement of the North Sydney Pool redevelopment project. The previous council was blamed, but be that as it may, it's the current council that now has to sort this out. Liberal MP Felicity Wilson is saying the rate increases could see rates double within three years. Is this correct? Regardless, has

299



council drawn up an action plan to cut costs across the board to minimise any increase? And I have seen no mention of council seeking state funding for what is clearly a heritage project with relevance to the entire state. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. I trust you will review your plans

Response reference: A, I

SRV703

I wish to register my objection to the suggestion that our rates be increased. My reason for this is the already high cost of living and the whole system is unfair because many entities do not pay rates at all such as private schools.

Response reference: C, J

SRV704

Maybe this has already been factored in – if not I suggest it be considered very seriously. I know how affectionately people feel about the pool and how the loss of amenity during the redevelopment has reminded people of how special the facility is. I know the council area has people of various financial means and the impact of the special levy will hit some people very hard that may not even access the pool. I there are people who would pay a one off Membership of the pool – limited to say 500 at \$2,000 each which would provide unlimited access for 2 people for 10 years to all facilities and a special parking sticker to allow on street parking in the area surrounding the pool. A similar scheme was used at the Sydney Football Stadium and others. While this may eat into operational income it will secure the necessary funding to complete the project and not penalise the residents who have limited interest. Yes there is an argument that this sets up a special class of user however I think the arguments for and against this will show it is a prudent and acceptable solution to the situation. Other opportunities would be to offer “sponsorship” of seats such as the park benches around Sydney – maybe the businesses of North Sydney could be approached to consider this. Happy to discuss further – the issue is quite solvable without the special levy.

Response reference: E, M



SRV705

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Presumably once the pool in question is fixed funded via the rates rise they will then decrease? I won't hold my breath

Response reference: L

SRV706

I am writing to express my profound frustration and anger regarding the shocking mismanagement of the North Sydney Pool construction project. As someone with professional experience in the construction industry, I find the delays and apparent budgetary blowouts utterly unacceptable. This level of incompetence in project management and fiscal oversight is irresponsible and demonstrates a lack of accountability. Projects of this nature demand strict adherence to timelines and budgets, and it is appalling that a public project has been allowed to spiral out of control without adequate justification or transparency. The community deserves answers: • Why has the project been so significantly delayed • What measures are being taken to bring it back on track • Who is responsible for this gross mismanagement, and what steps will be taken to ensure accountability? This situation reflects poorly on Council and undermines trust in its ability to manage public resources effectively. I expect a clear, detailed explanation of the issues at hand and an immediate plan to rectify them. Anything less is unacceptable. In addition, I am writing to express my strong opposition to the dramatic rate rises that North Sydney Council has proposed. Many local families and households are already struggling with tight budgets, and local businesses are still finding their footing after the challenges of COVID-19. This proposed rate increase will place an unfair and unnecessary burden on the community, forcing many to make difficult sacrifices just to stay afloat. I urge North Sydney Council to reconsider this decision and seek alternative solutions that do not disproportionately impact local ratepayers and businesses. It is imperative that the Council prioritises financial responsibility without placing undue strain on the community it serves. I urge you to treat this matter with the seriousness it deserves. The community will not accept further excuses or delays.

Response reference: A, B, C, K

SRV707

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from

301



Covid, this rate rise will see many locals having to cut more to make ends meet. Why isn't the Federal Government contributing to the cost of the Pool - it is a tourist attraction after all. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K, I

SRV708

Look at your incompetence over the years and think of your duty to the ratepayers

Response reference: L

SRV709

As a paying resident, I absolutely object to the rate increase for next year and beyond. Due to your incompetencies, why should the rate payers being paying for your mistakes? I'd like it acknowledged and on record that this is a huge fail on the councils part. And your survey needs to have another option of 0%

Response reference: L

SRV710

I have lived in Neutral Bay for over 20 years and love this part of Sydney. I am a long term rate payer and feel genuinely baffled by your 'Have your Say' survey. It is completely unethical to increase our rates based on your mismanagement of funds. In any other industry or sector, this would be illegal and everyone involved would get sacked. Consulting with the rate payers involves speaking with residents and seeking their views, feedback and suggestions. There has been no consultation and you've taken away our right to have a say by restricting our feedback to your proposed rate increases only. Seriously, what are you thinking? I strongly reject this. I understand you have got yourself into a big mess. There are other ways to address this mess than passing the problem onto the residents with a proposed 65 - 111% rate increase. You should be ashamed of yourselves.

Response reference: L, B



SRV711

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

SRV712 I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. North Sydney Council should consider cost cutting or efficiency measures before increasing rates and spending.

Response reference: C, K

SRV713

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Please consider alternative cost cutting by Council. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: F, K

SRV714

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I read in some detail the proposals outlined in the latest advice from the Council on the options. I was surprised and concerned that the options did not include: - any examination of the reduction of current council services to allay the additional cost burdens - no examination of efficiencies that may be possible by the council - no options on alternative funding mechanisms (loans) - no options on the sale of other council assets to allay the costs - no examination on alternative funding including non rate paying land owners (eg private schools - see further note below) I am not opposed per se to some reasonable increase in the rates (even above inflation) but the current proposals seem excessively harsh. When this is being asked by the community it only seems reasonable that a greater examination is made of the alternatives above. On the question of the exemption of private schools I would suggest the following - they enjoy services such as refuse collection, use of community facilities, roads, etc. I would propose that a special levy is applied for specific services given rates are exempted. "User Pays" principle. Payment for use of

303



facilities, garbage collection etc - There are many NON North Sydney resident pupils at Private Schools who enjoy the benefit of the Council's service provision. I would suggest a special levy be placed on each school for all NON North Sydney resident pupils. The principle of this levy would be that North Sydney resident pupils have parents that are contributing to the Council through their rates whereas the NON resident pupils' parents are not making any contribution to the facilities they enjoy. Can I urge North Sydney Council to have a more detailed examination of the alternatives before they unfairly burden local ratepayers and businesses.

Response reference: F, H, D, J

SRV715

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV716

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. A review on Council waste and services, un-necessary capital expenditure, and a cut back on staffing should be considered first. Most businesses face these difficult options at times. They do not have a monopoly to increase their prices

Response reference: C, K, F

SRV717

Please note that I selected Option 1 only because (a) it was the least bad of the four offered options and (b) it was not possible to proceed further with the survey without selecting one of these four. This is outrageously bad survey design and will hopefully be castigated in the media. Following from this, the

304



Council should most definitely not attempt to use survey responses to suggest ratepayers have selected a preferred option. In my opinion, all proposed options are excessive and unjustified. Why? Because the Council should not be seeking additional resources to expand services or to embark on major new capital works when it has demonstrably failed to manage the swimming pool and other projects efficiently, effectively and transparently. Where is the accountability on why so much money been wasted on a poorly conceived pool project that only a tiny proportion of residents will ever use? North Sydney's near-term need is for tight and responsible fiscal management aimed at improving delivery efficiency and reducing debt to a sustainable level and not for expansion of services and new profligate project spending. Put simply, go back to the drawing board and come up with new options. Hiring costly consultants to produce slick presentations is not the solution.

Response reference: L, A, B, O

SRV718

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. Not to mentioned the dramatic effects from the WFU project within our community. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV719

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. Yours sincerely

Response reference: C, K



SRV720

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. This shows complete lack of ownership by the council and complete inadequate Management by a council that are meant to represent the people! Why are we liable for your poor management? There has been NOTHING done about the noise pollution on blues point road to do with the hooning in this and other areas. Despite petition police involvement and many cry's to council about this. There has been a mess with the ramp on to the Bridge and now we have to pay for a pool. Absolutely NOT. Your management is poor There is no involvement with the community or anything to see the council supporting the community. It borders on criminal that something can go so awry The pool is millions out of budget. Why is this our fault? Council members get your stuff together and sort this out.

Response reference: A, B

SRV721

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: A, K

SRV722

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: A, K

SRV723

The recent letterbox leaflet that includes your message is beyond disappointing. The attempt by North Sydney Council to disguise their inability to appropriately manage project funds and budget forecasts as written in the leaflet as « a challenge compounded by ageing infrastructure, increased service delivery costs and growing population needs » is deplorable. Suggesting that a rate rise is a 'special variation'

306



and expecting rate payers to pay for Council errors and poor planning is infuriating. The 'have your say survey' is written in a format that inhibits any say at all, forces responders to select a rate hike option and has been carefully timed to coincide with the busy holiday period in the hope to reduce responses. Disappointingly transparent. Once again infuriating. Is it wrong to expect a council to have an accurate long term financial plan and be able to manage development projects without massive budget shortfalls? How on earth did the North Sydney pool project get so off track or should it not have been started in the first place? How can the budget be in surplus one minute and in an unsustainable position just months later? Residents and rate payers are already paying for Council's poor planning and handover of streets to Transport for NSW and the WFU project prior to ensuring proper processes were in place. Alfred St North residents continue to pay for parking while having none, continue to battle to get streets cleaned and cleared, have 24 hour disruption due to road works while buck passing between all involved continues. The majority of these issues could have been resolved if an appropriate handover with processes put in place by North Sydney Council had occurred. It did not. Rather than expecting rate payers to fork out for repeated mismanagement let's see some transparency on why we are in this situation. An independent inquiry is clearly needed. North Sydney Council get my vote of no- confidence

Response reference: L, B, A, G

SRV724

As a ratepayer in North Sydney Council we have received the survey about potential rate increases at various levels including up to 111%. You are asking for a incredibly massive increase in rates that affects all rate payers without providing much detail on why you need the funds. Hopefully community projects! We assume one of the major reasons for the increase is to pay for the overspend on the still to be completed North Sydney Pool. Can you please provide more financial explanation, rather than a few paragraphs about poor management, on what contributed to this major cost blowout. Council needs to come clean about the pool, before asking ratepayers to trust Council with ratepayer funds..

Response reference: A, B

SRV725

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. These proposed increases are out of touch with reality and Council should be looking internally to make amends for its own complete mismanagement, not imposing it on ratepayers - whatever their means. If it were private enterprise there would be severe repercussions and there would be no 'lifeline'. I urge



North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: B, L

SRV726

I am writing to express my opposition to the proposed exorbitant rate increase by North Sydney Council. The scale of the increase not only affects many local families and households managing tight budgets and local businesses recovering from Covid and will result in reduced household spending to try and make ends meet. It will also have a deleterious impact on land and property values. Our household budgets and the value of our properties will be affected. Proposing only one solution to solve what is a failure of management you are urged to reconsider and seek alternative solutions and expert advice and not unfairly burden local ratepayers an businesses

Response reference: C, K

SRV727

I am writing to express my opposition to the proposed exorbitant rate increase by North Sydney Council. The scale of the increases not only affect many local families and households managing tight budgets and local businesses recovering from Covid and will result in reduced household spending to try and make ends meet. It will also have a deleterious impact on land and property values. Our household budgets and the value of our properties will be affected. Proposing only one solution to solve what is a failure of management you are urged to reconsider and seek alternative solutions and expert advice and not unfairly burden local ratepayers an business

Response reference: C, K

SRV728

As a long standing resident of the North Syd Council electorate I am writing to voice my outrage at the bias embedded in the Have Your Say survey, requiring participants to support a proposed rate increase to voice an opinion. I am amazed our elected representatives felt this was acceptable in any form and I have lost confidence in their judgement. In relation to the rate increase, in a cost of living crisis the proposed options are completely unacceptable. Sell assets, including the pool, and the pool

308



redevelopment can be funded on a user pays basis like toll roads. I do not use the pool and refuse to fund this financial mess as a result of mismanagement.

Response reference: L, C, D

SRV729

Your proposed rate hikes are obscene in their size. How is it possible that your reports from the last two years make no reference to any financial mismanagement or financial incompetence and yet suddenly you have to turn on the people that you are supposed to be caring for with these dramatic changes? I am in opposition to the dramatic rate rises that North Sydney Council is proposing. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: G, C, K

SRV730

I have never written a message to a politician or public officer in my life. But this situation demands an opposing voice I am writing in opposition to the dramatic rise in the rates proposed by the North Sydney Council. These increases are draconian and will impact many households already managing tight budgets, and local businesses. It is inconceivable to me, having run businesses and budgets for decades, that there are no expenditure cuts, or expense planning you can delay, that you can make to meet your fiscal goals. I assure you that the mood in the community is very negative, and if these increases are ratified, and many others, will do all we can to make sure that a political cost befalls those who have orchestrated it. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K, F

SRV731

Opposition to the Special Rate Variation I am in receipt of your newsletter, received 12/12/24 advising details of Council's Special Rate Variation, I wish to advise that I am in total opposition to the proposed rate rise. Further, I am concerned, as it seems there is no indication that the rate increase is temporary and that rates will be reduced when pool repairs are completed. Before simply raising rates,

309



Council must consider other ways to fund the costs of repairing the Olympic pool: Debentures, backed by Council land and property assets, specifically just to cover the costs of the pool. Taking out a loan from the State Government, as suggested by Felicity Wilson, MP. Sale of the pool when repairs are completed. Luna Park new owners may be interested. Sale of Council owned properties. Cutting back on less necessary services. They can be restarted if really required when finances are improved. They may be found to be unnecessary. Strict cost cutting measures within all Council's operations. I am sure you will receive other suggestions to avoid the rate rises, I would like to think you consider all of the possibilities before your approach to IPART. It is a shameful state of affairs that the pool project has been managed so badly by Council, and an insult to ratepayers, that having done a poor job, you simply take the easy path and raise the rates to pay for Council's mistakes. And that little was advised before the recent Council elections.

Response reference: L, D, H, F, A, G

SRV732

I strongly object to the Have your Say Survey on the grounds that residents do not have any opportunity to suggest alternatives to the massive rate rises proposed. In this cost of living crisis, it is beyond belief that rate payers will be slugged for the incompetence of council. Surely, alternatives need to be considered. I am very concerned as to how I will be able to pay these massive increases. Please, give the people a voice!

Response reference: L, C

SRV733

There's lots of support being rallied in the community for north Sydney council to make big cuts instead of Rasing levies. The council should start with demanding all staff are back in the offices full time. Those those who don't will leave and the council can save money on redundancies. Anyone remotely involved in the pool mess should be cut. It would be good to see north Sydney council focused on serious cuts first. Any private business would be doing the same.

Response reference: F

SRV734

Thank you for your response. AS you know the swimming pool has been associated with sport including the olympics for many years' The change in federal electoral boundaries places Zali Stegall as our new



member. She was a barrister and an olympian skier . she could be approached to see what assistance might be available in raising funds and she might be inclined to help.

Response reference: I

SRV735

As a resident of North Sydney I am writing to express my concern and opposition to the proposed Special Rate Variation (SRV) currently under consideration. While I understand the importance of maintaining and improving infrastructure and services within our community I believe this proposal requires further scrutiny and openness to changes for several reasons. Firstly, the financial burden of higher rates may disproportionately affect residents already facing cost-of-living pressures. Many households are navigating challenging economic conditions, and an increase in rates would exacerbate these difficulties. Secondly, it is unclear whether sufficient alternative funding options or cost-saving measures have been explored to avoid placing this additional strain on ratepayers. Transparency around these efforts would help build trust and understanding within the community. To date there is a complete lack of trust. Finally, I believe that a comprehensive community consultation process is essential to ensure that all voices are heard and considered before moving forward with such a significant decision. True community consultation is not just a complex brochure put in letter boxes, or an online survey that requires a degree in economics or a few public meetings, particularly at this busy time of the year. Ratepayers deserve simple clear, detailed justifications and evidence of the necessity and efficiency of this proposal. I urge the Council to reconsider this proposal and to explore more equitable and innovative approaches to meeting its funding needs. We live in an iconic area that is used and abused by non-residents and visitors from all over greater Sydney, NSW, Australia and overseas. As an example, our beautiful parks and gardens and waterfront areas are allowed to be used for free as wedding and party venues, etc by businesses from all over who make money out of these events but pay nothing to the council for this privilege. Surely Council could earn a decent income from these events/organisations by charging a small fee!! This is just one example of other ways of the council earning a fee for service. Thank you for taking the time to consider this feedback.

Response reference: C, F, B, M

SRV736

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from



Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV737

We as residents of Neutral Bay and Rate payers of North Sydney Council for 20 years, object to all proposed rate rises. The rate rises are exorbitant, especially in this already difficult time which is referred to as 'Cost of Living Crisis'. I understand that the mismanagement of funds and forecasting is not the fault of the current councillors, however I strongly urge that the rate increases are done in a more realistic way. Please also consider cutting back on unnecessary costs such as; - House hold waste, every 6 months instead of every fortnight. - No leaf blowers - McCallum Pool could close for a period of time in winter so there is less maintenance or no maintenance during the period which no one really wants to use it. Increases in costs in other areas; - Parking meter per hour increases

Response reference: C, F

SRV738

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I feel it is unfair and I would like you to reconsider this proposal. I am in my 80's on a fixed income and would find it a hardship to have the rates increased as suggested. I own [REDACTED], Cremorne and this is my place of residence. I also own [REDACTED], Cremorne where my daughter and her young family reside. They have five-year-old twins and a baby six months old. My son-in-law is the only income earner and they find it very difficult to manage. Obviously, I cannot expect them to pay much rent, since they find living expenses very challenging. I cannot possibly absorb these rate increases on their house and mine. As far as the cost "blow-out" with the North Sydney Pool, I suggest selling it to a developer or private organization or fill it in! It is unreasonable to expect taxpayers to make up for the shortfall on this ridiculous project. How is the Council cutting back on expenses?? I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, D, F



SRV739

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Council should look at cost cutting measures and cancel its planned 57 million spending on projects rather than further burdening local families and businesses. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: F, C, K

SRV740

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. It is particularly sneaky that Council has chosen to notify ratepayers of the various pre-determined rate-increase 'options' under the guise of a variation consultation and over the Xmas holiday period. Ratepayers/constituents have been given no voice in any options analysis discussion of alternative service reduction or efficiency options. To simply expect ratepayers to subsidise a grossly ineffective Council administration is to treat all residents with disdain. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council management and elected officials to reconsider this position and not unfairly burden local ratepayers and businesses. At the very least a genuine public consultation should be begun, to include scenarios for significant non-essential service and cost reduction, including the possibility of amalgamation with adjoining Councils, sale of the swimming pool site and a halt on the commissioning of any new Council capital projects requiring increased ongoing asset management expenditure.

Response reference: C, K, F, D

SRV741

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Foisting your survey on ratepayers to volunteer what vastly increased rates they should pay shows a remarkable lack of leadership, irresponsibility and incapacity to consider all the options. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge all North Sydney Councillors to resign and let professional managers extract ratepayers from the mess created by Council's inept



handling of the North Sydney pool redevelopment. I am hoping the State Government will step in and sack the current Council.

Response reference: L, C, K

SRV742

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV743

I am really shocked about the huge rate increases that North Sydney Council has proposed. I have just moved to Waverton from Turramurra, where the council rates were \$561 for a comparable service (although in Turramurra we get weekly green waste pick ups). The rates here are very high as it is, but to double those rates seem like daylight robbery. The council has a moral duty to work in the best interests of the community, and to manage finances prudently. With many local families and households already with tight budgets, simply forcing the community to pay even more for profligate spending is irresponsible. If the council cannot manage on the current rates, they should be rethinking their spending priorities, cutting back as necessary and seeking a loan from Treasury if needed. Please do not fleece the residents who live here. As my grandad used to say, it is very easy to spend other people's money; I would like the council to consider that the money they are spending was hard-earned by the people they are taking it from. Please use it prudently and respectfully. I urge North Sydney Council to reconsider this position and not burden local ratepayers and businesses. Look to yourselves instead to see how you can run the services efficiently for us.

Response reference: C, F, H

SRV744

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. The proposed increases are outrageous. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut



more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV745

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. It is hard to understand how revenue from parking and fines has fallen when so many people are flagrantly disregarding the parking laws in our streets. I have pointed this out several times over the last six months and still it continues. If you want to increase revenue, start in Hayberry Street, Crows Nest and start booking the tradesmen from the nearby development who park all day in a 2 hour zone and block residents from parking. To make it easier I have attached photos of ten of the daily offenders to highlight some targets. Many move every two hours to successfully avoid being booked yet remain in Zone 19 and Hayberry Street. Of these vehicles, how many have been issued tickets in the last 6 months? Perhaps with a smarter way of working you might actually catch a few and increase the revenue to Council. A suggestion would be to take photos of targeted vehicles rather than marking tyres with chalk. Also, bring back the email facility to report illegal parking directly to enforcement officers and act on the timed photos provided. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet and businesses going under. I urge North Sydney Council to reconsider this position, take the actions suggested and not unfairly burden local ratepayers and businesses.

Response reference: P, C, K

Additional response: Council has been patrolling Hayberry Street each week since January 2024. In this period there were 122 patrols that resulted in 609 fines being issued. There were likely more patrols that resulted in zero fines for that street. Under the current Road Rules there are currently no restrictions to only park locally once per day and the movement of cars every two hours is legal. Rangers will continue to patrol this area and issue fines as warranted.

Illegal parking can be reported by calling Council's Customer Service team on 9936 8100, or through Council's website.

SRV746

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I am particularly aggrieved that this potential rate rise was not tabled before the recent elections. This is very poor

315



process. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. You should look at cutting your costs and/or selling down underperforming assets. You should act like a business not a bunch of amateurs.

Response reference: C, K, F, D, G

SRV747

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. As a retired senior resident and owner of a house in McMahons Point and 2 investment properties in Cammeray and Neutral Bay the combined rate increases will be overwhelming. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. Many of our neighbours are older senior retirees who are already doing it very tough and have expressed total dismay about the proposals. The Council should find alternative ways to cover their losses by cutting back existing spending, deferring new spending proposals, staging future capital works programs, accessing low interest NSW Treasury loans, getting the NSW Govt to help with the North Sydney Pool funding, enforcing all private schools to pay rates, and divest any underperforming Council assets. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K, F, H, I, J, D

SRV748

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV749

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

316



Response reference: C, K

SRV750

Thank you for your response, its very encouraging that you have responded so promptly and I look forward to hearing more from the Council in February. On another note, I'd like to raise my concerns of the number of Tabacco/Convenience shops that are popping up in Neutral Bay. Between Watson Street and Wycombe Road (a distance of about 500metres) there is no fewer than four/maybe five of these convenience stores. They are rarely busy and given the growing number of fire-bombings and ram-raids occurring in Melbourne of similar shops, what could Neutral Bay become? Surely, when council gives approval, there is some due diligence done in the area to see if there are similar establishments and does the area actually need multiple shops with a similar profile, especially as many would describe the Tabacco/Convenience shops as "suspect" businesses.

Additional response: Council cannot differentiate between different types of shops when considering development applications. Many new shops being established do not require Council approval and can be certified privately.

SRV751

Council should investigate alternative avenues of raising finance. Offering only rate increases as a solution to incompetent project management is weak and unlikely to be successful. Exploiting rate payers for council short comings indicates a disdain for ratepayers and their personal circumstances. Councillors cannot consider that they have managed council affairs responsibly and should stand down and a specialist management team be installed to complete the job. Financing to be raised and managed separately from normal council affairs

Response reference: B

SRV752

The proposed SRV is far too much. I only just bought my apartment a year ago and mortgage rates are so high, it is ridiculous to propose doubling rates. Other options should be looked at. The pool project is criminal, why should everyone be charged outrageous rated for a facility only a few will actually benefit from.

Response reference: C, L

317



SRV753

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses when other cost cutting measures could be implemented to improve the budget

Response reference: C, K, F

SRV754

Hi. I have elected not to provide feedback on the Have Your Say form as there is no option to express my view that there should be no rate increase. It is clear from information on the Long Term plan and from public comments made by the Mayor that a significant contributor to the Council's financial difficulty is mismanagement, particularly with reference to the North Sydney pool renovation. In my view if the Council has financial issues then the first step is to get its own house in order, tighten its belt and shelve its plans for future costly projects unless they are essential services. The following comments have been made by the Local state member, Felicity Wilson, who suggests that Council, instead of raising rates, should be proposing:

- Internal efficiency programs and cost cutting
- Deferring new spending proposals which include an additional \$57.4 million in the first three years
- Exploring divestment of any underperforming assets that don't fulfil a core Council purpose within their \$53.7 million investment property portfolio
- Staging future capital works and infrastructure programs like IT upgrades
- Accessing low interest NSW Treasury loans Council should be cutting its own spending first, and assessing the performance of its own assets, before asking residents and businesses to pay more. I agree entirely with this approach

Response reference: L, A, F, O, D, N, H

SRV755

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. Yours

318



sincerely Dear Cr Baker and Ms Cole I am writing to express my deep opposition to the dramatic rate rises proposed by the North Sydney Council. In the current economic environment this will cause further financial distress to people and businesses living in the North Sydney area. The first duty of a Council is NOT to increase rates especially when ill thought through decisions by Council have caused the problem. TRY DOING SOME COST-CUTTING. There is always wasteful spending in all organisations. I urge the North Sydney Council to reconsider their position

Response reference: C, K, F

SRV756

I must protest most vigorously to the proposed Council rate increases beyond CPI. In these inflationary times when all governments are endeavouring to control price increases, it is outrageous and unjust to impose this absurd rate increase on residents of North Sydney. Like most businesses you should be maximising savings from expenditure. I am unable to pay your extortionate proposed increases in rates.

Response reference: L

SRV757

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Had such a proposal been declared earlier, I expect the results of the recent Local Government Elections may well have been different. Campaigning on a platform of good governance and financial control is certainly not reflected in the current proposals. I understand the "mismanaged" North Sydney Pool project accounts for only a small portion of the proposed increase. I urge North Sydney Council to reconsider their position and not unfairly burden local ratepayers and businesses with such a hefty rate rise shown in all current proposals.

Response reference: G, B

SRV758

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. I don't usually complain but I do in this case because I am struggling to make ends meet due to lack of

319



employment because I have an acquired brain injury from an unexpected blood clot created heart attack and then cardiac arrest (my paramedics refused to take me to hospital after I begged and begged because they were convinced I was not having a heart and just wasting their time - their words, not mine) and sadly people just won't hire people who are no perfect. Currently, trying to survive financially is close to impossible and I am at my frustrated end on how to cope. Thanks.

Response reference: C

SRV759

Dear Sir/Madam,

Re: Concerns Regarding the Proposed Special Rate Variation (SRV)

I am writing to express my significant concerns regarding the North Sydney Council's proposed Special Rate Variation (SRV) and to highlight issues with the transparency and governance surrounding this Proposal. Excessive rate increase The proposed SRV increases — ranging from 65% to 111.2% — are excessively high, particularly considering the ongoing cost-of-living crisis that is already putting immense financial pressure on both residents and local businesses. It's also important to note that the Council reported a surplus in its budget in mid-2024, along with a positive investment return (+\$103,950 for the year-to-date as of May 31, 2024). Additionally, there were no financial risks identified in the earlier Financial Statements. It's alarming that, during the September 2024 council elections, there was no indication of any looming financial issues or the need for significant rate increases. Several re-elected councillors campaigned on platforms emphasizing "good governance" and "leadership" — yet the SRV proposal undermines both of these principles. True governance would have involved full and transparent disclosure of the Council's financial situation, particularly during an election period when residents were making crucial decisions about their leadership. It feels as though the Council is pulling a fast one on its ratepayers. Flawed public consultation process The timing of the public consultation on the SRV — during the holiday period — seems more like a formality than a genuine attempt to involve the community. The survey has been poorly advertised, and it only allows respondents to choose from one of the four proposed SRV increases, without offering an opportunity for open feedback or the option of rejecting any rate increase. This type of consultation is unfair, as it limits residents' ability to voice their concerns and undermines the integrity of the process. I cannot in good conscience complete a survey that forces me into selecting an SRV increase I disagree with. Council's lack of accountability The Council must recognise that the current financial difficulties are a direct result of its mismanagement of the North Sydney Pool redevelopment. While individual councillors may point fingers at past administrations or external suppliers, the responsibility ultimately lies with the current Council to manage and complete such significant projects without further draining public funds. It is concerning that, instead of addressing its past failures, the Council seems to be persisting with a reckless financial approach. Alternative revenue options The SRV proposal suggests no significant cost-cutting or efficiency measures, leading me to believe that the Council is more focused on creating a permanent

320



revenue stream than addressing the financial mismanagement that led to this situation. Given the past bumbles with the Pool redevelopment and the installation of new parking meters, how can ratepayers trust the Council to manage our funds effectively? The Council has openly stated that the goal of the SRV is to ""provide ongoing revenue"" and has acknowledged that it is seeking a 'surplus' beyond the benchmark operating performance ratio of 0%. This approach is unacceptable and unfairly burdens the ratepayers. A Council with guaranteed income should be able to manage its funds without resorting to drastic measures that disadvantage residents. If additional funds are required to address debt, I urge the Council to consider alternative solutions that do not disproportionately impact residents, such as:

- Selling non-essential assets
- Auditing services and reducing staffing where necessary
- Charging commercial operators using public land for private events (such as weddings, fitness sessions, and picnics in parks)
- Requiring private schools to contribute to the rates base, as the North Sydney area has one of the highest concentrations of schools in the state
- Reassessing projects like the \$2 million investment to allow cars back onto Neutral Bay Plaza, and glossy newsletters sent to residents
- Re-evaluating budgets for plant and vehicle replacements, as well as IT costs, and shifting funds to address debt or complete the pool redevelopment

Next step: IPART complaint

I would also like to inform you that I have signed the Change.org petition opposing the proposed rate increase and the flawed consultation process. Please ensure this feedback is considered as part of your public consultation. I will not participate in a survey that does not allow for meaningful input. Additionally, I plan to raise these concerns with the Independent Pricing and Regulatory Tribunal (IPART) in 2025. The Council must take this opportunity to demonstrate better governance and financial management. Rest assured, residents will be holding the Council accountable for the ongoing management of public funds.

Response reference: C, K, G, B, L, A, D, F, M, J, R

SRV760

As a long term resident of the area please find below objections in regard to Council's proposed increase in rates. The following comments are made in response to the SRV proposals:

- The primary reason for cost escalation would appear to be the cost of the North Sydney swimming pool. This reflects poorly on due diligence on the part of the initial cost estimation, Council, the contractor and the project manager. What was the basis of awarding the contract – fixed price, combination fixed price and variable?

321



- Incompetent business decision(s) on the part of stakeholders should not culminate in a financial penalty for rate payers. In the private sector the employment of those people responsible would be terminated.
- The magnitude of the proposed SRV will represent a substantial cost imposition for fixed income residents, pensioners and families with young children. This increase coupled with cost of living pressures will untenable.
- Will pensioners on health care benefits be eligible for reduced rates?
- Funding to offset the pool cost escalation should be pursued through a combination of Corporate sponsorships, NSW and Federal Government grants, scale of Council assets and or reduction in Council operating costs through the implementation of stringent efficiency and productivity measures. Prioritize expenditure focus on the must do, rather than the should or could do tasks.
- Rates should rise by at least CPI annually.
- Option 1 if required is the preferred course of action."

Response reference: A, C, I, D, F

SRV761

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. "

Response reference: C, K

SRV762

I understand that some the the issues / financial challenges confronting North Sydney Council may have long dated origins However, it is disappointing that Council in the main seeks to reverts to a traditional Public Service mentality when finances get difficult.....that is it substantively seeks to take an easy route by raising taxes / rates rather that what would be occur in the corporate world where restructuring would include asset sales, trimming of services, shrinking the workforce, debt restructuring, seek out alternative sources of revenue etc etc. As I understand it, the Council's Plan essentially relies on a continuum of current services, albeit with some slight reduction etc. I do note from researching the North Sydney Asset Plan 2022 to 2032 that Council has \$76m in Car Parks and \$52m in Investment properties. Surely this is an opportunity to release cash and offset some of the effects of the financial

322



dilemma Council now finds itself in. Also, I note there is some discussion of offering rate payers a usage discount for the upgraded Milson Point pool. I am sorry that is unjust and unfair...a benefit would only occur if one uses the pool. I venture to suggest that only a relatively small proportion of the North Sydney Council population does and / or will in fact use the pool. I also believe Council should seek feedback from the Community on reducing costs by way of curtailing various services. For example, they could quantify the cost of mowing roadside verges, bi weekly Household waste / Greenwaste etc etc and ask the community for feedback on the level of interest in or reshaping such services. I am sure that Council could find many other opportunities to quantify and seek community feedback as to whether they would prefer to continue paying for such or obtain a rate reduction but discontinuing the relevant service/s. Finally, I attach a copy of Ian Mutton's December Newsletter and would welcome a response addressing the various issues raised by Ian. Many thanks

Response reference: D, F, M

SRV763

I am writing to express my strong opposition to the dramatic rate rises proposed by North Sydney Council. With many local families and households already managing tight budgets, and local businesses still recovering from the impacts of COVID-19, this rate rise will force many locals to make even more sacrifices to make ends meet. Furthermore, I am deeply concerned about the lack of transparency around Council spending. North Sydney Council has reported surpluses in 2023/24 and predicts cash surpluses over the next decade. This raises serious questions about the justification for imposing a Special Rate Variation on already stretched ratepayers. It is critical that Council demonstrates responsible financial management and transparency before seeking additional contributions from the community. Without a clear and compelling explanation for the proposed rate rise, it is unreasonable to unfairly burden local ratepayers and businesses. I urge North Sydney Council to reconsider this position and explore alternative options that do not place undue financial strain on the community.

Response reference: C, K, B, L



SRV764

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I am unable to complete Council's survey as I would be forced to select an option that I do not agree with. I am not an accountant/financial planner being able to provide alternatives to your unpalatable and unfair options needed to compensate for (in my view) poor Council decisions made outside resident's control.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: L, C, K

SRV765

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Council should approach the NSW government to assist with the pool cots as it's not North Sydney people only using the pool. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: I, C, K

SRV766

Can I seek clarification regarding the SDV proposal please. I pay rates based on my unimproved land value, but most of the SDV analysis relates to minimum rates and average rates, nothing directly on ad valorem rates. I understand that Council's rates are currently calculated on a minimum amount for lower land valuations and above that a rate per dollar of land value. (I am not sure of values or criteria used to move from a minimum to ad valorem rates.) I do not presently pay a minimum rate, which I am assuming applies to unit blocks largely. This is likely as I read that 77% of ratepayers pay the minimum rate. The SDV proposal is to increase the minimum rate for residential from \$715 to \$1300 and include levies. My property has a rateable value of 2540000.00 that is multiplied by cents in the \$ of 0.00061337 to provide a residential rate of \$1557.96. (Based on my last rates notice.) 1. Can you please advise me if I

324



will still have my rates calculated on an Ad Valorem land value basis, or will I pay the minimum rate in the future? 2. If I am to continue to pay by the rates in dollar basis, can you please tell me approximately how much my residential rates would increase under the SDV option 1. 3. Will ad valorem rates go up to include the levies incorporated in the proposed minimum rates? 4. Will I continue to be charged separately in my rates notice for DWMC & SWMC of approx. \$700 pa (last notice)? I would appreciate your response promptly as the date for feedback on the SDV and related docs is fast approaching.

Additional response: The proposed increase to your rates is dependent on several factors. Rates are charged as a percentage of assessed land value, with a minimum rate if the percentage of land value would be below this threshold.

If you are currently paying the minimum rate (\$715 a year) it is likely you will move to the new proposed minimum rate (\$1,200 in 2025/26). For comparison purposes it is important to consider this new \$1,200 minimum includes the current special levies, currently charged in addition to Ordinary rates which are on average \$129.34 per residential ratepayer.

If you pay an amount above the minimum rate, you will pay approximately your current rates charge multiplied by the proposed percentage increase for ad valorem, as outlined in the Council report. Again, this new rates charge includes the current special levies and this should be considered in any comparison.

SRV767

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I live in Lavender Bay and have been here for 20 years. My wife was here well before me.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

We are already in a position where you cannot park for 10 minutes without paying parking fees, deterring locals from usurping local businesses. Council shut off the parking area in front of Woolworths metro to create a mall/eating area - this prevents a quick stop to shop there for daily items, food staples, coffee etc, and park further away and again have to pay Council for the privilege.

What are Council doing to cut costs, become efficient, and reduce the burden on locals? Just because we live doesn't mean that we have unlimited funds - it's cheaper to go shop in other LGA's where you can access shops without ridiculous parking charges.

And of course the pool saga, which my wife and I used frequently, is an embarrassing and damning reflection of Council's inability to manage infrastructure and major projects, and when Council fails, the answer is to further punish ratepayers who had no role in the management of the process.

325



If you want a one off levy, give us 5 years free, unlimited access to the facility - offer something for the levy, dont just tax the locals into the future.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. There is no way we support additional rate increases, especially when you state that this will be a permanent increase to pay for the failings of Council.

Response reference: C, K, F, E, L

SRV768

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households struggling with the cost-of-living crisis, as well as local businesses struggling to remain competitive, this rate rise will see many locals significantly negatively impacted.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

I also urge North Sydney Council to reconsider any public infrastructure proposals such as street works that provide little or no benefit to the community – the money can be better spent.

Response reference: C, K, O

SRV769

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I am also interested in why such an important issue was not raised during our recent elections so that voters could hear other views and make an informed decision on who to vote for. Are there now other options such as modifying the work to make it more affordable or finding another source of funding - I am very unclear on what the options are in this matter.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses and to be more transparent about this issues and its options.

Response reference: C, K, G, M

326



SRV770

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I am a solo mother and with the already high cost of living, the proposed rate rise (any of the proposed options) is an expense I simply cannot afford.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I have completed your online survey but was disappointed that there was no option to keep rates on hold or with a modest increase. As a result, I believe the survey results will not accurately reflect the position of all residents.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. I believe other options need to be further explored such as selling the North Sydney Pool site to secure the financial future of the Council.

Response reference: C, K, L, D

SRV771

I am writing to you to express my opposition to the dramatic rate rise proposed by the North Sydney Council. I wonder what influence the financial debacle that is the upgrade of the Olympic swimming pool is contributing towards the proposed rate increase by the council?? As usual the rate payer is expected to cover poor decision making by the councils!

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I strongly recommend the North Sydney Council reconsider their position and to not unfairly burden the local ratepayers and businesses for problems that stem from poor decisions taken by the council.

Response reference: A, C, K

SRV772

It is a general complaint. I have been a long term resident of North Sydney (over 30 years lived in Cremorne and Kurraba Point. I am most disturbed with the proposed Rate Hikes and object to the feedback format (survey) that forces respondents to select one of the options without giving residents

327



and rate payers other options (forcing them to select an option from those pushed by the Council). I could not complete the survey for reasons seen below. Question 6 The LTFP is flawed. Most of the capital expenditure should be secured through long term finance and paid back through the income and user fees rather than burden the rate payers with outrageous rate rises while the cost of living pressures are felt at all fronts. The Council should not hike the rates for depreciation and non-cash flow items. Question 7 I oppose any rate increases beyond the CPI or what is reasonable, say 10% max. A prudent approach is to separate capital expenditure from recurrent expenditure. Capital expenditure should be financed through grants, loans and non community asset sales. It should be repaid through revenue streams from the asset's utilisation. Also non cash items such as depreciation and capital write off are generally relevant to a public body if it was subject to income tax and wished to minimise its tax liability. Question 8 North Sydney Council should raise the rates for the businesses who occupy prime real estate in North Sydney. The Council has botched the redevelopment of the Olympic Pool and is trying to cover its mismanagement through this ridiculous proposal that will put many, particularly retired people and low income residents under significant financial strain. I know of many who struggle to pay their bills and their debts keep climbing.

Response reference: L, H, C, I, D, K, A

SRV773

It is a general complaint. I have been a long term resident of North Sydney (over 30 years lived in Cremorne and Kurraba Point. I am most disturbed with the proposed Rate Hikes and object to the feedback format (survey) that forces respondents to select one of the options without giving residents and rate payers other options (forcing them to select an option from those pushed by the Council). I could not complete the survey for reasons seen below.

Question 6

The LTFP is flawed. Most of the capital expenditure should be secured through long term finance and paid back through the income and user fees rather than burden the rate payers with outrageous rate rises while the cost of living pressures are felt at all fronts. The Council should not hike the rates for depreciation and non-cash flow items.

Question 7

I oppose any rate increases beyond the CPI or what is reasonable, say 10% max. A prudent approach is to separate capital expenditure from recurrent expenditure. Capital expenditure should be financed through grants, loans and non community asset sales. It should be repaid through revenue streams from the asset's utilisation. Also non cash items such as depreciation and capital write off are generally relevant to a public body if it was subject to income tax and wished to minimise its tax liability.

Question 8

North Sydney Council should raise the rates for the businesses who occupy prime real estate in North Sydney. The Council has botched the redevelopment of the Olympic Pool and is trying to cover its



mismanagement through this ridiculous proposal that will put many, particularly retired people and low income residents under significant financial strain. I know of many who struggle to pay their bills and their debts keep climbing.

Response reference: C, D, H, A

SRV774

Firstly, I would like to wish you Happy New Year and I trust that you will continue in your role as Mayor of North Sydney for the foreseeable future.

However, I should begin by letting you know that I strongly oppose North Sydney Council's plans to increase Rates over a period of 3 years, in any of the four ways proposed including:-

- a) 65.4% - 2025/6 50%, 2026/7 5%; 2027/8 5%
- b) 75% - 2025/6 75%; 2026/7 rate peg; 2027/8 rate peg
- c) 87.5% - 2025/6 50%; 2026/7 25%; 2027/8 rate peg
- d) 111.2% - 2025/6 60%, 2026/7 20%; 2027/8 10%.

I am also aware that at the time, as an elected Councillor, you strenuously opposed the previous mayor's plans to redevelop the North Sydney Olympic Pool which had been originally constructed in 1938.

I am writing to encourage you to initiate steps to enable North Sydney Council to conduct an open public enquiry into the processes and procedures undertaken by the then mayor and by the councillors who were supportive of the proposed redevelopment plans, to select the developer for the project which is now reported to have risen to \$122,000,000 - a very significant increase over the initial estimate of \$64,000,000. And added to this blowout of the project's budget is a substantial increase in the original timeline for the project.

Given the developer's history of "quality" work that was available at the time, any public enquiry might also investigate the selection process of the actual developer.

However, should you consider that this type of public enquiry is outside North Sydney Council's scope of activity, I submit that you and the Council approach the Minister for Local Government, advise him of your concerns and seek his assistance.

If the Minister comes to the conclusion that something untoward has possibly occurred during North Sydney Council's selection process, he might be moved to refer the matter to the New South Wales Independent Commission Against Corruption, and suggest it take steps to investigate the entire matter.

I trust that you and your team understand my (and many other Rate Payers') concern about how North Sydney Council has gotten itself into such an awkward position. Many of us are elderly and living on a fixed income. The repercussions for many of us could prove to be quite serious.

I look forward to hearing from you.

Response reference: L, C, A

329



SRV775

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. I request that alternative options be investigated where the services such as the Olympic pool can become profitable or at least break even rather than losing money as per the proposed business case.

I own and live in a property which recently undertook \$800,000 in safety fire order requirements as imposed by the council. These costs were covered by special levies over 3 years. We now need to replace the waterproofing on all 6 buildings of the complex. The costs which will be covered via special levies again which will be in the range of 2 times the fire safety order. Add to this the increased interest rates, the high cost of living and now increased council rates which will become permanent rather than short term.

This is all happening as we endure years of construction on the Warringah freeway upgrade which has impacted on the accessibility to my property and quality of life for the last 2 years with at least another 18 months to go.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers like myself and my neighbours

Response reference: C, L



SRV776

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

Instead, Council needs to be more strategic in your own financial management:

1. Pass more cost onto developers profiting from development in the area. They should be bearing the full cost of infrastructure for their development benefit AS WELL AS ADDITIONAL COMMUNITY BENEFIT.
2. Manage your own costs with appropriate austerity
3. Resolve the ridiculous situation of cost blowouts on the North Sydney Pool – get support from NSW Government
4. Look at sensible long term, low interest loans.
5. Consider appropriate asset sales.

North Sydney Council should be in a strong financial position given the mix of residential, retail and commercial interests in the growing city and NS CBD area. A competent Council would be effective at lobbying the NSW State Government to also invest in the area as part of their own densification plans and 24/7 Sydney initiatives. North Sydney should be viewed alongside City of Sydney and more effective negotiation needs to happen.

I urge North Sydney Council to reconsider this rates increase position and not unfairly burden local ratepayers and businesses.

Response reference: C, K, M, F, A, I, H, D

SRV777

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K



SRV778

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV779

SUBJECT: Proposal for a Special Variation to rates

“ Council remains in a strong financial position. “
– Cr Zoë Baker, Mayor of North Sydney (Annual report 2022/23)

“The rising costs associated with this project have significantly affected Council’s financial position and will have enduring implications for the future.”

– Cr Zoë Baker, Mayor of North Sydney (annual report 2023/24)

Within 12 short months, North Sydney has had a local government election and apparently has now gone into financial turmoil. This has triggered an apparent crisis which has demanded a significant increase in council rates. As part of an open submission, I wanted to analyse the events, assess the claims presented, evaluate any financial models, and qualify if a rate rise is warranted.

Assessment of financial reports

Analysing the numbers, the following observations from the councils annual reports can be made:

1. 2023/24 Income is at 151.6 Million
2. 2023/24 Expenditure is at 138.6 Million
3. There was an increase in council assets of 50.4 Million over the 2023/24 calendar year.
4. As of June 30 2024, The council maintains 122 Million in cash and equivalents, slightly down from previous years. This is more than enough to cover annualised expenditure and planned North Sydney Olympic Pool costs if required, assuming no further major capital expenditure is required.
5. Analysing expenditure for FY 2023/24 Investment income is exceeding the debt on a loan by a factor of around 2. It is unlikely the debt will impact future financial viability of the council.
6. Cash flow does illustrate a reduction in cash available, however this does not appear to be excessive for what would be regarded as acceptable investment years over the past 2 years between July 1 2022 and June 30 2024.



7. There is a 30% increase in contracts since 2018/19 from 35 Million dollars to 51 million dollars for FY 2023/24. Highlights of the operational expenditure includes:
 - a. 12.5 million dollars for waste disposal and management, including fortnightly pickups for additional waste such as large items and green waste.
 - b. 1.47 million dollars in software licensing for over 400 users.
 - c. \$800,000 for legal advice specifically for the pool, I assess as a 1 off expense representing 1.6% of expenditure.
8. Increased expenditure from previous years was observed, including:
 - a. Spikes in leave entitlements and fringe benefits were observed in the Employee benefits and on-costs, however these were not matched with a commensurate increase in Salaries and wages. This may imply resignation or long service leave which is not held over as a liability, and is taken on as a year on year cost.
 - b. 1.3 Million dollars of one off asset write downs took place, 1 million dollars in excess of budget.
9. Income appears to be down, however this is also against unforeseen events including:
 - a. 1.5 Million dollar reduction in pool income, due to the pool not being complete.
 - b. \$543K reduction in parking income, attributed to existing freeway upgrades.
 - c. A \$1.3 million dollar reduction in income from Hoarding Permit Fees from development activities, due to the absence of anticipated property development.

A claim has been made of a reduced operating performance ratio (reducing to a negligible -0.02%), or around a 4 million dollar deficit. Noting the one off losses of income, additional expenditure and additional employee costs, this deficit in the ratio appears to be a one off event.

I assess the budget is not as dire as predicted.

Projected losses

The future loss projection is heavily dependent on asset write offs as illustrated in the North Sydney Long Term Financial Plan presented at <https://yoursay.northsydney.nsw.gov.au/srvv>. Against a growing asset portfolio and sustained and profitable income/expenditure, I do not assess the future losses are realistic, however this is before factoring in any requisite asset and infrastructure upgrades. These losses are based heavily on asset write off and do not affect the operating performance ratio.

So what?

Based on my analysis of these figures, unless there is an intended spike in expenditure that isn't asset write down or future wasteful expenditure, there is no financial emergency and it is likely the reduced operating performance ratio is a one off event due to one off losses of income totalling 4.6 million in lost revenue, and anywhere between 2-3 million dollars in additional costs that could be reduced. There might be a need for increased expenditure on asset renewal, for which I have made some observations below.

333



Assessment of the rationale for rate raise

According to the statements made by council, the following rationale was presented:

1. internal reserves have been drained: the current assets are \$137 Million down from 158 Million (this does not include non-current assets). Unless there is a substantial investment exceeding say 20 million dollars, I would assess there is still several years of cash in reserve with current rates and fees and note the opportunity exists to offset further losses by recognising one off costs in the last annual report, as well as expanded operational efficiencies.
2. Declining revenue from other sources: In 2018/19 the council had 135 Million dollars of revenue, of which 58 million was from rates (approx 42%). In 2023/24, revenue increased to 151.6 Million, including 75.5 million from rates (approx 50%). This is negligible however I would assess that diversified revenue is important, and question why this isn't being explored as an alternative strategy, and whether a user pays model for services, albeit at a discount, is a more appropriate strategy rather than rate increases.
3. Cost increases & Outdated systems and technology: I've made an observation against software licensing above. The council is paying an excessive price for software license when a GSuite or similar option would see a reduced annualised costs. I assess there are operational efficiencies that can take place, including a departure from Microsoft licensing which is unnecessarily expensive. I've also noted that the council intends to increase operational expenditure as opposed to reducing it, so I am concerned that no future strategy for reducing systems and technology costs exist, much less a reduction of operational costs.
4. Reduced income from rates: The statement made by the council implies that low cost, value for money and efficiency are terrible ideas. The historically low rates should be a good thing. Comparing our rates to Hunters Hill, with a smaller population and a diseconomy of scale, is not only counterproductive but results in a cycle of all councils increasing rates. Paying more for the same service does not necessarily make it better, however it can be ingratiating.
5. Asset renewal: Council has claimed that there is \$146 Million in asset renewals or \$205 million (inconsistency in the annual report of 2023/24 observed on page 53,116 and 205 of the 2023/24 report). This needs further analysis which I have completed below.

Asset renewal and realistic valuations

The only justification for a rate rise is the concept of asset renewal which was a common deduction I made throughout my analysis. A claim of \$146 million dollars in asset renewal has been presented, however in analysing multiple documents and artifacts, the figures appear flawed or excessive:

1. The North Sydney Council Asset Management plan 2022-2032 (dated 29/11/2022) identified in table 6 that no council properties were in a poor (4) or very poor (5) condition, out of a total replacement cost of \$232,653,780. The asset management plan tabled on the 25th of November 2024, identified remediation efforts for poor or very poor properties to \$69,378,471, with a total replacement cost of \$347,014,881. Are we to realistically believe that in 2 short years \$69.3 million dollars worth of



assets (approximately 20% of the councils property portfolio) was degraded so rapidly in such a short period of time?

2. The North Sydney Olympic pool is listed as requiring \$60,376 to bring the pool to satisfactory condition, as well as \$805,963 in the next 10 years. One would expect that, as the pool is still undergoing renovations, this figure is an averaged figure and should realistically not be anticipated.
3. Council has elected for a more decadent approach to footpath replacement with sandstone pavers as opposed to concrete, which would be cheaper and easier to maintain. I would extend this analysis to retaining walls and marine structures, and look to qualify if cheaper alternatives to sandstone are available.
4. Outdoor parks and equipment may be better serviced through local initiatives, fundraising and financing, where local communities who leverage these assets may be better qualified to decide and implement asset upgrades.

As a wider concern, what is the method to the financial model that has resulted in the assessment that \$146 million dollars is required, noting the flaws and inconsistencies in council documents observed?

As the Mayor has spent significant funds on denigrating her predecessor for a lack of planning for the olympic pool upgrade, the anomalies in the presented plan are of concern. The council cannot justify a rate rise with the current modelling for asset renewal and I am not confident in the councils financial modelling or future financial planning.

Organisational review and its effectiveness

The council has illustrated \$2,400,000 of savings annually in their document, Organisational Improvement Plan (page 83) however this has not translated into reduced operational expenditure in the North Sydney Long Term Financial Plan (page 29). Of note, the council appears to be increasing its operational expenditure significantly through to 2035 with no apparent reason, including additional staff and resources. Is this an act of empire building or of wasteful expenditure of council resources?

The claim of "a comprehensive program of review and improvement to ensure the effective use of public funds" is inconsistent with the council's proposed operational budget.

Assessment of income generated from rate rise

The income generated from a rate rise from \$1,040 to \$1,511 per household, as well as a rate rise for businesses from \$6,724 to between \$10,601 and \$12,367. This would see an increase of \$31.3 Million dollars to the council's income for 2025/26.

Whilst this does appear to be logical at a first stage, second and third order effects of this would include:

1. Businesses who are dependent on a presence in North Sydney, such as retail and shopping, typically operate on lower profit margins. As this could represent a significant proportion of their net profit. These businesses would be forced to increase



2. Businesses who do not need to be in North Sydney, such as consulting and technology firms, could readily depart as a result of increased rates and cost of retail/shopping, the third order effect of which would be less expenditure on retail businesses in North Sydney, further compounding the problem highlighted in point 1 above.

The reality is that businesses that are not present, whether through lack of financial viability or greener pastures elsewhere, do not pay rates. I am concerned that this model does not accommodate the departure or failure of business as a result of the rate rise. The reality is that increased taxation is often inversely proportional to the revenue created; this was observed in the US Revenue acts of 1924 and 1926, where a reduction in tax rates saw a 60% increase in revenue. Combined with “user pays” functions for local government services, this would support local businesses and generate a more diverse revenue portfolio.

I am also curious if this model incorporates increases in revenue as a result of an increase in the number properties. Noting the development boom, additional properties and their associated development costs would also contribute to revenue for council however additional dwellings are not a consideration of council.

Questions for council

If there is nothing to take away from this analysis, I would ask councilors to dwell upon the following questions:

1. Is there genuinely a “budget crisis” noting the negligible increase in expenditure and one off anomalies that formed part of the 2023/24 budget?
2. How has the council conducted the assessment for asset renewal that justifies the excessive rate rise, noting the flaws and inconsistencies observed?
3. Has the council evaluated alternate sources of revenue or alternative courses of action for execution of asset renewal to enable an economy of effort and reduce the cost on rate payers?
4. The organisational improvement plan and its proposed savings are inconsistent with the long term financial plan. How does the council intend to reduce operational expenditure?

Prior to any rate rise, a more accurate assessment of asset state, and a course of action for remediation that is cost effective, should be presented. I would also incorporate a more efficient budget for normal operations noting this has been advocated in council plans; I believe this needs leadership, and not the excessive application of management consultants to map unwieldy systems and processes that add no value.

Anything short of this would be a breach in the fiduciary duties of North Sydney Councilors. For your consideration.

Response reference: K, N, M, F, G

336



SRV780

"I am writing to oppose the proposed rate rise in North Sydney.

This rate rise is unnecessary. The financial plan is high in rhetoric and low in substance.

In addition to propose any rate rise at a time when people are struggling with cost of living pressures illustrates the regrettable disconnect between the CEO, the Mayor, some Councillors and ratepayers.

I urge you to reconsider your proposed actions."

Response reference: C, L

SRV781

I am writing in opposition to the extra-ordinary rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses under immense energy & interest increases, this rate rise will see many locals having to cut more to make ends meet.

It's Council's responsibility to manage their Projects, in this case, the North Sydney Pool. Why did the increases take place. Were they the responsibility of the Builder ? If so, what action was taken with the Builder. Was there any insurance involved ? Or was Council involved in these increases.

There are a lot of questions to have clear answers for.

Regarding the proposed increase, what exactly are the costs ? Are they firm costs ?

For the above reasons I don't agree with any of the Rate path proposals. Therefore how can I again voice my disapproval in the Council survey to these rate increases. Is there another process for those ratepayers who do not agree to the rate increases. (ref: <https://yoursay.northsydney.nsw.gov.au/srv/surveys/srv-survey>)

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, A, L

SRV782

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

337



With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I agree with Felicity Wilson's alternative proposals including:

- Implementing internal efficiency programs and cost cutting
- Deferring new spending proposals which includes an additional \$57.4 million in the first three years
- Exploring divestment of any under performing assets that don't fulfil a Council purpose within the \$53.7 million investment portfolio
- Staging future capital works and infrastructure programs like IT upgrades
- Accessing low interest NSW Treasury loans

Council should be cutting their own spending first, before asking residents and businesses to pay more.

In addition, I would like to understand how those responsible for the current situation are being held accountable. Going forward, how will the Council and council bureaucracy be held accountable for any future mismanagement?

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, F, N, D, O, H, B

SRV783

I object strongly to:

A. The proposed rate variation; and B. Even more so, the self-serving and misleading "survey" issued by Council to bolster this unacceptable proposal. Why So Suddenly, and with so little Analysis? As a ratepayer, I feel I have been misled by those in control of the current council. Prior to the 2024 Council election, nothing was said that suggested Council was in other than a strong financial position. The Mayor's message in the 2022/23 Annual Report was that "Council remains in a strong financial position." There was also no mention of a financial crisis in the 2024/25 budget released in June. Immediately after the election, however, we are suddenly told "Currently, Council's financial position is very weak, and the financial outlook is unsustainable, requiring significant structural reform." In my opinion, withholding disclosures like this is unacceptable. Were it done by an ASX listed company, the directors would likely be gaoled. I do not see why NSC has chosen to adopt a lesser standard of transparency. The behaviour is deceptive and unacceptable behaviour. The Non-Survey I refuse to complete Council's misleading survey on the Special Rate Variation. This so-called survey is not a survey of ratepayer opinion. It is an attempt by NSC to force its opinions on its ratepayers. In essence, the

338



Mayor has set a strategy, and offered ratepayers the sop of nominating a preferred minor tactical variation. In my opinion, that strategy is the problem, but this is egregiously hidden away by issuing a “survey” that does not allow this central issue to be discussed. Colloquially, this is gaslighting. Looking ahead, hearing the results of the “survey” will be akin to hearing the results of an election with only one candidate, being run in a one-party State. I had hoped North Sydney was better than that. Explore the Options Increasing rates is one very targeted and simplistic means to address the issue, but the ratepayers of NSC are entitled to a full assessment of all the others. They would include:

- North Sydney Pool is a long-term asset for future generations of Sydneysiders, not just North Sydney residents. Typically, assets like this would be funded through long-term liabilities and we believe that Council can access low interest loans from NSW Treasury.
- If Council wishes to pay off the pool in the short term, consideration should be given to rationalising Council’s underperforming commercial property portfolio. This could deliver nearly \$100m in cash to cover the overrun in the pool’s costs. (For completeness, I note that the alleged poor condition of these assets is an indictment of those on NSC responsible for them, and undermines any reason to have any confidence in the commercial acumen of those working at or for NSC).
- Council’s operating costs should be contained. Apparently, it is proposed that expenditure in this area is budgeted to increase by some \$20m for the year ahead to cover increases in wages and new projects. Structural reform to Council’s operations should be addressed immediately by scoping the reforms needed and planning for their implementation. This requires urgent reform to rein in expenditure now.
- In 2023/24 Council budgeted for an operating surplus of \$1.6m and achieved a \$13.1m surplus. This year is also looking healthy with the September 2024 Quarterly Budget Review advising a surplus of nearly \$4 million. It seems that Council expects to have an operating surplus of \$6.5m to \$8.5m cash pa for the next 10 years. Without the SRV, Council will add \$67m to its cash position. With Council’s option 3 for the SRV, cash increases to \$260m during this period. This seems excessive and unnecessary in the current circumstances. Given the options outlined above, it is misleading and even potentially deceptive to discuss solely the strategy of raising rates. The ideal solution for NSC almost certainly involves a combination of all available options, with rate increases potentially very minor. Precinct Committees are Not Financial or Strategic Analysts I am aware my local Precinct Committee is unequivocally supportive of the Council’s staff and decisions. In my opinion, this support is baseless. The precinct has neither the expertise, funds nor time to undertake the assessments required to substantiate such views. Given the appalling financial ineptitude that led to the \$100m cost blowout on an approx \$30m project, untested support for NSC staff would also seem to be detached from commercial reality. I believe that NSC should pause the proposed rate rise, compile a full range of options available to address the situation and consult the community properly. I also ask that my views be passed on to IPART.

Response reference: L, G, B, H, D, F

339



SRV784

I am writing to firmly oppose the steep rate increases that North Sydney Council has proposed. At a time when many local families are struggling with already stretched budgets and businesses are still trying to recover from the economic impact of Covid-19, this rate rise is simply too much to bear. It will force households and businesses to make even harder choices to make ends meet. I strongly urge the Council to reconsider this decision. Rather than shifting the financial burden onto local ratepayers, I call on the Council to reassess its budget and find ways to manage these costs without unfairly impacting the community.

Response reference: C, K

SRV785

Thank you for your lengthy e-mail and attachments of 23rd. December. Despite all you have said and all the arguments you have put up You have failed to properly address a number of issues:
Where is the Councils commitment to engage in major cost cutting programmes
Where is the Councils commitment to divest itself of underperforming assets
Where is the Councils commitment to defer its proposed new spending of over \$57 million until such time as its finances are back in control.
We are still vehemently opposed to a rate variation other than the Rate Peg.
The ratepayers are not responsible for the current debacle. This was brought about Council's incompetence and we should not be asked to bail it out when it has the means, however unpalatable, to rectify the situation particularly by deferring the additional expenditure referred to above. As already stated we are opposed to Council's second rate solution and will encourage fellow to totally reject it.

Response reference: F, D, O, L

SRV786

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.



It would be particularly unfair to burden these families and local small businesses with your Council's mismanagement of the finances with a large proportion of the shortfall that you are facing being due to the Pool debacle .

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV787

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV788

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. The need for such an increase is difficult to understand given that a surplus of \$13 million was reported in June of 2024. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV789

I am writing to express my concern and disagreement with North Sydney Council's proposed special rate variation in perpetuity.



North Sydney Council has not proposed other options for fiscal repair, and in fact has proposed increase spending on a wide range of new initiatives.

North Sydney Council should be proposing options such as all of the below:

1. Internal efficiency programs and cost-cutting.
2. Deferring new spending proposals which include an additional \$57.4 million in the first three years
3. Exploring divestment of any underperforming assets that don't fulfil council purpose within their \$53.7 million investment portfolio
4. Staging future capital works and infrastructure programs like IT up
5. Accessing low interest New South Wales Treasury loans.

The four scenarios proposed and approved by council with consultation occurring over the quietest part of the year ie Christmas and early January are unacceptable. All rate scenarios propose at a minimum a 50% rate increase in 2025 alone, with the top cumulative three year increase reaching 111.2%. These are not one off increases and will be incorporated for perpetuity making them misleading, and unreasonable.

Council should be cutting their own spending first before asking residents and businesses to pay more. Under no circumstances should the rate path proposals be implemented and under no circumstances should they be incorporated in perpetuity.

Please confirm you have received, read and will respond in earnest to my and all residents and businesses, similar concerns.

Response reference: F, O, D, H, L

SRV790

It was good to catch up at the NSC Christmas party and I hope you have enjoyed your break. Attached is a note I have prepared for Parks Precinct on the SRV. Therese and her team have done a lot of great work but they have been focused more on the regulatory requirements than helping Councillors make the best decision. To me it is important that Council focus on working efficiently and effectively within the existing scope and also shows that it can complete projects. The means that the SRV should not include new projects nor a large margins to cover possible further new projects. This would allow Option 2b with a 60% increase rather than 75%. I have just filled out the Your Sat survey and it was disappointing to note that SRV was not mentioned in the headline for choosing feedback. I think we can do without the Thinkspeak approach. The note is short and only based on the information publicly available but I hope you find it helpful.

342



Dear Parks Precinct,

No doubt you have all received notification from Council of a proposed rate increase for 2025/26 and following years. Council is seeking resident feedback until January 10, 2025. Council is applying for a Special Rate Variation (SRV). There have been a number of meetings with residents discussing this. Overall, these meetings have described a need for significant improvement in the way Council operates. Having staff operate with antiquated systems and moving buckets around when it rains does not lead to efficiency. Similarly having poorly maintained public buildings is not what residents expect. Arguably, Council should not be embarking on new initiatives until it can deliver current services and projects efficiently and effectively. In round terms your proposed rate increase will be something between 65% and 111% through a combination of minimum rates and valuation rates. Offsetting this will be the fact that council will no longer charge special levies. This should bring the overall increase down by something like 12% giving increases of 54% to 99% depending on the rate increase scenario. As a comparison, the rate income in 2024/25 will be \$62m and over 10 years a total of \$754m will be collected. Whilst Council provides financial statements for each of the rate increase scenarios there is very little information on the components of the increase. Everything is combined and needs to be analysed between income statements and capital movements. The numbers have been presented in the format required by the regulators, not the format required for residents and Councillors to understand what is happening and why.

Why does Council need to increase rates?

- Expenses have been increasing at a much faster rate than the increase in rates under the rate peg
- The Olympic pool is now forecast to cost \$122m against an original cost of \$68m
- Council's existing buildings have been run down and not maintained properly. Some buildings have serious structural problems (e.g. the library floods in rain and the Sports Centre at St Leonards is well below community standards with leaks and lining shedding from the walls)
- Some assets need significant upgrades to meet expectations
- There are new initiatives required for systems and governance which will improve operational efficiency and staff satisfaction. These have already been included in the base case. As far as I can tell the financial impact of the above items is;
 - Replace lost income and eliminate ongoing losses – 6% of current rates. This includes the repayment of 70% of current loans (mainly for the pool)
 - Deliver required level of maintenance and bring existing buildings up to standard – 25% for \$146m backlog
 - Improve assets – 16%
 - Deliver expanded services – 9% of current rates
 - Future flexibility – 10%

Overall, this is a total of 66% increase in rate income (minimum rates, property rates and business rates) after allowing for the elimination of levies. Which options deliver

343



This? Impact on Income Statement Base Option 1 Option 2a Option 2b Option 3 Option SM

Items included in Base Case

Repay 70% of borrowings 5.8% 5.8% 5.8% 5.8% 5.8% 5.8%

Good Governance

Items funded by SRV

Eliminate Ongoing Losses 6.0% 6.0% 6.0% 6.0% 6.0%

Reduce Infrastructure Backlog 25.0% 25.0% 25.0% 25.0% 25.0%

Improve Asset Condition 15.7% 15.7% 15.7% 15.7% 15.7%

Deliver Expanded Services 9.2% 9.2% 9.2%

Balance for Future Resilience -6.0% 10.0% 10.0% 10.0% 10.0%

Unallocated -6.7% 5.8% 3.5% 19.2% 0.0%

Overall Rates Increase (valuation,

minimum rates less levies) in

addition to base 0.0% 50.0% 71.6% 69.3% 85.0% 56.7%

Options 2a and 2b provide more than 66% and indeed Option 2b with a 70% increase in valuation rates rather than 75% seems to be about right and the increase would be much lower if expanded services were excluded. Council has a lot to do getting the current operations right and completing the existing projects including the pool, Young St Plaza, Grosvenor Plaza and the restoration of existing assets. Now is not the time to lose focus and expand services. Option 2b also has similar treatment of both minimum rate and valuation rate payers as the SRV applies to 2025/26 only. Option 1 does not provide enough income to improve asset condition. Option 3 seems to provide too much income excess above what is required. Option 2a and Option 3 also do not give a lower starting point for minimum rates but result in a much higher end point. My submission to Council will recommend option 2b with no expanded services and a rate increase and a profit margin of 10% of current rates. This should mean a 60-65% increase in property valuation rates. The result would be a 2025/26 minimum rate of \$1,300 and an average property valuation rate of \$1,650 with rate peg increases after that. Ratepayers would no longer pay special levies. The overall increase in rate levy income is 57% rather than 69% to 85% for the other options. I am sure my calculations can be criticised and have left out some projects but that is not the point. They are the best I can do on the information provided after a fair bit of work. Residents (and Councillors for that matter) should not be expected to do an indepth financial analysis. Council needs to provide what the true numbers are for the above analysis and present them in a form that is easily understood. Then we can all make the best decision."

Response reference: N, O



SRV791

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV792

You have to ask the question how much corruption is going on with in the Council.
Why is it that the Commonwealth, the State Governments and the Councils continue to run over budget, not by thousands but MILLIONS and MILLIONS. Why aren't the people SIGNING off on projects held accountable for their lack of expertise. Make a Multy Million Dollar mistake and just move to another portfolio to Stuff up again. NORTH SYDNEY POOL is a PUBLIC POOL so why isn't the STATE GOVERNMENT funding this project as they do when it comes to Football Stadiums and Financing Football Teams Overseas as our USLESS is doing...If the Council raises the rates I would expect any NON NORTH SYDNEY RESIDENT to pay 60% plus more to use the pool. How many business are going to leave North Sydney because they just can't survive these RATE RISES, along with WATER RATES GOING UP, ELECTRICITY, GAS and ever increasing pay rises. Just walk through Greenwood Plaza and count the number of empty shops
The GOVERNMENT FEDERAL and LOCAL and Now COUNCILS along with UNIONS are turning this country into a country of the RICH getting RICHER and everyone else becoming PEASANTS...It's TIME the GOVERNMENTS, COUNCILS stopped trying to BUY VOTES and started working for the people who employed them buy voting. Rather than screwing the system to FATTEN THEIR OWN POCKETS....

OPEN SPACE NEUTRAL BAY Rip It Up, What a disgusting eyesore, there is no class no culture anymore, again who in the Council approved such an eyesore. North Sydney Oval and Park Lands has a NEW PLAYGROUND and enough space for parents and children to play...STOP closing off roads and STOP making these USELESS BIKE LANES that virtually no one is using... More and More apartments being built in NORTH SYDNEY yet you make it more difficult to drive and park...It's about time these DELIVERY BIKES were registered and made to obey the road rules. They are a lawless society that has no respect for anyone especially pedestrians and traffic..

COST OF LIVING I'm sick of hearing about the cost of RENTAL APARTMENTS/HOUSING I have a rental property and no one ever takes into account the outgoing costs for the owner STRATA goes up each year COUNCIL RATES INSURANCE WATER RATES MAINTENANCE MANAGEMENT FEES and the BEST of all

345



when you sell it CAPITAL GAINS TAX and hears the Government just trying to get votes without looking at the facts...So expect RENTAL INCREASES especially in North Sydney... Council Rates and Water Rates MASSIVE INCREASE...

Response reference: I, E, K, C

SRV793

Please find below my feedback on the North Sydney Council Special Rate Variation. Also below are some questions that would help me as a resident to understand what is being proposed. The Survey Unfortunately the survey is not fit for purpose as it does not allow for genuine community consultation. It appears to be a marketing exercise that forces any respondents to pick from a short list of options that most would not find appealing. You do not provide any option for "other", therefore forcing respondents to pick an option even if they don't approve of it. For the results to have any meaning, you will need to treat all residents who have not completed a survey as voting "no" to all options. The Proposal All options appear to start with an almost 100% increase in minimum rate this year (2025-6). This is an exorbitant increase which will have massive impacts on low-income and no-income residents. I find it hard to believe that a progressive council is proposing this. I am open to the idea that Council may need to increase its revenue to allow for the quality upkeep of current assets. I also believe it is prudent of Council to eliminate debt. However the increase needs to be staged over a longer period of time, with smaller incremental increases to limit the harsh impact on resident rate payers. Council has taken many years to get into a bad budget position, and it will naturally take many years to repair it. Getting into the kind of "panic" financial management approach where Council constantly goes from poor management and financial decline into sudden moments of financial emergency is a bad cycle to create. Longer term financial planning is needed for stability and better efficiency. I don't believe that Council has made a good case for such a large and sudden rate rise. Residents need to see a long term plan, with clear accountability for where money is to be spent. The Pool I believe that the pool needs to be separated from the regular Council budget. It cannot be the cause of ongoing financial shortfall and impacts on other existing Council services. The project should be parked until project-specific funding can be raised:

- Federal and State grants for an asset of national significance
- corporate naming rights or other sponsorships
- a new developer-led and developer-funded concept
- worst case - a special rate payer levy but be assured this will be a vote loser
- I also believe that, if there really has been negligence in the contracting and management process, then those responsible should be held to account, fully and personally, as any Board member would be of a private company Consolidation of current levies into rates This seems like a neat and potentially more efficient approach. However, I do have questions before I can provide feedback: - are the funds currently collected for Environmental and Infrastructure levies currently restricted to use only for those things? Will this therefore change?

346



- is the Environmental Levy Base Charge included in the consolidation?

- Is the Infrastructure Base included in the consolidation?

I look forward to hearing the answers to these questions.

Many thanks and best wishes for 2025.

Response reference: L, M, B, I

Additional response: The current Environment, Infrastructure, Crows Street Mainstreet and Neutral Bay Mainstreet levies will be consolidated into Ordinary rates. This means they will no longer be separate line items or expenses on your rates notice and will be included in the Ordinary rates charge. The value of these current levies is included in the proposed increase.

There are restricted uses for these levies which will no longer be in place if they are included within Ordinary rates. Currently Council spends more on these items than just the levies, and they are partially covered by Ordinary rates too.

To provide transparency in how Council is spending funds, financial processes, systems and data are being reviewed. There is a view to using automation to improve the quality of reporting to the community and its timeliness.

SRV794

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. It is not well thought through and does not consider options other than eye watering rate increases. I think the following must be incorporated into the decision making:

1. accountability for the so called financial stress the council is under, who is responsible and what action is the council taking i.e. who is losing their job over this fiasco? It is a scandal that there has been zero accountability over the enormous cost overruns on the North Sydney pool.
2. What cost cutting measures is council taking as an alternative to massive rate rises. Councillor and senior management pay cuts, restructure of council operations and change in project prioritisation?
3. Whatever rate rise goes ahead must be one off, not a pathway to a permanent increase.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K, B, F, L



SRV795

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV796

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. Like many others I am already managing a tight budget due to cost of living increases and having recently retired from working full-time for 50 years. I have seen many local businesses in Neutral Bay closing due to rent increases and loss of business during covid . Local Business in Neutral Bay is not thriving due to rising costs. North Sydney Council must reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV797

I am writing to ask you to reconsider the proposed massive increase in Council rates. Is there not another way to deal with Council's financial challenges other than imposing pain on already-stressed rate payers? This rate rise will add stress to an already financially stressed community and reap anger and, very probably, long-term community resentment. Please reconsider. For myself, I am a part-pensioner on a low, fixed income. Over the past twelve months or so, I have already had to cope with big increases in strata levies, insurance costs, costs for electricity, services such as phone and internet, and continuing increases in the cost of fresh food and supermarket basics. I am not alone in facing these stresses. I may not be the only one economising on food. Please reconsider these huge rate rises, not just for me and rate-payers in my situation, but also for Council to avoid bringing on wide community anger.

Response reference: C



SRV798

I am writing opposing the exorbitant rate rise that your council proposes. With many local families already having budget problems, and businesses just recovering from covid, as well as their many cost increases this rate rise will see many businesses struggling to survive and families unable to make ends meet. I feel it is fraudulent that council never mentioned this increase was likely prior to the election and we should now have an administrator appointed. I urge North Sydney council to reconsider this increase and find a different approach to overcome the poor financial position the council has gotten us into and not unfairly burden ratepayers and businesses

Response reference: C, K, G

SRV799

Re: Proposal for a Special Variation to rates

North Sydney Council Special Rate Variation (SRV) and draft Strategic Plans

North Sydney Council has a vital role to play in the development of density done well and the overall growth and economic success of North Sydney. This letter seeks to clarify some very serious and concerning actions by current members of Council and the integrity of the process for the SRV. Communities expect their council to be operating with the highest level of integrity and in their best interests. It has become clear that is not the case at North Sydney Council and there has been major dysfunction across the entire organisation for several years. This is reflected in the decision-making processes that have occurred around the development of the Olympic Pool, lack of transparency and in fighting that is regularly reported in the media. These issues have impacted Council's ability to deliver for its community, and they must be urgently addressed. An inquiry is necessary understand all the issues and start the journey of restoring confidence in North Sydney Council. The Minister for Local Government should oversee an independent inquiry in the public interest to review in more detail the background of the processes that has led to the intended rate rise before an application to the Independent Pricing and Regulatory Tribunal (IPART). Key issues to be investigated: Long Term Financial Plan Lack of transparency in informing the community prior to the last election in September 2024. Linking the rate increase to the provision of strategic and essential outcomes is not acceptable when the problems have been created by the mismanagement of the financial accounts of North Sydney Council. Consequently, asset upgrades and investments in key areas have been unnecessarily delayed. Public engagement during major holiday period Seeking public engagement during the Christmas/January major holidays is unacceptable and against common practice when engaging at Local Government level. It does not provide the broader community an opportunity to review all the material associated with the Community Strategy. There are over 8 significant documents that require consideration. The number of frequently asked questions being added to the consultation page of the survey indicates the engagement strategy has not been thoroughly actioned to provide sufficient answers to complicated

349



fiscal actions. Accountability of returning Councillors knowing the financial situation The returning Councillors do not demonstrate good fiscal management. To effectively lead and drive performance, we require a strong culture that aligns with shared values. A few returning councillors are long-term serving members and have not acted in the best interests of the community during a period of poor governance acknowledged in the strategy. Need for investigation We cannot continue to have the same people lead and manage our LGA, hoping that good governance will be achieved. Therefore, an investigation into the failures of returning Councillors including the Mayor's actions / inaction should be undertaken and why the community was not advised on the serious financial situation before the last election. The high turnover of senior management should also be investigated, as this has impacted the continuance of local area and governance knowledge. Additional comments on the Strategies and the Surveys. The surveys are not explicit enough to achieve vital input and in answering the survey, the SRV is endorsed which may not be the intent for those participating. General Strategic objectives range from the broad to the specific and should be commended. However, the objectives are not measurable over the 10-year period. What does success look like, what are short and medium outcomes considering the financial issues the Council currently faces? Some identified projects will not be achieved without considerable capital input and how have these projects been costed. Many initiatives are identified to be subject to funding which is not providing the community with achievable outcomes. The slippage of previous strategies due to lack of funding is not acceptable into the future. Environmental Strategy The Declaration of the Climate Emergency in 2019 by Council has not been followed through with actions that drive carbon neutrality, mitigate heat island effects and improve biodiversity in a timely manner. The Environmental Strategy delays the 2030 Strategy outcome of 35% green cover until 2035. This is unacceptable when our local population will continue to increase, and we face heat island effects that impact the health of our residents. Linking critical environmental outcomes to the Special Rate Variation further highlights the mismanagement of funding for strategic projects over a long period of time. Green infrastructure needs to be considered as an asset class and matched with funding to implement, manage and maintain our environment. The maintenance of the "soft" landscape components (soil networks, trees, shrubs, grass) of our streets, parks, waterways and foreshores requires additional funding through a separate line item in the long-term financial plan. Population increases and the pressure on our recreational and natural areas requires the alignment of new tree planting with a comprehensive Street Tree, Canopy cover and Biodiversity Masterplan where all trees are mapped and assessed for their contribution to the environment. Aging trees need to be monitored and planned succession needs to occur. Governance Strategy Lacks measurable outcomes over a short medium and long term. What does satisfaction for the community mean, an increase of 4% is not a high benchmark over a 10-year period. Open Space and Recreation Strategy This strategy needs stronger alignment with the Environmental Strategy, so they are considered holistically. The blue and green networked systems that transverse individual sites connecting with active transport links, road networks with tree canopies, as well as the reserves associated with waterways should be captured within a detailed Green Grid for the LGA. In concluding, I do not have an objection to a rate rise. What I do object to is the process in how this rate rise is being

350



communicated and I am concerned the objectives and service outcomes outlined in the strategies will not be achieved as they have not been assessed/costed in a detailed manner to reflect the current economic climate. I look forward to future opportunities to contribute to the development of the Community Strategic Plan

Response reference: A, B, G, L

SRV800

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses. I do not understand how the Council was financially sound at June 2024, and now we are in this position. Where does accountability rest for mismanagement, and what action is Council taking to reduce costs in line with what individuals and corporate Australia are doing. In addition, as residents of North Sydney our lives are being severely disrupted by the Warringah freeway works, perhaps there is some leeway to get support from the State.

Response reference: C, K, G, B, F

SRV801

I wish to vehemently oppose council's proposed rate rise in North Sydney. I feel there was gross dishonesty by the mayor to the ratepayers of North Sydney when, prior to the council elections in September, she announced that the council was financially secure, and then just a month after the elections declared that the council was broke and needed to increase rates by around 100% over the next three years. I have been paying rates in several different local government areas over many years and have never before seen a fiasco like this foisted onto their residents. I believe council should reconsider this proposal forthwith.

Response reference: G, L

SRV802

I am writing in opposition to the dramatic rate increases that North Sydney Council has proposed.

There are several reasons and some outstanding information:

1. We do not want to be penalised for the poor management of the North Sydney pool

351



project.

2. It seems that North Sydney residents are the only ones paying for the pool even though we are not the sole users. Was state or federal funding sought to update the heritage feature?

3. If residents do help the council pay for the pool - what commitment will the council make for residents to have free or discounted access to it?

4. How are rates for apartments calculated - surely with the increase in development of high rise properties, much of the council's funding gap should be provided by developers. Current residents should not be funding the future potential strain on council utilities and other expenditure.

5. Even if the pool is excluded from the council spend, the rates increase seems out of proportion.

6. Why have council assets been reclassified to replace items which are category 4 as well as 5?

7. If a rate increase proposal is accepted, it should decrease after the pool has been finished. This timeframe is not indicated anywhere.

It is already a struggle with the cost of living without massive (and poorly explained) hikes in taxes. For these reasons, I request that North Sydney Council reconsider their position.

Response reference: A, I, E, M, L, C

SRV803

Happy Hogmanay everyone.

North Sydney Council, or somebody on their behalf, have asked for views on this obnoxious 'SPECIAL' rate increase they will arrange. In my opinion nobody really believes North Sydney Councillors have any interest in the view of Ratepayers, it's a long time until they have face another election. Ratepayer comments have been asked for by 10th Jan 2025. I do not believe these responses will be given to Councillors, I believe they will be sanitised by a group of bureaucrats or others, and delivered to councillors in a short sharp report. Below I make a few comments which I expect will make no difference to our Council,

- There are currently two very major infrastructure projects (both disasters) in the NSGA (North Sydney Govt Area).

o North Sydney Pool. I understand the repairs were planned by, approved by, to be paid by, and managed by, the council; this was the decision of our council. In my opinion their ability can be clearly seen by the fact they concede that there will be an amazing cost overrun of around 100%, somewhere around \$60,000,000!! Are we confident this council will fix the mess with \$60,000,000 more of ratepayers money? Who knows? Do we believe the council have suddenly found the ability to do their sums properly and project manage the repairs to a swimming pool? From a council newsletter it seems to me ratepayers are being asked to blame the need for this huge rate increase principally on the cost of

352



repairs to the swimming pool. It also seems this Council want us to blame previous North Sydney councils for an overrun of around \$60,000,000. How long have the mayor and current councillors been on the council? Who was the mayor of the previous council?

o Warringah Freeway 'upgrade'. No other Country would allow all this work to go on for years, covering a very major, very important, very large part of the city transport system, with no end in sight. I believe the Council have been no help, they complained about the number of trees cut down and put up signs about it and were ignored. Worse, I believe it has always been part of the overall plan that more trees would be planted than were cut down in the project. Our council worked hard to stop the tunnel extension to the Northern Beaches, in total opposition to Mosman Council. Well done to our councillors who are working for us, the amazing pollution and traffic chaos in the NSGA along Military Road and surrounding 'rat run' roads will now continue for years. How are the council going to address this mess? Reopen

the Young Street/Military Road junction.

- We are told we need a local Council where we vote for 'local' people we know. This is obvious nonsense. How many councillors do ratepayers regularly (often) meet, even worse have they ever met, never mind how many do they know? Why is this relevant. We already have State and Federal MPs we don't know. Our council want to increase rates between now and the next council election by some vague amounts but at least 100%, how is this acceptable? There remains no plan us mugs know about to fix the existing, crumbling council buildings, etc. We, the ratepayers, have the right to expect all council buildings are in good condition. Who on the council will take any responsibility or liability for these very important problems?
- We expect the council to remove rubbish. This Council do this very well, I am saddened that I believe this service will be reduced during the term of this council
- In my mind the shrinking Cammeray golf course owned by our council, epitomises our local council. It was a full sized 18 hole golf course, was downsized to a 9 hole course and has recently been shrunk again, for this sort of service the council give us a 100% increase in rates.

Response reference: A, B, N

SRV804

Special Rate Variation

I am writing in response to the Council Special Rate Variation Survey which I note is due on January 10. First, I will not be replying to the Have Your Say survey for several reasons, but the critical reason is that there is no provision for a rejection of any rate increase. This is a fundamental flaw in the construction of the survey as it enables Council to say that there is overwhelming support because each participant will comment on a rate increase. Council is well versed in deceitful elegance. Secondly, I stood for Council at the last election and as I am an experienced corporate lawyer I analysed the accounts of

353



Council and from what was publicly available there was no financial crisis. If there had been it would have been a different electoral campaign. None of the campaign documents of incumbent Councillors refer to this financial position. Thirdly, the haste with which this survey has been created and the lack of detail around the proposed future expenditure is obvious grounds for the rejection of this proposal. Why would you pour more and very substantial money into a Council that has been unable to deliver the North Sydney Olympic Pool on time and on budget. Notwithstanding all the bravado of the sitting Councillors in the lead up to the election to fix the Pool it languishes unfinished. It is clear that this Council can't be trusted with additional unmarked money for infrastructure. Lastly most Councillors in their election campaign noted the difficulty for residents that the cost-of-living crisis brings. It is very hypocritical for them to support a substantial rate increase at this time which will seriously affect the ability of many residents and small businesses to pay. You must be tone deaf to pursue this initiative at this time and on the flimsy basis contained in the documents drafted to support it. I hope you reconsider this ill-timed proposal and stop the process. And in examining the responses to the SRV you must give more weight to the individual responses because of the flawed nature of the Have Your Say.

Response reference: L, G, A, C

SRV805

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families, like me and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

SRV806

I am writing in opposition to the ridiculous and outrageous rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. There has been no consideration of the current economic market by this council. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, K

354



SRV807

Regarding the proposed rates increase. No way! Look at lowering recurring expenses and capex expenditures first. Look at providing professional oversight to finishing the NS swimming pool. Please add this to the community feedback re: the rate increase to cover the swimming pool blowout.

Response reference: F, A, L

SRV808

Special Rate Variation

I am writing in response to the Council Special Rate Variation Survey.

I will not be replying to the Have Your Say survey for several reasons.

- There is no option within the survey to vote for NO RATE INCREASE. This means that the survey response is flawed.
- It is inappropriate for a survey to be held over the end of year /Christmas/ holiday period. This timing shows a total disregard for a real community consultation .
- This is a time when many Australians are under financial pressure so Council should be “financially conservative” and constrain expenditure rather than increasing rates. North Sydney council should be reining in expenditure not increasing spending as they propose doing.
- The 2024/2025 council budget was released last June. There was no mention of a financial crisis. During the council election there was no mention of a financial crisis. It was fraudulent for the councillors who were standing for re-election to not include in their campaign that council was in a weak financial position.
- The North Sydney Olympic Pool has been left idle since 2023. This is a community asset that is costing the community millions of dollars as the site remains dormant and the Councillors seem unable to administer the project.

This is a long term asset which can be paid off over many years. Typically, such assets are funded through long term liabilities, like borrowing or selling assets rather than being paid off in a short period.

I object to a rate increase by North Sydney Council. A rate increase would be a huge pressure on local businesses, owners and renters. There is no justification for a rate increase as a competent Council should be capable of dealing with the present financial situation.

Response reference: L, C, F, O, G, A, K, R

SRV809

I wish to lodge my objection to the proposed rate rises Council has proposed.

355



Firstly, has consideration been given to the real possibility of negligence on the part of those who entered into the contract which appears to have been open ended? If not will Council please consider this in the event that the blowout of costs can be met by any person or persons I found negligent. The pool is an ICON of NSW and I would suggest is used by far more non residents than residents. As such the State government should be approached to substantially contribute to current and ongoing costs. Many residents are under great financial strain given the current cost of living crisis, the majority of whom would most likely not use the pool, yet they are being asked to accept the proposed outrageous increase in rates. Council should give consideration to serious cost cutting and defer any increased spending to avoid any increase in rates and burdening local ratepayers

Response reference: B, I, F, O, C

SRV810

I would like to submit my feedback on the rate hikes due to the mistakes made by councillors and the NSW government. This would be ridiculously unfair for residents to cover the blow outs due to Council inefficiencies and not waiting for all the plans and designs to be finalised before passing the motion and starting work on the pool too many years ago. I am outraged and could not afford the rate hike. I have 2 properties in north Sydney and am 67 and retired. In a cost of living crisis these financial demands are impossible for residents to pay such as (in no particular order)

Using Council profits to pay the costs

Selling assets to fund the shortfall

Finding sponsorship deals

Private schools in the council areas need to be responsible and be demanded to pay rates and extra levies in the area to fund this shortfall. Borrow the money but do not place such a huge financial burden on individual householders rate payers. Many rate payers don't use the pool and many of them are from outside the area and it's unfair to expect us to pay. We are in a financial crisis and struggling to hold on to our homes re interest rates increases over past years and this massive rate hikes would force me and others to sell. I love living here which has been my home for decades yet this huge rate increase would be impossible. I'm retired and have no money for these outrageous increases. I swim in these as it's free and can't afford entry to pools let alone this proposed increase in rates. I would not be able to pay these massive levy increases and would need to sell. I speak for a majority of rate payers in North Sydney area

Response reference: C, D, J, H

SRV811

I am writing in opposition to the dramatic rate increases that North Sydney Council has proposed.

356



There are several reasons and some outstanding information:

1. We don't agree that funding the poor management and resulting increase in cost to complete the North Sydney pool, should be the sole responsibility of North Sydney's residents. Surely State or Federal funding should be sought to update the heritage feature?
2. If residents do help the council pay for the pool - what commitment will the council make for residents to have free or discounted access to it?
3. How are rates for apartments calculated - presumably with the increase in development of high-rise properties, much of the council's funding gap should be provided by developers. Current residents should not be funding the future potential strain on council utilities and other expenditure which are caused by the sudden increase of these new builds.
4. Even if the pool is excluded from the council spend, the rates increase seems out of proportion. How does North Sydney suddenly have this huge deficit to cover?
5. Why have council assets been reclassified to replace items which are category 4 as well as 5?
6. If a rate increase proposal is accepted, it should decrease after the pool has been finished. It is already a struggle with the cost of living without massive (and poorly explained) hikes in taxes. For these reasons, I request that North Sydney Council reconsider their position.

Response reference: I, E, M, G, L, C

SRV812

Re: Stockland's response to North Sydney Council Special Rate Variation – Community Consultation
Stockland is pleased to provide a submission in response to North Sydney Council's proposed Special Rate Variation (SRV). Our submission focuses on the potential long-term impacts of the proposal to commercial landlords, like Stockland, and our tenant partners.

Stockland is one of Australia's largest diversified property groups with a 72-year history of delivering sustainable communities, employment precincts, affordable homes, shopping centres, and education and recreational facilities across Australia.

As you may be aware, Stockland has operated in the North Sydney Local Government Area (LGA) for a significant number of years and has four assets in the area, being:

- 601 Pacific Highway, St Leonards
- 110 Walker Street, North Sydney
- 118 Walker Street, North Sydney
- 122 Walker Street, North Sydney



As the owner and manager of these premises, we have spent many years building strong working relationships with a diverse range of tenants, as well as investing in our footprint to meet the demand profile in the area for high quality commercial spaces (which include retail) and workplaces.

Stockland's position on the SRV proposal

Stockland supports a Long-Term Financial Plan for North Sydney Council that invests in infrastructure and services for a growing population.

We also recognise the unique opportunity for Council's plan to leverage other public and private investment to transform the North Sydney CBD. However, we have serious concerns regarding the proposed SRV increases, and the broad impacts that are anticipated to follow.

We understand that North Sydney Council is considering four SRV scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28. Considering Stockland's footprint in the area, we strongly oppose this proposal as such increases will have a significant commercial impact on our operations, as well as the flow-on impact for our tenants who are predominantly responsible for the council rate charges in accordance with their leases.

As noted on page 15 of the SRV Council Report, when IPART assesses SRV applications, one of the key criteria to be assessed is 'the impact on affected ratepayers must be reasonable'. Stockland emphasises that proposed rate increases between 74% and 122% from 2024-25 to 2027-28 are not reasonable and should not be progressed for the following reasons:

- The impact on existing tenants of our four buildings within the North Sydney LGA (as distinct from the owners). We anticipate significant impact on small business operators who make up a portion of the North Sydney LGA, and we believe Stockland's small business tenants will be challenged by such significant rate increases. Stockland is committed to supporting business diversity, and we are concerned about the wide-reaching impacts these proposed rate increases will have on our small operators and their medium to long-term operations in this LGA location should these proposed increases occur.
- The impact on capital investment decisions for property within North Sydney LGA both now and into the future (development and refurbishment). As Council is aware, Stockland has planning approval for the Affinity Place development in Walker Street, which will offer 59,000sqm of net lettable commercial office and retail space. The proposed SRV is anticipated to bring considerable commercial risk to this development feasibility, which was not previously factored in.
- The impact on the North Sydney market could see tenants move outside of the LGA to bring down their cost bases. This will impact North Sydney's investment profile and could see a decrease in economic



activity in the area. In addition, it could become increasingly difficult to attract new businesses into the area once the impact of the increased council rates becomes well-known.

SRV proposal will have a detrimental impact on North Sydney Council's Economic Development Strategy

North Sydney Council's Economic Development Strategy, which articulates the needs and priorities of North Sydney over the next ten years, is currently on public exhibition and is underpinned by four key strategic focus areas:

1. Revitalise and grow the North Sydney CBD as a high amenity top tier office precinct.
2. Cultivate a diverse, connected, and resilient business environment.
3. Create vibrant villages and local centres that attract and retail visitors.
4. Promote North Sydney as a destination of choice.

It is our view that the proposed SRV works against these key focus areas by making North Sydney less attractive as a place to do business, which is further compounded by the challenging market conditions as well as the broader cost of living and affordability issues that are well documented. Since COVID, the commercial property market in North Sydney has experienced a downturn with inflated vacancy rates due, in large part to the rise of remote work reducing the demand for floorspace. In addition, retailers and hospitality operators in the area have been affected, relying on the office workers for their businesses.

On this basis, we believe that the scale of the proposed SRV increases will directly impact broader business decisions for our tenants, such as employment and further investment, and this will have a flow-in impact for property groups established in the LGA like Stockland. The refurbishment of existing office buildings within North Sydney is equally challenged by the pressures on achievable market rents. The upgrade of existing office buildings is essential to supporting a diverse and vibrant local economy by providing engaging workplaces at varying price points. Development in the area provides significant direct and flow-on economic benefits for the local economy and businesses. On this basis, the proposed SRV will further challenge the progress of Stockland's Affinity Place development which will directly counter Council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy.

While we accept paying our rates as part of general business operations, any increases should be appropriately phased in by Council so that the business community can adequately prepare for such changes to their cost bases. The current SRV proposal does not reflect a reasonable phase-in of rate increases, on this basis, should be reconsidered.

Conclusion

Stockland has long supported the North Sydney community as it has expanded on its footprint over the years. We are acutely aware of the direct and indirect impacts that will be realised if North Sydney



Council pursue an SRV that will see unreasonable cost increases applied between 2025-26 through to 2027-28.

If it remains North Sydney Council's intention to pursue this SRV, Stockland requests a meeting with the Mayor and CEO to discuss the impact on North Sydney's investment profile and business activity moving forward.

Response reference: C, K

SRV813

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I'm a single mother in a single income household, with a child with limited support from NDIS. My rates are already just below \$2k. As council will be aware households have also had to deal with extreme increases in utilities. I'm happy to pay a regular increase as I feel our services are quite good which is why I've been highly supportive of council. However, the proposed increases are unreasonable and impossible for me. Our medical costs are also through the roof & I've taken my child on one holiday since 2018. I'll not be able to afford another if my basic utilities & fixed costs go up as significantly as council proposes. If Council's financial position has changed so dramatically since the glowing financials published before the election, perhaps we need to petition the Minister for Local Government to step in and appoint a commissioner to conduct a section 438U public inquiry. Better that than be pushed further into financial hardship over a swimming pool I've not used in over a decade.

Response reference: C, K, G

SRV814

Dear Mayor and Councillors,

I write to advise that the NSC may need to make an urgent clarification to the electorate in relation to its proposed Special Rate Variation (SRV). Furthermore, NSC may need to advise its insurers and lawyers that there could well be claims made against it relating to the information, or possible misinformation, shared as to the reasons for the extraordinary increase in rates of between 65.38% and 111.2% over the next three years. If the enclosed YouTube https://youtu.be/sFTdUSM_GJo is correct, it would suggest that NSC has, at best, been opaque and, at worst, deceptive, in explaining the reasons for the extraordinary increase it wants in rates.

360



Three main reasons were given by the NSC for the massive increase in rates:

- 1) A cost overrun of the NS Pool from \$64m to \$111.2m.
- 2) Reduction in other income.
- 3) Rising costs of infrastructure costs.

The cost overrun of the pool is something that warrants its own inquiry. The reduction in other income might well be understandable and entirely reasonable to bring to ratepayers' attention. However, the stated claims of rising infrastructure costs could be seen, in the court of reasonable opinion, to be manipulative. If the claims in the video are correct, it would seem NSC has added about \$100m to a claimed shortfall in urgently required funds, not because of an upsurge in unfunded infrastructure projects, but because it has included TWO categories of projects instead of the usual ONE. In a departure from usual practice, and at odds with nearly every other Sydney metro council, NSC has calculated the backlog of infrastructure projects to include infrastructure deemed not just "Very Poor" but also that which is rated "Poor." This has allowed the NSC to be more alarmist as to why such a massive rate increase is necessary. Already there are rumblings about the integrity of NSC, with bullying, mismanagement, favourable treatment of Councillors seeking building approval, being just some of the issues I am hearing about. It cannot afford another integrity issue, and it certainly cannot afford what might well become a major media investigation. Accordingly, I would suggest that, after checking the accuracy of the enclosed video (which is gaining an increased audience online,) NSC might need to issue an urgent clarification about its claimed increase in the backlog of infrastructure works, as evidence exists that the startling backlog claimed is more due to a change in definition than to a rise in the number of projects. Furthermore, if NSC agrees that it has not been nearly as transparent as it should have been on this issue, a full apology needs to be offered to the electorate. Finally, if the allegations in the video are correct, measures need to be put in place to prevent NSC from repeating this sort of voter manipulation

Response reference: B, N

SRV815

Re: Proposal for a Special Variation to rates. We find the 3 options proposed by Council to be indulgent. It appears Council fail to understand there is more than one way to achieve financial sustainability. You can raise rates as per the proposal or you can reduce Council expenditure. There is no option to consider a nominal CPI increase through deferred capital works, deferred IT overhaul, reducing council focus to local matters and not involving in State or Federal matters, low interest government loans and asset sales - to mention just a few considerations. We read in horror that there have been 379 variation claims and a further 99 variation claims are expected but have not yet been submitted for the North Sydney Olympic Pool ("NSOP"). Anyone who has built anything knows variations are what kills the project

361



budget. This does not bode well for council's IT upgrade - another likely cost blows out we will be asked to reward Council with by paying higher rates. Council needs to adopt wartime attitude whereby when times are bad one should tighten (not loosen) one's belt. Council needs to reduce expenditure to keep rates adjusted for CPI only. If that means capital works need to be delayed for 5 years until times are good, then that is the cost of mismanaging NSOP project. Council must understand that the mismanagement of the NSOP means the "we want it now" needs to be replaced with a delayed gratification mindset. To achieve this means delaying to future periods capital works currently scheduled. There is nothing in the Special Variation of rates proposal that give us confidence that Council spends our funds wisely. We do give Council audacity credits for stating in the background information provided that "North Sydney has one of the lowest minimum rates in metropolitan Sydney" whilst totally ignoring to mention the fact that back in the 80s this was the consideration sold to residents by accepting the high-rise North Sydney CBD. We think it is unworthy of the Council to request a response to the proposal by the 10th of January 2025, a period when many residents are away. Equally galling is that, to our knowledge, none of the councillors supporting the proposal chose to mention the need for significant rate increases prior their recent election. We three, being of voting age & long-term residents of North Sydney, recommend Council first demonstrate to residents that Council can be fiscally responsible to work within the present envelope by reducing other capital works, obtain low interest government loans, selling assets if needed, to get the books back in good order before resorting to raiding your pool residents for funds. Essentially, Council needs to cut one's coat according to thier cloth and not ask for more cloth. We therefore are against all three proposals and recommend Council come up with alternatives to achieve the goal of financial stability by reducing the spend to keep an increase in rates in line with the CPI.

Response reference: L, F, H, D, A, F, N, G

SRV816

I am writing in opposition to the dramatic rate rises North Sydney Council has proposed.

With so many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet..myself included as I'm an age pensioner.

I'm urging North Sydney Council to please re-consider this proposal and not unfairly burden local ratepayers and businesses.

Response reference: C, K



SRV817

I am writing to express my concern about the proposed rate increases by North Sydney Council and the impact they will have on local families like ours.

As a young family already managing the rising cost of living, this rate hike will add another financial strain on households across our community. Many families are already tightening their budgets to cover essentials, and this additional burden could force even tougher choices at a time when many are striving to recover and move forward.

I urge the Council to reconsider this proposal and explore alternative solutions that do not unfairly impact local families.

Thank you for taking the time to consider this perspective.

Response reference: C

SRV818

I am strongly opposed to all the currently proposed options for the North Sydney Council Special Rate Variation (SRV). I believe that the focus on residential rate hikes is inherently limited in scope and that a more comprehensive range of alternatives (which could include more moderate rate hikes) should be presented for consideration and debate. I am opposed to all the currently proposed options for the North Sydney Council Special Rate Variation (SRV). I believe that the focus on residential rate hikes is inherently limited in scope and that a more comprehensive range of alternatives (which could include proposals for more moderate rate hikes) should be presented for consideration and debate. I believe that any proposals to hike and re-base rates by such magnitudes above the rate of inflation should not just be supported by “community consultation” but also by:

- A plan for revenue maximisation across Council’s entire revenue base - including commercial rates, the non-profit/education sectors, development, and user-pays charges. This does not seem to be adequately addressed in Council’s Long Term Financial Plan or this SRV proposal.
- A re-prioritisation of Council services – including essential & non-essential. If required, give residents choices in the services that they are willing to pay for, forgo, or otherwise limit in their rates. Present these to ratepayers, rather than Council self-selecting from the large number of surveys, forums and “consultations” that it puts out (e.g., the SRV Online Community Forum). The electorate may have a different view of priorities if they were presented alongside proposals for large future rate increases.
- An independent review of Council’s operating budgets and financial management - focusing on operating costs and efficiency, as well as revenues to minimise negative impacts on liquidity. Ensure measurement, benchmarking and accountability – and appropriate alignment of incentives between Council management and ratepayers.
- An independent review of Council’s capex budgets – including a benchmarking of capex budgets, consideration of where projects can be phased (e.g., asset renewals) or where third-party funding can

363



be introduced (e.g., North Sydney Pool & Oval upgrades). Large new projects (e.g., IT overhaul) should be particularly scrutinised.

- A full presentation of all available funding alternatives (e.g., asset sales, alternative revenue sources, government grants, low-cost loans) - for capital projects and to address any projected liquidity shortfalls. Rate increases of this magnitude should not be the first/only option. I believe the presentation/dismissal of funding alternatives in the SRV FAQ is inadequate in the context of the debate and proposals that Council is making.
- Genuine accountability for the mismanagement of the North Sydney Pool redevelopment –the pool has been a disaster from initial contracting and getting worse. This is at a real social and financial cost to the community. When will the identified issues of mismanagement in the pool be followed up with litigation and/or independent government investigations (not by Council) to provide genuine accountability for the losses incurred by Council and the community? And if this is not in Council’s plans, tell the community why not.
- A genuine commitment to transparency and accountability to ensure an alignment of interest between Council, Councillors, residents and other stakeholders. It does not seem right to me that we were told Council was in a “strong financial position” in 2022/23, only for a “financial crisis” to then be presented to residents after the 2024 Local Government Elections. Council’s financial position and any proposals for rate hikes or other funding measures should have been known and put to the electorate in 2024. It is disappointing that the “community consultation” in relation to this SRV has been run in a way that has only presented residents with a choice of rate hike options with large cumulative increases of 65-111%, with only limited discussion of alternatives (mainly by forums with limited engagement and website FAQ), and that this process has been run over the year-end holidays.

Response reference: M, J, F, O, B, D, I, H, L, G

SRV819

I am opposed to all the currently proposed options for the North Sydney Council Special Rate Variation (SRV). I note ""your say"" doesn't give me this response option. Is this really ""community consultation"" when we're presented with such a narrow choice?

- I don't believe there has been adequate exploration of cost-cutting options. Under the proposed options, many many residents will be forced to undertake severe cost cutting in their own budgets to enable them to pay their new rate requirements. How will this be recognised within council operations?
 - the lack of accountability regarding the pool approval and management processes is astounding. The costs to North Sydney ratepayers is enormous, and many of them foreseeable. There must be options besides our continuing to fund this never-ending project (filling in the hole, embarrassing but an option?) I watched some of the council meetings (not currently available online) and continue to remember the shock when watching the proceedings.

364



- it is incumbent upon councils such as ours to put more pressure on other levels of government to require more contribution from the non-ratepaying occupiers of land in North Sydney, or to reject any further incursions onto our land by such organisations. I don't see any significant endeavours to address the inequities created by this growing base of occupiers of North Sydney land. Where/how do we get the chance to say no to any further rate-free occupation of our land? Most ratepayers don't realise what's happening and how it impacts on our fees. Surely the council can be more visible in opposing this inequitable development.

- it seems the dismissal of alternative funding options was passed without due regard for the impact of the options presented to ratepayers. Why couldn't we be offered such an option? Afraid we might choose it?

More brinkmanship is required of our council in addressing this dire situation. Dumping the burden on ratepayers is too simple an answer for the council, at the expense of the community."

Response reference: L, F, C, B, I, M

SRV820

I am writing to voice strong opposition to the dramatic rate rises that North Sydney Council is proposing.

I believe that the size of proposed increases is outrageous!

Other options for managing Council's 'weak financial position' (eg assets sales/long term borrowing/expected revenue from the redeveloped pool complex etc) have not been presented to ratepayers.

I saw mention of the impact of Covid - but I also wonder about the additional revenue from all the new home units that have been built over recent times?

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

Clearly the Council has not managed it's financial affairs effectively

I believe that the Council has not - I urge North Sydney Council to review its position and not unfairly burden local ratepayers and businesses

If this doesn't happen, I would support intervention by way of appointment of administrators to run Council affairs until the situation is satisfactorily remedied

Response reference: D, H, M, C, K, L



SRV821

I am writing in opposition to the dramatic rate rises North Sydney Council has proposed. With so many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet..myself included as I'm an age pensioner. I'm urging North Sydney Council to please re-consider this proposal and not unfairly burden local ratepayers and businesses

Response reference: C, K

SRV822

SUBJECT: RESPONSE TO NORTH SYDNEY SPECIAL RATE VARIATION

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal as owners of 100 Pacific Highway, North Sydney and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their lease obligations.

An SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission.

The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council.

Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work reducing demand for floorspace and the development of premium-grade supply in the Sydney CBD, CBD fringe and other economic centers including Macquarie Park and Parramatta. As at December 2024 vacancy rates for the commercial office market in North Sydney stand at 21%, this being the highest recorded vacancy rate in North Sydney since rates started to be recorded in 1990 (source JLL).

At 100 Pacific Highway the buildings vacancy rate sits at 27% and will reach 33% in the first quarter of 2025 noting the building had a vacancy rate of 2.5% in late 2019 i.e. pre covid.

Retail property in North Sydney Council has equally suffered due to the rise of remote work post-COVID as its trade is predominantly driven by office workers. This having a circular impact as commercial tenants are less attracted to locations with poor retail amenity.

The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney asset and our ability to retain tenants and attract new businesses.

The magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment/spending on other cost

366



items within North Sydney Council. These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'. The proposal will also have the following impact on the future development and repositioning of commercial and retail assets within North Sydney Council.

Development of commercial property has become increasingly challenged post-COVID with several planned projects in North Sydney Council either paused indefinitely or not proceeding due to slowing demand for commercial and retail floorspace (impacting achievable rents), the ongoing significant escalation in construction costs, and the cost of development finance. These outcomes have significant cost implications for the owners / developers.

The refurbishment of existing office buildings within North Sydney Council is equally challenged as the pressures on achievable market rents make it difficult to feasibly support the cost of refurbishment which has escalated significantly in recent years. The refurbishment of existing office buildings assist to support a diverse and vibrant local economy by providing engaging workplaces at varying cost levels.

The proposed SRV will negatively impact both future commercial development in North Sydney and the refurbishment of existing office buildings given the impact the quantum of the proposed increase in council rate charges will have on project feasibility. The level of statutory outgoings are already an issue for existing and prospective tenants in our building and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants.

The future development and the continuing refurbishment of existing office buildings is crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.

These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.

Further, development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The proposed SRV will only slow the progress of development into the future which will directly counter council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy.

The above clearly highlights that the SRV proposes to significantly increase council rate charges on commercial property owners and their tenants and cannot be supported on any basis. We request council reconsider their position on this matter.

Should you have any questions or wish to discuss further please don't hesitate to contact the undersigned.

Response reference: C, K



SRV823

"My name is [REDACTED]. I am a rate payer for [REDACTED] at [REDACTED] where I am the Chair of the Strata Committee as well as a resident. This submission is made in my own name not the Strata Committee. I have received a copy of the ""Fact Sheet"" in support of four SRV options. I object to North Sydney Council's proposal to seek an SRV as outlined in the ""Fact Sheet"" for the following reasons

1. During the recent Council elections, I was not aware of any financial crisis facing the new Council: indeed, the secure financial position was put forward as to why council membership should be retained.

2. The Long Term Financial Plan 2022 2032 (LTFP), within the North Sydney Council Resourcing Strategy 2022 2032 (RS) shows operational surpluses would be achieved now and into the future. The ""Fact Sheet"" advises that there is now a Draft Long Term Financial Plan (DLTFP), which relies on an SRV.

3. The ""Fact Sheet"" claims that the SRV is critical to achieve a number of outcomes that are, in fact, the Council's job, achievable through effective and efficient resourcing, prioritising, and managing variations to the assumptions made, during the planning required for the Council to meet its statutory obligations.

4. Although the rebuilding of the Olympic Pool, by the NSC, was undertaken in good faith, it is regrettable that the naivety of the Council's project management was not recognised by the Office of Local Government (OLG). Your independent review highlighted those weaknesses in the process, but there was no impropriety.

5. The Olympic Pool is a State cultural icon. Removing the cost of its preservation from the DLTFP, would leave the LTFP crisis free.

6. The completion of the rebuilding of the Olympic Pool, has to be completed as a State based icon or fill it in to cut the losses. The pool is used by a small percentage of the NSC ratepayers who have been reasonably accommodated elsewhere and the area might be better used as a grassed area.

7. That Icon was selected as the builder having been profoundly criticised following a disastrous construction of units near the expressway beggars belief. I understand a more expensive though credibly estimated quote was rejected and Icon, the cheaper option, selected. Clearly there was an absence of experience in tender evaluation though this remains one of the core objectives for Council administration.

368



8.This project requires appropriate resources but the rate payers of NSC paying for a State cultural and sporting icon is unfair, unacceptable, unjust and poorly considered.

9.I also point out that with the crass over-development of North Sydney through State approvals, the creation of the high rise buildings will raise enormous windfall rates as the buildings near completion.

I thank you for the opportunity to voice this opinion. I reject the proposal of NSC to impose the increased rates the SRV upon the local community.

Response reference: G, M, A, I

SRV824

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV825

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C



SRV826

I am writing today because I am OUTRAGED!!

This SRV is a load of rubbish. Yes, I understand costs have increased due to overall post-pandemic inflation and interest rate rises, I understand that very well because I am making sacrifices to deal with these pressures. This does not seem to be the strategy of this council, there seems to be no effort to cut costs or services, in fact, all of the proposals listed in the section 'What is Council doing to improve its performance?' involve SPENDING money, not saving it!!! It lists developing strategies, frameworks and plans, all of these things cost money!!!

Where are the cuts to staff? Where are the cuts to salaries? Lots of companies and organisations had to cut costs because of the pandemic and the resulting economic pressures. Where are your proposals for this?

The proposal does not show any information on what happens if rates are kept the way they are now. Its as if you are not even allowing this as an option. I AM NOT AN IDIOT, I CAN SEE WHAT YOU'RE DOING. You want me to choose between a 65% increase or a 111% increase is OBSCENE... that is offensive and disgusting by accepted standards of decency and morality. And even this website survey doesn't allow me to express these opinions without clicking on one of the funding options!!! I DON'T WANT ANY OF THEM !! Is this so you can go to IPART and claim that the feedback you've received shows that people are in favour of this?

Where are the options for the large corporates? Are you proposing that the local cafe gets an increase in rates to the same degree as Cisco? As TPG? as the Winten Property Group? LEAVE RESIDENTAL RATES AT THE RATE PEG AND DEVELOP A NEW PROPOSAL FOR LARGE CORPORATES THAT MAKES THEM PAY A LARGER SHARE.

And to have the comment period over the holidays, so you can sneak it in without people noticing much.

And to use the argument that North Sydney rates are lower than other government areas is also misleading and offensive. You don't articulate that all but one (Waverley) of the other council areas you list have much lower population densities than North Sydney, so their rates would naturally have to be higher than one with more people per square kilometer. Some simple maths on your own mailer proves this argument.

I understand a rate rise is necessary. I understand that some members of previous councils contributed to the dysfunction of the council and this did not help move things forward. I understand there have been unforeseen consequences of the pandemic, but you don't even list any cuts to anything!!! Any

370



cuts to staff numbers. Any cuts to services. This IS OBSCENE. Its INFURIATING. Its OUTRAGEOUS. Where are the suggestions for LOWER LEVEL INCREASES? AND NO, please don't use the argument that ""the community expects service levels to be maintained"". NO WE DON'T. We are not stupid, we understand there may be a drop in service levels...that's what many of us are doing in our daily lives.

When you went through the community consultation exercise...you asked people if they wanted their services continued. But did you ask them if they wanted their services continued at double the price? You asked people what they wanted in a way that would frame an argument for these kinds of rate increases. This misleading, and irresponsible of Council.

As an example:

You want coffee. Its \$5 per cup. Do you want us to keep your coffee services? Yes.

OK, coffee will now be \$15 per cup. Do I still want this coffee? No, I don't... Not at that price.

But the way you've gone about this proposal... I don't have a choice. I MUST pay for the coffee whether I want it or not.

DO YOU THINK I'M STUPID. ARE YOU ACTIVELY TRYING TO DUPE ME INTO BELIEVING ALL OF THIS? And no... before any councillor just goes off and thinks I'm simply reacting to James Spenceley's letter to residents, I am not. I read what the Council has mailed to me, and that by itself is enough to make a reasonably intelligent person think twice.

What I will ask about James Spenceley's letter... He says a majority of councillors agree with the SRV. Is this the case? Is there no one other than James looking at alternatives?

He writes about a marketing company engaged to promote all this? Is this true? If this is true, how much of my money did you spend on this exercise?

Please take this on board...

If Council goes ahead with the changes as proposed, I will organise and do everything I can to make sure none of you are re-elected. Please come up with an alternative that does not rip the guts out and insult the intelligence of every single rate payer in the North Sydney area.

Response reference: A, F



SRV827

Please reconsider your intent to increase our Council rates! We older residents are already struggling to live in this escalating economy!

I have lived in this Municipality for fifty years as a young owner, who worked three Jobs to pay off mortgages at 17% and a Bridging Loan of 23% living week to week as a single woman! I always paid my Rates and enjoyed living in the Area under a fair, accessible, considerate and honest Mayor, Ted Mack!

The Area has since deteriorated, along with Public Transport, parking accessibility and availability to shop or visit locally!

Money spent on bicycle riders and swimming pools favours the minority whilst older residents who contribute are forgotten!

My aforementioned comments are not detailed only an Overview Objection!

Kind regards in appreciation for your consideration.

Response reference: C

SRV828

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

I am a single self funded Retiree and although I do get a discounted rate it is still hard for me to make ends meet, with the constant rising costs of Health Insurance, strata Levies, insurances etc.

Although North Sydney may be considered an affluent area, there are still many households doing it tough and the increases you are proposing are perposterous and will tip many over the edge including myself.

If the Council has made errors in its budgeting, you need to find a solution that doesn't force your consituents to move out of the area.

Response reference: C, F



SRV829

Your "have your say" by 10th January is too biased and questions are loaded - not giving us the chance to really have our say SO SENDING AN EMAIL INSTEAD.

Your own councillor James Spencely has slammed the grab and I will 100% back his advice to constituents. He has the information right at the source and opposes the increases with good solid reasoning and solutions. He should be running North Sydney Council!!!!

Hence, North Sydney Pool blowout does not justify such drastic action.

I'm sure Council knows his position but if not, below is the post which I'm 100% backing.

Response reference: L, A

SRV830

I am writing to appeal against the proposed exorbitant increase in rates for North Sydney citizens. I urge you and the council to consider other options, such as cost controls and asset sales, before imposing this financial burden on your constituents, most of whom are already struggling economically. The sudden decree of a financial crisis in the Council surprised everyone, given that there has been no earlier indication of the Council's weak financial position. Please review the Council's economic practices and alternative options first before asking citizens to carry the burden of the proposed huge increase in rates. Furthermore, the Council's lack of transparency on this issue prior to the election in September, is concerning. We elected the councillors in good faith and the absence of transparency on this issue does not honour that faith.

Response reference: C, G

SRV831

RATE RISE PROPOSED. I am writing in full opposition to the proposed enormous rate rises that North Sydney Council has suggested to fund in the main the cost over run of the pool at Milsons Point which are used by others outside of North Sydney/Neutral Bay. In addition with many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will result in many locals having to cut more personal incl healthcare to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses

Response reference: C

373



SRV832

On Monday I had the opportunity to comment on the SRV that the council has put forward requesting community support. I also took the opportunity to review and comment on other strategies in the “Have Your Say” area. As a result, there is a common thread across all the items up for comment which is disheartening to see.

I also spoke to Godfrey Santer at length to gain a better understanding of the SRV and the Strategies, as a result, the conversation confirmed that the Council’s approach was to spend more now and raise rates to cover the spending.

Godfrey stated that the strategies had been costed and that a Business case did exist which were created in consultation with consultants. None of the business cases were publicly available thus hiding the true justification and costing. Given the timing between the recent election and the short consultant process, this raises question on the legitimacy of the engagements as this information should have been made available before the elections.

I have reviewed the SRV strategy and options, and it is clear that North Sydney Council accounts has been grossly mismanaged or will be. In ALL of the strategies including the SRV, you (the councillors) are requesting for more funds to spend on strategies that are Not Necessary nor add sufficient value to warrant their implementation, rather than take the approach of mitigating the damage and seeing where savings can be made.

NONE of the strategies put up a “Do Nothing Option” which should be the 1st option to expose risks and issues limiting the ability of rate payers to vote down frivolous expenditure. The following options should address the risks and issues so an informed decision can be made.

In this current climate of the Cost of Living outstripping income, the council should reduce or remove expenditures relating to non-essential programs to show that you are fiscally responsible. I was shocked to see that Council is spending money and effort on Mapping Gay people in North Sydney which is reminiscent of Nazi and Soviet practices as they did the same. Clearly an unnecessary expenditure at this time as it changing street names to have aboriginal added.

In 8 of the 9 strategies currently up for comment, the request was for more money, rather than reduction to cover the Nth Sydney pool debacle which shows incompetence at it highest. In reviewing your financials that accompanied the SRV, the council has 80% of income committed to expenditure and liabilities and doesn’t take into account future liabilities which from a business perspective, is negligent. To get in such a position such gross incompetence and recklessness, coupled with requests for more funds for expenditure on frivolous programs. I have decided to refer the North Sydney Council to the LGA for investigation and considering if the ICAC should also be informed.



North Sydney Council should scrap the strategies and SRV and take a new approach of doing more with less rather than punishing rate payers for your sins of mismanagement and greed.

Response reference: B, F, L, N, C, G, R

SRV833

Please find attached my Submission in regards to the Draft Strategies and the proposed Special Variation to Rates.

This submission is informed by my significant professional involvement in public domain matters, and volunteer contributions as part of local community groups in North Sydney.

To date, our ""integrated customer experience"" *, and ""all aspects of the customer journey"" * in dealing with the Council have been very revealing, but - alas - not very productive. Despite the massive increase in 'media' and 'consultative processes', Council has not made any progress. In fact, Council appears to be mimicking the deceitful PR and communications techniques of Transport for NSW that have been the bane of our existence for many years. (* NSC Organisational Structure, Office of CEO)

Please take the time to read the entire submission. It is based on a lifetime of design and delivery of major (and minor) public projects. As volunteer residents, we have provided significant contributions to 'enlighten' Council and we have also borne the brunt of dealing with TfNSW on behalf of the community, absent any Council energy to do so. There are many superb local government and public agency operational benchmarks throughout Sydney (and interstate) that North Sydney Council could learn from / emulate, if it was genuinely interested in being progressive and proactive. Progress necessitates change. Less 'pronouncements', more 'manifestations' please. This requires leadership.

Please do not hesitate to contact me if you wish to do so. We are keen to see the Council be successful.

Re: Proposal for a Special Variation to Rates

North Sydney Council Special Rate Variation (SRV) and draft Strategic Plans

North Sydney Council has a vital role to play in the development of density done well and the overall growth and economic success of North Sydney. This letter seeks to clarify some very serious and concerning actions by current members of Council and the integrity of the process for the SRV. Communities expect their council to be operating with the highest level of integrity and in their best interests. It has become clear that is not the case at North Sydney Council and there has been major

375



dysfunction across the entire organisation for several years. This is reflected in the decision-making processes that have occurred around the development of the Olympic Pool, the handling of the SHB cycle ramp saga, and the handling of the TfNSW Warringah Expressway Upgrade, and Western Harbour Tunnel impacts on North Sydney, and lack of transparency, and the in-fighting that is regularly reported in the media and witnessed in the Chamber.

These issues have impacted Council's ability to deliver for its community, and they must be urgently addressed. As a matter of urgency, Council needs to acknowledge its disfunction and take steps to reform itself. The alternative is an independent enquiry by the Minister for Local Government, and that can lead not only to compulsory administration, but to continued ridicule of those responsible for this situation, as well as the punishment of the innocent.

Public engagement during major holiday period

Seeking public engagement during the Christmas/January major holidays is unacceptable and against common best practice when engaging at Local Government level. It does not provide the broader community an opportunity to review all the material associated with the Community Strategy. There are over 8 significant documents that require consideration.

The number of frequently asked questions being added to the consultation page of the survey indicates the engagement strategy has not been thoroughly actioned to provide sufficient answers to complicated fiscal proposals.

Accountability of returning Councillors

"We are not torn apart by differences – we are torn apart by contempt"¹. Many studies testify to this – mounting disgust with political behaviour, ballooning distrust of leaders, science and institutions. But so many of us are tired of the ugliness, the hyper partisanship behaviour of Council cliques, the polarisation. This community is tired and increasingly cynical of the plethora of self-centred 'community consultation' and meaningless 'have your say' programs

The Way Forward

"In a world full of very real risks and challenges in which we have limited resources, it is vitally important that we zero in on what matters"

2. Rates need to be whatever they need to be to deliver the necessary services, provide a robust Capital Works fund, and establish and maintain a progressive and engaged work force at all levels of the organisation. The fundamental weakness of the Council's Special Rate Variation proposals is the Strategic Plans that they have presented. They are largely composed of rhetorical pronouncements, absent any meaningful tactical or operational specifics, and devoid of relevant cost planning evidence. The strategies do not demonstrate how any objectives are going to be achieved. The cost planning accuracy is reported as extremely high risk, and thus not fit for the purpose of aligning achievable ends with accurately defined and available resources (programmed funds and demonstrated high level



expertise by committed personnel). The community will be supportive, but only if the Council is genuinely professional, honest, transparent, and provides visionary leadership.

The Strategies and Council Performance

As it stands, the 8 Strategies are devoid of any achievable visions. Clear pathways (not just meaningless cute graphics) should be spelled out by Council. Clear responsibilities should be identified. No more kicking the can down the road. The failure of Council to properly provide the necessary sinking funds to fulfill its responsibilities for infrastructure, services, and routine maintenance is the epitome of ineptitude and wilful incompetence. It is time to 'own it' and then move forward with improved resources, active leadership, sound management, motivated workforce, and fit for purpose systems. In this way, meaningful progress and transparency – together with a reformed behaviour by the elected Council - could restore community trust. Exhibiting competency is the only pathway to restoring community and staff trust in Council.

The argument presented to ratepayers to support new rate amounts for a new IPART submission reads like a manifesto for continued failure. No amount of 'performative' consultation processes, and the pandering to the opinions of special interest constituents in lieu of building a high quality and fact-based decision-making process can lead to success, let alone survival. It is difficult to reconcile the strident 2017 IPART submission prepared and lodged by Cr Baker and Cr Beregi in opposition to the then Council's request to increase rates, with this current Council's post-election pronouncement of a sudden and surprising financial crisis. Blaming everything on the pre 2021 administrations, and to now insist on yet another flawed business plan and rate rises based on inadequate data will only lead to further institutional failure. As for the possible rate rises, consider these as debts due by all 'strata members' on account of years of under investment and under saving. Years of turning a blind eye to the reality, kicking the can down the road, eroding staff competencies, and obsessions with 'virtue signalling' consultation processes, and intellectual laziness by all concerned has diminished the capability of North Sydney Council to fulfil its constitutional duties. Past and present populist politicians have not made a productive contribution to the enterprise either.

Leadership Deficit

The Governance Strategy is missing a key ingredient - Leadership. Successful Leadership and Governance is very hard work. The Leader must have a clear plan, and each participant must know what it is, as well as their role in it. Avoid the high-flying rhetoric and media narrative that currently prevails. Experience matters. The unglamorous and hard-working knowledgeable specialists know how to get things done.³ The three stools of governance are -People - Process – Policy. Triangulate these three resources to achieve success. There is no such thing as a perfect administration. Reasonable ratepayers judge Councils based on their effectiveness and outcomes.



In particular, the Strategies addressing the Environment, The Open Space and Recreation, and the Long Term Financial Plan contain a lot of pronouncements, and rehashing of earlier reports, but they are dangerously bereft of meaningful outcomes that maintain or enhance the current natural or built environment. For example, there is no mention of the refinement and delivery of the 2020 Blues Point Road Master Plan, nor of the even more pressing Harbour Foreshores Masterplan. There are no budgets allocated within the next decade (ref Long Term Financial Plan, p 53-56).

This community (Lavender Bay Precinct) has repeatedly urged the Council (and Councillors) to address the opportunities and responsibilities that are on offer in key foreshore precincts within the municipality, specifically the Blues Point Peninsular. The Blues Point Reserve, Henry Lawson Reserve, and the public domain associated with them should be considered as unique places of significance, and master planned and managed accordingly. North Sydney Council has never had a Master Plan for the Blues Point Reserve and its environs. There is no provision, nor budgets, in the current Strategies for any work on this at all.

In July 2023, North Sydney Council conducted a public consultation process regarding a proposal to 'upgrade' the lighting at Blues Point Reserve. In response, this resident submitted a detailed report, advocating for a holistic Master Plan Process to be undertaken prior to initiating any more ad-hoc works in this important Place. There has never been any Council response to that submission, nor a publication of the results of the 'have your say' public consultation process.

How could Council contemplate proceeding with 'works' prematurely, without holistic due diligence regarding the opportunity cost of proceeding without a Vision or Master Plan for this Place? The proposed Strategic Plan's 2025-35 Budget includes money for the lighting upgrade, but nothing for preparation of a comprehensive Master Plan, nor any works arising from it. This principle should also apply to every project in every location within the municipality. We understand that Council public works budgets are likely to be constrained in the near term. This is now the time to be undertaking important master planning processes to ensure that Council's future resources can be applied to achieve a well-considered outcome, and an exemplary future for this whole precinct. Time invested in comprehensive Master Planning and community and Agency collaboration will lay the foundation for efficient and sound staged delivery of necessary works and management practices. Universal evidence confirms that failing to plan ahead is akin to planning to fail.

I have consistently urged Council to consider the virtues of holistic master planning, and the fundamental need for it to underpin all activities in our precious foreshores, and other public places. Best practice Environmental Design and Public Domain Design projects all emphasise the vital importance of rigorous planning, design and collaborative engagement processes in the cause of sustainable and regenerative stewardship of our natural and cultural environment. Our future depends on it.

378



I have consistently urged our Mayor and other Councillors to take the lead in this process, and to initiate actions to ensure much needed progress in this aspect of how we can collectively respect and cherish our unique opportunities that we are responsible for. None of them was prepared to be involved. Lavender Bay Precinct has repeatedly requested Council to be proactive and address the significant deficiencies and defects of the foreshore zone, to no avail. Councillors are not interested enough to respond, to support this community, nor to promote progress on this important community issue. They do not want to be associated with it, like their behaviour with the long running SHB Cycle Ramp saga. North Sydney – a core part of Global Sydney - is blessed with this prime expanse of Harbourside Foreshore Land, but there is no actual Master Plan or comprehensive Vision for the design and stewardship of the Place. This Place deserves a fully resolved Master Plan, and a design that is worthy of the local, national, and global importance of this place. Ad-hoc and piecemeal alterations and additions will never do justice to this land, and it reflects poorly on North Sydney Council and disappoints the local community and the wider community. Proceeding without a robust Master Plan is an unsustainable activity.

Sydney Harbour has many fine parklands and public places that have been carefully and lovingly developed and curated by visionaries and respectful authorities, but none of those other places can compare with the 'view from them' that this Place is blessed with. However, the views of, and the views into this whole foreshore site are very non-descript, reflecting the lack of a comprehensive and thoughtful vision, plan, and management regime for the Place.

Best practice stewardship has provided the Sydney Harbour foreshores with some exemplary landscape settings such as Barangaroo Headland Park, Ballast Point Reserve, Bradleys Head Reserve, Pirrama Park, Illoura Reserve, and the wonderful settings at Georges Heights. These are the result of active and progressive stewardship by the authorities that are responsible for them.

Why doesn't North Sydney Council, the fortunate custodian of arguably the best location of all foreshore reserves, have any comprehensive Master Plan and vision for this Place? Without such a plan, there is no methodical means of ensuring that occurrences such as the recent 'Metro Works Site' restoration make a meaningful and considered contribution to the holistic planning and design of the Place. Without such a design framework, significant opportunities were lost, and a great deal of resources have been frittered away on what amounts to a highly self-conscious and overly embellished car park. A granite paved car park and monolithic sandstone encased drainage swales and swaths of dead or drowned grass do not constitute a transformative or even respectful outcome for this Place.

Had there been a thoughtful North Sydney Council Master Plan in place, a Master Plan that articulated the beliefs, aspirations, commitments and values of the Council, the finances provided by the Metro Site Restoration could have yielded a far more meaningful outcome. Of course, this principle applies equally



to many other North Sydney Places that are currently under siege from behemoth agencies inflicting unsatisfactory and inappropriate 'design solutions' upon our limited and important open spaces. Which brings us back to this lighting 'upgrade' being proposed by North Sydney Council itself. Before any new trenches and light poles are spread out over the upper headland and the lower surrounding foreshore, illuminating the goat tracks and random spaces, it would be prudent, and wise, to first prepare a comprehensive Master Plan, following by fully resolved design documentation, drawing upon the best practice planning and design processes that have yielded places such as the abovementioned Sydney Harbour Foreshore Reserves. To do otherwise flies in the face of the Council's own policies, particularly those directed at enhancing environmental and sustainable outcomes and best practice stewardship.

A comprehensive Master Plan is the basis for all progress. This special Place needs one. If not by Council, then who? If not now, then when?

Long Term Financial Plan

Lack of transparency in informing the community prior to the last election in September 2024. Linking the rate increase to the provision of strategic and essential outcomes is not acceptable when the problems have been created by the mismanagement of the financial accounts of North Sydney Council. Consequently, asset upgrades and investments in key areas have been unnecessarily delayed. The Long Term Financial Plan needs to be based upon thorough and accurate 'project planning' of works and services identified in the strategies to achieve the agreed objectives. The LTFP presented does no such thing. On what basis has Council decided to offer four 'rate rise options' to ratepayers? Rate payers would be more appreciative of a single well prepared comprehensive LTFP that accurately reflects the REAL costs of timely works and services that are contained within a robust Council Action Plan. Additional comments on the Strategies and the Surveys.

The on line surveys are not explicit enough to achieve vital input and in answering the survey, the SRV is endorsed which may not be the intent for those participating.

General

Strategic objectives range from the broad to the specific and should be commended. However, the objectives are not measurable over the 10-year period. What does success look like, what are short and medium outcomes considering the financial issues the Council currently faces? Some identified projects will not be achieved without considerable capital input and how have these projects been costed. Many initiatives are identified to be subject to funding which is not providing the community with achievable outcomes. The slippage of previous strategies due to lack of funding is not acceptable into the future.

Environmental Strategy



The Declaration of the Climate Emergency in 2019 by Council has not been followed through with actions that drive carbon neutrality, mitigate heat island effects and improve biodiversity in a timely manner. The Environmental Strategy delays the 2030 Strategy outcome of 35% green cover until 2035. This is unacceptable when our local population will continue to increase, and we face heat island effects that impact the health of our residents.

Linking critical environmental outcomes to the Special Rate Variation further highlights the mismanagement of funding for strategic projects over a long period of time. Green infrastructure needs to be considered as an asset class and matched with funding to implement, manage and maintain our environment. The maintenance of the “soft’ landscape components (soil networks, trees, shrubs, grass) of our streets, parks, waterways and foreshores requires additional funding through a separate line item in the long-term financial plan. Population increases and the pressure on our recreational and natural areas requires the alignment of new tree planting with a comprehensive Street Tree, Canopy cover and Biodiversity Masterplan where all trees are mapped and assessed for their contribution to the environment. Aging trees need to be monitored and planned succession needs to occur.

Governance Strategy

Lacks measurable outcomes over a short medium and long term. What does satisfaction for the community mean, an increase of 4% is not a high benchmark over a 10-year period.

Open Space and Recreation Strategy

This strategy needs stronger alignment with the Environmental Strategy, so they are considered holistically. The blue and green networked systems that transverse individual sites connecting with active transport links, road networks with tree canopies, as well as the reserves associated with waterways should be captured within a detailed Green Grid for the LGA.

In Conclusion

I do not have an objection to a rate rise, per se. What I do object to is the flawed work underpinning this process, and the way in which this rate rise is being communicated. I am very concerned that the objectives and service outcomes outlined in the strategies will not be achieved as they have not been assessed/costed in a detailed manner to reflect the current economic climate and the relevant risk factors. The quantum of necessary rates must be linked directly to rigorous cost and risk studies for all undertakings and works. None of the current ‘options’ is fit for purpose.

Council must go back and undertake the process with the necessary rigor to accurately establish the rates needed to deliver the necessary services, provide a robust Capital Works fund, and establish and maintain a progressive and engaged work force at all levels of the organisation. The Community will support this process.



I look forward to future opportunities to contribute to the development of the Community Strategic Plan.

Response reference: F, B, M, G, R

SRV834

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal on behalf of the owner and as investment manager of 2 Blue Street, North Sydney (known as Blue & William) and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases.

An SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission. The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council.

- Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work reducing demand for floorspace and the development of premium grade supply in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta.
- Retailers in North Sydney have equally suffered due to the rise of remote work post-COVID as its trade is predominantly driven by office workers.
- The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney asset and our ability to retain current tenants and attract new tenant partners.
- Further, the magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment on other cost items within North Sydney Council. These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.
- The proposal will also have an impact on the future development and repositioning of commercial and retail assets located within North Sydney Council.

The level of statutory outgoings are already an issue for existing and prospective tenants in our building and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants through sustained higher outgoings.

These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the North Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'. We anticipate that the proposed SRV will slow the progress of development into the future which will directly counter council's commitment to

382



revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy.

We trust the above makes it clear that an SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported on any basis. If it is council's intention to pursue this SRV, we request an urgent meeting with the Mayor and CEO to discuss its impact on our property and its tenants.

Response reference: K, C

SRV835

RE: Proposal for a Special Variation to rates

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal as owners and managers of Greenwood Plaza (retail) and 101 Miller Street (commercial) and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases.

An SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission.

The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council:

- Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work reducing demand for floorspace and the development of premium-grade supply in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta.

o This situation is expected to continue to decline with the already high current North Sydney office vacancy rate of 26% to grow to circa 35% once Victoria Cross Tower is completed in 2025. The proposed SRV will make North Sydney even less attractive to tenants and opens up the risk of further significant and spiralling increases in vacancy rates.

- Retail property in North Sydney Council has equally suffered due to the rise of remote work post-COVID as its trade is predominantly driven by office workers.

383



oGreenwood Plaza has seen a decline of over 46% in retail sales since 2019 as a result of this trend. Vacancy at Greenwood Plaza has dramatically increased from around 2% in 2019 to 24% at the end of 2024 and correlates closely with this trend.

oGiven the highly correlated relationship between commercial property occupancy and retail in North Sydney, and the fact that approximately 86% of the working population in North Sydney live outside the area, the effect of the previous point of increased office vacancy rate will lead to devastating results for retail businesses.

- The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney assets and our ability to retain tenants and attract new businesses:

- oFor Mirvac's Greenwood Plaza retail centre, the current outgoings rate of \$654.54 per square metre – triple the average outgoings rate – already makes it extremely difficult to attract retailers to the centre at the post-COVID market rent levels. The centre has seen a drop of circa 42% in traffic (compared to 2019) due to return-to-office habits; with the centre's market rents reflecting this. The proposed SRV will increase the outgoings rate further and creates a significant competitive challenge for Mirvac to attract/retain tenants where market rent for tenancies can be below the annual outgoings charge.

- oFor Mirvac's 101 Miller St commercial property, the current outgoings rate is already above the rates of other CBD office buildings. Based on the proposed SRV, the overall outgoings rate will see an increase of around 6-7% from council rate charges alone.

- Further, the magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment/spending on other cost items within North Sydney Council.

- These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.

The proposal will also have the following impact on the future development and repositioning of commercial and retail assets within North Sydney Council:

- Development of commercial and retail property has become increasingly challenged post-COVID with several planned projects in North Sydney Council either paused indefinitely or not proceeding due to slowing demand for commercial and retail floorspace (impacting achievable rents), the ongoing significant escalation in construction costs, and the cost of development finance. These outcomes have significant cost implications for all owners and developers.



- The refurbishment of existing office buildings and retail spaces within North Sydney Council is equally challenged as the pressures on achievable market rents make it difficult to feasibly support the cost of refurbishment which has escalated significantly in recent years. The refurbishment of existing office buildings and retail spaces are essential to supporting a diverse and vibrant local economy and providing engaging workplaces at varying cost levels.
- The proposed SRV will significantly impact both future commercial and retail development in North Sydney and the refurbishment of existing office buildings and retail spaces given the impact the quantum of the proposed increase in council rate charges will have on project feasibility. The level of statutory outgoings are already an issue for existing and prospective tenants in our buildings and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants.
- The future development and the continuing refurbishment of existing office buildings and retail spaces are crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.
- These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.
- Further, development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The proposed SRV will only slow the progress of development into the future which will directly counter council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy.

We trust the above makes it clear that an SRV that proposes to significantly increase council rate charges on commercial and retail property owners and their tenants cannot be supported on any basis. Any increase in council rates will create an extremely challenging business environment for property owners and the tenants within these properties. The proposed changes completely contradict the objectives of North Sydney Council's Economic Development Strategy.

If it is council's intention to pursue this SRV, we request an urgent meeting with the Mayor and CEO to discuss its impact on our properties and its tenants. Please reach out directly to me on the if you have any further questions or queries in relation to this submission.

Response reference: K, C

385



SRV836

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal as owners / managers of the Victoria Cross over station development at 155 Miller Street, North Sydney and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases.

This SRV will significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission.

The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council:

- Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work reducing demand for floorspace and the development of premium-grade supply in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta.
- Our retailers along the concourse from the Metro station leading out to Denison Street have only just commenced trade as at September 2024 and the retailers along Miller Street will commence trade in early 2026. Retail trade generally has suffered due to the increase of the remote work post-COVID as its trade is predominantly driven by office workers. The initial 24 months is critical for the stabilisation and success of a retail operation and whilst we have negotiated deals to support these businesses during this period the proposed SRV will lead to unforeseen significant impact to expenses.
- The proposed SRV increases cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney asset(s) and our ability to retain tenants and attract new businesses. Further, the magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment/ spending on other cost items within North Sydney Council.
- These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.
- Development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The proposed SRV will only slow the progress of development into the future which will directly counter council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy. The proposal will also have the following impact on the future development and repositioning of commercial and retail assets within North Sydney Council:
 - o Development of commercial property has become increasingly challenged post-COVID with several planned projects in North Sydney Council either paused indefinitely or not proceeding due to slowing demand for commercial and retail floorspace (impacting achievable rents), the ongoing significant



escalation in construction costs, and the cost of development finance. These outcomes have significant cost implications for the owners / developers.

o The refurbishment of existing office buildings within North Sydney Council is equally challenged as the pressures on achievable market rents make it difficult to feasibly support the cost of refurbishment which has escalated significantly in recent years. The refurbishment of existing office buildings is essential to supporting a diverse and vibrant local economy by providing engaging workplaces at varying cost levels.

o The proposed SRV will significantly impact both future commercial development in North Sydney and the refurbishment of existing office buildings given the impact the quantum of the proposed increase in council rate charges will have on project feasibility. The level of statutory outgoings are already an issue for existing and prospective tenants in our buildings and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants.

o The future development and the continuing refurbishment of existing office buildings is crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.

We trust the above makes it clear that an SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported on any basis.

If it is North Sydney Council's intention to pursue this SRV, we request an urgent meeting with the Mayor and CEO to discuss its impact on our property and its tenants. Please do not hesitate to contact me should you wish to discuss the above.

Response reference: K, C

SRV837

We understand that council are considering four Special Rate Variation (SRV) scenarios that would significantly increase the average council rates charge for commercial ratepayers by between 74% and 122% from 2024-25 to 2027-28.

We write in strong opposition to this proposal as owners and managers of Greenwood Plaza (retail) and 101 Miller Street (commercial) and on behalf of our tenants, who are predominantly responsible for council rate charges in accordance with their leases.

An SRV that proposes to significantly increase council rate charges on commercial property owners and their tenants cannot be supported for the reasons set out in this submission.

The proposed SRV will have the following impact on commercial and retail assets within North Sydney Council:

Commercial property in North Sydney Council has already suffered through the broader downturn in the commercial market post-COVID with inflated vacancy rates due, in part, to the rise of remote work

387



reducing demand for floorspace and the development of premium-grade supply in the Sydney CBD, CBD fringe and other economic centres including Macquarie Park and Parramatta. This situation is expected to continue to decline with the already high current North Sydney office vacancy rate of 26% to grow to circa 35% once Victoria Cross Tower is completed in 2025. The proposed SRV will make North Sydney even less attractive to tenants and opens up the risk of further significant and spiralling increases in vacancy rates.

Retail property in North Sydney Council has equally suffered due to the rise of remote work post-COVID as its trade is predominantly driven by office workers. Greenwood Plaza has seen a decline of over 46% in retail sales since 2019 as a result of this trend. Given the highly correlated relationship between commercial property occupancy and retail in North Sydney, and the fact that approximately 86% of the working population in North Sydney live outside the area, the effect of the previous point of increased office vacancy rate will lead to devastating results for retail businesses.

The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within North Sydney Council which impacts the competitiveness of our North Sydney assets and our ability to retain tenants and attract new businesses:

For Mirvac's Greenwood Plaza retail centre, the current outgoings rate of \$654.54 per square metre (psm) – triple the average outgoings rate – already makes it extremely difficult to attract retailers to the centre at the post-COVID market rent levels. The centre has seen a drop of circa 42% in traffic (compared to 2019) due to return-to-office habits; with the centre's market rents reflecting this. The proposed SRV will increase the outgoings rate by between \$7 and \$10 psm based on council rate changes alone. This creates a significant competitive challenge for Mirvac where market rent for tenancies can be below the annual outgoings charge.

For Mirvac's 101 Miller St commercial property, the current outgoings rate is already above the rates of other CBD office buildings. Based on the proposed SRV, the overall outgoings rate will see an increase of around 6-7% (or \$13-\$16 psm) from council rate charges alone.

Further, the magnitude of these increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment / spending on other cost items within North Sydney Council.

These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.

The proposal will also have the following impact on the future development and repositioning of commercial and retail assets within North Sydney Council:

Development of commercial and retail property has become increasingly challenged post-COVID with several planned projects in North Sydney Council either paused indefinitely or not proceeding due to slowing demand for commercial and retail floorspace (impacting achievable rents), the ongoing



significant escalation in construction costs, and the cost of development finance. These outcomes have significant cost implications for all owners and developers.

The refurbishment of existing office buildings and retail spaces within North Sydney Council is equally challenged as the pressures on achievable market rents make it difficult to feasibly support the cost of refurbishment which has escalated significantly in recent years. The refurbishment of existing office buildings and retail spaces are essential to supporting a diverse and vibrant local economy and providing engaging workplaces at varying cost levels.

The proposed SRV will significantly impact both future commercial and retail development in North Sydney and the refurbishment of existing office buildings and retail spaces given the impact the quantum of the proposed increase in council rate charges will have on project feasibility. The level of statutory outgoings are already an issue for existing and prospective tenants in our buildings and the quantum of the proposed increase in council rate charges and their apparent volatility will impact our ability to attract and retain tenants. Increase by 10-15%

The future development and the continuing refurbishment of existing office buildings and retail spaces are crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.

These impacts will directly counter the objectives of council's Economic Development Strategy to 'revitalise and grow the north Sydney CBD as a high-amenity top-tier office precinct' and to 'cultivate a diverse connected and resilient business environment'.

Further, development provides significant direct and flow-on (indirect) economic benefits for the local economy and businesses. The proposed SRV will only slow the progress of development into the future which will directly counter council's commitment to revitalise the North Sydney CBD, create jobs and contribute to the long-term stability of the local economy.

We trust the above makes it clear that an SRV that proposes to significantly increase council rate charges on commercial and retail property owners and their tenants cannot be supported on any basis.

If it is council's intention to pursue this SRV, we request an urgent meeting with the Mayor and CEO to discuss its impact on our property and its tenants.

Response reference: K, C

SRV838

We have been advised of the North Sydney Council's consideration to introduce four Special Rate Variation (SRV) scenarios and that the proposed SRVs would substantially raise the average council rates for commercial ratepayers, with increases ranging from 74% to 122% between 2024-25 and 2027-28.



On behalf of the Investment Managers and Owners of 141 Walker Street, North Sydney, we strongly oppose to this proposal. We also speak on behalf of our tenant customers, who primarily bear the responsibility for council rate charges as per their lease agreements.

We cannot support an SRV that proposes such significant increases in council rate charges for commercial property owners and their tenants, based on the reasons outlined in this submission.

The proposed Special Rate Variation (SRV) will significantly impact commercial and retail assets within North Sydney Council for the reasons outlined below:

- Commercial and Retail Property has experienced a downturn in the post-Covid market with inflated vacancy rates due to flexible work, reduced demand for floorspace, competition from premium-grade supply in Sydney CBD and other markets including Macquarie Park and Parramatta
- Retail trade and vacancy is also suffering from reduced office worker presence in the North Sydney CBD
- If implemented, the proposed SRV would increase occupancy costs for tenants and significantly reduce the competitiveness of all North Sydney assets. It would also make it more difficult to retain tenants and to attract new tenants into North Sydney. Additionally, the magnitude of these proposed increases and the volatility in the council rates charge will directly impact broader business decisions for our tenants such as employment and investment/ spending on other cost items within North Sydney Council.
- The proposed increases conflict with Council Economic Development Strategy goals which are to Revitalizing North Sydney CBD and Creating a diverse and resilient business environment
- The proposed SRV will present further development and refurbishment challenges for commercial and retail assets noting that there has been significant post-COVID challenges for commercial property development which has included projects paused or cancelled due to slowing demand, escalating construction costs and increased development finance costs
- The development and refurbishment of existing buildings is becoming less feasible due to pressure on market rents, acknowledging that new and refurbished office buildings are essential to support a diverse and vibrant location with engaging and attractive workplaces.
- The proposed SRV will further impact project feasibility, and the quantum of the proposed increase in Council Rates and ongoing volatility will adversely impact our ability to retain and attract tenants
- Future development and the continuing refurbishment of existing office buildings is crucial to the ongoing success and competitiveness of the North Sydney office market for both building owners and developers.
- The proposed SRV will likely hinder future development progress, counteracting the council's revitalization efforts for North Sydney CBD. This could potentially reduce job creation and local economic stability in the long term

Conclusion

We strongly urge the North Sydney Council to reconsider the proposed Special Rate Variation scenarios. The potential negative impacts on commercial property owners, tenants, and the broader North Sydney



economy are significant. These increases could severely hinder the area's economic growth, competitiveness, and long-term sustainability of the North Sydney office market.

In the event that Council intent to pursue the SRV we ask that an urgent meeting be scheduled with the Mayor and CEO to discuss the impact to the 141 Walker Street community.

Response reference: K, C

SRV839

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses

Response reference: C

SRV840

Re: Proposal for a Special Variation to rates

North Sydney Council Special Rate Variation (SRV) I have been a resident of Waverton for 20 years. I am not a follower of local politics but despite that I feel the need to write as this special rate variation will have an impact on every single resident of the borough on the back of a period of high cost of living. From what I can gather, poor financial planning, poor decision making and project planning has led to the fiscal position currently held by North Sydney Council. There seems to have been a lack of transparency regarding the financial state of the council at the last election and also a lack of transparency over how some costs in the rate variation proposal have been arrived at - in example see "North Sydney council's \$100 million infrastructure problem" by Dr Dave Bond (https://www.youtube.com/watch?v=sFTdUSM_GJo). I am sure that all residents expect their council to be operating with the highest level of integrity and in their best interests. This is questionable at North Sydney Council and is reflected in the decision-making processes that have occurred around the development of the Olympic Pool, lack of transparency and infighting that is regularly reported in the media. The Minister for Local Government should oversee an independent inquiry in the public interest to review in more detail the background of the processes that have lead to the proposed rate rise, before an application to the Independent Pricing and Regulatory Tribunal (IPART). I have not completed

391



the survey as this is an unsatisfactory format -To complete the survey you have no choice but to choose one of the options. Instead, please accept this email as my submission re the SRV.

Response reference: C, B, F, A, L

SRV841

My household in Neutral Bay has received a circular from Felicity Wilson, Member for North Shore, addressing the Council's evident proposal to double our rates. I imagine the Council is aware of this document and its content. I don't think we have learnt anything new, and the Member can't do much to change the situation beyond stirring up emotions, but a couple of paragraphs are worthy of comment. Firstly, bottom right on page 2, I agree with the position of 'unfair financial burden' in a setting of '...already struggling with the rising cost of living'. Secondly, I read the paragraph middle left on page 1 of the document which begins 'After reporting a net operational surplus of \$13 million in June 2024...and so on'. My first question is this: is this paragraph correctly reported, i.e. factually correct? If not, in what way is it incorrect?

Evidently some consultation between Council and ratepayers is ongoing, but if the topic is limited to rate path proposals, then each option is toxic, displaying various levels of toxicity. I'm not sure what can or will be gained by this. I have the impression that the cost of redeveloping the North Sydney Olympic pool has appeared periodically in media reports for the best part of two years, now, maybe longer. The fact that no clear coping mechanism for this over-reach has been reported suggests that the Council has simply opted for the simplest solution, without consideration of the consequences for those most likely to suffer.

I have never heard mention of any outside, independent assessment – with accompanying report – of any underlying causes of problems associated with the Pool. My best memory is of a report that part of the pool structure fell over, and/or had to be removed on account of faulty design. It is also possible that the building company which was awarded the contract carried a question mark against its name on account of problems associated with a previous contract. In following the news, it is very difficult to know what is fact and what is disinformation. Whatever, at my stage of knowledge of the Pool debacle, I could not rule out the possibility of human error. In our current commercial world, most professionals are required to possess indemnity insurance. I imagine this applies variously to mayors, Councillors, Council staffs and it certainly applies to building and engineering companies. And in making these observations, I am not ascribing blame in any way. But that would be the point of an independent enquiry, leading to forensic reporting, which if there were fault found, could lead to some form of repayment. I have heard rumours that the contract might have been signed hastily, maybe without consideration of a range of factors, and rumours there had been some form of celebration just prior to the signing. As I say, it's very difficult to tease out real facts.

392



But I return to the subject of an independent, comprehensive investigation of the current situation and any reporting. I wish to pose these further questions:

1.Has any such independent report been obtained? If so, is a copy of this document available to ratepayers?

2.If there is no such report, why has one not been commissioned? That seems to be the least the council could do to ameliorate the likely suffering for a very large number of decent hard-working people.

This is my contribution to a consultation process. I thank you for reading it, and I look forward to your response.

Response reference: A, B

Additional response: Within Local Government, financial performance is measured by way of the 'Net operating result for the year before grants and contributions provided for capital purposes.' For 2023/24, Council recorded a deficit of \$3.6 million.

The Office of Local Government measures Council's performance by excluding these capital revenues.

The reason capital grants and contributions are excluded from this measure is because these grants fund infrastructure and/or infrastructure reserves for new infrastructure. These funds cannot be used to fund operational costs.

SRV842

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV843

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from COVID, this rate rise will see many locals having to cut more to make ends meet. Further, the proposed increases are coming off the back of absolute mismanagement of funds (case in point being North Sydney Pool) by Council which is nothing short of unethical, especially in the current economic climate. I



urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, A

SRV844

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

I've recently

With many local families and businesses already managing tight budgets, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV845

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from

Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV846

Pro-invest are the owners of the office building at 100 Walker Street in North Sydney which stands to be materially adversely affected by this matter. I would appreciate if you could please forward this correspondence to the CEO.RE: Community consultation process reading the proposed Special Rate Variation (SRV) in North Sydney.

Dear Mrs Cole,

By way of introduction, Pro-invest Group is a Sydney based real estate investment and development firm and the owner and manager of 100 Walker Street, North Sydney. We understand that the North Sydney Council are considering four potential Special Rate Variation (SRV) scenarios that would see a significant increase in the council rates charged between FY25 and FY28.

I wish to express my strong opposition to the proposal, which would significantly increase council rates

394



for commercial properties. The proposed increases, ranging from 74% to 122% for the general business rating category between FY25 and FY28, pose a severe threat to the viability of businesses operating within North Sydney. These increases contradict the objectives outlined in the Council's Economic Development Strategy to revitalize and grow the North Sydney CBD, foster a resilient business environment, and promote North Sydney as a destination of choice.

Key Concerns:

1. **Impact on Tenants and Business Environment:** The increased council rate burden will raise occupancy costs for tenants, undermining the attractiveness and competitiveness of commercial and retail properties in North Sydney. Tenants may face reduced capacity for employment, investment, and other operational expenditures, which directly counters the Council's vision for a diverse and vibrant local economy.
2. **Impact on Development and Investment:** The proposed SRV will exacerbate challenges already faced in the post-COVID property market, including high vacancy rates, reduced demand for office space, escalating construction costs, and tightening development finance conditions. These rate increases will hinder the feasibility of both new developments and the refurbishment of existing properties, essential for maintaining a competitive, activated and engaging office market. The magnitude of the proposed SRV undermines the perception of North Sydney as investor-friendly jurisdiction which is critical to attracting domestic and international capital. A sharp and unprecedented policy shift of this nature, signals to the market that further rate increases may follow, compounding long-term uncertainty and eroding investor confidence. This is particularly damaging as North Sydney seeks to establish itself as a top-tier office precinct, following the recent opening of the Victoria Cross metro station.
3. **Long-term Economic Implications:** Reduced development activity and tenant attrition will have significant flow-on effects for the local economy, impeding job creation, business growth, and the overall revitalization of the North Sydney CBD.
4. **Misalignment with Strategic Objectives:** The magnitude and volatility of the proposed increases directly oppose the Council's stated goals in its Economic Development Strategy, diminishing North Sydney's appeal as a premier business and investment hub.

Request for Consideration: I urge the Council to reconsider this proposed SRV and instead explore alternative strategies for addressing its financial challenges that do not disproportionately burden the business community. If the Council intends to proceed with the proposal, I request an opportunity for an urgent meeting with the Mayor and CEO to discuss its impact on my property and tenants.

Thank you for considering this submission. I trust the Council will weigh the broader economic implications and the feedback from the business community carefully before deciding on this matter.

Response reference: K, C, M



SRV847

I would like to register my comments in relation to the Proposal for a Special Rate Variation (SRV).

The newly elected council stood on the platform of “good governance and leadership”.

As a public service to its’ community, North Sydney Council has an obligation to manage all aspects of its role including governance and fiscal responsibility.

This is the PUBLIC PURSE and should be treated and managed with the utmost diligence, transparency and respect. There appears to be zero accountability for this local government entity.

Good governance should incorporate a TRUE disclosure of the financial status of the Council, e.g. the massive over-run on the cost of North Sydney Pool.

Regardless of where the fault/s lie, there has been no disclosure as to why there was not a proper procurement process in place, insurance cover / exposure and HOW completion costs will be covered moving forward.

Where a budget surplus was reported in June 2024, with no identified financial risks in its 2024 Financial Statements – how could burdening constituents with a massive increase in rates even be mooted, nevermind the current economic situation?

There is no mention of managing budgetary considerations, the likes of efficiency / cost-cutting – as any commercial organisation does every waking moment. Conversely there are plans to increase spending.

While there is a survey for rate payer input/response, it is skewed with only 4 options AND THAT EXCLUDES any option for “no rate rise”.

The Standard Rate Variation (SRV) Proposal is not transparent - rather it is fanciful and completely unacceptable.

I do not support it in any way.

Response reference: G, B, A, F, L

SRV848

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

396



SRV849

I appreciate that the decisions made in relation to the North Sydney Pool were made under the previous mayor and without the support of the current mayor and Councillor MaryAnn Beregi.

The situation could not be much worse and I do urge council to consider whether there should be any referrals to ICAC in relation to the past actions of the former mayor and general manager. Any current councillors who supported the pool development need to reflect on whether their position is tenable.

When I moved to North Sydney nearly 25 years ago from a much smaller property in Glebe, I was surprised and delighted to see that my rates went down significantly. North Sydney rates have been amazingly low for a very long time. It is, however, disappointing that the reason for the increased rates proposals has been one very poorly conceived and executed vanity project.

I think “sticker shock” is the appropriate term for the proposed rate increases. The renovated North Sydney Pool will be enjoyed by many residents over a very long time and I question whether the cost needs to be absorbed so rapidly. I appreciate you need to balance funding requirements but I consider that more gradual and longer term budget repair would be more equitable and more manageable for those in our community who may find the increases unaffordable and for the many who do not live close to and/or will not use the pool.

Response reference: A, F

SRV850

As a ratepayer, I am writing to ask why I was not informed of the outrageous rate rises proposed by a Council that claimed to be in surplus and at no financial risk at the time of your recent election. It is your duty to inform ALL ratepayers, not a handful. I have read that you sent out a Survey. Instead, I hear about it in the press. Can you explain why? Promptly please.

Response reference: G

SRV851

Thank you for the opportunity to comment. All councils have core obligations expenditure such as roads, rubbish, libraries, public health, development issues etc.

397



My only question is what are specific examples of discretionary expenditure North Sydney Council will terminate to demonstrate the responsible use of ratepayers' money??

Response reference: F

SRV852

I recently made a submission in the Have Your Say survey re the SRV.

What I did not say is that over many years of being a North Sydney Council resident I have been very satisfied with the Council and the wonderful services it provides.

These include the greenwaste and household contents collections ,the Farmers Markets and others, The Library, the regular newsletter, the local streetscapes, the Coal Loader area, the many parks and playgrounds, the general presentation of the area, the consultation with residents, community services- there are likely many others I have missed.

I had also been impressed by the conduct of Councillor's and felt the area was in safe hands. I felt grateful to be a resident.

When I look at the area for the most part the area is true to the environment , avoids ostentation, and reflects its community. Much of the housing is older style, some in their original condition and many homes are modest in size. Gardens and greenspace abound.

Obviously I am not including the NS CBD in these comments although within 5-10 mins one can find such places.

This is what is unique about our area and we need to work hard to maintain and preserve it.

We also need to feel well represented

Thankyou for continuing to work for the community and also taking care to maintain our respect

Response reference: S

SRV853

I am writing this letter as feedback to the proposal for the increase in residential rates.

After careful consideration, I strongly oppose this proposed rate rise. This proposal is unacceptable for a number of reasons, particularly the timing of the increase as everyone is struggling with unprecedented cost of living pressures.

1. Consultation – I attended the community workshop in May to have a say in the 10 year plan. There was

no mention of any financial crisis at this workshop, and there has been no visibility to ratepayers of this "financial crisis" until December 2024, and after the local election held in September. There was no

398



indication of this in the June financial report, and an external marketing company were engaged, at a cost to the ratepayer, to present this to ratepayers in December 2024. In addition we were given until 10th January to vote on the rate increases, an inconvenient time for most as it is the holiday period. I believe that any responsible council would have been aware of this crisis in the 2024 financial year, and if not, I would really like to understand why.

2. The Olympic Pool overrun - \$50 million over budget, is a large part of this huge increase. With the proposed rate increase it would appear that ratepayers are being forced to pay for this upfront, rather than looking at long term debt. This project has been completely mismanaged, the costs are staggering, it is three years behind schedule, and the cost of the mismanagement is being passed down to the ratepayers, which is simply unacceptable.

3. Sale of Assets - this was discussed in detail in the December workshop I attended and we were advised that councils are not the same as the Corporate world, and it wasn't possible to sell assets. Most people in the room were far from convinced and quite dismayed with this response. My understanding is that council owns up to \$100 million of commercial investment property, selling some of this would go a long way to reducing this drastic rate increase.

4. Rates – apartment dwellers and businesses should have their rates increased as they still use the same council services. This would be more fair and equitable.

In summary this proposal needs to be reviewed, alternatives reviewed in detail and in consultation with councillors and ratepayers. Being asked to vote on the preference of the options being offered is unacceptable, and the manner in which this has been presented is disrespectful, unfair and unjust. I reject

all of the increases that have been presented, and would like a more balanced approach when more reasonable options are explored. I would think that a maximum of 20% would be more acceptable, following a revision.

Lastly, the behaviour of this council is quite alarming and does not demonstrate community consultation, best practice or fosters trust in decisions that are being made. In my opinion this is probably the most important point that has come out of this, and is extremely disappointing and concerning.

Response reference: C, G, A, D

SRV854

I live on Sutherland Street Cremorne & would like to draw to your attention that cyclists DO NOT use the bike lane provided in our street. If you have 10 people a day using it then that is a busy day. All it has

399



created is a narrower street that 2 grocery delivery trucks going in opposite directions can't even pass on. To now plan to narrow Young street from Sutherland to the shops is madness & a costly madness. It will create chaos on the street with cars, pedestrians, construction vehicles re the new Coles store. Has anyone seen a cyclist heading to the shops?? We haven't. At a time when council is proposing a 65% rate increase to cover costly bad planning mistakes of the past, how can you even contemplate spending more on this crazy bike lane when the Sutherland St bike lane isn't often used. Why can't someone in council see that this money could go to paying down the debt on the swimming pool? In 15 years I have lived here I think the last few years have been the worst for Neutral Bay area residents given some of the mad decisions made. We need people with sensibility & life experience to be making the BIG decisions.

Response reference: N, F

SRV855

I understand that North Sydney Council is proposing to significantly raise rates over the next three years. Specifically, all of the rate scenarios propose, at a minimum, a 50% rate increase in 2025 alone, with the highest cumulative three-year increase reaching 111.2%, i.e. a more than doubling of current rates.

After reviewing the Council's relevant material, including reading and considering the Council's draft Long-Term Financial Plan, I, and my family, are respectfully and unequivocally opposed to all of the currently proposed rate increases.

I understand that in June 2024, the Council reported a budget surplus. This position seems irreconcilable with Council's statements months later of an "unstainable financial position", which apparently has given rise to the current proposal to more than double residential and business rates starting this year.

Council has given the North Sydney Community a "one option proposal" which involves only rate increases. Notably, in the online survey described as "North Sydney Council Special Rate Variation", there is no option available to oppose the rate increase. This begs the question as to how members of our community can engage with the Council's survey if they are opposed to all of the proposed rate increases.

The Mayor and Council describe the proposed rate increases as a "Special Rate Variation". This term gives the impression that the increases are a one-off increase, or a temporary measure. In fact, the proposed rate increases are not one-off increases and, I understand, will be implemented in perpetuity.

The Council has also seemingly attempted to mask the true individual costs of the proposed rate increases by only publishing the proposed increases in relation to minimum rate changes. For the sake of full transparency, a range of rate increases, in addition to the minimum rate

400



changes, should be made readily available to the North Sydney community.

It is relevant that Council has not propose any budgetary cost cutting or considered the introduction of financial management mechanisms to deal with the current situation. In fact, I understand that Council proposes maintaining existing spending along with increased spending on new items of \$57.4 million over the next three years. Thus, Council seemingly fails to consider the significant and well-publicised cost-of-living crisis that Australian families and businesses are enduring at the present difficult economic times. In this regard, it is clear that Australian households, including North Sydney households are already under financial stress from, for example, the substantial and numerous rises in interest rates over the past few years. Furthermore, the Council should be aware that local businesses are still recovering from the impact of the COVID pandemic. This impact can be clearly seen from the number of vacant business properties, or high turn-over of businesses, along Willoughby Road at Crows Nest. As such, the proposed significant rate increases will see many local families and businesses thrust unnecessarily into unsustainable financial positions. This is a very effective way to drive businesses out of the North Sydney area. Respectfully, this is a situation that is not in the best interest of Council or the North Sydney community.

The Council's current financial situation and proposed rate increases, argues for a potential consideration of part (a) Section 8B of the Local Government Act 1993 namely that Council spending should be responsible and sustainable, aligning general revenue and expenses. North Sydney Council has further failed to propose options other than rate increases for fiscal repair. On the contrary, I understand that Council has proposed increased spending on a wide range of new initiatives.

Respectfully, North Sydney Council should instead be proposing other options such as:

- Internal efficiency programs and cost cutting

- Deferring new spending proposals which include an additional \$57.4 million in the first three years

- Exploring divestment of any underperforming assets that don't fulfil a core

- Council purpose within their \$53.7 million investment property portfolio

- Staging future capital works and infrastructure programs like IT upgrades

- Accessing low interest NSW Treasury loans

Council should consider cutting spending first, and assessing the performance of its own assets, as a means of, if necessary, complementing far more modest and sustainable rate increases.

It is also relevant that North Sydney Council has run the consultation period in relation to the rate increases over the Christmas/New Year period. This will potentially negatively impact on the level of community engagement with the proposed rate increases. For this reason, I respectfully request that the Council extend the consultation process for at least 3 months as a means of allowing North Sydney families and businesses to properly engage with Council on reaching a resolution that is in the entire community's best interest.

401



I understand that future rate increases may be inevitable. However, so as not to place a significant financial burden on North Sydney residents and businesses, which as detailed above would clearly not be in the best interest of our community, I suggest that far more modest rate increases be considered along with complementary reductions in spending. In my view, and I believe a view that is shared by the North Sydney community, this approach would be the fairest strategy in which to approach and address the current financial issues.

Response reference: F, N, D, H

SRV856

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses."

Response reference: C

SRV857

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV858

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.



I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV859

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV860

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from

Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C

SRV861

I am opposed to the massive rate increases that are proposed by NS Council.

I urge you to consider other options such as:

- Internal efficiency programs and cost cuttin
- Deferring new spending proposals which include an additional \$57.4 million in the first three years
- Exploring divestment of any underperforming assets that don't fulfil a core Council purpose within their \$53.7 million investment property portfolio

403



- Staging future capital works and infrastructure programs like IT upgrade
- Accessing low interest NSW Treasury loans

Response reference: F, N, H, D, M

SRV862

I am writing to express my objection to the proposed rate increases in North Sydney. After reading the SRV there is nothing that stands out that should not have already been known or allowed for in past expenditure, costs or budgets. No surprises are shown or listed. Apart from North Sydney pool that I will address later. The managers of North Sydney council and the elected councilors should have been aware of and indeed abreast of all existing and possible future increases of costs and expenditures. Apart from the pool. Councils are employed to manage different aspects of their local area and Elected councilors are elected to ensure this is carried out on behalf of the electorate and with our approval. In the past 10 years there have not been any disasters in North Sydney such as earthquakes or floods or bush fires that would normally affect a budget. So no unexpected sudden emergencies or expenditures that other councils have had to face. All councils should be held to the same standard annual increases of 2.5% or inflation whichever is the highest, unless they have a major disaster, as stated. Salaries should also be pegged to the same annual increases and not have these more than double digit increases instead of, or, on top of their normal annual increases. These should be performance based. Similar to Train drivers, Police, Nurses etc who have to fight for their pay increases, not just hand them out. As an example: If Woolworths, Coles or Aldi increased their prices over 3 years by a compounded 100% plus, there would be multiple, both State and Federal Government inquiries as well as public outrage. Councils are no different as they supply a service to the ratepayers and the general public at large, which the ratepayers cover. In relation to North Sydney Pool. This has been mismanaged from the start. The council staff involved should be either removed or demoted and certainly not given any pay increase. If this was a Government Minister they would lose their portfolio at the very least. Have North Sydney council started any legal procedures against the consultants and engineers who were part of this process? If I cut down a tree the council would fine me or take me to court. Yet the people involved in the Pool renovation are given a pay increase and the consultants and engineers take no responsibility. With no council retribution ?? The council wants ratepayers to fix it instead. This debarkal is of their own making and it is not up to the ratepayers, the majority of whom don't use the pool. to fix up their mess. North Sydney council should be forced to sell assets in order to pay down debt and fix the problems with the pool and their budget. If the council is allowed to obtain this proposed increase to fix this issue then the same problems will be repeated in the future. The same people will be involved and again will not take responsibility for their failure to manage projects successfully. As a rate payer I have lost confidence in North Sydney council to manage our money

404



and carry out their functions to a standard that we expect from other corporations or Government depts. I feel that North Sydney council, if they are unable to manage their role properly and within budget, should be amalgamated with Mosman council as they are part of the same electorate. Then they could cut staffing levels and save costs through their combined strengths on infrastructure projects or their normal community functions, roads, footpaths, parks and rubbish collection etc.

Response reference: A, B, D, F

SRV863

I am writing in opposition to the dramatic rate rise that North Sydney Council has proposed

With may local families and households already managing tight budgets, and local businesses still recovering from COVID, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not fairly burden local ratepayers and business. I wish to confirm that the rates remain, and not progress.

Response reference: C, A, D

SRV864

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

The pool debacle has become too large for it to be the responsibility of rate payers. One option that should be considered is council setting assets. I would not normally suggest selling assets but it seems appropriate considering it was council decisions and mismanagement that has us where we currently are.

Response reference: C, A, D

405



SRV865

As a ratepayer , Wish to further reinforce the point that the council should defer any new expenditure and trim council operating costs before considering any increase greater than CPI

All other organizations in the community have to manage their personal and business expenses in this way

This increase permanently increase the rate base , and especially affects the majority of people who own a flat

Response reference: F, N

SRV866

This consultation process feels like you are just going through the motions. To be clear, I am not happy with any of the options under consideration. This needs further work on options that do not result in such large rate increases. Council proceeding with current limited proposals risk a fracture of trust between the council and the voters. Please slow down and do not rush this decision.

Response reference: L

SRV867

I hope this message finds you well. I am writing to express my concern regarding the proposal to increase North Sydney Council rates by more than double. While I understand the pressures that local governments face in funding essential services and infrastructure, I believe this substantial rate hike is not the right approach, especially given the current economic climate.

One key issue that I would like to highlight is the ongoing mismanagement of the North Sydney Pool, which has resulted in costs far exceeding initial projections. The project has already consumed millions of dollars more than originally envisaged, and this financial misstep raises serious questions about the Council's fiscal responsibility. These unforeseen costs are a burden that should not be passed on to residents in the form of a massive rate increase.

Additionally, I have concerns about the method by which rates are calculated, particularly for apartment owners. With the increasing development of high-rise properties in North Sydney, it seems that a significant portion of the Council's funding gap should be addressed through contributions from developers, rather than placing the entire burden on current residents. As new developments contribute

406



to the growing strain on local infrastructure, utilities, and services, it is only fair that those developments share more in the cost of maintaining and enhancing the community. Existing residents should not be expected to carry the financial weight of future demands on the area's resources.

As many residents are already grappling with the rising cost of living, this proposed rate increase - especially when not clearly explained - feels like an additional hardship. We are all feeling the pressure, and a massive tax hike at this time would only make life more difficult for those already struggling to make ends meet.

For these reasons, I respectfully request that North Sydney Council reconsider this proposed rate increase and explore alternative solutions that more equitably distribute the financial responsibility for the ongoing development and maintenance of the area.

Thank you for your attention to this matter. I look forward to hearing from you and hope that the Council will take these concerns seriously.

Response reference: A, C, M

SRV868

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

It has been pointed out that many local families and households are already managing tight budgets, and local businesses are still recovering from Covid. This rate rise will see many locals having to cut more to make ends meet, but that is not where the matter stops.

I am outraged that the rebuilding of the North Sydney Pool has been so mismanaged that the cost has blown out by almost 100% and I expect as things are, that percentage may increase. There needs to be a full and transparent explanation to ratepayers who are being asked to bear the burden of this outrage. We want to know, into whose pockets the money is going and who is responsible for this maladministration. Blowouts in infrastructure are not uncommon, but 100% in 2 years needs a full and cogent explanation or a government inquiry. Cannot the head contractor be held responsible for some of the cost? Are any of the persons or companies responsible liable legally in damages to assist recoupment?

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses.

Response reference: C, A, B

407



SRV869

Thank you for your response and I note today is the last day for submissions. I presume this correspondence was prompted by my submission of January 7. If so you have failed to address any of the issues raised and so i attach another copy for your consideration and discussion with Council. I do have some residual questions one of which goes to the validity of the survey itself. You will be aware that [REDACTED], KC raised a fundamental question which resulted in the survey being amended to include an option for no rate increase. It is clear to me that all responses prior to that amendment are defective and should be ignored. This is such a fundamental flaw I am surprised you continue to pursue it.

Secondly, I find that being encouraged to provide feedback on what services should be cut back is banal. Council should live within its means, and it is up to them to decide how to do that. Had they wanted to raise the rates for this financial difficulty it should have been an election issue. It is very clear that the Mayor was well informed on what would happen when it became clear that she would be re-elected. This activity is a fraud on the people of North Sydney.

I think those Councilors who were aware of this situation (and it would be a simple exercise to find out) should resign immediately. If it requires another election, so be it!

Response reference: L, F, G

SRV870

I, and I would suspect, many others, do not accept your argument as to why NSC is suddenly changing the list of "must do" infrastructure projects from those rated "very poor" to include those rated "poor."

To suggest you have done ratepayers a favour by not going even further and including a third category, is bordering on arrogance.

What NSC is reporting as necessary is not in line with what it has reported in the past - and could be found to be deceptive in it not making it clear to ratepayers, that you have departed from usual procedure.

Furthermore, legitimate questions can be asked of NSC as to why finances before the Council election were described by the Mayor as "good", and shortly after the election, they are being described as poor. This does not inspire any confidence in the Mayor or NSC.

There is more than a whiff of ratepayer manipulation here.

408



Projects such as the pool, serve a long term purpose, and do not need to be paid off over just a few years.

Furthermore, NSC needs to make use of its many other underperforming assets, and sell them, to offset its current liabilities.

To suggest as being THE ONLY OPTION massive increases in rates, is wrong, and to reinforce your argument with manipulated figures, is deceptive.

There needs to be a massive rethink by NSC, and a new plan presented to ratepayers as to how NSC is going to deal with its financial obligations.

Response reference: G, D, F, B

SRV871

Dear Officer, At our last meeting 19 December 2024 our members expressed concern at the proposed SRV for these reasons: 1. The need for a rate rise was not put to the electorate before the recent Council election; 2. The feedback survey does not provide for opposing a rate rise or supporting a lower rate rise; 3. Members expressed concern at the standard of public domain maintenance and repair in the Crows Nest dining area (inadequate cleaning program for payers and neglected paver repairs causing safety issues); 4. Concern over Council's level of reliance on Consultants; 5. Failure to consider possible alternate funding approaches for larger scale works, including long-term, low-interest government loans and the sale of non-performing non-community assets; 6. Members are dismayed at some aspects of current upgrading of Willoughby Road (a Council Officer described the drab, repetitive "tram shots" and gloomy dark brown, inconsistently sized metal sheets as "very cheap" and "only a trial"); and 7. The apparent cap of \$5 million on the Willoughby Road upgrade which begs the question where of the other approximately \$2.5 million paid upfront by the former NSW government as the statutory public domain levy associated with the Crows Nest Metro might be. The precinct had requested that part of that be spent on the demolition of Kelly's Place and associated re-grassing, estimated at approximately \$1 million in a Council Report, as the lease on Kelly's Place expired after 2 years' notice. To our dismay, the last Council renewed the lease and upgraded the play area. In response to our request the Stage 2 of the Hume Park project be considered for TOD funding, a spokesman for the Department indicated that the existence of Kelly's Place precluded its consideration. We note that Council's financial reports refer to "internal loans". Has the \$2.6 million been applied to another project?

SRV872 "RE: Proposal for a Special Variation to Rates

To whom it may concern,

Queensland Investment Corporation (QIC) understands that the North Sydney Council is currently considering a Special Rate Variation (SRV) that would significantly increase the average council rates

409



charge for all commercial ratepayers by between 74% and 122% in the next four years (2024/25 – 2027/28). QIC strongly opposes this SRV proposal as the owners of 1 Chandos Street, St Leonards, and on behalf of our tenants, who in part are also liable for council rate charges in accordance with their respective leases.

The proposed SRV to significantly increase council rates charges for commercial property owners and their respective tenants cannot be supported for the reasons set out in this submission below.

- The commercial property market has not recovered post the COVID-19 global pandemic, and the North Sydney commercial market remains one of the most challenged markets in particular. Inflated vacancy rates, due partly to a shift in working habits has led to a significantly reduced demand for floorspace, larger incentives, and lower levels of rent.
- The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within the North Sydney Council area. This impacts the competitiveness of the North Sydney commercial real estate market and all Landlords ability to retain tenants and attract new business.
- The extent of these increases and the volatility in the council rates charge will directly impact our tenants broader business decisions such as employment and investment / spending within the North Sydney Council area.
- The proposed SRV will detrimentally impact the future development and repositioning of real estate assets within the North Sydney Council area. The slowing demand for commercial floorspace has reduced achievable market rents making it difficult to feasibly support the cost of development/refurbishment, which has separately escalated significantly in recent years. The refurbishment of existing office assets is essential in supporting a diverse and vibrant local economy by providing workplaces to a variety of tenant groups at varying cost levels. Continuous reinvestment through development and refurbishment of existing office buildings in North Sydney is essential to the ongoing success and competitiveness of the North Sydney office market.
- These above impacts will directly oppose the objectives of the council's Economic Development Strategy to 'revitalise and growth the North Sydney CBD as a high-amenity top-tier office precinct' and 'cultivate a diverse connected and resilient business environment'. Investment from owners into development and refurbishment provides direct and indirect economic benefits to the local economy and businesses. The proposed SRV will slow progress and directly oppose the Councils commitment to revitalise the North Sydney CBD.

We trust the above-mentioned response clearly articulates QIC's position that the proposed SRV to significantly increase council rate charges on commercial property owners and their tenants cannot be supported on any basis. If Council intends to pursue this SRV, QIC would appreciate the opportunity to meet with Council to discuss the impact on our property and tenants."

Response reference: G, L, D, H



SRV873

This consultation process feels like you are just going through the motions. To be clear, I am not happy with any of the options under consideration. This needs further work on options that do not result in such large rate increases. Council proceeding with current limited proposals risk a fracture of trust between the council and the voters. Please slow down and do not rush this decision.

Response reference: L

SRV874

I am a resident and ratepayer of the NSC LGA and I believe that the current SRV proposal contains significant flaws which would make it unlikely to succeed before IPART in its current iteration. This was not able to be fully addressed in the online survey (which I have completed), so I have prepared a separate submission on the proposed SRV, which is attached for your consideration. I hope it is helpful and I would be happy to discuss this with you further if you would like to do so.

I have been a North Sydney residential ratepayer for 30 years and I also have considerable experience in local government.

[REDACTED]

I have read the North Sydney Council CSP, LTFP, AMS, 2024 Financial Statements, and current strategy documents out for consultation, including the information on the SRV.

I have submitted a response on the proposed SRV through survey portal, however I believe the survey does not provide adequate information for councillors to consider in making their decisions on it. I am therefore providing additional information and comments for your consideration.

1.General Financial Sustainability

There is no doubt that NSC, like many councils in NSW, is facing financial sustainability issues. It also has lower rates than other similar councils and requires an increase in the general rate to achieve ongoing financial sustainability.

Consolidating the current main street, environmental and infrastructure levies into the general rate is also a sensible idea, however including it in the consultation for the SRV only serves to make it difficult for ratepayers to ascertain what impact the SRV itself will actually have on the actual amount rates they are required to pay, even if they check their 2024-2025 rate notice.

The financial issues in play here are very complex and are not always clearly explained, which makes it hard for them to be properly considered, even by those familiar with council financial documents such as myself.

411



Given the LTFP projections, the Asset Management review of infrastructure, and the low level of current rates, an SRV application to IPART, which would increase ordinary rates to a level equivalent to similar councils such as Lane Cove, Willoughby and Waverley, is therefore reasonable and is likely to succeed.

2. The North Sydney Olympic Pool debt repayment considerations

The problem with the proposed SRV is that the issue of general financial sustainability, which is common to most councils, has been conflated with the issues relating to the NSOP debt. It is therefore impossible to separate these issues out in the LTFP or the SRV options and make an informed decision on the SRV proposal.

However, repayment of the NSOP debt should be regarded as an entirely separate issue for a number of reasons. Both the LTFP and the SRV options make the untested and unexplained assumption that it is necessary to repay 70% of borrowings for the NSOP in the next 10 years. This conflates the general issues of financial sustainability with the issues relating to the requirement to repay the debt incurred through the egregiously poor decision making on the NSOP (which has been acknowledged by Council).

- This makes it impossible to determine how much of the SRV will be used to pay off the NSOP debt, whether and how much of the SRV, if any, is restricted to use for that purpose, and how much will be used on the separate issue of achieving long term financial sustainability.
- It also means that when the NSOP is finally paid off, the increase in general rates which was used for that purpose will simply go towards increasing the ongoing operating rates income, even when the purpose for which it was levied no longer exists.

The SRV proposal also fails to consider two other issues:

- It neglects the intergenerational equity issues. Presumably the pool will have a lifespan of at least 50 years, so placing an impost on current ratepayers to fund most of it within 10 years is unfair.
- It fails to recognise that the NSOP is considered to be regional infrastructure. As some councillors will recall (although it is not mentioned in any of the consultation documents) in April 2019, NSC was awarded a \$10 million Federal Government grant to upgrade the North Sydney Olympic Pool. The grant gave effect to the election commitment announced by local MP Trent Zimmerman and Treasurer Josh Frydenberg months earlier. However, the Federal Government awarded the grant out of the "Female Facilities and Water Safety Stream" which was aimed at regional areas. Then Mayor Jilly Gibson told the ABC 7.30 Report (26/2/2020) that: "The North Sydney Olympic Pool is definitely a regional facility. We have people from all over the state coming to use our pool. It has a history of being a regional pool, also it's a tourist attraction (my emphasis)."

This was when the cost of the NSOP upgrade was expected to be \$28m rather than the current \$122m, which strengthens the argument that, as a major regional facility and one which is in the State Government designated "view circle" encompassing the Harbour Bridge and Sydney Opera House, current North Sydney ratepayers should not be required to fully foot the bill for its refurbishment.

Overall, the fact that NSC has made very poor decisions should therefore not become a justification for an SRV relating to the NSOP being imposed on current ratepayers.



Submissions on these lines will undoubtedly be made to IPART if the SRV proposal proceeds. This will reduce the likelihood of its success, as it currently looks like an “ambit claim” rather than a fully considered proposal.

3. Separating the SRV into two areas for consideration

A better approach would be to separate out the issue of long term financial sustainability from the debt repayment relating to the pool.

SRV for financial sustainability

This requires an SRV to increase to the general rate over and above the rate peg, the intention of which is to provide NSC with additional general rates income for the future which is required for ongoing financial sustainability. Such income would not be tied to specific projects.

Repayment of the NSOP Debt

There are several ways in which this could be achieved.

- i. As mentioned, there is an assumption that 70% of the debt should be repaid in 10 years, although the reason for this is not explained. Instead, the loans could be extended so that they are more fairly apportioned across beneficiaries (both NSC ratepayers and regional and tourist users) for the lifetime of the pool. This is what other councils that are investing in long term assets (such as sports stadiums, civic centres and libraries) are doing. They do not expect their current ratepayers to fund them in the short term. Rather, they are funded through government grants and long term loans (not 10 years).
- ii. The proposed SRV document assumes that the current major capital infrastructure projects contained in the Asset Management Plan will go ahead. However, it does not give ratepayers the choice to defer or remove some of the projects, such as the proposed \$15m Hume Street car park upgrade, and use those funds to pay down the NSOP debt. In the context of determining whether an SRV is required and how much is needed, the Asset Management Strategy should be reconsidered so that one option is that capital is not expended on projects the community may no longer wish to pay for, but can be expended instead on maintaining assets at acceptable levels. Council has recently completed a review of its Asset Management Strategy, assessing the condition of assets as well as the renewal and maintenance requirements. This review has provided Council with a clearer understanding of the costs involved in maintaining assets at their current levels, as well as the additional funding needed to improve the condition of deteriorating assets, which should assist in such considerations.
- iii. Finally, it may be possible to lodge a separate SRV for a “pool levy” so that the increase in rates collected for that purpose would be restricted to expenditure on that purpose only and that the SRV would expire at the end of the specified period, which is not the case with the current SRV proposal. While not ideal, this is fairer and more transparent than the current SRV proposal and has previously occurred at other councils, where the payment period is finite and relates to a specific purpose.

4. Consultation process

Finally, I believe the consultation process has been poor in a number of aspects, as it fails to enable residents to provide feedback appropriately, and some of the “analysis” will not be meaningful or helpful to Council in making any decisions on the SRV.



i. The consultation has separated the CSP, LTFP, AMS and various strategies from the costs and the need for an SRV. In doing so it has essentially separated the costs of the inputs and processes from the desirability of the outputs and outcomes. Of course, people will want to have benefits and their pet projects funded but if the actual impact on their rates were to be specified in the same documentation, they may well have a different view. However the opportunity to engage in this in a wholistic way has not been provided in connection with the SRV proposal. In the survey, with regard to the “SRV options”, selecting the “base case” which is set out in the consultation documentation (ie selecting NO SRV) is not presented as an option in question 9, which says: “Preferred funding option: (select one): Required so submissions can be categorised for analysis purposes.” It lists only the 4 SRV options. It was impossible to complete and lodge the survey without selecting one of these 4 options as the preferred option. This means the “analysis” will therefore fail to present a fair view of ratepayers’ opinions as they were not given the opportunity to indicate if they oppose the SRV. This is poor consultative practice and disrespectful to ratepayers as they should be able to direct Council to maintain the current rate settings and reduce expenditure by cutting services and projects, as I have suggested above. It also enables the result of the analysis to be presented to Council (and to IPART) as “support” for the SRV, as the survey will show there is apparently no opposition to it.

iii. Question 10 states: “With Options 2a, 2b and 3, for every \$100 of total rates income received over the next ten years, an average of up to \$13.50 would be spent on new projects, services and initiatives outlined in the Informing Strategies. Would you be willing to pay this?” This is a meaningless question as it does not indicate:

- a. How the average sum of \$13.50 per \$100 was calculated.
- b. Which scenario in the LTFP the \$13.50 applies to.
- c. Why the average is the same, no matter which option is selected
- d. How much the rates increase year on year depending on the SRV option.
- e. How much of the notional \$100 would be spent on paying off the NSOP debt each year.
- f. How much of the notional \$100 of “total rates income” relates to the Domestic Waste Management Charge and is therefore not available for any other purposes.
- g. Whether those who said no did so because they thought the amount was too much, or for some other reason. The percentage of yes or no answers provided in any analysis to Council will therefore be of no value as the question does not enable people to make a meaningful judgement as to whether \$13.50 is a reasonable amount.

iv. The survey requests feedback on the AMS and the Delivery Program. However, the detailed Delivery Program is irrelevant until the outcome of any SRV application is known and the LTFP and AMS are revised accordingly. A new Delivery Program will then be required.

Conclusion

In my view the SRV proposal in its current form has a number of serious flaws. It is poorly conceived; conceals the extent to which the NSOP debt is driving the SRV by conflating this with the wider issue of long term financial sustainability; has been poorly consulted; fails to make all relevant information



available to the community (and possibly to councillors); and is disrespectful and inequitable to NSC ratepayers.

Without rectification of these matters I do not believe such an SRV application will succeed before IPART.

I would be happy to discuss any of these matters further with you, should you wish to do so.

Response reference: A, L, N, L

Additional response:

- a. How the \$13.50 per \$100 was calculated: The total 10-year rates revenue divided by the strategy costs for new or upgraded infrastructure, services, and other initiatives outlined in the informing strategies.
- b. It applies to scenarios 2a, 2b and 3.
- c. The average is the same for 2 and 3 as the strategies cost the same under each option. Option 3 includes greater spending on building assets.
- d. The impact to the average rate of each option is provided in the Long Term Financial Plan.
- e. How much of the \$100 is paying off debt: \$6 per \$100, which includes \$47.2 million for interest and principal repayments, and \$24.2 million for the internal borrowings.
- f. Is DWMC included in the \$100?: the Domestic Waste Management Charge is not included.
- g. The engagement responses are provided in the Community Engagement Outcomes Report.

SRV875

As an involved and long term local North Sydney resident, I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed.

With many local families and households already managing tight budgets for consecutive years, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet; forcing many devoted residents in financial, emotional and mental duress.

I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses with this out of proportion rate hike for the average local resident.

Response reference: C

SRV876

As you can see from my address I am a neighbour of Mr [REDACTED]'s.

415



I write to you now to advise you and the Council that I believe Mr [REDACTED] is correct and the Council does need to take some CORRECTIVE action as soon as is possible.

I agree with Mr [REDACTED] that an “open public enquiry into the processes and procedures undertaken by the then mayor and by the councillors” for the purpose of learning how such very inferior decisions can be prevented from being made in the future is warranted and needed.

In addition I recommend the Council approach the Minister for Local Government for the purpose of obtaining State Government financial assistance. I believe this is reasonable as the function of Local Government is a constitutional responsibility of State Government. If a Council makes a very inferior financial decision as a consequence of not having used proper decision making methods then, I believe, the State Government has to accept some responsibility. It is not reasonable to expect the rate payers of the local government area concerned to have to bear 100% of the cost of the incompetence and negligence.

Like Mr [REDACTED] I look forward to hearing from you.

Response reference: I

SRV878

I disagree with the proposed rate rise because so many low income and middle income people are struggling. Can you not raise money for special purposes (like the N Sydney pool that is used by many outside the area) by getting government grants, fees or a special tax from private schools and churches etc that at the moment don't pay a fair share, or even a lottery that folk always buy into (and it's choice).

Response reference: C, I, J

SRV879

I am writing in opposition to the dramatic rate rises that North Sydney Council has proposed. With many local families and households already managing tight budgets, and local businesses still recovering from Covid, this rate rise will see many locals having to cut more to make ends meet. I urge North Sydney Council to reconsider this position and not unfairly burden local ratepayers and businesses

Response reference: C

416



SRV880

RE: Proposal for a Special Variation to Rates

To whom it may concern,

Queensland Investment Corporation (QIC) understands that the North Sydney Council is currently considering a Special Rate Variation (SRV) that would significantly increase the average council rates charge for all commercial ratepayers by between 74% and 122% in the next four years (2024/25 – 2027/28). QIC strongly opposes this SRV proposal as the owners of 1 Chandos Street, St Leonards, and on behalf of our tenants, who in part are also liable for council rate charges in accordance with their respective leases.

The proposed SRV to significantly increase council rates charges for commercial property owners and their respective tenants cannot be supported for the reasons set out in this submission below.

- The commercial property market has not recovered post the COVID-19 global pandemic, and the North Sydney commercial market remains one of the most challenged markets in particular. Inflated vacancy rates, due partly to a shift in working habits has led to a significantly reduced demand for floorspace, larger incentives, and lower levels of rent.
- The proposed SRV will significantly increase the cost for tenants to occupy commercial and retail premises within the North Sydney Council area. This impacts the competitiveness of the North Sydney commercial real estate market and all Landlords ability to retain tenants and attract new business.
- The extent of these increases and the volatility in the council rates charge will directly impact our tenants broader business decisions such as employment and investment / spending within the North Sydney Council area.
- The proposed SRV will detrimentally impact the future development and repositioning of real estate assets within the North Sydney Council area. The slowing demand for commercial floorspace has reduced achievable market rents making it difficult to feasibly support the cost of development/refurbishment, which has separately escalated significantly in recent years. The refurbishment of existing office assets is essential in supporting a diverse and vibrant local economy by providing workplaces to a variety of tenant groups at varying cost levels. Continuous reinvestment through development and refurbishment of existing office buildings in North Sydney is essential to the ongoing success and competitiveness of the North Sydney office market.
- These above impacts will directly oppose the objectives of the council's Economic Development Strategy to 'revitalise and growth the North Sydney CBD as a high-amenity toptier office precinct' and 'cultivate a diverse connected and resilient business environment'. Investment from owners into development and refurbishment provides direct and indirect economic benefits to the local economy and businesses. The proposed SRV will slow progress and directly oppose the Councils commitment to revitalise the North Sydney CBD. We trust the above-mentioned response clearly articulates QIC's position that the proposed SRV to significantly increase council rate charges on commercial property owners and their tenants cannot be supported on any basis. If Council intends to pursue this SRV, QIC



would appreciate the opportunity to meet with Council to discuss the impact on our property and tenants.

Response reference: K

SRV881

Re: Proposed Special Rate Variation

Thank you for the opportunity to provide comments on Council's proposed rate increases. I support Council's efforts to ensure financial sustainability and plan for the future, and acknowledge that an increase in rates is likely to play a role in addressing the financial challenges faced by Council.

However, I do have some concerns which are outlined below.

1. Magnitude of the proposed rate increases seems excessive

The proposed rate increases of 65% to 111% over 3 years (with annual escalations expected to continue after the 3 years at the rate peg, or higher in the case of another future SRV) seem excessive and risk causing financial distress to households. The suddenness of the proposal (see point 2) exacerbates this impact. Any rate adjustment should be phased in more gradually to be sustainable for households and avoid "bill shock". Any rate adjustments should also be accompanied by complementary measures, such as asset sales and low-interest Treasury loans.

2. Suddenness of the proposal reflects poor planning and a lack of transparency

The community first became aware of the proposed rate rises at the 25 November 2024 Council meeting. Justifications for the rate rises – such as cost overruns for the North Sydney Olympic Pool and subsequent internal and external borrowings, costs of renewing ageing infrastructure, and loss of revenue from sources such as parking fees – are not new or sudden issues – these issues have been known, or could have reasonably been forecast, for some time. However, up to 25 November 2024, there had been no mention of the need for any rate rise above the rate peg. Additionally, Council is required under the Local Government (General) Regulation 2001, clause 203, to produce quarterly budget review statements, and if the financial position is assessed to be unsatisfactory, to provide "recommendations for remedial action" (203(2)(b)).

1 Yet, prior to 25 November 2024, none of the quarterly reports tabled at any Council meeting had mentioned that any "remedial action" in the form of a rate rise above the rate peg, could or would be required. Similarly, Council officers have also provided an update on the pool project at Council meetings on a regular basis, however prior to 25 November 2024, none of the updates had flagged that an increase in rates above the rate peg would or might be needed. This raises a concern as to why the proposed rate rises, were first raised only at the 25 November 2024 Council meeting, and not flagged earlier. Withholding of such information means that Councillors have not been given complete information on which to make decisions and the community have not been provided with full transparency. In addition, the omission of any mention of the need for rate rises above the rate peg, in

418



Council's previous quarterly budget review statements, suggests a potential breach of the Local Government Act 203(2)(b).

3. Asset sales must be part of a balanced solution

Asset sales must be considered by Council as part of a fair and balanced financial strategy. It is inequitable for the financial burden of addressing Council's challenges to fall solely on current Ratepayers. Council claims its assets hold "strategic value," which seems to have prevented any meaningful exploration of asset sales. While it is generally preferable to retain Council-owned assets, we are not in ordinary circumstances. The massive rate increases proposed for households already struggling with rising living costs are equally undesirable. A fair and equitable solution requires both Council and residents to share responsibility in addressing these challenges.

To ensure transparency and foster community trust, Council should publish a list of all Council-owned assets. This would enable residents to provide informed feedback on which assets might be considered for sale as part of a financial recovery plan.

While the long-term financial plan mentions that Council may "consider" asset sales, this approach is inadequate. Council must take meaningful action by identifying specific assets that could be sold and present these proposals for community input.

4. Low-cost government loans should be considered

In my opinion, Council's position that additional borrowing would be inequitable for future generations is flawed. Long-term community assets such as the pool, will be enjoyed by future generations, making it reasonable to spread costs over time. It is inequitable to place the burden entirely on the current generation.

At a time when households are grappling with high interest rates and rising living costs, they should not be treated as a source of interest-free funding to address Council's financial challenges. Instead, Council should pursue low-interest Treasury loans as a more equitable and sustainable solution.

5. Lack of transparency in infrastructure reporting, including an undisclosed methodology change with a \$100 million impact

a) Undisclosed change in asset renewal cost methodology with \$100m impact

A review of Council's Report on Infrastructure Assets for the year ending 30 June 2024 was undertaken by Dr David Bond, a highly credentialed and qualified expert in accounting and financial reporting. Dr Bond shared his findings via an online video. https://www.youtube.com/watch?v=sFTdUSM_GJo. The video reveals that up to \$100 million of Council's financial issues stem from a revised definition adopted to calculate the "estimated cost to bring assets to a satisfactory position" for FY24, which is an input into the Infrastructure Backlog Ratio (an indicator used to justify the rate increases). The analysis reveals that, in FY24, Council calculated the "estimated cost to bring assets to a satisfactory position" as the estimated cost of fully renewing Category 4 and Category 5 assets. In prior years, Council calculated this as the cost of fully renewing only Category 5 assets. Adopting the revised definition increases the cost by approximately \$100 million relative to the figure that would have resulted using the previous calculation method (used in all years up to FY 2023). Using the previous calculation method, the cost would be \$45.68 million, not \$146 million.



Notably, this change is not disclosed in Council's FY24 Report on Infrastructure Assets (contained in its financial statements for the year ending 30 June 2024) or its Long-Term Financial Plan. While the FY24 Report includes the term "Restated" in the column headings for the 2023 and 2022 figures, it provides no explanation of what has been restated or why. The change becomes evident only when comparing the figures and footnotes in the FY23 Report on Infrastructure Assets (contained in Council's financial statements for the year ending 30 June 2023) with the corresponding section in the FY24 Report. I acknowledge that there may be legitimate reasons for changing the methodology. However, it is concerning that that Council has not disclosed this significant change when discussing the issue of infrastructure backlogs or when presenting the Infrastructure Backlog Ratio that are used to justify the substantial rate increases.

In any financial reporting, a change in methodology that results in such significant impacts – in this case \$100 million, should be clearly disclosed and explained.

Failing to disclose the change in methodology while using its outputs to justify rate increases undermines the principles of good governance and raises ethical concerns. It also denies ratepayers of the opportunity to understand the true drivers behind the cost increase, eroding transparency and trust.

b) Significant unexplained increase Category 4 & 5 assets (FY 23 - FY 24)

It is observed that in Council's FY23 Report on Infrastructure Assets, only 3.2% of assets in the Buildings asset class (as a % of gross replacement cost) were categorised as Category 4 and 5. However in FY 24, this proportion increases more than six times, to 20%. This is a significant increase, and directly contributes to the value of the Infrastructure Backlog Ratio that is being used to justify the rate rises.

There could be legitimate reasons for this increase, but Council has not disclosed the details.

I encourage Council to share with the public the reasons for this significant increase, and information about the process by which the categorisation was undertaken and estimates derived, and the process by which these figures were audited. This will enable the community to have greater confidence in Council's calculations.

6. Comparative analysis excludes LGAs with CBDs

Council has compared North Sydney's rates against a selection of other LGAs, showing that North Sydney has one of the lowest average residential rates.

The comparison excludes Parramatta and the City of Sydney. However, these are LGA's against which North Sydney is most comparable, as these LGA's contain CBDs with more businesses (that pay relatively higher rates than residential rate-payers).

According to the NSW Government's, Your Council website (<https://www.yourcouncil.nsw.gov.au/>), Parramatta and the City of Sydney have approximately the same or lower minimum residential rates compared to North Sydney LGA. The Your Council website shows that for FY22/23 – The Average Residential Ordinary Rate for Parramatta (\$1013.62) was very close to (only 3% higher than) North Sydney (\$982.11); and

- The Average Residential Ordinary Rate for City of Sydney (\$741.37) was 32% lower than North Sydney (\$982.11).



Including such comparisons would provide a more complete picture.

7. Alternative revenue sources should be part of the strategy

Council should explore additional revenue-streams to reduce reliance on rate increases.

Examples might include:

- Charging for the use of public spaces during major events like New Year's Eve, to raise revenue and also offset cleaning and security costs.
- New or increased fees for large private and commercial events on public parks and foreshore areas.
- Advocating for increased funding from the State Government or Federal Government for the pool, seeking support from Federal MP Zali Stegall, or State MPs Tim James or Felicity Wilson, noting that the pool is an asset that is used not just by North Sydney residents.

8. Information deficiencies make it challenging for residents to fully understand the impacts

a) Potential for inaccurate comparisons due to lack of clarity around DWMC and SWMC

Residents currently pay a Domestic Waste Management Charge (DWMC) and a Stormwater Management Charge (SWMC). For 2024/25, the DWMC includes a fee of \$471 for a 60L/80L bin plus a "Service Availability Charge" of \$67, while the SWMC is \$25 (which can be less for a unit). The DWMC covers domestic waste and recycling services, as well as fortnightly green waste and household bulky waste clean-ups. The SWMC contributes towards the cost of managing and maintaining stormwater pipes.

The DWMC is the sole funding source for domestic waste management. The DWMC is paid in addition to ordinary rates and appears as a separate line item in the annual rates notice issued by Council. However, the DWMC is not itemised in the quarterly rates notice, which reports only a single total amount due for the quarter (inclusive of all charges). This means that the average ratepayer, who is unlikely to scrutinize their annual notice closely, may not fully be aware of or understand the breakdown of charges. As a result, most ratepayers are likely to perceive their total payment to Council (inclusive of the DWMC and SWMC) to be their Council "Residential Rates."

Council's Fact Sheet and Long-Term Financial Plan are both silent about the DWMC (as well as the SWMC). The Long-Term Financial Plan (page 19) states:

"In addition to ordinary rates, Council levies two special levies for environmental and infrastructure purposes."

While mentioning "two special levies for environmental and infrastructure purposes", the documents make no mention of the DWMC (or the SWMC). In the absence of any mention of the DWMC (or SWMC), it is likely that residents will assume that the figures listed in the tables in Council's Fact Sheet on pages 5 and 6, that are supposed to represent forecast annual residential rates under each SRV scenario (presented under the heading "Residential Rates") are inclusive of the cost of domestic waste management services.

3

Further complicating matters, Council is also proposing to consolidate current "levies" into rates,

421



stating in the Long-Term Financial Plan (page 21):

“As part of the structural change proposal for rating, it is proposed that all levies be removed, with the total permissible income currently raised through levies rolled into ordinary rates.”

All of the above may lead (and has led) residents to incorrectly assume that:

- i) “Residential Rates” as referred to by Council in its SRV documents are inclusive of the costs of all charges paid to Council, including for domestic waste management;
- ii) The forecast annual Minimum Residential Rates and Average Residential Rates⁴ over 2025/26 to 2028/28, as shown in Council’s SRV Fact Sheet on pages 5 and 6, represent the total amounts, inclusive of all charges, that residents can expect to pay each year under each different SRV option; and
- iii) These forecast dollar figures are directly comparable with the aggregate amounts residents are currently paying per year to Council, and that an assessment of the impact on an individual ratepayer of each SRV option can be based on such a comparison.

For example, a resident currently paying the minimum residential rate of \$715, with a total annual amount due of \$1,300 (inclusive of all charges), may mistakenly believe that under Option 1, their total annual payment in 2027-28 will be \$1,665—an increase of only \$365, when in reality their annual payment will be an amount closer to \$2,300, or an increase of \$1,000 (and likely greater, given that DWMC and SWMC charges are likely to be escalated over time).

Lack of clarity is likely to lead to inaccurate impact assessments

With reference to the tables that follow,

- Column 1 shows the 2027/28 forecast Average Residential Rate and the Minimum Residential Rate, as provided by Council, and taken directly from Council’s SRV Factsheet.
- The figures in Column 2 (in yellow) are calculated as the figures in Column 1 plus the DWMC and SWMC, representing the total annual cost for a rate payer (refer to assumptions set out below the tables).
- Column 3 shows the difference as a percentage.

It can be seen that when including the DWMC and SWMC, the total cost is greater than the cost in Council’s table – by an amount that is not insignificant. Lack of clarity in Council’s SRV documents around the treatment of DWMC and SWMC creates the risk that residents will underestimate the impact of Council’s SRV proposals, if they are making a comparison against their current total annual bill. Availability Charge has been escalated by 6.3% per year (as per the actual % increases between FY23/24 and

FY24/25). SWMC has been held constant at \$25 per year. The sum of these 3 components have then been added

to the figures in Column 2. 5

Even Councillors appear to have misinterpreted Council’s proposal as being inclusive of the costs of domestic waste collection, with a Councillor stating at the Council meeting 25 November 2024, “All residents have to consider the implications of not addressing this problem and getting us



back on track financially, as proposed here, on a once off basis, right now. What will they think if the rubbish is no longer collected as efficiently....".6

Notably, there was no correction of this statement by Council staff or any other individual at this meeting – reinforcing the message that the increased residential rates as forecast by Council and presented in its tables, are inclusive of domestic waste management costs. This also creates the perception that waste management services would be at risk if an SRV does not proceed, which is misleading.

If a Councillor has been led to believe the rate rises are inclusive of domestic waste management charges, it is reasonable to conclude that residents are also likely to be similarly misled.

b) Impact of minimum residential rate increase may be misunderstood

Council's Fact-Sheet states (page 5, sentence above the table "Minimum Rates"):

"After 2024-25, minimum rates will increase by the approved rate path, which may either be one of the proposed SRV options or the rate peg".

The reference to 2024-25 appears to be incorrect, is confusing and potentially misleads. It suggests that under the rate path proposed under Option 1, the Minimum Rate will increase by 50% in 2025/26, followed by 5% in 2026/27 and 5% in 2027/28. However, this is not correct.

A closer examination reveals that the minimum residential rate is set to increase by 82% in 2025/26 (from \$714 to \$1,300), not the 50% implied by the rate path.

c) Ad-valorem rates are not forecast

No forecasts of the ad-valorem rate under each scenario have been provided - only the impact on the "average residential rate". This makes it difficult for residents who are not on the minimum rate to clearly understand the likely impact that they will bear. Publication of a forecast ad-valorem rate together with assumptions, that could be multiplied against a land-value, would give residents who are not on the minimum rate, a better understanding of the potential impacts that they are being asked to bear.

9. Community consultation should have been timed to occur before Christmas/NY

Announcing the proposed rate rise on 25 November 2024 and running a community consultation process during the Christmas/New Year holiday period, limits community participation. Many residents would have been busy at work in the period leading up to Christmas, and many residents would also have gone on holiday during this period including in the first few weeks of January. Given that the IPART deadline for SRV applications is in February each year (i.e. it is a known deadline), Council could have planned to initiate the process earlier in 2024, to allow community consultation to occur and be completed well in advance of the end of year holiday period.

Conclusion

I understand why Council is proposing a rate rise above the rate peg, but my view is that the rate rises proposed are too large and sudden, and need to be phased-in more gradually. Household budgets are under financial pressure, and a rate increase of the magnitude and suddenness proposed is likely to



cause financial distress to both owners and renters. A prudent approach must also incorporate Council-owned asset sales and external borrowings (low-cost government loans) to smooth out the rate rises

and fairly distribute the costs of long-term community assets, that will be enjoyed by future generations, over the longer term. A financial repair strategy must also implement alternative revenue streams, including for example, increasing or introducing charges for public use of our parks/foreshores on special event days, commercial uses and large gatherings. The financial burden should not be imposed solely on rate-payers.

The failure to disclose a change in methodology (relative to previous years) for calculating the infrastructure backlog cost for FY24 – especially when this change has a \$100m negative impact on financial outcomes and is used by Council to justify the significant rate increases – raises serious questions around governance and ethics. While Council may have had good reasons for the change, failure to transparently disclose and provide reasons for the change, diminishes trust in Council's justifications for its proposal.

More transparency needs to be provided on Council's calculations that are used to justify the rate increases, as well as clearer and a more accurate explanation on the impacts in a way that reduces the risk of misinterpretation by ratepayers.

Thank you for considering my submission. I trust Council will take these concerns into account in determining a fair and balanced way forward.

Response reference: L, G, D, H, A, B, C, N

Additional response: The Domestic Waste Management Charge and the Stormwater Management Charge are not covered under this application.

SRV882

I am writing to complain about the flawed process for the SRV variation held by North Sydney Council. The initial survey was flawed as there was no option for residents to vote for NO RATE INCREASE. This guaranteed a positive response for the council's desired rate increase as every respondent commented on a rate increase. I chose to not respond to this survey for that reason. I did send in a complaint to that effect but have only received one reply from councilors, from Councilor Keen. I then learnt that the survey had been altered by adding an option for NO RATE INCREASE. However, this is also problematic and renders the survey to be even more flawed! What happens to the voters who replied early when they had less options- maybe they would have voted differently if the survey was correct initially? What about residents such as myself who objected to the flawed survey but did not know there was an altered survey released half way through the survey period? This survey should be completely scrapped as it is flawed and the results are not a true representation of the residents' views.

Response reference: L

424



SRV883

As your on-line “survey” portal for submissions on the SRV contains the trick that one must make a selection approving a rate increase, I am making this submission by e-mail. That is, I don’t approve of a rate increase to cover the Council’s incompetence, and I will not fall for the trick. Please see attached submission. As seems always to be the case with local government, it forgets that its fundamental remit is the 3 Rs – roads, rubbish and ratcatching. Whenever local government strays from this remit, the end result inevitably is gross financial mismanagement. North Sydney Council (NSC) provides the latest and unfortunately a most pointed example of this result. The North Sydney Olympic Pool fiasco demonstrates again the incompetence of those trusted with conduct of local government affairs in the NSC area. Mayor Baker pretends that she and her fellow councillors can hive off responsibility by blaming others – she says “poor decisions” were made by previous councils and attempts to excuse herself from current and ongoing responsibility by saying she voted against decisions made by previous councils. So who is held responsible for these “poor decisions”? Is it nobody? Who amongst the employed NSC officers advised the “previous” councils on the Olympic Pool so-called upgrade? Who has lost their job as a result of their incompetence that caused this fiasco? It appears that no councillors or employed NSC officers face any repercussions over the fiasco. Who carries the can? Of course it’s the mug ratepayers, including those who never use the Olympic Pool such as me. The proposed Special Rate Variation seeks to have the ratepayers cover for the incompetence and failures of councillors and employed NSC officers. It is untenable and unconscionable. An alternative is for NSC to return to its remit and concentrate on the 3 Rs. Abandon all the extraneous nonsense that NSC wastes ratepayers’ money on. A quick review of the NSC Financial Statements 2022-23 shows these examples of wasted amounts:

- (Unidentified) Consultancy: \$1.11 m
- Public events: \$774 k
- (Unidentified) Other contractor costs: \$2.4 m
- Councillor and mayoral fees and associated expenses: \$454 k
- Staff travel expenses: \$222 k
- (Unidentified) Other service costs: \$698 k
- Donations, contributions and assistance to other organisations: \$1.1 m
- Employee (unidentified) gratuities: \$2.38 m

That’s \$10 million that could be saved in one year. o The \$10 million includes employee “gratuities”. Gratuity means a favour or kindness, as distinct from a legal obligation or requirement. Why is NSC making \$2.38 million in unrequired payments in one year to employees at a time when it insists its financial position is unsustainable and it wants to slug ratepayers with huge rate increases to deal with that unsustainability? Are employees who are responsible for the Olympic Pool fiasco included in those who received these gratuities?

o The \$10 million is before one even looks closely at the \$46 million for other “payments to employees” to investigate how many positions in NSC are unrelated to the 3 Rs remit and could be made redundant.



o The \$10 million includes the payment of \$1.11 million to an unidentified consultancy. NSC spends \$46 million plus on employee payments. What consultancy is able to provide services that can't be provided by those employed by NSC? Did the consultancy include advice to NSC on the Olympic Pool fiasco?

o The \$10 million includes \$1.1 million of ratepayers' money handed over to "other organisations". On what possible basis (not to mention mandate) can NSC justify squandering ratepayers' money by giving it to unidentified others at any time, let alone at a time when it says it needs to slug ratepayers even more to cover its financial incompetence?

o The \$10 million includes the loss of the mayor's and councillors' "fees and associated expenses" of \$454,000 and will no doubt be hard for them to bear. But, I'm sure, on reflection they will want to make that small contribution to rectifying NSC's parlous financial position. The \$10 million can be a recurring saving for every future financial year. Another remarkable aspect of the 2022-23 Financial Statements is that NSC has \$56 million in investment properties. NSC is not an investment house. Its investment property portfolio can be reduced by the amount necessary to cover its incompetence in the Olympic Pool fiasco, as an alternative to slugging ratepayers. Notably your on-line portal "survey" includes the trick that one must select a "preferred funding option" no doubt so that NSC can attempt to fool its constituency that ratepayers did express a preference for some level of rate increase. Well, I'm not falling for that trick. None of the options is "preferred". None of the options is acceptable. What is acceptable is that rates are not increased and NSC manages its finances better, as helpfully suggested above. Some financial competence is called for (I know it's a novel proposition for NSC), not a business (spending) as usual approach without the slightest effort to rein in expenditure. Do wake up. NSC, like all councils, seeks to cover its incompetence by having the ratepayers carry the can. If you stick to collecting rubbish, fixing potholes, and suppressing the rat population, you can't go wrong. I have no illusions that this submission and your "community consultation" will make even the slightest difference to NSC's attempt to gain a SRV. The proper alternative is that an incompetent council should be dismissed and put into administration, an alternative I will pursue with the Minister. An administrator can more objectively deal with NSC's waste, unwillingness or inability to rein in its costs, and its failure to confine itself to its core responsibilities.

Response reference: A, B, L, F

SRV885

Re: Submission Form - Special Rate Variation. Mr [REDACTED] wrote to you on 18 December advising the feedback form on North Sydney Council's website for ratepayers to comment on the IPART Special Rate Variation application was flawed and requested the survey be altered to accommodate all views of ratepayers. [REDACTED], Acting Team Leader for Communications and Engagement responded on 23 December advising the issue had been rectified by altering the form so that Q9 was no longer mandatory. This alteration did not remedy the flawed form for several reasons. Firstly, there continues to be no provision on the form for ratepayers to oppose the rate rise or support a lower rate rise.

426



Secondly, although Q9 is no longer mandatory, Q9 carries the wording "Required so submissions can be categorised for analysis purposes". This wording also appears under Q10 which is mandatory and hence it is reasonable for those completing the survey to assume answers to both questions are required. Thirdly, mandatory questions are indicated by a very small asterick * which only the very observant will notice. Ms Surman also advised that to express an objection to the proposed rate rise or advocate for no increase, responders could include this feedback in Q6 which asks for feedback on the Long-Term Financial Plan (LTFFP) and Special Rate Variation (SRV). This does not remedy the form as the form does not invite responders to record their opposition to the rate rise or support a lower rate rise. The effect of the flawed form is to produce a skewed, biased and hence false result. This is contrary to IPART's requirements for community consultation.

Response reference: L

SRV886

As a resident and rate payer in North Sydney LGA I am totally appalled by the proposition that North Sydney Council double our rates to cover the sins and omissions of its past employees around mistakes that were made during the planning and construction of the new swimming pool. It's a quick, dirty, easy fix devised by Council when there are other measures that could be taken to cope with the Council's budgetary shortfall. In fact, it smacks of fiscal naivety. I can not foresee North Sydney ratepayers willing to cop such a hike in their rates. Yes, I must admit that a small increase would be tolerable. So I'm offering the following suggestions:

- A small increase in North Sydney rates would be acceptable.
- The culpable councillors, planning and financial officers involved in the North Sydney swimming pool budget blowout debacle should suffer the consequences of their actions. Are they still employed by North Sydney Council?
- Some serious strategic thinking needs to take place. A restructure of the North Sydney Council needs to take place. Cost cutting measures need to be implemented. Some merging of departments may need to take place. Some trimming of the fat needs to happen with redundancies offered and general reduction in some staff levels across the board. There would be dead wood to be taken into account too.
- Also when the new pool facility reopens I would suggest that non residents of the North Sydney LGA be charged more for pool and gym entry. Increased ticket charges for this cohort will help to offset the budget shortfall.

Response reference: A, B, F, E



SRV887

I understand that I have missed the cut-off for the online response to the councils Special Variation to rates forum. I attended the North Sydney Council chambers to ask questions regarding the message received from Zoe Baker but unfortunately the staff could not provide any further information and suggested I send an email instead. I have concerns regarding the massive 111% increase to the rates. I am a pensioner and my pension will definitely not increase by the same amount. At best most pensioners could only hope for a CPI increase and with the current cost of living we are all actually going backwards. This massive increase to me seems aimed at forcing pensioners & lower income people out of the North Sydney council area and gearing it towards the super rich. The rate chart in the ""message"" and video indicated that the majority of residents pay only pay around a \$1000.00 in rates with the top end only being slightly higher and still under \$1500.00. This does not match the \$2028.91 rates I currently pay for a small semi detached building. My rates are the same as the low end of Hunters Hill graph. To me it looks like the North Sydney graph is not reflecting what people are actually paying, which is very concerning to me given it's what is forming the basis of the proposed rate increase. What is this chart actually depicting? I watched the video presentation and it seemed to me that all the areas money was to be spent on was in North Sydney. Nothing for any other suburb. Cremorne & Neutral Bay seem to both be going backwards with the state of the pavements and general dilapidated look. Lovely federation buildings are being destroyed by either allowing totally unsympathetic modifications being done to them (ugly shipping container looking second floor additions) or knocked down for multi story flats. More blocks of units are going up, meaning more people, small businesses being forced to close because of high-rises replacing their shops (the Coles plans to replace Woolworths in Neutral Bay a case in point), & yet nothing is being done to ease the traffic congestion on Military or McPherson/Gerard Street. McPherson Street is so busy these days it is almost impossible to turn right out of any side street on the Cremorne side. Public transport is in fact reducing. My local bus (243) no longer goes to the city outside peak hours making it pointless to use. I now have to walk 15 minutes to catch a city bus dragging luggage around when I need to go to the airport or catch an intercity train. When you do get a bus on Military road they are often standing room only. The North Sydney swimming pool seems to be a never ending money pit. Has any percentage evaluation ever been done between the number of North Sydney council residents & those that actually use the pool? Is it worth maintaining when the cost is so prohibitive? When the swimming pool is finally completed will the rates drop accordingly? It has been stated that the rate increases are also to counter the mismanagement of funds by previous councils. Is there any guarantee that the current or future council will manage the finances any better? Has anything been put in place to mitigate this given it is the residents that are paying the price for it?

Response reference: C, A, F



SRV888

Response to Special Rate Variation SUMMARY

1. Community Consultation at a time when Council is closed for over a week, with maximum public and school holidays does not demonstrate reasonable opportunity for public feedback. 2. Discrepancies in financials. 3. Offering the best of three bad options is not an open consultation. 4. Recommend Council shift focus to reduce debt and/ maximise existing assets, for public benefit that will also increase Council revenue streams to finance proposed expenditure to eliminate financial burden to ratepayers.

1. COMMUNITY CONSULTATION To say that Council has given opportunity for feedback during the Christmas New Year appears a deliberate strategic intent to minimise feedback during a time when people are distracted with end of year activities, public and school holidays. It is also a time when Council members are away and Council offices closed, so nobody is available to answer questions by the community regarding the proposed SRV. Maintaining viable and effective local governance is critical for every member of the community. State politicians have delegated political independence which mostly are not appropriated for the benefit of those who pay their wages & they purport to serve. Australian politicians have increasingly prioritised policy and governance in line with commitments to global organisations, who are not elected by the Australian people, nor are the global organisations and businesses that fund them operating in the best interests of the Australian people (or the peoples of any other nations). Whatever the number of additional dwellings is under Council jurisdiction, the income in the financials does not reflect the additional rates Council will receive from the new dwellings (at existing rates).

2. DISCREPANCY IN FINANCIALS

P24 from years 2025 to 2033 allows for 300 new dwellings PA yet, the approvals for new dwellings is much greater than that:

- Wollstonecraft Minutes of 14 Aug 2024 propose 3,244 additional homes
- NSW Govt shows 5,900 new dwellings for Crows Nest
- NSW Govt shows 2,400 new dwellings for St Leonards
- NSC site says 1300 new homes in North Sydney since 2004 & 6,680 more approved by 2036.

P23 Allows for inflation in wage costs for external labour, but not government workers along with CPI

P25 - Integrated transport- What is this? Transport is a State responsibility? Buses are now managed by private enterprise too.

P25 Five years for increased expense in open space and recreation initiatives -these projects are not urgent and can be delayed or found alternative ways of implementation. Principle loan repayments and interest does not reflect assumption on p23 that debt will be reduced by 70% over 10 year period

P25 Social inclusion initiatives, environmental strategies (such as bush trails) and economic development strategies as outlined for 2025 -2030 many of these are not of priority, so could be done at a later time when funding is available and money does not have to be borrowed (which further adds to project costs. Money "saved" for projects could be invested in 100% capital guaranteed like Term Deposits & earn income until target reached)

429



p56 Library - expansion - alternatives locations such as a repurposed building for this do not appear to be considered. Would be less expensive than new build.

P 56 Environmental strategies - Council is to be commended for use of rainwater in some Council facilities such as those in front of Stanton Library and at the Coal Loader. Stormwater harvesting and water catchment & recycling, where appropriate, is a priority as it would reduce costs & usage.

If artificial lakes/fountains created, they would assist cool local area and retain local supply.

3. SRV OPTIONS

The option for rate payers not to have another increase was not included, nor was the opportunity for suggestions that may assist Council reach goals made available.

4. MAXIMISE ASSETS

If Council were to prioritise current income towards producing additional income streams, that also benefit the Community they could become financially independent and have funds for other projects. 1.

Example Car Parks:

As uptake of public transport has increased. Council owned car parks offer an opportunity to

- a. Earn Income or/and
- b. Increase environmental footprint or/and
- c. Collect water for on site for consumption or/and
- d. Provide affordable tourist/temporary accommodation or/and

Council could offer an affordable alternative to air BNB style accommodation with minimal outlay to modify existing Council owned car parks roofs that could be converted into short-term motor home sites by;

Adding a bathroom block.

Adding the capacity to collect water on site for use by the bathroom block

Add solar panels to collect energy for site users

Restrictions could be placed upon users as to the maximum amount of time they can stay. 2. Example

Grow Tree Canopy Crops

Grow trees on public land that will provide an income in long term (either for using as replacement poles for utility services, fuel for heat or energy or desirable timber for housing, flooring, furniture or boat manufacture. In the short term they would add benefit of producing more shade, increasing oxygenation, removing air pollutants & lower seasonal temperatures. Companion undergrowth to canopy to add to identified required local supplies as well as providing habitat for wildlife & pollinators & strengthening underground water table.

3. Example: Unused Railway Lines Council buy mobile railway carriages and have students of building trades convert them into short term and long term accommodation for additional income. 4. Example Edible Gardens & Coal Loader Model Replicate Council currently manages and employs staff to look after green space. With the existing numbers together with increased number of affordable housing proposed in the area, greater amounts of public land could be utilised/dedicated towards edible gardens for volunteers to manage & be rewarded for their efforts with the food they grow. Students of agriculture could also be integrated as part of their practical training. Include onsite water collection,



composting & seed library. Old European villages & towns were constructed to be self sufficient for all inhabitants, there is a lot to learn from them in considering planning locally. Ditch all digital signage, maps etc - heavy resource consumers, energy dependent and problematic waste & upgrade issues. Replace with wood or metal signage & maps etc as used previously- as these last longer & can be recycled. Reinstate coin parking metres & jobs that go with them.

Response reference: M, R

SRV889

Submission on projected Rates Increase by North Sydney Council

- This submission is made on behalf of the Waverton Precinct. We note that dates for submissions closed in mid January, but we request this submission be noted as our December meeting was before this issue emerged and our next meeting is in early February.
- We note that in terms of timing this issue seems to have been deliberately raised to coincide with the summer holiday period and Christmas – New Year holiday season. This will have reduced the volume of replies received, as people are busy on other issues at these times. It is also being raised against the backdrop of a general environment when much of the general public apparently believe we are in a cost-of-living crisis. We consider that, knowing these factors, the Council must consider it has a serious financial problem to be raising these suggested rate increases at this time. So, we are treating this rate increase as a genuine need.
- It is understood Council's financial reserves were run down almost a decade ago when the threat of Council amalgamation was under consideration at the State level, to ensure funds raised in North Sydney were not used in other local government areas. In Waverton, we are some of the lucky beneficiaries with the award winning Coal Loader Park being one of those projects that was actioned as a result of this approach.
- Nonetheless, we had also understood as recently as a year ago that the Council was in a strong enough financial position to absorb a significant overrun on the cost of the North Sydney Olympic pool rebuild. The significant overrun in costs for North Sydney pool (at roughly 3 times the original contract price) is now being put forward as the catalyst for a proposed large rate increase and an ongoing higher level of rates. This level of additional costs on this one project must result from a mix of a deliberate underbid by the building company to get the contract; poor internal project management by NSC; and unexpected complications in the work needing to be done. This project has been out of the ground for some time now and so there should be relatively little variation due to unforeseen or unexpected complications, yet the cost keeps accelerating significantly.

431



- The Council's most recent financial report in June 2024 suggested Council was still in a strong financial position. Six months later we supposedly are in a dire financial situation requiring excessive rate increases over 3 yrs.
- We note the Council workforce has already been restructured and the forward capital works program has already been recast – so these are not available cost cutting measures.
- If the Council is going to increase rates, we suggest they do so and leave them at the higher rate and continue to provide the range of services expected by the community and ensure these remain at the high level required by the community. It is important the Council services remain first class.
- Having said that, what is being suggested also appears as a relatively lazy assessment to resolve a supposed funding shortfall. There does not seem to have been much consideration as to how funds might be raised other than by an increase in rates. We note that there are already approved developments which will see a major increase in floor space in the North Sydney commercial centre - and also in nominated residential areas, particularly in the Crows Nest/ St Leonards area (5,900 new homes over the next 10yrs) which already means there will be a major increase in the Council's future rate base.
- High Commercial rates in the past have underwritten modest residential rates across North Sydney as a general and deliberate principle; but it is noted that S7.11 of EP&A Act could be better utilised to raise funds from new development for new infrastructure required because of this high level of collective new development.
- In addition, no consideration appears to have been made of Council's existing assets and how they could be used to better financial advantage. An obvious example is Council Chambers/Stanton library/Ridge St car park which is low density opposite metro station. Perhaps a joint venture is required for redevelopment with Council retaining lower floors for administration/library with residential/commercial above. This site has high value with potential for wonderful views.
- Finally, North Sydney has many schools, most situated in the CBD. They do not pay rates but utilise North Sydney facilities, such as open space. We support the Council's attempts to apply charges or at least seek some form of contributions from these organisations.

Response reference: R, G, J, F



SRV890

I read the Special Rate Variation document and the Long-Term Financial Plan. I found the information about the Council's current financial situation and the options well set out and of interest. The LTPF was well set out and informative. I had intended to provide feedback but wanted to read the Long-Term Financial Plan on the website first. Unfortunately I missed the deadline for feedback. I support Option 3 since I feel it is essential that building infrastructure be returned to good condition alongside the financial repair. My only caveat is that, although my wife and I are, fortunately, in a position to absorb the rate increase in Option 3, other ratepayers may find this a major impost in an environment of the rising cost of living. I therefore urge that any expanded services be targeted according to need in order to support young families and those on fixed incomes (such as old-aged pensioners)

Response reference: C, S

SRV891

I am a constituent of the North Sydney Local Government Area. I write to advise I oppose the rate increase to be imposed by North Sydney Council arising through the blow out in the cost of rebuilding North Sydney Swimming Pool. I further object to the Council resolving to open consultation with the constituents and interested parties between Christmas and the 10th of January 2025 when many are on holidays. The Consultation period should be extended and well publicised. Councils, Governments, and their civil servants' obligations are to their constituents not to themselves their political parties nor themselves or third parties. Politics is not the issue here rather it is the obligation of all the government operatives including those at the top (meaning the Minister who heads the Department i.e. you) to take responsibility on who they appoint as supervisors of and in the government service and then in this case in the design, the placing of contracts and the supervision of the contractors and the work to ensure all components are met and any money they contribute is spent wisely and carefully. The Federal Government contributed I believe \$10M in 2019 and the NSW Government after many blow outs had occurred \$5M. Both governments I would expect would (and continue) have monitored and continue checking where the money has been spent wisely and where necessary intervening to ensure we the taxpayer's money is being efficiently and carefully used. It seems on the part of the state and federal contributors here an independent financial audit should be jointly commissioned re the cash expended and an independent construction consultant (not one from a big 5 consultant they having in recent times purchased construction management consultancies' to give capacity to make more fees) who understands design, construct, quantity surveying and the quality of the work. In short to be sure the correct prices and hours have been claimed for supply Generally, alderpersons have little control over the local government officers. In this case they have been either misled or the officers were dealing with a task beyond their abilities or experience. The Solutions proposed by Council comprise 4 options all of which require we the rate payers to meet the cost of the government and council servant's failures to

433



implement the job assigned to them using good construction practise and checks. It is they who should provide the cost savings meaning a freeze on wage increases say for all those earning more than \$100K per year for 5 years and those the reports commissioned demonstrate have made bad decisions being dismissed. They must take responsibility for their failures and incompetence and understand they are responsible for ensuring the public's money is spent properly. Incompetence has been tolerated for far to long! In the meantime, as your party currently has power Federally and in NSW those governments should provide North Sydney Council with a further large donation to the project (the pool being of national significance) and loan the rest to the Council at the prevailing bond rate. It is time all the above players took responsibility! Laws need to be passed to ensure we the taxpayers get value for money that are enforceable against the decision makers including government officers. It should be remembered Jean Jacques Rousseau predicted that when States have 2 controlling parties they give up on the constituents and look after themselves. In short, our democracy in its current form in NSW does not work to achieve its objectives. Please advise what checks and audits your Department instituted and continues to apply in the North Sydney Pool fiasco to ensure competence for the build and design and the use of the money contributed by all the financiers? Please advise what you are doing to ensure our money has and will be properly expended by NSW and North Sydney Council in this project in detail? Please advise the solutions in detail your Department proposes to resolve this conundrum? Please do not defer to IPART or the Coucil you are the Minister and You and your Department should take responsibility. "The buck stops with you". I look forward to your response within the timeframe your own written service objects specifies.

Response reference: A, F